

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2013035763501**

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

RE: Bret Marc Shapiro, Respondent  
General Securities Principal  
CRD No. 1924771

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**

Bret Marc Shapiro ("Shapiro") entered the securities industry in 1989, when he was associated with a FINRA member. Shapiro acquired a Series 7 license on November 18, 1989, a Series 63 license on September 12, 1990, and a Series 24 license on September 19, 2008. Shapiro was associated with several FINRA members since February 1989. Since February 2008, Shapiro has been associated with Dawson James Securities, Inc. ("DJS"). Shapiro is subject to FINRA's jurisdiction because he is registered through a FINRA member.

**RELEVANT DISCIPLINARY HISTORY**

Shapiro does not have any relevant disciplinary history.

## **OVERVIEW**

While Shapiro was associated with DJS, Shapiro willfully failed to timely amend his Uniform Application for Securities Industry Registration and Transfer ("Form U4") to disclose various tax liens.

## **FACTS AND VIOLATIVE CONDUCT**

Article V, Section 2(c) of FINRA's By-Laws provides that every application for registration filed with FINRA shall be kept current at all times by supplementary amendments which must be filed within thirty days after learning of the facts or circumstances giving rise to the amendment. Since at least 2010, Disclosure Question 14M of Form U4 has read: "Do you have any unsatisfied judgments or liens against you?"

FINRA Rule 1122 provides 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."

On or about September 29, 2010, the Internal Revenue Service ("IRS") notified Shapiro of a tax lien against him in the amounts of \$104,556.05 for the tax year ending 2004 and \$43,420.48 for the tax year ending 2006.

On or about February 2, 2011, the IRS filed and recorded a tax lien against Shapiro in the amounts of \$89,421.05 for the tax year ending 2004, \$291,293.34 for the tax year ending 2005, and \$145,891.25 for the tax year ending 2007. The IRS notified Shapiro of the tax lien.

On or about February 23, 2011, the IRS filed and recorded a tax lien against Shapiro in the amounts of \$97,067.89 for the tax year ending 2004, \$291,293.34 for the tax year ending 2005, and \$40,982.33 for the tax year ending 2006. The IRS notified Shapiro of the tax lien.

On or about August 31, 2012, the IRS filed and recorded a tax lien against Shapiro in the amount of \$53,919.48 for the tax year ending 2009. The IRS notified Shapiro of the tax lien.

On or about September 5, 2012, the IRS filed and recorded a tax lien against Shapiro in the amount of \$147,914.61 for the tax year ending 2007. The IRS notified Shapiro of the tax lien.

Shapiro failed to amend his Form U4 within thirty days of receipt of the notices. As a result of the foregoing conduct, Shapiro willfully failed to timely amend his Form U4 to disclose tax liens, in contravention of Article V, Section 2 of

FINRA's By-Laws, and in violation of FINRA Rules 1122 and 2010.

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

A \$5,000 fine and three-month suspension from association with any FINRA member firm in all capacities.

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

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).

I understand that this settlement includes a finding that I willfully omitted to state a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 and Article III, Section 4 of FINRA's By-Laws, this omission makes me subject to a statutory disqualification with respect to association with a member.

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.

10/14/13  
Date

Bret M. Shapiro  
Bret Marc Shapiro, Respondent

Reviewed by:

[Signature]  
Gregg Breitbart, Esq.  
Counsel for Respondent  
Kaufman Dolowich & Voluck LLP  
One Boca Place  
2255 Glades Road, Suite 300E  
Boca Raton, Florida 33431

Accepted by FINRA:

10-29-2013  
Date

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

[Signature]  
Kevin D. Rosen, Principal Regional Counsel  
FINRA Department of Enforcement  
Crystal Corporate Center  
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