

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2017052711301**

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

RE: Dwarka Persaud ("David Persaud"), Respondent  
CRD No. 1396880

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Dwarka Persaud (also known as "David Persaud") ("Persaud" or "Respondent"), 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**

Persaud first entered the securities industry in 1985. Persaud worked with numerous FINRA member firms prior to joining Buckman, Buckman & Reid, Inc. (CRD No. 23407) (the "Firm") in May 2015 as a General Securities Representative and a General Securities Principal. Persaud was registered in those capacities until his termination from the Firm on June 2, 2017, on which day the Firm filed a Uniform Termination Notice for Securities Industry Registration, which indicated that Persaud's termination from the Firm was voluntary.

Persaud is not presently associated with a FINRA member firm, but remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of the FINRA By-Laws.

## **RELEVANT DISCIPLINARY HISTORY**

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

## **OVERVIEW**

While registered with the Firm, Persaud violated the terms of a heightened supervision agreement imposed on him by the New Jersey Bureau of Securities, in violation of FINRA Rule 2010.

In addition, Persaud provided false and misleading information to FINRA on a personal activity questionnaire, in violation of FINRA Rule 2010.

## **FACTS AND VIOLATIVE CONDUCT**

### **Violation of the heightened supervision agreement**

On June 25, 2015, the New Jersey Bureau of Securities advised the Firm that it was reviewing Persaud's application for registration through the Firm, and that it would only consider Persaud's continued registration if he and the Firm entered into a heightened supervision agreement imposed by the Bureau of Securities. Persaud and a representative of the Firm signed the heightened supervision agreement on June 29, 2015. The agreement provided, among other things, that: Persaud shall be resident in the same office as his designated supervisor; Persaud shall not exercise any discretionary authority in a New Jersey customer account; and Persaud shall not share commissions with any individual. As a result of Persaud's and the Firm's acceptance of the heightened supervision agreement, the New Jersey Bureau of Securities approved Persaud's application for registration on June 29, 2015.

Persaud violated the above-mentioned terms of the heightened supervision agreement while registered with the Firm. Specifically: Persaud primarily worked independently from his home office, and not from the same office as his designated supervisor; Persaud exercised discretionary authority in one or more New Jersey customer accounts; and Persaud shared commissions with another registered representative of the Firm.

By virtue of the foregoing, Persaud violated FINRA Rule 2010.

Providing false and misleading information to FINRA

In connection with a routine examination of the Firm, FINRA asked Persaud to complete a personal activity questionnaire ("PAQ"). Persaud signed the PAQ on October 10, 2016, and it was subsequently provided by the Firm to FINRA. Among other things, Persaud indicated on the PAQ that: he did not use LinkedIn or other social media or networking websites for business purposes; he did not conduct securities business through a non-Firm issued device; he did not conduct business out of any location other than the branch office to which he was assigned; he did not participate in any investment-related seminars, forums, or meetings; and he did not service customers accounts on a discretionary basis, including but not limited to the use of time and price discretion.

Persaud provided false and misleading information to FINRA on the PAQ. Specifically, in truth: Persaud used LinkedIn for business purposes; Persaud conducted securities business through a personal laptop and phones; Persaud conducted business from his home office; Persaud participated in at least two investment-related meetings with the public; and Persaud serviced at least one customer's accounts on a discretionary basis.

By virtue of the foregoing, Persaud violated FINRA Rule 2010.

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

- A suspension from association with any FINRA member in any and all capacities for a period of 18 months.<sup>1</sup>

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).

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

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<sup>1</sup> On February 21, 2017, Persaud filed a Chapter 7 bankruptcy petition pursuant to Title 11, United States Code. Accordingly, no monetary sanction is being assessed in this matter.

## **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 prejudgment 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.

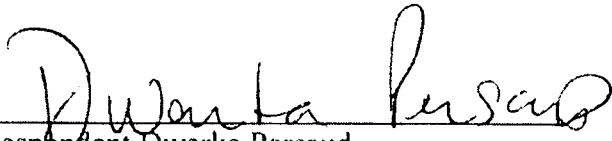
#### OTHER MATTERS

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; 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 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.
- 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.

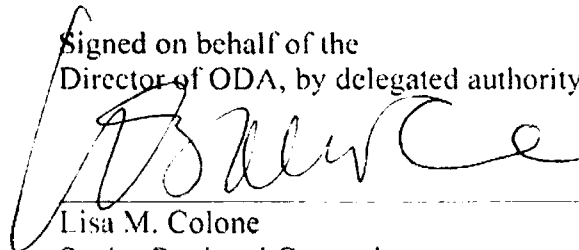
I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I understand and acknowledge that FINRA does not represent or advise me and I cannot rely on FINRA or FINRA staff members for legal advice; that I have agreed 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.

Aug 1<sup>st</sup> 2017  
Date (mm/dd/yyyy)

  
Respondent Dwarka Persaud

Accepted by FINRA:

8/10/17  
Date

Signed on behalf of the  
Director of ODA, by delegated authority  
  
Lisa M. Colone  
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