

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

John D. Sullivan  
CRD No. 2926996,

Respondent.

Disciplinary Proceeding  
No. 2020066257302

**COMPLAINT**

The Department of Enforcement alleges:

**SUMMARY**

1. On nine occasions, Respondent John D. Sullivan failed to provide documents and information FINRA requested pursuant to FINRA Rule 8210. As a result, Sullivan violated FINRA Rules 8210 and 2010.

**RESPONDENT AND JURISDICTION**

2. Sullivan first registered with FINRA through a member firm in February 1998 and has since been associated with several FINRA member firms. In October 2018, Sullivan became registered as a General Securities Representative (GS) and Investment Company and Variable Contracts Products Representative (IR) through his association with Brokers International Financial Services, LLC (CRD No. 139627).

3. On July 23, 2020, Brokers International filed a Uniform Termination Notice for Securities Industry Registration (Form U5) disclosing that the firm “[d]ischarged” Sullivan for “[f]ailure to follow firm procedure regarding personal loan solicitation from a client.”

4. On July 31, 2020, Sullivan became registered with FINRA as a GS and IR through his association with International Assets Advisory, LLC (CRD No. 10645).

5. Sullivan remained associated with International Assets Advisory until November 2, 2022, at which time the firm filed a Form U5 disclosing that Sullivan voluntarily terminated his association with the firm.

6. Although Sullivan is no longer registered or associated with a FINRA member, he remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because (1) the Complaint was filed within two years after November 2, 2022, which was the effective date of termination of Sullivan's registration with FINRA, and (2) the Complaint charges Sullivan with misconduct committed while he was registered or associated with a FINRA member and with failing to respond to FINRA requests for information during the two-year period after the date on which he ceased to be registered or associated with a FINRA member.

## **FACTS**

7. In 2020, after receiving a regulatory tip, FINRA commenced an investigation into allegations that Sullivan engaged in a check kiting scheme by writing checks without sufficient funds across multiple personal accounts and a business account. As part of its investigation, in 2021, FINRA asked Sullivan for his personal and business tax returns for 2019 and 2020. In response, he produced incomplete personal returns and did not produce any business returns.

8. In July 2022, Counsel A informed FINRA staff that Sullivan had retained Counsel A in connection with FINRA's investigation.

### *Sullivan Failed to Provide Tax Records FINRA Requested Pursuant to FINRA Rule 8210*

9. On September 1, 2022, FINRA staff issued a request to Sullivan, pursuant to

FINRA Rule 8210 and for the purpose of its investigation, requesting that Sullivan produce (a) complete copies of his tax returns, including all applicable Forms, Schedules, and Worksheets, for 2019, 2020, and 2021; and (b) his business entity tax records for 2019, 2020, and 2021 (the First Tax Request). The First Tax Request set a due date of September 14, 2022. FINRA staff sent the First Tax Request to Counsel A by email, and Counsel A responded to the email.

10. Sullivan failed to respond to the First Tax Request by the September 14, 2022 response date, nor did he request an extension of time to respond.

11. On September 19, 2022, FINRA staff issued a second request to Sullivan, pursuant to FINRA Rule 8210 and for the purpose of its investigation, for the documents previously requested in the First Tax Request (the Second Tax Request). The Second Tax Request set a due date of September 26, 2022. FINRA staff emailed the Second Tax Request to Counsel A, and Counsel A responded to the email.

12. Sullivan failed to respond to the Second Tax Request by the September 26, 2022 response date, nor did he request an extension of time to respond.

13. On October 26, 2022, Counsel A informed FINRA staff by email that they had terminated their relationship with Sullivan.

14. On October 26, 2022, pursuant to FINRA Rule 8210 and for the purpose of its investigation, FINRA staff issued a third request for the documents previously requested in the First and Second Tax Requests (the Third Tax Request). The Third Tax Request set a due date of November 7, 2022.

15. FINRA staff sent the Third Tax Request to Sullivan by first-class mail and certified mail, return receipt requested, to Sullivan's last known residential address of record in the Central Registration Depository (the CRD Address) as well as to Sullivan's email address,

which Sullivan had previously used to correspond with FINRA staff (the Email Address).

16. The copy of the Third Tax Request sent to Sullivan by first-class mail was not returned to FINRA.

17. FINRA staff received confirmation that the copy of the Third Tax Request sent to Sullivan by certified mail was delivered to the CRD Address on October 29, 2022.

18. On November 7, 2022, which was the response date for the Third Tax Request, Sullivan contacted FINRA staff by email, stating: “tax documents have been sent to you.” Later that day, FINRA staff replied to Sullivan to inform him that FINRA had not received any documents, and to inquire how he purportedly sent the tax documents. On November 8, 2022, Sullivan replied by email, stating he sent documents to FINRA staff “electronically” without any further detail. On November 10, 2022, FINRA staff emailed Sullivan to inform him that FINRA did not receive any documents, and inquired again how he purportedly sent the tax documents. In that same message, FINRA staff requested that Sullivan send the documents through FINRA’s secure file transfer system. Sullivan never replied to this email, and he never produced any documents in response to the Third Tax Request.

19. On December 8, 2022, Counsel B informed FINRA staff by email that Sullivan had retained Counsel B in connection with FINRA’s investigation.

20. On January 5, 2023, FINRA staff issued a fourth request to Sullivan, pursuant to FINRA Rule 8210 and for the purpose of its investigation, for the documents previously requested in the First, Second, and Third Tax Requests (the Fourth Tax Request). The Fourth Tax Request set a due date of January 17, 2023. FINRA staff sent this request to Counsel B by email, and Counsel B responded to the email.

21. Also on January 5, 2023, FINRA staff issued a request to Sullivan, pursuant to

FINRA Rule 8210, requiring Sullivan to appear for testimony on January 24, 2023. FINRA staff sent this request by email to Counsel B, and Counsel B responded to the email.

22. Sullivan failed to respond to the Fourth Tax Request by the January 17, 2023 response date, nor did he request an extension of time to respond.

23. On January 20, 2023, FINRA staff conferred with Counsel B by phone. Counsel B stated that Sullivan would not be able to appear for testimony on January 24, 2023 due to an asserted personal medical condition. Counsel B further indicated that he was not able to identify any future date by which Sullivan would be able to appear for testimony, given his asserted personal medical condition. Counsel B did not provide any information about Sullivan's medical condition.

*Sullivan Failed to Provide Medical Records FINRA Requested Pursuant to FINRA Rule 8210*

24. On January 24, 2023, FINRA staff issued a request to Sullivan, pursuant to FINRA Rule 8210 and for the purpose of its investigation, requesting documents and information regarding his asserted personal medical condition that he claimed rendered him unable to appear for testimony (the First Medical Request). The First Medical Request set a due date of February 7, 2023.

25. FINRA staff sent the First Medical Request to Counsel B by email.

26. Sullivan failed to provide any documents or information responsive to the First Medical Request by the February 7, 2023 response date, nor did he request an extension of time to respond.

27. On February 7, 2023, FINRA staff emailed Counsel B asking them to confirm in writing immediately that they continued to represent Sullivan. Counsel B did not respond to the email from FINRA staff.

28. On February 14, 2023, FINRA staff issued a second request to Sullivan, pursuant to FINRA Rule 8210 and for the purpose of its investigation, for the documents and information previously requested in the First Medical Request (the Second Medical Request). The Second Medical Request set a due date of February 21, 2023.

29. FINRA staff sent the Second Medical Request to Counsel B by email. In that email, FINRA staff again requested that Counsel B immediately confirm in writing that they continued to represent Sullivan. FINRA staff also asked Counsel B to provide their availability for a call that week. Counsel B did not respond to the email from FINRA staff.

30. On February 15, 2023, FINRA staff again emailed Counsel B, requesting that they confirm in writing, no later than February 20, 2023, that they continued to represent Sullivan. FINRA staff further stated that if Counsel B did not reply to FINRA staff by February 20, 2023, FINRA staff would send all future communications directly to Sullivan. Counsel B never responded to the email from FINRA staff.

31. Sullivan failed to provide any documents or information responsive to the Second Medical Request by the February 21, 2023 response date, nor did he request an extension of time to respond.

32. On February 23, 2023, FINRA staff issued a third request, pursuant to FINRA Rule 8210 and for the purpose of its investigation, for the documents and information previously requested in the First and Second Medical Requests (the Third Medical Request). The Third Medical Request set a due date of March 9, 2023.

33. FINRA staff sent the Third Medical Request to Sullivan by first-class mail and certified mail, return receipt requested, to Sullivan's CRD Address. FINRA staff also sent a copy of the request to Sullivan's Email Address.

34. The copy of the Third Medical Request sent to Sullivan by first-class mail was not returned to FINRA.

35. Sullivan failed to provide any documents or information in response to the Third Medical Request by the March 9, 2023 response date, nor did he request an extension of time to respond.

36. During a telephone call with FINRA on March 10, 2023, Sullivan asserted that he could not respond to the Third Medical Request due to his purported medical condition, but Sullivan refused to provide any information about that condition. In addition, Sullivan asserted that he was still represented by Counsel B, but that he could not remember the last time he communicated with Counsel B.

37. On March 13, 2023, FINRA staff emailed Counsel B requesting that they confirm in writing by March 17, 2023 whether they represented Sullivan in this matter. FINRA staff further informed Counsel B that if they did not reply by March 17, 2023, FINRA staff would presume that Counsel B no longer represented Sullivan.

38. Counsel B never replied to FINRA staff's March 13, 2023 email.

39. On March 20, 2023, FINRA staff issued a fourth request to Sullivan, pursuant to FINRA Rule 8210 and for the purpose of its investigation, for the documents and information previously requested in the First, Second, and Third Medical Requests (the Fourth Medical Request). The Fourth Medical Request set a due date to reply on or before April 3, 2023.

40. FINRA staff sent the Fourth Medical Request to Sullivan by first-class mail and certified mail, return receipt requested, to Sullivan's CRD Address and to a second address that Sullivan provided the staff (the Second Address). FINRA staff also sent a copy of the request to Sullivan's Email Address.

41. On March 24, 2023, the copy of the Fourth Medical Request sent to the Second Address by certified mail was delivered. On March 27, 2023, the copy of the Fourth Medical Request sent to the CRD Address by certified mail was delivered. Copies of the Fourth Medical Request sent to Sullivan by first-class mail were not returned to FINRA.

42. Sullivan failed to provide any documents or information responsive to the Fourth Medical Request by the April 3, 2023 response date, nor did he request an extension of time to respond.

43. On April 4, 2023, Sullivan emailed FINRA staff stating, "I am represented by counsel."

44. That same day, Sullivan sent a second email to FINRA staff with a document that purported to be a screenshot of a redacted letter, dated March 17, 2023, which stated: "To Whom It May Concern, John Sullivan was admitted to [redacted] on March 13, 2023 for inpatient care. No discharge date has been determined for Mr. Sullivan at this time. Sincerely, [illegible signature]." The letter was not printed on letterhead and did not otherwise identify any institution, hospital, or other medical facility. Nor did the letter identify the name of the author. The signature that appeared on the letter was illegible.

45. In an April 12, 2023 email, FINRA staff informed Sullivan that FINRA staff was not aware of any counsel that currently represented him in this matter. FINRA staff further informed Sullivan that he should direct any counsel representing him to contact FINRA staff by email no later than April 18, 2023. FINRA staff also informed Sullivan that staff would proceed to communicate directly with him if staff received no such email from counsel by that date.

46. By April 18, 2023, no counsel emailed FINRA staff to confirm representation of Sullivan in this matter.



47. On April 21, 2023, because Sullivan’s March 17, 2023 letter was not responsive to FINRA’s First, Second, Third, or Fourth Medical Requests, FINRA staff issued a fifth request to Sullivan, pursuant to FINRA Rule 8210 and for the purpose of its investigation, for the documents and information previously requested in the medical requests (the Fifth Medical Request). The Fifth Medical Request also asked Sullivan to identify the author of the March 17, 2023 letter, the facility where Sullivan was purportedly admitted, and any discharge date. The Fifth Medical Request set a due date of May 5, 2023.

48. FINRA staff sent the Fifth Medical Request to Sullivan by first-class mail and certified mail, return receipt requested, to the CRD Address and the Second Address. FINRA staff also sent a copy of the request to Sullivan’s Email Address.

49. Copies of the Fifth Medical Request sent to Sullivan by first-class mail were not returned to FINRA.

50. Sullivan failed to provide any documents or information responsive to the Fifth Medical Request by the May 5, 2023 response date, nor did he request an extension of time to respond.

51. On May 5, 2023, the due date for the Fifth Medical Request, Sullivan emailed FINRA staff stating: “[a]s previously requested, [p]lease send correspondence and requests to my attorney, [Counsel B]. Also, as previously communicated with you, I continue [to] suffer from severe medical conditions. I am hopeful that I will be able to recover quickly and continue to respond to your inquiries.”

52. On May 8, 2023, FINRA staff replied to Sullivan by email and again informed him that he should direct any counsel representing him to contact FINRA staff by email no later

than May 15, 2023. FINRA staff also informed Sullivan that staff would proceed to communicate directly with him if staff received no such email from counsel by that date.

53. By May 15, 2023, and to date, no counsel emailed FINRA staff to confirm representation of Sullivan in this matter.

**CAUSE OF ACTION**  
Failure to Provide Documents and Information  
(Violation of FINRA Rules 8210 and 2010)

54. The Department of Enforcement realleges and incorporates by reference paragraphs 1 to 53 above.

55. FINRA Rule 8210(a)(1) states, in relevant part, that FINRA has the right to require a “person associated with a member, or any other person subject to FINRA’s jurisdiction to provide information orally, in writing, or electronically . . . and to testify at a location specified by FINRA staff . . . with respect to any matter involved in [any FINRA] investigation . . . .” FINRA Rule 8210(a)(2) further provides that FINRA staff shall have the right to “inspect and copy the books, records, and accounts of such member or person with respect to any matter involved in [any FINRA] investigation . . . .” FINRA Rule 8210(c) provides that “[n]o member or person shall fail to provide information or testimony or to permit an inspection and copying of books, records, or accounts pursuant to this Rule.”

56. FINRA Rule 2010 requires persons associated with a FINRA member, in the conduct of their business, to “observe high standards of commercial honor and just and equitable principles of trade.”

57. Conduct that violates FINRA Rule 8210 also violates FINRA Rule 2010.

58. Sullivan violated FINRA Rules 8210 and 2010 by:

- a. failing to provide documents in response to the First, Second, Third, and Fourth Tax Requests; and

- b. failing to provide documents and information in response to the First, Second, Third, Fourth, and Fifth Medical Requests.

59. Sullivan's failure to provide documents responsive to the First, Second, Third, and Fourth Tax Requests significantly impeded FINRA's investigation and deprived it of material information regarding his alleged check kiting scheme.

60. Sullivan's failure to provide documents and information responsive to the First, Second, Third, Fourth, and Fifth Medical Requests significantly impeded FINRA's investigation and deprived it of material information regarding his asserted personal medical condition, which he claimed prevented him from appearing for testimony in this matter. Sullivan's testimony was material to FINRA's investigation of his alleged check kiting scheme.

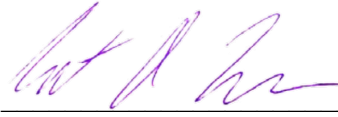
#### **RELIEF REQUESTED**

WHEREFORE, the Department of Enforcement respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Sullivan committed the violations charged and alleged herein;
- B. order that one or more of the sanctions provided under FINRA Rule 8310(a), including monetary sanctions, be imposed; and
- C. order that Sullivan bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

**FINRA DEPARTMENT OF ENFORCEMENT**

Date: October 2, 2023



---

Robert Lawner, Principal Counsel  
FINRA Department of Enforcement  
200 Liberty Street - Brookfield Place  
New York, NY 10281  
Phone: 646-315-8535  
E-mail: robert.lawner@finra.org

Meghan Ferguson, Director  
FINRA Department of Enforcement  
9509 Key West Avenue  
Gira Building  
Rockville, MD 20850  
Phone: 301-258-8605  
E-mail: meghan.ferguson@finra.org

Matthew Minerva, Chief Counsel  
FINRA Department of Enforcement  
Two Jericho Plaza, Suite 307  
Jericho, NY 11753  
Phone: 516-827-6116  
E-mail: matthew.minerva@finra.org