

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2022075393201**

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

RE: Thomas Nguyen (Respondent)
Former General Securities Representative
CRD No. 3092480

Pursuant to FINRA Rule 9216, Respondent Thomas Nguyen 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 accepts and consents to the following findings by FINRA without admitting or denying them:

BACKGROUND

Nguyen first registered with a FINRA member as a General Securities Representative in 1998. From September 2015 until September 2022, Nguyen was registered with FINRA as a General Securities Representative and a General Securities Principal, among other capacities, through an association with CICC US Securities, Inc. (BD No. 143221) (CICC US). During this time, Nguyen was the managing director of the CICC's trading desk and, from September 2019 through June 2022, he was also the firm's acting Chief Executive Officer. In September 2022, CICC terminated Nguyen for failing to disclose securities accounts controlled by himself or his spouse and for failure to disclose an outside business activity. Nguyen was thereafter associated with other FINRA members up until September 2023. Although Nguyen is not currently associated with a FINRA member, he remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.¹

OVERVIEW

From April 2017 through January 2022, while associated with CICC US, Nguyen opened and maintained 11 outside brokerage accounts without disclosing or receiving prior approval from CICC US, and without notifying executing financial institutions of his association with CICC US, in violation of FINRA Rules 3210 and 2010. During the same

¹ For more information about the respondent, visit BrokerCheck® at www.finra.org/brokercheck.

time period, Nguyen failed to disclose three outside business activities to CICC US, in violation of FINRA Rules 3270 and 2010.

FACTS AND VIOLATIVE CONDUCT

This matter originated from a tip submitted to FINRA.

Outside Brokerage Accounts

FINRA Rule 3210(a) provides that “[n]o person associated with a member (‘employer member’) shall, without the prior written consent of the member, open or otherwise establish at a member other than the employer member (‘executing member’), or at any other financial institution, any account in which securities transactions can be effected and in which the associated person has a beneficial interest.” FINRA Rule 3210’s Supplementary Material .02 provides that “the associated person shall be presumed to have a beneficial interest in, and to have established, any account that is held by” among other individuals, the associated person’s spouse. FINRA Rule 3210(b) further provides that “[a]ny associated person, prior to opening or otherwise establishing an account subject to this Rule, shall notify in writing the executing member, or other financial institution, of his or her association with the employer member.”

FINRA Rule 2010 requires members and association persons, in the conduct of their business, to “observe high standards of commercial honor and just and equitable principles of trade.” Violations of FINRA Rule 3210 are inconsistent with maintaining high standards of commercial honor and just and equitable principles of trade, and, therefore, also constitute violations of FINRA Rule 2010.

Between April 2017 to January 2022, while associated with CICC US as the managing director of the firm’s trading desk and, after September 2019, as its acting CEO, Nguyen and his wife opened a total of 11 outside brokerage retirement accounts in which securities transactions could be effected and in which Nguyen had a beneficial interest. Not all the accounts were active at any one time. Under CICC US’s written supervisory procedures, Nguyen was required to seek approval from CICC US before opening any outside brokerage accounts, including any accounts in his spouse’s name. Nguyen did not timely disclose, and seek approval for, each of these 11 accounts to CICC US and, as such, did not receive CICC US’s prior written consent before opening each of the accounts.

Nguyen also did not provide written notice to executing financial institutions of his association with CICC US. During the same period, Nguyen was required to sign and submit regular compliance affirmations disclosing to CICC US any outside brokerage accounts. Nguyen failed to disclose these 11 outside brokerage accounts in 12 such compliance affirmations. Nguyen’s undisclosed outside accounts, all of which were actively managed by outside advisors, executed trades that were on CICC US’s restricted trading list.

Therefore, Respondent violated FINRA Rules 3210 and 2010.

Outside Business Activities

FINRA Rule 3270 provides that “[n]o registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person as a result of any business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member, in such form as specified by the member.”

Violations of FINRA Rule 3270 also constitute violations of FINRA Rule 2010.

Between April 2017 and January 2022, Nguyen and his wife were co-owners and members or governors of three limited liability companies: Nguyen Capital LLC, Nguyen Ventures LLC, and Nguyen Properties LLC. Under CICC US’s written supervisory procedures, Nguyen was required to disclose all outside activities to the firm including any commercial entity in which he held a position. Between April 2017 and January 2022, all three limited liability companies were actively conducting business activities that Nguyen was required to disclose to CICC US. Nguyen was also required to sign and submit regular compliance affirmations disclosing his outside business activities to CICC US but did not include these entities in 16 such compliance affirmations.

Therefore, Respondent violated FINRA Rules 3270 and 2010.

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

- a three-month suspension from associating with any FINRA member in all capacities and
- a \$7,500 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 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 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 right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.
- 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.

June 3, 2024

Date



Thomas Nguyen
Respondent

Reviewed by:

Justin Chretien

Justin Chretien
Counsel for Respondent
Carlton Fields
1205 Thomas Jefferson Street, NW
Suite 400 West
Washington, DC 20007-5208

Accepted by FINRA:

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

June 26, 2024

Date



Catherine Hoge
Counsel
FINRA
Department of Enforcement
200 Liberty Street
New York, NY 10281-1003