



**STATE OF TENNESSEE
BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE**

TENNESSEE SECURITIES DIVISION,)	
Petitioner,)	
)	
v.)	Order No. 16-023
)	
KATHERINE A. PARK,)	
Respondents.)	

CONSENT ORDER

The Tennessee Securities Division (“TSD”) and Katherine A. Park (“Respondent”) hereby stipulate and agree to the entry of this Consent Order, subject to the approval of the Commissioner of the Tennessee Department of Commerce and Insurance (“Commissioner”) as follows:

GENERAL STIPULATIONS

1. It is expressly understood that this Consent Order is subject to the Commissioner’s acceptance and has no force and effect until such acceptance is evidenced by the entry of an order by the Commissioner.

2. This Consent Order is executed by the Respondent for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

3. Respondent fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against Respondent for acts or omissions not

specifically addressed in this Consent Order or for facts and/or omissions that do not arise from the facts or transactions herein addressed.

4. Respondent fully understands that this Consent Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for violations of the law addressed specifically in this Consent Order, against the Respondent for violations of the law under statutes, rules, or regulations of the State of Tennessee, which may arise out of the facts, acts, or omissions contained in the Findings of Fact and Conclusions of Law stated herein, or which may arise as a result of the execution of this Consent Order by the Respondent.

5. Respondent expressly waives all further procedural steps and all rights to seek judicial review or to otherwise challenge or contest the validity of this Consent Order, the stipulations and imposition of discipline expressly contained herein, and the consideration and entry of said Consent Order by the Commissioner.

6. Respondent fully understands that this Consent Order, when entered, will constitute a public document for purposes of any applicable statutes governing access by the public to government records.

AUTHORITY AND JURISDICTION

7. The Commissioner has jurisdiction over this matter pursuant to the Tennessee Securities Act ("Act"), Title 48 of the Tennessee Code Annotated ("TENN. CODE ANN."), specifically, TENN. CODE ANN. §§ 48-1-101, *et seq.*

8. The Act places the responsibility on the Commissioner for the administration of these provisions.

PARTIES

9. The TSD is the lawful agent through which the Commissioner administers the Act and it is authorized to bring this action based on the finding that such action is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act. TENN. CODE ANN. § 48-1-116.

10. Respondent (Central Registration Depository (“CRD”)(#2456077) is a citizen and resident of the State of Tennessee, residing at 242 Sydney Drive, Goodlettsville, Tennessee 37072.

FINDINGS OF FACT

11. The Respondent had an active registration as a broker-dealer agent and an investment adviser representative from approximately April 2006 through March 2014.

12. On April 9, 2014, the Respondent agreed to enter into a Letter of Acceptance, Waiver and Consent (“AWC”) with the Financial Industry Regulatory Authority (“FINRA”) permanently barring Respondent from associating with any FINRA member in any capacity.

13. FINRA is a national securities association registered under the Securities Exchange Act of 1934, compiled in 15 U.S.C. §§ 78a et seq., as amended.

14. The purpose of the AWC was for settlement of a FINRA complaint action against the Respondent for securities violations committed by the Respondent, including the unlawful conversion of funds from a trust account to her own account for personal use, in an amount totaling one hundred forty-seven thousand, four hundred dollars (\$147,400).

15. The Respondent was convicted of a Class B felony on February 5, 2015, for theft of property based on the aforementioned transfer of funds.

16. Entry of an Order imposing sanctions against the Respondent is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act.

CONCLUSIONS OF LAW

17. TENN. CODE ANN. § 48-1-112(a)(2)(F)(i)(b) provides that the Commissioner may by order deny, suspend, or revoke any registration under the Act if the Commissioner finds that the registrant is the subject of an order suspending or expelling such person from a national securities exchange or national securities association registered under the Securities Exchange Act of 1934, compiled in 15 U.S.C. §§ 78a et seq., as amended.

18. TENN. CODE ANN. § 48-1-112(a)(2)(G) provides that the Commissioner may by order deny, suspend, or revoke any registration under this part if the Commissioner finds that the registrant has engaged in dishonest or unethical practices in the securities business.

19. Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(a)(15) provides that violating any rule of a national securities exchange or national securities dealers association of which it is a member with respect to any customer, transaction, or business in this state is deemed a dishonest or unethical business practice by a broker-dealer agent under TENN. CODE ANN. § 48-1-112(a)(2)(G).

20. FINRA Rule 2150 (2015) states no member or person associated with a member shall make improper use of a customer's securities or funds.

21. TENN. CODE ANN. § 48-1-112(a)(2)(C) provides that the Commissioner may by order deny, suspend, or revoke any registration under the Act if the Commissioner finds that the registrant has been convicted of any felony.

22. TENN. CODE ANN. § 48-1-112(d) provides that any case in which the Commissioner is authorized to deny, revoke, or suspend the registration of a broker-dealer, broker-dealer agent, investment adviser, or investment adviser representative, or the applicant for a broker-dealer, broker-dealer agent, investment adviser, or investment adviser representative registration, the Commissioner may in lieu of or in addition to such disciplinary action, impose a civil penalty in an amount not to exceed five thousand dollars (\$5,000) for all violations for any single transaction.

CAUSES OF ACTION

23. The TSD restates the facts and conclusions of law set forth above in paragraphs eleven (11) through twenty-two (22) and incorporates them by reference.

Count One

24. The action taken by FINRA against the Respondent, memorialized in the aforementioned AWC, constitutes a violation of TENN. CODE ANN. § 48-1-112(a)(2)(F)(i)(b) as an order suspending or expelling a person from a national securities exchange or national securities association registered under the Securities Exchange Act of 1934, compiled in 15 U.S.C. §§ 78a et seq., as amended.

Count Two

25. Respondent's improper use of funds is a violation of FINRA Rule 2150, which constitutes a dishonest or unethical practice in the securities business pursuant to TENN. CODE ANN. § 48-1-112(a)(2)(G) and Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(a)(15).

Count Three

26. Respondent's February 2015 felony conviction constitutes a violation of TENN. CODE ANN. § 48-1-112(a)(2)(C) which provides that the Commissioner may by order deny, suspend, or revoke any registration under the Act if the Commissioner finds that the registrant has been convicted of any felony.

ORDER

NOW, THEREFORE, based on the foregoing and Respondent's waiver of her rights to a hearing and appeal under the Act and Tennessee's Uniform Administrative Procedures Act, TENN. CODE ANN. §§ 4-5-101 *et. seq.*, and the admission by Respondent of the jurisdiction of the Commissioner, the Commissioner finds that Respondent admits to the Findings of Fact and Conclusions of Law contained herein, has agreed to the entry of this Consent Order, and that this Consent Order is appropriate, in the best interest of the public, and necessary for the protection of the public.

IT IS ORDERED, pursuant to TENN. CODE ANN. §§ 48-1-116 that:

1. Respondent shall fully **COMPLY** with the Act, and all rules promulgated thereunder.
2. Respondent shall be **PERMANENTLY BARRED** from any further conduct as a broker-dealer, agent of a broker-dealer, investment adviser, or investment adviser representative from or in the State of Tennessee, beginning on the date this Order is executed by the Commissioner for the Department.

3. Respondent shall **BE PERMANENTLY BARRED** from conducting securities transactions on behalf of herself or others from, in, or into the State of Tennessee.

4. All persons in any way assisting, aiding, or helping the aforementioned Respondent in any of the aforementioned violations of the Act shall **CEASE AND DESIST** all such activities in violation of the Act.

5. Respondent shall pay the Division a monetary civil penalty in the total sum of fifteen thousand dollars (\$15,000). This penalty is to be paid within four (4) years of entry of this Consent Order.

6. The failure to timely make payment under the terms of this agreed Consent Order may result in additional disciplinary action being taken against Respondent including, but not necessarily limited to, the assessment of additional civil monetary penalties.

7. Failure to timely make any payment shall render any remaining balance under this Consent Order immediately due and collectible.

IT IS ORDERED that this Consent Order represents the complete and final resolution and discharge of administrative remedies available to the Commissioner under TENN. CODE ANN. §§ 4-5-305 and 48-1-101, *et seq.* against Respondent for violations of the Act arising out of the Findings of Fact set forth in Paragraphs 11 through 22 above. However, this Consent Order shall in no way preclude a third party or other authority from pursuing civil remedies or criminal action against Respondent which may otherwise be available.

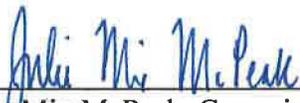
This Consent Order is in the best interest of both the public and the parties and represents a compromise and settlement of the controversy between the parties. By her signature affixed below, Respondent, Katherine A. Park, states that she has: (1) freely agreed to the entry of this

Consent Order; (2) had the opportunity to effectively consult with legal counsel in this matter; (3) reviewed the Findings of Fact and Conclusions of Law contained herein; and (4) waived her right to a hearing on the matters underlying this Consent Order. Respondents further state that no threats or promises of any kind have been made by the Commissioner, the Division, or any agent or representative thereof with regard to this Consent Order.

By signing this Consent Order, the parties affirm their agreement to be bound by the terms of this Consent Order and confirm that no promises or offers relating to the circumstances described herein, other than the terms of the settlement set forth in this Consent Order, are binding upon them.

IT IS SO ORDERED.

ENTERED this the 17 day of March, 2017.



Julie Mix McPeak, Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY:



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