

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20120345933-01**

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

RE: Jeanne Ann Scolnick, Respondent
General Securities Representative
CRD No. 1669354

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Jeanne Scolnick, 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

Scolnick first became registered with FINRA in March 1987 as a general securities representative ("GSR") at a FINRA member firm, from which she was terminated in September 1994. Scolnick was registered with one additional FINRA member firm as a GSR between September 1994 and December 2009. In February 2010, Scolnick registered as a GSR with FINRA member Aaron Capital Incorporated (BD No. 28583) ("ACI" or the "Firm"), where she remained until January 2011. Since that time, Scolnick has not been registered or associated with FINRA through any member firm. However, Scolnick remains subject to FINRA's jurisdiction pursuant to FINRA By-Laws, Article V, Section 4 through at least December 3, 2014, based on a Uniform Termination Notice for Securities Industry Registration ("Form U5") amendment filed by ACI on December 4, 2012, disclosing for the first time an arbitration filing against Scolnick by investor DL.

RELEVANT DISCIPLINARY HISTORY

Scolnick has no disciplinary history with the Securities and Exchange Commission, FINRA, any other self-regulatory organization or any state securities regulator.

OVERVIEW

In November 2010, while registered with member firm ACI, Scolnick participated in a private securities transaction without providing ACI with prior written notice of the proposed transaction. Additionally, Scolnick received selling compensation for the transaction without requesting or receiving ACI's written approval.

FACTS AND VIOLATIVE CONDUCT

On or about November 27, 2010, Scolnick participated in a private securities transaction without providing prior written notice to ACI of the details of the transaction or her role in it. In the transaction, an investor based in California named DL, who was acquainted with Scolnick, invested \$200,000 in a limited liability company ("LLC") that claimed to be constructing a container terminal in New Orleans, Louisiana. Scolnick participated in discussions between DL and the owner of the LLC; she helped DL secure legal counsel to review the terms of his investment in the LLC; and, on or about November 27, 2010, Scolnick accepted a \$5,000 finder's fee in connection with DL's investment. Scolnick did not request or receive approval from ACI for her work in connection with the LLC and did not request or receive ACI's written approval to receive the finder's fee. DL's investment was ultimately a total loss. Scolnick later paid the \$5,000 she earned as a finder's fee to DL.

By reason of the foregoing, Scolnick violated NASD Conduct Rule 3040 and FINRA Rule 2010.

OTHER FACTORS

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

- A suspension from association with any FINRA member firm in any capacity for a period of four months; and
- A deferred monetary fine in the amount of \$10,000.

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

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 fine shall be due and payable either immediately upon reassociation with a member firm following the four-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(s) imposed in this matter.

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:

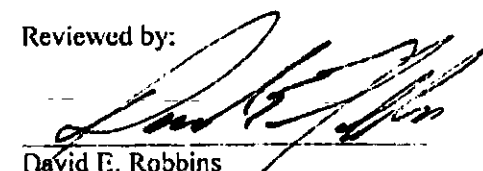
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will 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.

11/04/2013
Date (mm/dd/yyyy)

Jeanne Ann Scolnick
Jeanne Ann Scolnick (CRD No. 1669354)
Respondent

Reviewed by:

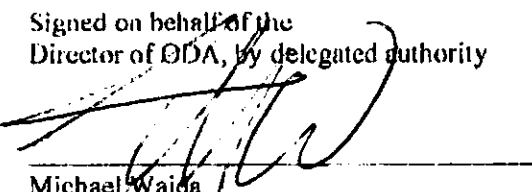


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Accepted by FINRA:

November 21, 2013
Date

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



Michael Wajda
Principal Regional Counsel
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