

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

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

MARIE ROCHELLE SIDNEY
(CRD No. 4600420),

Respondent.

Disciplinary Proceeding
No. 2010025127501

Hearing Officer – MC

DEFAULT DECISION

April 18, 2011

Respondent is barred from associating with any FINRA member firm in any capacity for violating FINRA Rules 2010 and 8210 by failing to respond to requests for documents and information made by FINRA staff to her pursuant to Rule 8210.

Appearances:

Sean W. Firley, Senior Regional Counsel, Boca Raton, Florida, for the Department of Enforcement.

No appearance by or on behalf of Respondent Marie Rochelle Sidney.

DECISION

I. Introduction

The Department of Enforcement filed the attached Complaint on December 2, 2010. The sole cause of action charges that Respondent Marie Rochelle Sidney violated FINRA Conduct Rule 2010 and Procedural Rule 8210 by failing to respond to requests for documents and information made to her by FINRA staff pursuant to Rule 8210.

Enforcement served the Complaint and Notices of Complaint upon Sidney by means of a courier service at her residential address as it appears in FINRA's Central Registration

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Depository. Sidney failed to respond to the Complaint. As a result, on February 16, 2011, Enforcement filed a Motion for Entry of Default Decision ("Default Motion") supported by the Declaration of Sean W. Firley and three exhibits.¹

II. Findings of Fact and Conclusions of Law

A. Jurisdiction

From October 21, 2002, through December 31, 2008, Sidney was registered with FINRA as a Foreign Associate through Stanford Group Company ("Stanford"), which was a FINRA member firm.² Stanford terminated Sidney's association as of December 31, 2008.³

Pursuant to FINRA Rule 8210, FINRA staff requested documents and information from Sidney in September and October 2010. Enforcement filed the Complaint on December 2, 2010. Because Enforcement filed the Complaint within two years of the last date of Sidney's registration, FINRA retains jurisdiction over her for the purposes of this disciplinary proceeding.⁴

B. Default

Enforcement served the Complaint and Notice of Complaint on Sidney at her CRD address by FedEx⁵ and first-class mail on December 2, 2010. The first-class mailing was not returned. The FedEx tracking documentation reflects that FedEx attempted delivery but the FedEx package was "refused by recipient" on December 6, 2010.⁶ Sidney failed to file an Answer or otherwise respond to the Complaint.

¹ Enforcement's exhibits will be referred to as "CX-__" with the appropriate exhibit and page numbers. The Declaration of Sean W. Firley will be referred to as "Decl." or "Firley Declaration" with citation to specific paragraphs.

² Decl. ¶¶ 5-6. Sidney's CRD address is in Mexico. CX-1, p. 1.

³ Decl. ¶ 7.

⁴ Decl. ¶ 8; Article V, Section 4, FINRA By-Laws.

⁵ FINRA Rule 9134(a)(3) provides that "[s]ervice by courier may be accomplished by sending the papers through a courier service that generates a written confirmation of receipt or of attempts at delivery."

⁶ Decl. ¶¶ 13-15; CX-2, pp. 11-12.

On January 5, 2011, Enforcement served the Complaint and Second Notice of Complaint on Sidney, again by FedEx and first-class mail at her CRD address.⁷ As before, the first-class mailing was not returned. The FedEx tracking documentation shows that FedEx attempted delivery but the package was “refused by recipient” on January 7, 2011.⁸ Sidney has not filed an Answer or otherwise responded to the Complaint.

By serving the Complaint, Notice of Complaint, and Second Notice of Complaint upon Sidney by a courier service that created a written confirmation of the attempts to deliver the Complaint at her CRD address, Enforcement complied with the requirements of Rule 9134 and provided Sidney with constructive notice that the Complaint had been filed.⁹ By failing to file an Answer, Sidney defaulted. Accordingly, pursuant to Rules 9215(f) and 9269(a)(2) and, for the reasons set forth below, the Default Motion is granted.¹⁰

C. Sidney Failed to Respond in Any Manner to Requests for Documents and Information in Violation of FINRA Rules 2010 and 8210

Sidney was last associated with a FINRA member firm on December 31, 2008, when Stanford terminated her association with the firm.¹¹ On September 8, 2010, FINRA staff issued a request pursuant to FINRA Rule 8210 for Sidney to provide information and documents relating in part to her sales of Stanford certificates of deposit. The staff sent the request by first-class mail to Sidney at her CRD address. The mailing was not returned. Receiving no reply, on October 7, 2010, FINRA staff sent a second, identical request pursuant to FINRA Rule 8210 to Sidney at her CRD address, this time by FedEx as well as first-class mail. The first-class mailing

⁷ Decl. ¶ 17.

⁸ Decl. ¶¶ 18-19; CX-3, pp. 13-14.

⁹ FINRA Procedural Rule 9134(a); *Dep't of Enforcement v. Verdiner*, No. CAF020004, 2003 NASD Discip. LEXIS 42, at *5 (N.A.C. Dec. 9, 2003) (Rule 9134(b)(1) allows for constructive notice by mailing a complaint to the respondent's most recent CRD address) (*citing Lubeck v. SEC*, 1998 U.S. App. LEXIS 18849, at *20 (9th Cir. Aug. 12, 1998)).

¹⁰ The factual determinations in this Default Decision are based on the allegations of the attached Complaint, which are deemed admitted, as well as the Firley Declaration and the exhibits filed by Enforcement.

¹¹ Decl. ¶ 7.

was not returned. The staff obtained documentations from FedEx showing delivery of the October 7 request for information at Sidney's CRD address on October 11, 2010. Sidney did not respond to either request for information.¹²

For these reasons, as alleged in the Complaint and supported by the Firley Declaration, Enforcement has established, for the purposes of this Default Decision, that Sidney violated FINRA Rules 2010 and 8210.

III. Sanctions

For failure to respond to a request for information issued pursuant to Procedural Rule 8210, the Sanction Guidelines recommend a bar. If there are mitigating factors, the Guidelines recommend consideration of a suspension in any or all capacities for up to two years.¹³ In this case, there are no mitigating factors. Sidney did not respond in any manner to requests for information issued by FINRA pursuant to Procedural Rule 8210.

Conduct Rule 2010 and Procedural Rule 8210 are "crucial components of [FINRA's] examinations and investigations. ... Procedural Rule 8210 gives [FINRA] the right to require a member or person associated with a member to provide information, orally or in writing, in connection with an examination or investigation. The rule further states that no member or person shall fail to provide such information."¹⁴ As for sanctions, "[t]he Guidelines treat a failure to respond ... as egregious."¹⁵

For these reasons, Enforcement's recommendation of a bar from the securities industry is appropriate for Sidney's egregious failure to respond to FINRA's requests for information.

¹² Decl. ¶ 12.

¹³ *FINRA Sanction Guidelines* at 33 (2011).

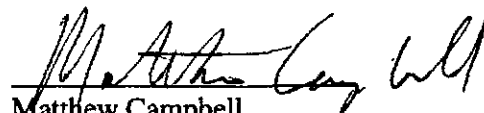
¹⁴ *Dep't of Enforcement v. Masceri*, No. C8A040079, 2006 NASD Discip. LEXIS 29, at *35-36 (N.A.C. Dec. 18, 2006).

¹⁵ *Id.* at *41.

IV. Order

Respondent Marie Rochelle Sidney is barred from associating with any FINRA member firm in any capacity for violating FINRA Conduct Rule 2010 and Procedural Rule 8210 by failing to respond in any manner to requests for information issued to her pursuant to Rule 8210.

If this Decision becomes FINRA's final disciplinary action, the bar shall be effective immediately.


Matthew Campbell
Hearing Officer

Copies to:

Marie R. Sidney (via FedEx and first-class mail)
Sean W. Firley, Esq. (via electronic and first-class mail)
Mark P. Dauer, Esq. (via electronic mail)
David R. Sonnenberg, Esq. (via electronic mail)

**FINRA
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

Complainant,

vs.

MARIE ROCHELLE SIDNEY (CRD No.
4600420),

Respondent.

Disciplinary Proceeding
No. 2010025127501

Hearing Officer – TBD

COMPLAINT

The Department of Enforcement alleges:

Summary

1. Rochelle Marie Sidney ("Sidney") failed to respond to requests for information and documents from FINRA staff, in violation of FINRA Rules 8210 and 2010.

Respondent and Jurisdiction

2. On November 14, 2002, former FINRA member Stanford Group Company ("Stanford")¹ filed a Form U4 for Sidney listing her employment date as October 21, 2002. Between October 21, 2002 and December 31, 2008, Sidney was registered with FINRA as a Foreign Associate.² Sidney has never held any securities licenses. On December 22, 2008, Stanford filed a Form U5 for Sidney, terminating her association with the firm as of December 31, 2008.

¹ Stanford filed Form BDW on March 12, 2009.

² NASD Membership and Registration Rule 1100 provides, in pertinent part, that "[a]ll persons associated with a member who are designated as Foreign Associates shall be required to be registered but shall be exempt from the requirement to pass a Qualification Exam."

3. Under Article V, Section 4 of FINRA's By-Laws, FINRA retains jurisdiction over Sidney until December 30, 2010, two years after she was last associated with Stanford.

**Cause of Action
Failure to Respond to Requests for Documents and Information
Violations of FINRA Rules 8210 and 2010**

4. The Department realleges and incorporates Paragraphs 1 through 3 by reference.

5. In order to investigate Sidney's sale of Stanford International Bank, Ltd. Certificates of Deposit, on September 8, 2010, FINRA staff ("Staff") sent a letter to Sidney, pursuant to FINRA Rule 8210, requesting that she provide various documents and information ("First Request").

6. The First Request was sent by first class mail to Sidney's residential address reflected in FINRA's Central Registration Depository ("CRD Address") and required Sidney's response on or before September 22, 2010.

7. To date, Sidney has not responded to the First Request and it has not been returned to FINRA.

8. On October 7, 2010, the Staff sent a second letter to Sidney, pursuant to FINRA Rule 8210, requesting that she provide the same documents and information that were requested in the First Request ("Second Request").

9. The Second Request was sent by first class mail and Federal Express to Sidney's CRD Address and required Sidney's response on or before October 18, 2010.

10. The Second Request sent by first class mail was not returned to FINRA.

11. As reflected by online records at www.fedex.com, the Second Request sent by Federal Express was delivered to Sidney's CRD Address on October 11, 2010.

12. To date, Sidney has not responded to the Second Request.

13. By failing to respond to the First and Second Requests, Sidney violated FINRA Rules 8210 and 2010.

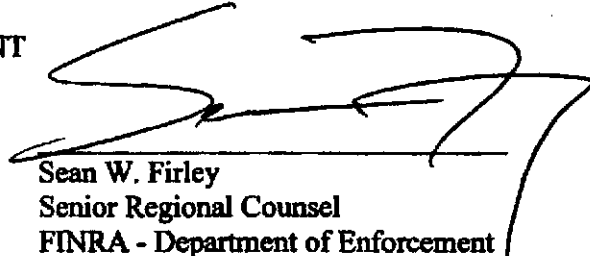
Relief Requested

WHEREFORE, the Department respectfully requests that the Panel:

- A. order that one or more of the sanctions provided under FINRA Rule 8310(a), including monetary sanctions, be imposed; and
- B. order that Respondent bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Dated: December 2, 2010



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