

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

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

COLBY SWARTZ
(CRD No.5595698)

Respondent.

**Disciplinary Proceeding
No. 2008016187201**

Hearing Officer: LBB

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: June 24, 2011

INTRODUCTION

Disciplinary Proceeding No. 2008016187201 was filed on August 9, 2010, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Colby Swartz (Swartz) submitted an Offer of Settlement (Offer) to Complainant dated June 21, 2011. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint, 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, to the entry of

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findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanction set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

Respondent first entered the securities industry in August 2008 when he became employed by Merrill Lynch. On or about September 15, 2008, Respondent completed a Uniform Application for Securities Industry Registration or Transfer ("Form U4") to apply for registration with FINRA as a general securities representative ("GSR") through Merrill Lynch. On or about December 12, 2008, Merrill Lynch filed a Form U5 terminating Respondent's application for registration.

On or about May 13, 2009, Respondent became registered with FINRA as a GSR through an association with another FINRA member, where he remained registered until June 3, 2009. Respondent's last date of employment with that firm was May 15, 2009. On or about May 15, 2009, Respondent became registered, and is presently registered with FINRA as a GSR through an association with a third FINRA member firm and therefore remains subject to FINRA's jurisdiction.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

Falsification of Documents (Violation of NASD Conduct Rule 2110)

1. On or about November 5, 2008, Respondent took the Series 7 qualification examination at a testing center in New York, NY.

2. A passing score for the Series 7 examination is 70%.
3. Respondent failed the examination with a score of 65%.
4. On or about November 6, 2008, Respondent reported to Merrill Lynch that he had passed the Series 7 examination with a score of 73%.
5. On or about November 7, 2008, Respondent submitted to Merrill Lynch a document which he represented was a photocopy of his score report. This document reflected a score of 73% on the examination.
6. Thereafter, Respondent submitted to Merrill Lynch another document which he represented was the original of his score report. This document reflected a score of 73% on the examination.
7. Respondent knew, or should have known, that the documents he submitted to Merrill Lynch were neither the original nor a true copy of the score report as he received it from the testing center and that they falsely represented that he had passed the examination when he had not.

By reason of the foregoing, Respondent violated NASD Conduct Rule 2110.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

It is ordered that Respondent be assessed the following sanction:

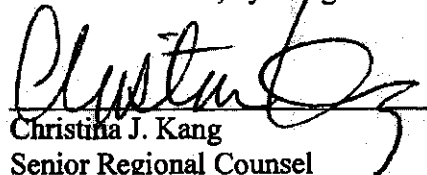
- A bar from associating with any FINRA member firm in all capacities.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA

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

A handwritten signature in black ink, appearing to read 'Christina Kang', is written over a horizontal line.

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