

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

DEPARTMENT OF ENFORCEMENT,

COMPLAINANT,

v.

JESUS MANUEL BRAVO,
(CRD No. 2838164),

RESPONDENT.

Disciplinary Proceeding
No. 2011027760602

Hearing Officer – LOM

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: June 25, 2012

INTRODUCTION

Disciplinary Proceeding No. 2011027760601 was filed on March 12, 2012, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Jesus Manuel Bravo submitted an Offer of Settlement (Offer) to Complainant dated June 14, 2012. 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

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

Bravo first became registered with FINRA as a General Securities Representative (GSR) on or about March 6, 1997. On or about March 26, 2002, Bravo became registered with a different FINRA member firm as a General Securities Principal (GSP). He was subsequently registered with FINRA through several FINRA member firms.

From January 6, 2010 through February 25, 2011, Bravo was registered with FINRA as a GSR and GSP through FINRA member firm First Midwest Securities, Inc. ("First Midwest"). From March 1, 2011 through June 1, 2011, Bravo was registered as a GSR and GSP through FINRA member firm Brookstone Securities, Inc. ("Brookstone"). Since June 1, 2011, Bravo has been registered through another FINRA member firm. On June 12, 2012, a Uniform Termination Notice for Securities Industry Registration (Form U5) was filed on Bravo's behalf by that member firm. Since then, Bravo has not been employed in the securities industry. While registered with First Midwest and then later with Brookstone, Bravo operated out of the same Melville, New York branch office location.

Although Bravo is no longer registered or associated with a FINRA member, he remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because Bravo was employed by a FINRA member firm at the time of the filing of the Complaint and the Complaint charges him with misconduct committed while he was registered or associated with a FINRA member.

FINDINGS AND CONCLUSIONS

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

1. Between January 2010 and May 2011, Jesus Manuel Bravo shared commissions with an unregistered individual who also operated a business out of the same office space as Bravo. When questioned on a pre-audit questionnaire by his firm, in September 2010, about whether any other businesses operate out of the branch office location, Bravo answered “no”, misleading his firm and falsifying a firm record.

FIRST CAUSE OF ACTION

SHARING COMMISSIONS WITH UNREGISTERED INDIVIDUAL (NASD CONDUCT RULE 2420 AND FINRA RULE 2010)

2. From January 2010 through May 2011, Bravo, while registered with FINRA through First Midwest and then Brookstone, directed the payment of securities compensation to an unregistered individual, LF.
3. Prior to December 2009, LF had been registered with FINRA as a GSR and GSP. LF attempted to become registered with First Midwest in June 2010, but the firm declined to register him based on his prior disciplinary history. In December 2005, LF had been disciplined for failure to supervise registered representative, EM, in a FINRA disciplinary action. After December 2009, LF did not become registered in any capacity with any FINRA member firm.
4. Bravo previously had worked with LF at other member firms.
5. From January 2010 through May 2011, Bravo claims that LF provided him with stock recommendations, based on his stock research.

6. In exchange for the purported stock research, which Bravo claims he used for his First Midwest and Brookstone customers, Bravo paid LF approximately 40% of his brokerage commissions. In total, Bravo paid LF approximately \$255,298.
7. Bravo did not disclose his commission payment arrangement with LF to anyone at First Midwest or Brookstone.
8. By reason of the foregoing, Bravo violated NASD Conduct Rule 2420 and FINRA Rule 2010.

SECOND CAUSE OF ACTION

PROVIDING FALSE AND MISLEADING INFORMATION TO HIS FIRM (FINRA RULE 2010 AND NASD CONDUCT RULE 3110)

9. In September 2010, Bravo submitted a false and misleading compliance questionnaire to First Midwest, denying that any other businesses were housed in the Melville, New York branch office.
10. At the time that he answered “no” to that question, Bravo knew that ProfitZone Press, a business operated by LF, was housed in the same office as the First Midwest Melville branch office. By signing and submitting the compliance questionnaire with the incorrect information, Bravo caused the books and records of First Midwest to contain false and misleading information regarding the composition of its Melville, New York branch office.
11. By means of his actions, Bravo also effectively concealed from First Midwest that the individual it had previously rejected for registration was nevertheless working out of the same office space as Bravo.

12. By reason of the foregoing, Bravo violated FINRA Rule 2010 and NASD Conduct Rule 3110.

Based on the foregoing, Respondent violated NASD Conduct Rules 2420, 3110 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 Respondent be suspended one (1) year from association with any member of FINRA in any and all capacities and pay a fine of \$20,000.

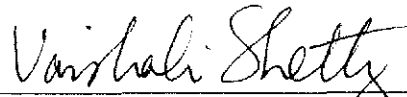
The fine shall be due and payable either immediately upon re-association with a member firm following the one year suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

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

A handwritten signature in black ink, reading "Vaishali Shetty". The signature is fluid and cursive, with the first name "Vaishali" and last name "Shetty" clearly distinguishable.

Vaishali Shetty, Senior Regional Counsel
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