

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

DEPARTMENT OF ENFORCEMENT,

COMPLAINANT,

v.

MEYERS ASSOCIATES, LP
(BD No. 34171),

BRUCE MEYERS
(CRD No. 1045447),

AND

VICTOR PUZIO,
(CRD No. 369095)

RESPONDENTS.

DISCIPLINARY PROCEEDING
No. 20090163324-01

HEARING OFFICER: AHP

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: November 9, 2011

INTRODUCTION

Disciplinary Proceeding No. 20090163324-01 was filed on October 20, 2010, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondents Meyers Associates L.P. ("Meyers") and Bruce Meyers ("BM") submitted an Offer of Settlement (Offer) to Complainant dated October 13, 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.¹

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 findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions 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

1. Meyers first became a FINRA member firm on or about June 16, 1994. It remains a member firm as of the filing of this Order Accepting Offer of Settlement. As such, Meyers is subject to FINRA's jurisdiction.
2. BM has been registered with FINRA as a GSR and GSP through an association with Meyers since in or around April 1993. He was Meyers's President at all relevant times, including from July 2009 through May 27, 2011. He is also an owner of the firm. As such, BM is subject to FINRA's jurisdiction.

¹ As noted in the Offer of Settlement, in further consideration of the promises made in that Offer, Respondents have agreed that within two days of FINRA's formal acceptance of the Offer, (1) Meyers will file a Notice of Withdrawal of Appeal that seeks to withdraw its appeal from the Hearing Panel Decision dated April 25, 2011 in Disciplinary Proceeding No. 20090177756-01, and (2) take all steps necessary to effect its intent that (a) the appeal and cross-appeal in FINRA Disciplinary Proceeding No. 20090177756-01 be dismissed, and (b) the Office of Hearing Officers' decision rendered in Proceeding No. 20090177756-01 and the sanctions ordered therein become final, including that Meyers will pay the \$50,000 fine and \$4,045.95 in costs ordered in that decision, which payment will be in addition to the sanctions agreed to in the Offer. Respondents may pay the sanctions ordered in Disciplinary Proceeding No. 20090177756-01 pursuant to the installment payment plan. In addition, Respondents submitted the Offer on the further condition that Enforcement will file a Notice of Withdrawal of Cross-Appeal in Proceeding No. 20090177756-01, and take all steps necessary to effect FINRA's intent that (a) the appeal and cross-appeal in Proceeding No. 20090177756-01 be dismissed, and (b) the Office of Hearing Officers' decision rendered in Proceeding No. 20090177756-01 and the sanctions ordered therein become final.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:²

3. Respondent Meyers completely failed to respond to many FINRA requests for information and documentation. It also failed to timely respond to numerous other requests for information and documentation. Specifically, from July 8, 2009 through July 13, 2010, the Staff issued four discrete letters and multiple follow-up letters requesting that Meyers provide 113 discrete items (information and/or documents). Despite the follow-up letters and contacts with FINRA, Meyers failed to provide eleven requested items, and it untimely provided 79 requested items. Its untimely responses were between 16 and 362 days late.
4. Meyers's President, Respondent BM, failed to supervise Meyers personnel to ensure that they completely and timely responded to the requests.
5. Meyers's failure to provide the requested information and untimely responses and BM's failure to supervise have severely hampered FINRA's 2009 cycle examination. Through this misconduct, the firm violated FINRA Rules 8210 and 2010 and BM violated NASD Conduct Rule 3010 and FINRA Rule 2010.
6. Respondents are not unfamiliar with FINRA's concerns regarding its failure to comply with FINRA Rule 8210. For example, in connection with an unrelated matter, or around October 19, 2009, FINRA served Meyers with a letter informing it that FINRA was contemplating charges against Meyers for failing to respond to requests for information

² The findings herein are pursuant to Respondent Meyers's and BM's Offer of Settlement and are not binding on any other person or entity named as a respondent in this or any other proceeding.

sent pursuant to Rule 8210. That letter, a "Wells Notice," was addressed to Meyers's then counsel.

7. FINRA served Meyers with a complaint for those failures to respond on January 29, 2010 (the January 2010 Complaint).
8. In connection with its cycle examination program, the Staff commenced field work for a Meyers 2009 cycle examination on June 30, 2009. During field work, the Staff sent Meyers letters containing several sets of requests for information and documentation pursuant to Rule 8210. Meyers failed to respond or provided untimely responses to four of those sets of requests.
9. Every one of the letters to which Meyers either did not respond or responded untimely was addressed to BM. Most of the letters copied Victor Puzio, Meyers's Chief Compliance Officer from July 2002 through October 2009, or MH, who replaced Puzio as Meyers's Chief Compliance Officer in or around October 2009.
10. Most of the request letters that are at issue here post-date the October 19, 2009 Wells Notice and/or the January 2010 Complaint.

First Set of Requests – July 8, 2009

11. On July 8, 2009, FINRA sent Meyers a letter containing 49 separate requests for information and documentation. It requested a response by July 22, 2009.
12. The Staff sent the July 8, 2009 letter to Meyers by first class mail to the firm's CRD address at 45 Broadway, 2nd Floor, New York, New York 10006 (the CRD Address). The letter was addressed to BM. On July 8, 2009, the Staff also emailed the letter to BM and Puzio. The Staff made the requests in the July 8, 2009 letter pursuant to Rule 8210.

13. By July 28, 2009, Meyers had responded to only five of the requests, and one of those responses was inadequate.
14. On July 29, 2009 the Staff hand-delivered to Meyers a letter dated July 28, 2009 that requested a response to the outstanding items from the July 8, 2009 letter. While the Staff was on-site, Meyers agreed that the information and documentation requested in the July 28, 2009 letter would be produced by August 14, 2009, and that response due date was hand-written into the July 28, 2009 letter.
15. The Staff also mailed a copy of the July 28, 2009 letter to the firm's CRD Address by first class and certified mail. The July 28, 2009 letter was addressed to BM.
16. The Staff received a signed receipt from the certified mailing of the July 28, 2009 letter.
17. The firm provided a response to some of the requests contained in the July 8, 2009 letter on August 7, 11 and 14, 2009. The responses received on those dates were provided 16, 20 and 23 days after the due date in the July 8, 2009 letter.
18. By August 19, 2009, many items from the July 8, 2009 letter remained outstanding. On August 19, 2009, the Staff sent Meyers a letter requesting the outstanding items from the July 8, 2009 letter. The Staff hand-delivered the August 19, 2009 letter to Meyers and also sent it to Meyers at its CRD Address via first class and certified mail. The August 19, 2009 letter was addressed to BM and copied Puzio.
19. A signed certified mail receipt for the August 19, 2009 letter was returned to the Staff.
20. The firm provided responses to some of the requests contained in the July 8, 2009 letter on August 20 and 26, 2009 and on July 19, 2010.
21. Of the 49 unique requests in the July 8, 2009 letter, Meyers provided untimely responses to 42 of those requests. The untimely responses were between 16 and 362 days late.

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22. By October 20, 2010, the date that FINRA filed the original Complaint in this matter, Meyers had not provided a response to three of the requests contained in the July 8, 2009 letter.

Second Set of Requests - November 24, 2009 Letter

23. On November 24, 2009, the Staff sent Meyers a letter containing 25 new requests for information and documentation. It requested a response by December 15, 2009.
24. The Staff hand delivered the November 24, 2009 letter to Meyers and sent it to the firm's CRD Address via first class mail. On November 25, 2009, the Staff emailed a copy of the letter to BM and Puzio. The November 24, 2009 letter was addressed to BM and it copied Puzio. The Staff made the requests in the November 24, 2009 letter pursuant to Rule 8210.
25. By December 15, 2009, the firm had responded to only one request contained in the November 24, 2009 letter.
26. On January 25, 2010, after receiving no further responses from the firm, the Staff sent to Meyers a second request pursuant to Rule 8210 for the outstanding items originally requested in the November 24, 2009 letter. The letter requested a response by February 1, 2010.
27. The January 25, 2010 letter was addressed to BM at the firm's CRD Address and copied Puzio. The Staff sent the January 25, 2010 letter via first class mail and certified mail. On January 25, 2010, the Staff also emailed the letter to BM and Puzio.
28. The Staff received back a signed certified receipt from the January 25, 2010 letter.

29. On February 1, 2010, Meyers provided a response to twelve of the requests in the January 25, 2010 letter. Those responses were provided 48 days after the due date in the November 24, 2009 letter.
30. By February 12, 2010, the firm had not responded to half of the requests in the January 25, 2010 letter.
31. On February 12, 2010, the Staff sent a third request letter pursuant to Rule 8210. The letter requested a response by February 19, 2010.
32. The February 12, 2010 letter was addressed to BM at the firm's CRD Address and copied Puzio. The letter requested the outstanding items from the November 24, 2009 letter. The Staff sent the February 12, 2010 letter via first class mail and certified mail. On February 12, 2010, the Staff also emailed the letter to BM and Puzio.
33. The Staff received back a signed certified receipt from the February 12, 2010 letter.
34. Meyers failed to provide any further response to the November 24, 2009 letter by April 9, 2010.
35. On April 9, 2010, the Staff sent a fourth request letter pursuant to Rule 8210 (First April 9th Letter). The First April 9th Letter requested a response by April 16, 2010.
36. The First April 9th Letter was addressed to BM at the firm's CRD Address and copied Puzio. It requested the outstanding items from the November 24, 2009 letter. The top of First April 9th Letter stated "Fourth and Final Request" in bold type. The Staff sent the First April 9th Letter via first class mail and certified mail. On April 9, 2010, the Staff also emailed the First April 9th Letter to BM, MH and Puzio.
37. The Staff received back a signed certified receipt from the First April 9th Letter.

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38. On June 4, 2010, Meyers provided a response to six of the requests in the January 25, 2010 letter. Those responses were provided 171 days after the deadline in the November 24, 2009 letter.
39. Of the 25 unique requests in the November 24, 2009 letter, Meyers provided untimely responses to 18 of those requests. The untimely responses were between 48 and 171 days late.
40. By October 20, 2010, Meyers had not provided a response to six of the requests contained in the November 24, 2009 letter.

Third Set of Requests - February 23, 2010

41. On February 23, 2010, the Staff sent Meyers another letter containing 16 new requests for information and documentation (two of those requests subsequently were withdrawn). The February 23, 2010 letter requested a response by March 9, 2010.
42. The Staff hand-delivered the February 23, 2010 letter and sent it to Meyers's CRD Address via first class mail. The letter was addressed to BM and copied MH. On February 24, 2010, the Staff sent the February 23, 2010 letter via email to BM and MH. The Staff made the requests in the February 23, 2010 letter pursuant to Rule 8210.
43. By March 24, 2010, Meyers had not responded to any of the requests.
44. On March 24, 2010, the Staff sent Meyers a letter pursuant to Rule 8210 again requesting the information and documentation originally requested in the February 23, 2010 letter. The letter was addressed to BM and copied MH. The Staff sent the March 24, 2010 letter via first class mail and certified mail. On March 24, 2010, the Staff also emailed the March 24, 2010 letter to BM and MH.
45. The March 24, 2010 letter requested a response by March 31, 2010.

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46. The Staff received back a signed certified receipt from the March 24, 2010 letter.
 47. The firm did not respond by April 9, 2010.
 48. On April 9, 2010, the Staff sent Meyers a letter pursuant to Rule 8210 again requesting the information and documentation originally requested in the February 23, 2010 letter (Second April 9th Letter). The Second April 9th Letter requested a response by April 16, 2010.
 49. The Staff sent the Second April 9th Letter to Meyers at its CRD Address via first class mail and certified mail. The Second April 9th Letter was addressed to BM and copied MH. On April 9, 2010, the Staff also emailed the Second April 9th Letter to BM, MH and Puzio. The top of the Second April 9th Letter stated in bold that it was the "Third and Final Request."
 50. The Staff received back a signed certified receipt from the Second April 9th Letter.
 51. Meyers provided a response to some of the requested items in the February 23, 2010 letter on April 19, 2010.
 52. On June 9, 2010, the Staff conducted on-the-record interviews of BM and Puzio relating to the still outstanding items and the late responses. Both witnesses were represented by the same counsel (hereinafter Counsel). After those OTRs, Counsel represented to the Staff that Meyers would provide responses to the outstanding requests.
 53. Meyers provided a response to additional requested items from the February 23, 2010 letter on September 7, 2010 and September 14, 2010.
 54. Of the 14 unique requests in the February 23, 2010 letter, Meyers provided untimely responses to 13 of those requests. The untimely responses were between 41 and 189 days late.

55. By October 20, 2010, Meyers had not provided a response to one of the requests contained in the February 23, 2010 letter.

Fourth Set of Requests - July 13, 2010

56. On July 13, 2010, the Staff sent Meyers a new set of 25 additional requests, pursuant to Rule 8210, for documentation and information. The July 13, 2010 letter was addressed to BM and it copied Puzio, MH and Counsel. The Staff sent the letter to Meyers's CRD Address via first class mail. The Staff also emailed the request to BM, Puzio, MH and Counsel.

57. The July 13, 2010 letter requested a response by July 26, 2010. The Staff agreed to an extension of time until August 2, 2010.

58. The firm provided timely responses to some of the requests, but by August 5, 2010 it had not responded to seven of the requested items.

59. On August 5, 2010, the Staff sent a second request letter pursuant to Rule 8210 to Meyers requesting the outstanding items from the July 13, 2010 letter. The letter was addressed to BM and copied Puzio, MH and Counsel. The Staff sent the letter to Meyers's CRD Address via first class mail and certified mail. The Staff also emailed the August 5, 2010 letter to BM, Puzio, MH and Counsel. The letter stated in bold type that it was the "second and final request."

60. The August 5, 2010 letter requested a response by August 19, 2010.

61. The Staff received a signed certified receipt from the August 5, 2010 letter.

62. On August 18, 2010, Meyers provided responses to some of the outstanding requests from the July 13, 2010 letter.

63. Of the 25 unique requests in the July 13, 2010 letter, Meyers provided untimely responses to 5 of those requests. The untimely responses were provided 16 days after the due date extension agreed to by the Staff.
64. By October 20, 2010, Meyers had not provided a response to two of the requests contained in the July 13, 2010 letter.

**FIRST CAUSE OF ACTION
FAILURE TO RESPOND TO REQUESTS FOR INFORMATION –
FIRST AND SECOND SETS OF FINRA REQUESTS
FINRA RULES 8210 AND 2010
AGAINST MEYERS**

65. The July 8, 2009 and November 24, 2009 letters, in addition to the follow-up letters requesting the outstanding items from those letters, were all addressed to BM. BM has admitted that he received all of those letters.
66. Puzio has admitted that it was his responsibility to respond to the July 8, 2009 letter and the November 24, 2009 letters, even after he was no longer the firm's CCO.
67. By October 20, 2010, Meyers had failed to provide complete responses to three of the requests contained in the July 8, 2009 letter. More particularly, Meyers had not provided:
- a. a list of foreign financial institution accounts that were active during the period February 27, 2007 through June 29, 2009 (Request No. 20);
 - b. Copies all outsourcing arrangements (Request No. 24); and
 - c. Commission runs (Request No. 33).
68. By October 20, 2010, Meyers had not provided responses to five of the requests contained in the November 24, 2009 letter. For example, Meyers had not provided:
- a. a signed written statement by an appropriate principal of the firm (1) explaining whether the firm disclosed certain customer correspondence as a

customer complaint in a Rule 3070 filing or a Form U4 or U5 filing, and (2) providing additional information about email communications from customers that appeared to be customer complaints but were not reported as such on a 3070 filing (Request No. 20);

- b. an explanation of how the commission charged on certain transactions is fair and reasonable in light of Rule 2440 and IM-2440-1 (Request No. 24); and
- c. new account forms for certain customers (Request No. 16).

By reason of the foregoing, Meyers violated FINRA Rules 8210 and 2010.

**SECOND CAUSE OF ACTION
FAILURE TO RESPOND TO REQUESTS FOR INFORMATION –
THIRD AND FOURTH SETS OF FINRA REQUESTS
FINRA RULES 8210 AND 2010
AGAINST MEYERS**

69. The February 23, 2010 letter, in addition to the follow-up letters requesting the outstanding items from those letters, were all addressed to BM. BM has admitted that he received all of those letters.
70. The July 13, 2010 letter, in addition to the follow-up letters requesting the outstanding items from the July 13, 2010 letter, were all addressed to BM.
71. By October 20, 2010, Meyers had not provided a response to one of the items requested in the February 23, 2010 letter. The request asked for certain new account forms (Request No. 15).
72. By October 20, 2010, Meyers had not provided a response to one of the requests contained in the July 13, 2010 letter (copies of a lease agreement for the firm's branch office (Request No. 25)).

By reason of the foregoing, Meyers violated FINRA Rules 8210 and 2010.

**THIRD CAUSE OF ACTION
UNTIMELY RESPONSE TO REQUESTS FOR INFORMATION AND DOCUMENTATION -
FIRST AND SECOND SETS OF FINRA REQUESTS
FINRA RULES 8210 AND 2010
AGAINST MEYERS**

73. The July 8, 2009 and November 24, 2009 letters, in addition to the follow-up letters requesting the outstanding items from those letters, were all addressed to BM. BM has admitted that he received all of those letters.
74. Puzio has admitted that it was his responsibility to respond to the July 8, 2009 letter and the November 24, 2009 letters, even after he was no longer the firm's CCO, when he continued to assist with the Meyers's responses.
75. Meyers provided a response to some of the requests contained in the July 8, 2009 letter on August 7, 11 and 14, 2009. The responses received on those dates were provided 16, 20 and 23 days after the due date in the July 8, 2009 letter. Those untimely responses included responses to requests for:
- a. a list of Meyers employees (Request No. 1);
 - b. an organization chart (Request No. 2);
 - c. a chart of accounts opened during the review period (Request No. 3); and
 - d. a list of customers approved to write uncovered options (Request No. 5).
76. Meyers provided responses to some of the requests contained in the July 8, 2009 letter on August 20 and 26, 2009 and on July 19, 2010. Those responses were provided 29, 35 and 362 days after the due date in the July 8, 2009 letter. Those untimely responses included responses to requests for:
- a. a list of Meyers's 100 most active accounts (Request No. 4);

- b. a log or list of all wire transfers from customer accounts during the review period (Request No. 6);
- c. a list of customers who changed investment objectives during the review period (Request No. 9); and
- d. copies of the agendas and/or outlines and attendance list for Meyers's 2007 and 2008 annual compliance meetings (Request Nos. 13 and 14).

77. Meyers provided a response to some of the requests contained in the November 24, 2009 letter on February 1, 2009. Those responses were provided 48 days after the due date in the November 24, 2009 letter. Those untimely responses included responses to requests for:

- a. A list of the firm's municipal principals (Request No. 3);
- b. A list of the firm's research analysts (Request No. 4); and
- c. Evidence of testing of the firm's Regulation S-P procedures and systems (Requests Nos. 11 and 12).

78. Meyers provided a response to some of the requests contained in the November 24, 2009 letter on June 4, 2010. Those responses were provided 171 days after the due date in the November 24, 2009 letter. Those untimely responses included responses to requests for:

- a. A statement regarding how the firm supervises its email communications (Request No. 13);
- b. A list of all Meyers email addresses (Request No. 14); and
- c. A statement regarding why a particular registered representative was not on special supervision in light of the firm's procedures and the number of customer complaints filed against that representative (Request No. 15).

By reason of the foregoing, Meyers violated FINRA Rules 8210 and 2010.

**FOURTH CAUSE OF ACTION
UNTIMELY RESPONSE TO REQUESTS FOR INFORMATION AND DOCUMENTATION -
THIRD AND FOURTH SETS OF FINRA REQUESTS
FINRA PROCEDURAL RULE 8210 AND CONDUCT RULE 2010
AGAINST MEYERS**

79. The February 23, 2010 letter, in addition to the follow-up letters requesting the outstanding items from those letters, were all addressed to BM. BM has admitted that he received all of those letters.
80. The July 13, 2010 letter, in addition to the follow-up letters requesting the outstanding items from those letters, were all addressed to BM.
81. Meyers failed to provide a response to some of the requested items in the February 23, 2010 letter until April 19, 2010. Those responses were provided 41 days after the due date contained in the February 23, 2010 letter. Those untimely responses included responses to requests for:
- a. Order tickets, confirmations and account statements for certain transactions (Requests Nos. 1, 2, 4 and 5); and
 - b. Certain customer new account forms (Request No. 16).
82. Meyers failed to provide responses to other requests from the February 23, 2010 letter until September 7 and 14, 2010. Those responses were provided 182 and 189 days after the due date contained in the February 23, 2010 letter. Those untimely responses included responses to requests for:
- a. Journal entries for certain trades (Request No. 6); and
 - b. Confirmations and trading logs for certain corporate bond and municipal transactions (Requests No. 9, 10, 13 and 14).

83. Meyers failed to provide responses to requests from the July 13, 2010 letter until August 18, 2010. Those responses were provided 16 days after the extended due date agreed to by the Staff for the requests contained in the July 13, 2010 letter. Those untimely responses included responses to requests for:

- a. Copies of new account forms, margin agreements, options agreements, option applications, option approvals and suitability documents for certain accounts (Request No. 7);
- b. A copy of the options disclosure document provided to options customers (Request No. 9); and
- c. Copies of new account forms for certain customers (Request No. 14).

By reason of the foregoing, Meyers violated FINRA Rules 8210 and 2010.

**FIFTH CAUSE OF ACTION
FAILURE TO SUPERVISE
NASD RULE 3010 AND FINRA RULE 2010
AGAINST BM**

84. As President of Meyers at all relevant times, BM was ultimately responsible for supervision at Meyers.

85. The July 8, 2009 letter, the November 24, 2009 letter, the February 23, 2010 letter and the July 13, 2010 letter, in addition to the follow-up letters requesting the outstanding items from those letters, were all addressed to BM. BM has admitted that he received the July 8, 2009, November 24, 2009 and February 23, 2010 letters and the follow-up letters requesting items from those letters.

86. BM delegated the task of responding to the requests, but he failed to ensure that the responses were complete and timely.

By reason of the foregoing, BM violated NASD Rule 3010 and FINRA Rule 2010.

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:

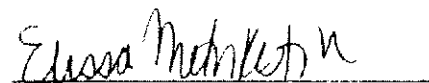
- Respondents Meyers and BM be Censured;
- Respondents Meyers and BM be jointly and severally fined \$35,000; and
- Respondent BM be suspended from associating with any FINRA member firm in a principal and supervisory capacity for a period of four months.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

SO ORDERED.

FINRA

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



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