

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 81661 / September 19, 2017

Admin. Proc. File No. 3-18150

In the Matter of the Application of
THADDEUS J. NORTH
For Review of Disciplinary Action Taken by
FINRA

ORDER DENYING MOTION FOR A STAY AS MOOT

Thaddeus J. North appeals from a FINRA decision finding that, while he was the chief compliance officer at Ocean Cross Capital Markets, LLC, he failed to enforce his member firm's written supervisory procedures regarding the oversight of electronic communications. FINRA fined North \$5,000 and ordered him to pay costs.¹ On September 5, 2017, North moved to stay the sanctions during his appeal to the Commission. Although North acknowledges that FINRA notified him that the sanctions would be stayed pending appeal to the Commission, North argues that a "reasonable reading and application" of FINRA and Commission rules "seem to require that Mr. North file a motion for stay of sanctions coincidental to filing his Application for Review of the sanctions notwithstanding FINRA's voluntary restraint." FINRA opposes North's motion as moot. We agree and deny North's motion.

This is the second time North has sought a stay of sanctions while appealing a FINRA disciplinary matter against him where FINRA already stayed the sanctions.² As the Commission explained to North when denying his earlier motion for a stay, while the Commission's Rules of Practice do not provide that the Commission will automatically stay a self-regulatory

¹ See *Thaddeus J. North*, Complaint No. 2012030527503, 2017 WL 3412462 (NAC Aug. 3, 2017).

² See *Thaddeus J. North*, Exchange Act Release No. 80490, 2017 WL 1397541 (Apr. 19, 2017) (denying North's motion for a stay of monetary fine and time-limited suspensions as moot).

organization's sanctions upon the filing of an application for review,³ FINRA Rule 9370 provides that "[t]he filing with the SEC of an application for review by the SEC shall stay the effectiveness of any sanction, other than a bar or an expulsion, imposed in a decision constituting a final disciplinary action of FINRA."⁴ We therefore agree with FINRA that North "already possesses the specific relief he seeks" and deny North's motion as moot.

Accordingly, IT IS ORDERED that Thaddeus J. North's motion for a stay of the sanctions FINRA imposed pending Commission review of his appeal is denied.

For the Commission, by the Office of the General Counsel, pursuant to delegated authority.

Brent J. Fields
Secretary

³ See 17 C.F.R. § 201.420(d).

⁴ *North*, 2017 WL 1397541, at *1 (quoting FINRA Rule 9370(a)).