

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012035327201**

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

RE: Shane Crown, Respondent
General Securities Representative
CRD No. 5269502

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

Shane Crown ("Crown") became associated with Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPFS"), a FINRA regulated broker-dealer in December 2006. Crown became qualified as a Series 7 general securities representative in June 2008.

In a Uniform Termination Notice For Securities Industry Registration (Form U5) dated December 20, 2012, MLPFS reported that Crown was discharged on December 7, 2012 for "conduct involving theft from an internal department cash fund," and that "this conduct did not involve customers or customer accounts of [MLPFS]."

Crown is not currently associated with a FINRA regulated broker-dealer, however, pursuant to Article V, Section 4 of FINRA's By-Laws, Crown remains subject to FINRA's jurisdiction until December 19, 2014.

OVERVIEW

Between August 2012 and October 2012, while employed with MLPFS, Crown converted \$850 from an internal department cash fund at MLPFS that was earmarked for team building events. Crown used these funds for his own personal benefit. By virtue of his conduct, Crown violated FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

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.”

Crown worked in the Banking Initiatives/Fraud & Six Sigma department of MLPFS as a Senior Operations Manager with the Online Risk Management (“ORM”) team. The ORM team was responsible for reviewing suspicious login and trading activity into MLPFS brokerage sites and safeguarding client accounts should an online compromise be detected. Crown co-led the daily operations of online surveillance functions supported by the ORM team.

In or about July 2012, Crown was appointed the Treasurer of his department’s Associate Satisfaction (“ASAT”) Committee, which would raise money through fundraisers to pay for team building events. As Treasurer, Crown was responsible for the safekeeping of cash funds raised.

On or about December 4, 2012, while planning its holiday party, the ASAT Committee discovered that funds were missing. When confronted, Crown acknowledged converting \$850. In an e-mail from Crown to a Fraud Investigations Group associated with the parent of MLPFS, dated December 5, 2012, Crown stated, in part, that because he was having financial difficulties, he took ASAT Committee funds from a money box between August 2012 and October 2012.

By virtue of the foregoing, Crown converted \$850 in funds belonging to MLPFS, in violation of FINRA Rule 2010.

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

A bar from association with any FINRA member in any capacity.

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. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

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.**

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.

09/18/2013
Date


Shane Crown

Accepted by FINRA:

9/30/13
Date

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


Richard Chin
Chief Counsel
FINRA Department of Enforcement
One World Financial Center
200 Liberty Street
New York, New York 10281-1003
Phone: 646-315-7322
Fax: 202-689-3415