

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20120341390-01**

TO: Department of Market Regulation
Financial Industry Regulatory Authority ("FINRA")

RE: VFinance Investments, Inc, Respondent
Broker-Dealer
CRD No. 44962

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, VFinance Investments, Inc (the "firm") submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against the firm alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. The firm hereby accepts and consents, without admitting or denying the findings, 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, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

The firm became a FINRA member on September 9, 1998. Its registration remains in effect. The firm has no prior relevant disciplinary history.

SUMMARY

In Matter No. 20120341390, the Department of Market Regulation reviewed the firm's compliance with FINRA rules pertaining to the execution of held market orders for the period of April 1, 2012 through June 30, 2012.

FACTS AND VIOLATIVE CONDUCT

1. In 47 instances, the firm failed to execute orders fully and promptly. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rules 2010, 5320, and 5310 (for conduct on or after May 31, 2012).
2. In 15 of the 49 transactions for or with a customer described above, the firm failed to use reasonable diligence to ascertain the best inter-dealer market and failed to buy or sell in such market so that the resultant price to its customer was as favorable as possible under

prevailing market conditions, as reflected on Exhibit A which is attached. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 2010, FINRA Rule 5310 (for conduct on or after May 31, 2012), and NASD Rule 2320 (for conduct before May 31, 2012).

B. The firm also consents to the imposition of the following sanctions:

- a) Censure;
- b) A fine of \$17,500; and
- c) Restitution by Respondent to the customers listed on Exhibit A, which is attached, in the total amount of \$2,617.11, plus interest at the rate set forth in Section 6621(a) of the Internal Revenue Code, 26 U.S.C. 6621(a)(2), from the date of the violative conduct until the date this AWC is accepted by the National Adjudicatory Council ("NAC"). A registered principal of the firm shall submit satisfactory proof of payment of the restitution, or of reasonable and documented efforts undertaken to effect restitution, to the COMPLIANCE ASSISTANT, LEGAL SECTION, MARKET REGULATION DEPARTMENT, 9509 KEY WEST AVENUE, ROCKVILLE, MD 20850 or in an e-mail from a work-related account of the registered principal to MarketRegulationComp@finra.org, no later than 120 days after acceptance of this AWC. If for any reason, Respondent cannot locate any customer after reasonable and documented efforts within such period, or such additional period agreed to by the staff, Respondent shall forward any undistributed restitution and interest to the appropriate escheat, unclaimed-property or abandoned-property fund for the state in which the customer is known to have last resided.

The firm agrees to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. It has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

The firm specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

II.

WAIVER OF PROCEDURAL RIGHTS

The firm specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against the firm;

WM

- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, the firm specifically and voluntarily waives any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

The firm further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

The firm understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against the firm; and
- C. If accepted:
 - 1. this AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against the firm;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about the firm's disciplinary record;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. The firm may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is

D. The firm may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The firm understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

5/16/14
Date

By:

Name:

June 16, 2014
Date

VFinance Investments, Inc ("VFIN")
2nd Quarter 2012 Market Order Timeliness Review

2012034139C
Exhibit A

Item #	Order Receipt Date	Firm MPID	Order Received Time	Buy / Sell	Quantity	Issue Sym	Firm Order ID	Execution Time	Restitution Amount
1	4/3/2012	VFIN	11:35:52	SL	324	AUSE	353A1BF9	11:37:53	N/A
2	4/3/2012	VFIN	13:19:20	B	575	CNDO	353A1C95	13:20:13	N/A
3	4/17/2012	VFIN	13:50:49	SL	3,130	CPHI	360FBE44	13:52:29	N/A
4	4/23/2012	VFIN	10:23:04	SL	1,000	VNTV	12114KQHZZ	10:25:47	N/A
5	4/23/2012	VFIN	14:53:41	SL	59	INTU	366B4B96	14:54:56	N/A
6	4/26/2012	VFIN	13:02:35	B	1,000	SVVC	36991075	13:03:06	N/A
7	5/1/2012	VFIN	14:13:45	SL	218	COP	67385463	14:14:36	N/A
8	5/1/2012	VFIN	14:32:14	SL	500	STD PRE	67388348	14:34:04	N/A
9	5/2/2012	VFIN	11:42:01	SL	475	BVSN	36F49DF7	11:42:48	N/A
10	5/2/2012	VFIN	12:32:01	SL	47	SVVC	36F49E87	12:32:40	N/A
11	5/4/2012	VFIN	12:28:27	B	750	CNDO	37132213	12:29:05	N/A
12	5/4/2012	VFIN	13:33:16	SL	1,000	TPLM	37132255	13:33:49	N/A
13	5/7/2012	VFIN	12:43:42	B	813	SVVC	3740EA42	12:44:23	\$21.39
14	5/9/2012	VFIN	15:48:56	SL	500	SVVC	375F6FAD	15:49:27	\$30.00
15	5/10/2012	VFIN	11:08:12	SL	500	SVVC	376EAFD5	11:10:30	N/A
16	5/10/2012	VFIN	15:08:58	SL	40	BBBY	376EB18C	15:10:12	N/A
17	5/11/2012	VFIN	11:48:44	B	750	SVVC	377DF2DE	11:49:27	N/A
18	5/14/2012	VFIN	11:59:26	B	300	PHMD	37ABB9DC	12:00:17	\$14.97
19	5/16/2012	VFIN	09:39:14	B	5,000	SVVC	37CA3CBB	09:40:29	\$1,600.50
20	5/17/2012	VFIN	09:58:05	B	1,000	SVVC	37D97F84	09:58:50	N/A
21	5/17/2012	VFIN	13:55:40	B	550	GSVC	37D981D5	13:56:13	\$2.48
22	5/18/2012	VFIN	09:36:34	SL	500	SVVC	12139JHL9H	09:37:19	N/A
23	5/18/2012	VFIN	11:28:56	SL	500	SVVC	12139MGRMK	11:29:37	\$60.00
24	5/18/2012	VFIN	11:34:10	SL	250	SVVC	37E8C36D	11:34:57	\$122.25
25	5/18/2012	VFIN	15:47:56	SX	250	SVVC	12139T97SP	15:49:07	\$1.50
26	5/21/2012	VFIN	10:46:18	SL	4,000	SVVC	38168925	10:48:32	\$598.00
27	5/21/2012	VFIN	10:47:21	SL	2,500	SVVC	3816892B	10:48:58	\$123.00
28	5/22/2012	VFIN	09:59:59	B	400	GSVC	3825CAB1	10:00:30	\$3.00
29	5/22/2012	VFIN	10:07:48	SL	600	FB	12143KBC7W	10:08:19	N/A
30	5/24/2012	VFIN	10:45:30	B	600	SVVC	38444F61	10:46:02	N/A
31	5/29/2012	VFIN	14:44:51	B	800	VRNG	12150SM51F	14:45:31	\$3.00
32	6/1/2012	VFIN	07:35:01	SL	320	SVVC	38BE5F4E	09:31:39	N/A
33	6/1/2012	VFIN	11:50:27	SL	240	MNST	38BE6207	11:51:47	N/A
34	6/5/2012	VFIN	09:50:44	B	290	NEON	38FB69D8	09:51:23	\$17.40
35	6/5/2012	VFIN	12:04:41	SL	230	FB	38FB6B37	12:05:13	N/A
36	6/6/2012	VFIN	13:22:14	SL	1,000	STLD	390AAE8C	13:22:53	N/A
37	6/13/2012	VFIN	14:16:08	SL	100	MLNK	39757EE6	14:16:42	N/A
38	6/19/2012	VFIN	10:39:42	B	1,300	GSVC	39D10A7D	10:41:22	N/A
39	6/20/2012	VFIN	13:05:47	B	300	PSX	39E04E86	13:07:10	N/A
40	6/20/2012	VFIN	14:07:51	B	1,500	PSX	39E04F19	14:09:22	N/A
41	6/20/2012	VFIN	14:11:08	B	290	PSX	39E04F30	14:12:30	\$17.37
42	6/20/2012	VFIN	14:24:21	B	250	BNNY	39E04FAB	14:25:11	\$2.25
43	6/25/2012	VFIN	12:14:37	SL	900	CTFO	3A2C9880	12:15:23	N/A
44	6/26/2012	VFIN	10:13:10	SL	3,800	ISR	69920266	10:14:13	N/A
45	6/26/2012	VFIN	15:02:22	SL	1,000	SGYP	3A3BDDC5	15:04:47	N/A
46	6/29/2012	VFIN	11:28:04	SL	184	PSX	3A69A0F5	11:28:43	N/A
47	6/29/2012	VFIN	14:13:51	SL	290	NEON	3A69A29E	14:16:14	N/A

Total Restitution Amount: \$2,617.11

WJ