

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT  
NO. 2020065050501**

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

RE: Lewis N. Lester, Respondent  
Former General Securities Representative and General Securities Principal  
CRD No. 1773617

Pursuant to FINRA Rule 9216, Respondent Lewis N. Lester submits 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 Respondent alleging violations based on the same factual findings described in this AWC.

**I.**

**ACCEPTANCE AND CONSENT**

- A. Respondent hereby accepts and consents, 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**

Lester first became registered with FINRA in 1987. Lester was registered as a General Securities Representative and General Securities Principal through an association with Olden Lane Securities, LLC (CRD No. 173847) from August 2017 to November 2018.

Lester is not currently registered or associated with a FINRA member firm. However, Lester remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.

Respondent does not have any relevant disciplinary history.

**OVERVIEW**

In December 2017 and June 2018, while registered through Olden Lane, Respondent participated in two private securities transactions without providing prior written notice to his firm, in violation of FINRA Rules 3280 and 2010.

**FACTS AND VIOLATIVE CONDUCT**

FINRA Rule 3280 requires that prior to participating in a private securities transaction, a

person associated with a member firm shall provide written notice to his or her firm “describing in detail the proposed transaction and the person’s proposed role therein[.]” FINRA Rule 3280 defines a private securities transaction as “any securities transaction outside the regular course or scope of an associated person’s employment with a member[.]” A violation of FINRA Rule 3280 is also a violation of FINRA Rule 2010, which requires FINRA members and associated persons to “observe high standards of commercial honor and just and equitable principles of trade.”

Upon joining Olden Lane in August 2017, Lester disclosed to the firm his role as CEO of an LLC (the LLC) that provided consulting services to credit unions. Lester also had an ownership interest in the LLC, which he disclosed to the firm. Prior to Lester’s association with Olden Lane, the LLC had sold ownership units, which were securities sold pursuant to Regulation D of the Securities Act of 1933, to passive investors. The passive investors in the LLC were federally chartered credit unions.

In December 2017 and June 2018, Lester, while registered through Olden Lane, participated in two private securities transactions by facilitating additional sales of ownership units in the LLC. Specifically, in late 2017, one of the existing investors in the LLC contacted Lester regarding a potential additional investment. On December 1, 2017, Lester, in his role as CEO of the LLC, signed an addendum to the investor’s original subscription agreement, pursuant to which the investor made an additional \$500,000 investment and received additional ownership units in the LLC. In June 2018, the same investor again contacted Lester to discuss a further investment in the LLC. On June 29, 2018, Lester, on behalf of the LLC, signed another addendum to the investor’s original subscription agreement, pursuant to which the investor made an additional \$1,000,000 investment and received additional ownership units in the LLC. The additional ownership interests purchased by the investor in December 2017 and June 2018 were securities. Lester did not receive any commissions or other payments for his role in these transactions.

Lester’s participation in these two transactions, while he was associated with Olden Lane, was outside the regular course and scope of his employment with the firm. Lester did not provide prior written notice to Olden Lane of these transactions or of his role in them.

Therefore, Lester violated FINRA Rules 3280 and 2010.

B. Respondent also consents to the imposition of the following sanctions:

- a one-year suspension from associating with any FINRA member in any capacity; and
- a \$5,000 fine.

The fine shall be due and payable either immediately upon reassociation with a member firm or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

Respondent specifically and voluntarily waives any right to claim an inability to pay, now or at any time after the execution of this AWC, the monetary sanction imposed in this matter.

Respondent understands that if he is barred or suspended from associating with any FINRA member, he becomes 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, he 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 sanctions imposed in this AWC shall be effective on a date set by FINRA.

## **II.**

### **WAIVER OF PROCEDURAL RIGHTS**

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a complaint issued specifying the allegations against him;
- 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, Respondent specifically and voluntarily waives 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 its acceptance or rejection.

Respondent further specifically and voluntarily waives 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**

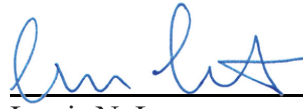
Respondent understands that:

- 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 Respondent; and
- C. If accepted:
  - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator against Respondent;
  - 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 its subject matter in accordance with FINRA Rule 8313; and
  - 4. Respondent 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. Respondent 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 Respondent's testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Respondent may attach a corrective action statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that he 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.

Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; Respondent has agreed to the AWC's provisions voluntarily; and no offer, threat, inducement, or promise of any kind, other than the

terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce him to submit this AWC.

10/21/20  
Date



Lewis N. Lester  
Respondent

Reviewed by:



S. Lawrence Polk  
Counsel for Respondent  
Eversheds Sutherland LLP  
999 Peachtree St. NE #2300  
Atlanta, GA 30309

Accepted by FINRA:

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

October 26, 2020  
Date



David Camuzo  
Senior Counsel  
FINRA  
Department of Enforcement  
581 Main St., Suite 710  
Woodbridge, NJ 07095