

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013035122101**

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

RE: CV Brokerage, Inc. (BD No. 462),
Respondent

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, CV Brokerage, Inc. ("CV" or 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 CV alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent 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

CV has been a member of FINRA since July 1, 1965. The Firm's main office is located in West Conshohocken, Pa and it has two registered branch offices and 38 registered representatives. CV has no relevant FINRA disciplinary history.

FACTS AND VIOLATIVE CONDUCT

From June 2013 to August 2013, CV failed to file an application with FINRA for approval of a material change of its business operations involving conducting a research business. Based on the foregoing, CV violated NASD Membership and Registration Rule 1017 and FINRA Rule 2010.

From May 2013 to August 2013, CV failed to report 33 customer-side transactions to the Real-time Transaction Reporting System in the manner prescribed by Municipal Securities Rulemaking Board ("MSRB") Rule G-14. Based on the foregoing, CV violated MSRB Rule G-14.

B. Respondent consents to the imposition of the following sanction:

- A fine of \$5,000 (\$2,500 of which pertains to the violations of MSRB Rule G-14).

Respondent agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. Respondent has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

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

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

II.

WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Complaint issued specifying the allegations against it;
- 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, Respondent specifically and voluntarily waives any right to claim bias or prejudgment of the Chief Legal Officer, 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.

Respondent 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

Respondent 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 it; and**
- C. If accepted:**
 - 1. this AWC will become part of its permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against it;**
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about its 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. Respondent 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. Respondent 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 its: (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. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent 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.**

The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understand all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that the Firm has 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 the Firm to submit it.

CV Brokerage, Inc.

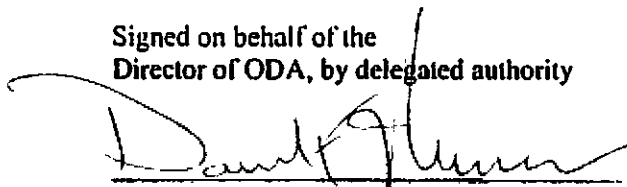
10/24/2014
Date (mm/dd/yyyy)

By: Brenda Smith
Brenda Smith
President

Accepted by FINRA:

October 27, 2014
Date

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



David F. Newman
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October 14, 2014

Mr. David F Newman
Senior Regional Counsel
1835 Market Street, Suite 1900
Philadelphia, PA 19103-2932

RE: Exam No 2013035122101 (CV Brokerage Inc)

Dear Mr. Newman:

We are accepting the Letter of Acceptance, Waiver and Consent ("AWC") related to the above referenced matter.

This Corrective Action Statement is submitted by Respondent. It does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA, or its staff.

With regard to the research business, the research analyst was instructed to include the email messages sent to the covered company in the count of fourteen or fewer institutional clients. He was made aware that FINRA includes every email message sent with the research report including the executives who were provided the reports as a courtesy in order to determine whether the fourteen or fewer recipient exception has been breached.

With regard to the reporting for customer-side transactions to the Real-time Transaction Reporting System in the manner prescribed by MSRB, the transactions were immediately reported and have been reported appropriately since determination that the clearing firm was only reporting the dealer side transactions.

Thank you for allowing this Statement of Corrective Action, which outlines demonstrable steps taken to correct the issues.

Sincerely,

Brenda Smith
President

200 Four Falls, Suite 211
1001 Conshohocken State Road
Conshohocken, PA 19380

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