

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013039456301**

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

RE: Jeffrey Paul Davis, Respondent
General Securities Representative, General Securities Principal, and
Investment Company Products and Variable Contracts Representative
CRD No. 2501354

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Jeffrey Paul Davis, 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

Davis first became registered with FINRA as an Investment Company Products and Variable Contracts Representative in 1994. In 1996, he also became registered as a General Securities Representative and a General Securities Principal. From July 2001 through November 2013, Davis was registered in those three capacities through Harvest Capital LLC. He is currently registered in those capacities through another FINRA member firm.

RELEVANT DISCIPLINARY HISTORY

Davis has no formal disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state securities regulator.

OVERVIEW

Between February 2007 and May 2012, Davis recommended and effected

unsuitable transactions in the accounts of three customers by over-concentrating their assets in illiquid non-traded real estate investment trusts (“REITs”). Through this misconduct, Davis violated NASD Conduct Rules 2310 and 2110 and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

NASD Conduct Rule 2310 provides that when recommending the purchase or sale of any security to a customer, a registered representative “shall have reasonable grounds for believing that the recommendation is suitable for such customer upon the basis of the facts, if any, disclosed by such customer as to his other security holdings and as to his financial situation and needs.”

FINRA Rule 2010 requires that registered representatives observe high standards of commercial honor and just and equitable principles of trade.

Between February 2007 and May 2012, while associated with Harvest Capital LLC, Davis recommended REITs to three customers. The investments totaled \$566,000, and represented between approximately 30% and 52% of the customers’ liquid net worth. These excessive concentrations in illiquid investments were unsuitable in light of the customers’ financial situations, risk tolerances and investment objectives. Based on the foregoing, Davis violated NASD Conduct Rules 2310 and 2110 and FINRA Rule 2010.¹

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

- a suspension from association with any FINRA member in all capacities for one month; and
- a \$5,000 fine.

I agree to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. I have submitted an Election of Payment form showing the method by which I propose to pay the fine imposed.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA’s By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

¹ FINRA Rule 2010 superseded NASD Conduct Rule 2110 effective December 15, 2008.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

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 Chief Legal Officer, 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;

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 accordance with FINRA Rule 8313;
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; and

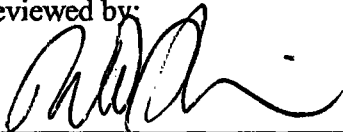
D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute 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 to submit it.

03/10/2017
Date (mm/dd/yyyy)

J.P.D.
Jeffrey Paul Davis, Respondent

Reviewed by:



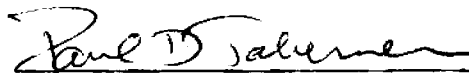
Richard Slavin, Esq.
Counsel for Respondent
Cohen and Wolf, P.C.
320 Post Road West
Westport, CT 06880
203-341-5310

Accepted by FINRA:

Date

4/5/2017

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



Paul D. Taberner
Senior Regional Counsel
FINRA Department of Enforcement
99 High Street, Suite 900
Boston, MA 02110
617-532-3425 (telephone)
202-721-8322 (facsimile)

This Corrective Action Statement is submitted by the Respondent. It does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

I shall continue to abide by the written supervisory procedures of my current sponsoring Broker Dealer. I shall continue to recommend products that are in the best interest of my clients.

Sincerely,

 3/16/17

Jeffrey Paul Davis