

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2012031950301**

**TO: Department of Enforcement  
Financial Industry Regulatory Authority ("FINRA")**

**RE: Kevin Nevin, Respondent  
Investment Advisor Representative  
2460059**

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Kevin Nevin submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

**I.**

**ACCEPTANCE AND CONSENT**

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:**

**Background**

Nevin entered the securities industry in 1994 and is currently a general-securities representative of Capital Guardian, LLC, a FINRA broker-dealer. Nevin joined Capital Guardian in February 2011, when he terminated his association with VSR Financial Services, where he had been registered since March 2006.

**Overview**

Nevin participated in 11 private securities transactions totaling \$690,000 over the course of two years without first disclosing the fact or extent of his participation to the broker-dealer with which he was then associated. Through this conduct, Nevin violated NASD Conduct Rules 3040 and 2110.

**Facts And Violative Conduct**

During part of the time he was registered with VSR, Nevin joined the branch office of PL, another VSR registered representative. PL was involved with at least

three private-placement offerings involving entities that planned to invest in real estate and/or appurtenant property rights in the state of Colorado: Breakwater Capital Group, LLC; Yokam Land Holdings, LLC; and South Platte Land & Water, LLC. According to Nevin, PL assured him that he had informed VSR of PL's involvement in the Colorado water rights and real estate activity, that these private-placement offerings were conducted entirely under the operations of PL's real-estate agency, and that Nevin could recommend investments in these offerings to his customers and earn commissions on any ensuing investments if he obtained a real-estate license.

Nevin obtained a Florida real-estate license in 2007. During 2007 and 2008, 11 of Nevin's customers at VSR invested a total of \$690,000 in the three private placements. These transactions were made directly with the issuer; VSR had no involvement. Nevin recommended or otherwise facilitated all 11 of these transactions. For his role in the transactions, Nevin received a total of approximately \$37,000 in commissions.

Nevin did not give VSR prior written notice of his customers' intended investments in the three private placements. As a result, VSR never approved Nevin's participation in those transactions, did not record any of the transactions on its books and records, and did not supervise Nevin's activity with respect to the transactions.

Through this conduct, Nevin violated NASD Conduct Rules 3040 and 2110.

**B. I also consent to the imposition of the following sanctions:**

- 1. A suspension of six months from associating with any FINRA broker-dealer in all capacities;**
- 2. A fine in the amount of \$37,000, which constitutes disgorgement of all commissions.**

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

## **II.**

### **WAIVER OF PROCEDURAL RIGHTS**

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive any right to claim bias or prejudice of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

I further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

### III.

#### OTHER MATTERS

I understand that:

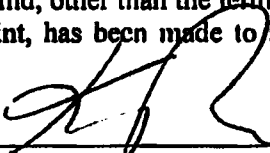
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
  - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;

2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my disciplinary record;
3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
4. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me [the Firm] to submit it.

4-25-14  
Date

  
\_\_\_\_\_  
Kevin Nevin

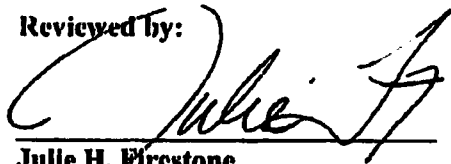
By: Kevin Nevin

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Kevin Nevin

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Reviewed by:



**Julie H. Firestone**

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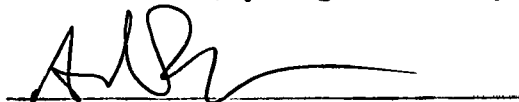
**Attorney for Respondent**

**Accepted by FINRA:**

5/23/2014

**Date**

**Signed on behalf of the  
Director of ODA, by delegated authority**



**Adam B. Walker**

**Principal Regional Counsel**

**FINRA Department of Enforcement**

**120 West 12<sup>th</sup> Street, Suite 800**

**Kansas City, MO 64105**

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