

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012034487702**

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

RE: David Scott Steinbruegge, Respondent
Former Non-Registered Employee
CRD No. 6103236

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, David Scott Steinbruegge ("Steinbruegge"), submit 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 me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, 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

Steinbruegge entered the securities industry on September 14, 2012 as a registered representative trainee with AXA Advisors, L.L.C. ("AXA" or the "Firm"), a FINRA-regulated entity. On October 15, 2012, AXA filed a Form U5 Uniform Termination Notice For Securities Industry Registration reporting the September 28, 2012 termination of Steinbruegge's employment for failing to disclose a felony conviction during the employment application process. Steinbruegge has not been associated with any FINRA-regulated entity since his departure from AXA. Accordingly, pursuant to Article V, Section 4 of the FINRA by-laws, FINRA retains jurisdiction over Steinbruegge until at least October 13, 2014.

RELEVANT DISCIPLINARY HISTORY

Steinbruegge has no relevant disciplinary history.

OVERVIEW

Prior to entering the securities industry, on March 19, 2004 Steinbruegge was charged in Missouri with one felony count of Conspiracy to Distribute Cocaine and Marijuana. On February 16, 2005, Steinbruegge pled guilty to the felony charge. In 2013, joined AXA and failed to disclose to AXA and on his initial Uniform Application for Securities Industry Registration ("Form U4") that he had been charged with a felony and pled guilty to a felony. Accordingly, Steinbruegge violated FINRA Rules 1122 and 2010. In addition, Steinbruegge failed to timely respond to FINRA Rule 8210 requests for information in violation of FINRA Rules 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

Failure to Disclose a Felony Charge and Conviction

FINRA Rule 1122 states that "no member or person associated with a member shall file with FINRA information with respect to membership or registration which is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead, or fail to correct such filing after notice thereof."

FINRA Rule 2010 states that a "member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade."

Prior to entering the securities industry, on March 19, 2004 Steinbruegge was charged in the United States District Court for the Western District of Missouri ("District Court") with one felony count of Conspiracy to Distribute Cocaine and Marijuana in violation of Sections 846 and 841(a)(1) of Title 21 of the United States Code (21 U.S.C. §§ 846 and 841(a)(1)). On February 16, 2005, Steinbruegge pled guilty in the District Court to the felony charge. On July 14, 2005, Steinbruegge was sentenced to a nine month term in federal prison and three years of supervised release.

On or about September 14, 2012 when Steinbruegge became associated with AXA, he submitted an initial Form U4 for his registration with AXA. Steinbruegge falsely responded "NO" to criminal disclosure Question 14A(1)(a) which asks, "Have you ever been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any *felony*?" (emphasis in original). He also falsely responded "NO" to criminal disclosure Question 14A(1)(b), which asks, "Have you ever been *charged* with any *felony*?" (emphasis in original). Steinbruegge placed his signature on the Form U4 attesting to the completeness and accuracy of the document.

Despite having been charged with a felony in March 2004 and pleading guilty to the felony charge in July 2005, failed to report his prior criminal history and

allowed his Form U4 to contain false responses to criminal disclosure Questions 14(A)(1)(a) and 14(A)(1)(b). Steinbruegge should have responded "YES" to the criminal disclosure questions to reflect his prior felony charge and that he had pled guilty to a felony, but failed to do so.

In view of foregoing, Steinbruegge violated FINRA Rules FINRA Rules 1122 and 2010 by failing to disclose his prior criminal history his initial Form U4 submitted to AXA.

Failure to Timely Respond to 8210 Requests

FINRA Rule 8210 "requires that a member, or person associated with a member, or person subject to the Association's jurisdiction to provide information orally, in writing, or electronically...with respect to any matter involved in the investigation, complaint, examination, or proceeding." The failure to timely respond to requests for information violates FINRA Rule 8210.

Steinbruegge failed to timely respond to two requests for documents and information sent pursuant to FINRA Rule 8210. FINRA sent letters to Steinbruegge on November 14, 2012 and December 6, 2012. The letters required Steinbruegge to provide a written statement and various documents regarding the allegations that he had failed to disclose a felony conviction on an initial Form U4 he filed with AXA. Steinbruegge was properly served with all of the requests via certified mail, return receipt requested and first class mail at his Central Registration Depository address. Steinbruegge failed to respond to the requests within the prescribed time period.

On February 21, 2013, FINRA initiated an expedited proceeding, pursuant to FINRA Rule 9552, against Steinbruegge. As part of that proceeding, FINRA sent Steinbruegge a letter notifying him that his registration with FINRA would be suspended on March 18, 2013 and on May 24, 2013 he would be barred from associating with any FINRA member in any capacity, for failing to respond to FINRA's requests for information. Steinbruegge subsequently responded to the information requests on March 12, 2013, prior to the date his suspension date was scheduled to start.

In view of the foregoing, Steinbruegge violated FINRA Rules 8210 and 2010.

B. I also consent to the imposition of the following sanctions:

- a nine-month suspension from association with any FINRA member in any capacity; and
- a \$5,000 deferred fine.

The fine shall be due and payable either immediately upon reassociation with a member firm following the nine-month 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.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

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

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- 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 National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive 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.

I further specifically and voluntarily waive 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

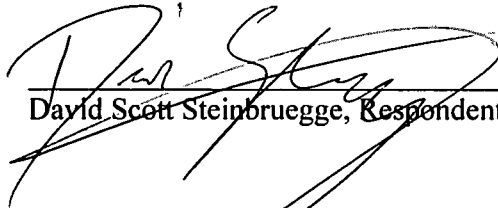
I understand that:

- 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 me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my 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. I 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 without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

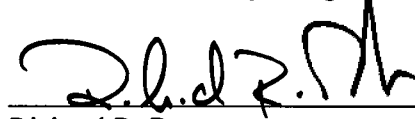
3/11/14
Date


David Scott Steinbruegge, Respondent

Accepted by FINRA:

3.19.14
Date

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



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