

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013036065701**

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

**RE: Albert Lee Rosebush, Respondent ("Rosebush")
CRD No. 1213100**

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

Rosebush first entered the securities industry as a Series 6 Investment Company Products/Variable Contracts Representative in December 1983 and became a General Securities Representative ("GSR") in August 1987. From June 1994 through December 2012, Rosebush was registered with Signator Investors, Inc. ("Signator" or the "Firm"), a FINRA-regulated broker-dealer, as a GSR and, beginning in 2000, as a Series 65 Investment Advisor.

On December 20, 2012, Signator filed a Uniform Termination Notice for Securities Industry Registration (Form U5) reporting the voluntary termination of Rosebush's employment on December 19, 2012. Thereafter, from January 2013 through September 14, 2015, Rosebush was registered with Fintegra, LLC, another FINRA-regulated broker-dealer, as a GSR.

Rosebush is not currently associated with a FINRA regulated broker-dealer, however, FINRA retains jurisdiction over Rosebush, pursuant to Article V, Section 4 of FINRA's By-Laws.

RELEVANT DISCIPLINARY HISTORY

In 2003, Rosebush consented to a six-week suspension in all capacities and a \$7,500 fine in Letter of Acceptance, Waiver and Consent C8A200300053, based upon findings that he engaged in an unapproved outside business activity.

OVERVIEW

From 2010 through 2013, Rosebush filed late amendments to his Uniform Application for Securities Industry Registration or Transfer ("Form U4") to report six tax liens filed against him totaling approximately \$198,491.40. In four additional instances, Rosebush completely failed to report tax liens totaling approximately \$23,173. As a result, he willfully violated Article V, Section 2(c) of FINRA's By-Laws and FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of the FINRA By-Laws requires an associated person to keep the Form U4 "current at all times," and file any amendments to the Form U4 "not later than 30 days after learning of the facts or circumstances giving rise to the amendment."

FINRA Rule 1122 states that "[n]o . . . person associated with a member shall file with FINRA information with respect to . . . 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."

A violation of Article V, Section 2(c) of the FINRA By-Laws and FINRA Rule 1122 constitutes a violation of FINRA Rule 2010, which requires an associated person to observe the high standards of commercial honor and just and equitable principles of trade.

Question 14(M) of the Form U4 asks an associated person "Do you have any unsatisfied judgments or liens against you?" Question 15A(9) of the Form U4 requires an associated person to update the form by causing an amendment to be filed on a timely basis whenever changes occur to answers previously reported.

The intentional failure to file an amended Form U4 after receiving notice of the filing of a lien constitutes a willful violation of Article V, Section 2(c) of the FINRA By-Laws and FINRA Rule 1122.

Rosebush's Late Filing of Amendments to his Form U4 for Six Tax Liens

The August 2011 Amended U4

In the summer of 2001, the Firm identified possible tax liens that had been filed against Rosebush. In response, the Firm instructed Rosebush to update his Form

U4 to disclose any liens that pertained to him. On August 9, 2011, Rosebush filed an Amended Form U4 (the "August 2011 Amended U4").

In the August 2011 Amended U4, Rosebush reported two state tax liens in the amounts of \$948.86 and \$644.66, that had been filed against him on April 1, 2010 and February 1, 2011, respectively. Rosebush had notice of the filing of these liens. Rosebush's disclosure of these two state tax liens was late by approximately 15 months (for the \$948.86 lien) and 5 months (for the \$644.66 lien). Rosebush's failure to amend his Form U4 in a timely fashion was willful. These liens were satisfied on February 23, 2011 and August 4, 2011, respectively.

In October 2011, the Firm advised Rosebush that "[a]ll the information in your Form U4 must be kept current" and that "[t]he [Firm] must be informed in writing within 30 days of any changes to this information"

The November 2012 Amended U4

On June 19, 2012, the Internal Revenue Service filed a lien against Rosebush in the total amount of \$139,076.88 (the "Federal Tax Lien"). Although Rosebush received notice of the Federal Tax Lien, he did not file an amended Form U4 to disclose it until November 30, 2012 (the "November 2012 Amended U4"). This filing was approximately four months after the date Rosebush was legally obligated to amend his Form U4. As he had received notice of the Federal Tax Lien, Rosebush's failure to amend his Form U4 in a timely fashion was willful.

The January 2013 Amended U4

During his employment with Signator, there were three additional liens filed against Rosebush that he reported late. These liens were in the amounts of \$44,208, \$12,755 and \$858, and were filed on October 8, 2010, July 24, 2012 and October 15, 2012, respectively. Rosebush did not file an amended Form U4 to disclose these liens until January 7, 2013, after he had already left Signator (the "January 2013 Amended U4").

The January 2013 Amended U4 was late in reporting these liens. The \$44,208 lien, filed by the Internal Revenue Service, was reported late by approximately 26 months. The \$12,755 lien, filed by the State of Indiana, was reported late by approximately four months. The \$858 lien, also filed by the State of Indiana, was reported late by approximately four weeks. At the time of the January 2013 Amended U4, all of these liens were still outstanding.

Rosebush had notice of the three tax liens disclosed in the January 2013 Amended U4, and was required to amend his Form U4 to report these liens within 30 days of learning about them. Rosebush, however, failed to do so in a timely fashion. Rosebush's failure to report these liens in a timely fashion was willful.

As a result of the foregoing conduct, Rosebush willfully violated Article V, Section 2(c) of the FINRA By-Laws and FINRA Rules 1122 and 2010.

Rosebush's Failure to Amend his Form U4 to Disclosed Four Tax Liens

While Rosebush was employed with Signator, there were four additional tax liens filed against Rosebush for which he received notice, filed on May 3, 2010, December 14, 2010, February 22, 2011 and August 31, 2011 in the amounts of \$544, \$12,233, \$803, and \$9,593 respectively. All these liens have since been satisfied.

Although Rosebush was required to amend his Form U4 to report these liens, he failed to do so. As he had received notice of each of these liens, Rosebush's failure to amend his Form U4 to report them was willful.

As a result of the foregoing conduct, Rosebush willfully violated Article V, Section 2(c) of the FINRA By-Laws and FINRA Rules 1122 and 2010.

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

- a one-year suspension from association with any FINRA member in any capacity; and
- a fine of \$5,000.

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

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 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.

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.

9/24/2015
Date

Aut 2 Rosebush
Albert Rosebush, Respondent

Accepted by FINRA:

10/12/15
Date

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

Richard Chin
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