

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Steven Franklin Bracy
(CRD No. 1504678),

Respondent.

DISCIPLINARY PROCEEDING
No. 2013036701401

Hearing Officer - MAD

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: November 13, 2013

INTRODUCTION

Disciplinary Proceeding No. 2013036701401 was filed on September 17, 2013, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Steven Franklin Bracy submitted an Offer of Settlement (Offer) to Complainant dated November 4, 2013. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint 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, to the entry of findings and violations consistent with the allegations of the Complaint, and to the imposition of

the sanctions set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

Respondent first became registered as a General Securities Representative (Series 7) with FINRA firm UBS Financial Services Inc. in February 2002 and remained registered with its successor firm UBS Securities LLC (collectively "UBS") until June 2008. Bracy is currently registered as a General Securities Representative with FINRA firm Ross, Sinclair & Associates, LLC ("RSA") and has been registered with RSA since May 2009. Respondent is therefore subject to FINRA's jurisdiction.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

SUMMARY

1. In August and September 2013, while registered with a FINRA firm, Respondent Steven Franklin Bracy ("Respondent" or "Bracy") failed to appear twice for on-the-record interviews noticed pursuant to FINRA Rule 8210. Bracy therefore violated FINRA Rules 8210 and 2010.

RESPONDENT AND JURISDICTION

2. Respondent first became registered as a General Securities Representative (Series 7) with a FINRA firm UBS Financial Services Inc. in February 2002 and remained registered with its successor firm UBS Securities LLC (collectively "UBS") until June 2008.

3. Bracy is currently registered as a General Securities Representative with FINRA firm Ross, Sinclair & Associates, LLC ("RSA") and has been registered with RSA since May 2009.
4. Respondent is therefore subject to FINRA's jurisdiction.

**FIRST CAUSE OF ACTION
FAILURE TO COOPERATE WITH FINRA INVESTIGATION
VIOLATION OF FINRA RULES 8210 AND 2010**

5. The Department realleges and incorporates by reference paragraphs 1 through 4 above.
6. In or about April 2013, FINRA Enforcement began an investigation of Respondent, including concerning whether Respondent had misappropriated funds of FINRA members UBS and RSA by submitting false expense reports.
7. As part of its investigation, Enforcement sought to conduct an on-the-record interview of Respondent.

Respondent's Failure to Appear for Interview of August 5-6, 2013 Rescheduled to August 20-21, 2013

8. On July 15, 2013, Enforcement sent a letter pursuant to FINRA Rule 8210 to counsel for Respondent, by first class certified mail, requesting that Respondent appear at FINRA's offices in Rockville, Maryland, on August 5-6, 2013 at 9:30 AM so that Enforcement staff could take his testimony under oath on oral examination (the "July 15 Request").
9. On or about July 17, 2013, counsel for Respondent orally contacted Enforcement and requested that Respondent's on-the-record interview scheduled for August 5-6, 2013

be postponed. Thereafter, Respondent's counsel proposed the dates of August 21-22, 2013 for the interview.

10. On July 30, 2013, Enforcement faxed a letter to Respondent's counsel ("July 30 Letter") responding to the suggested dates of August 21-22, 2013, by suggesting that the interviews be moved a day earlier and therefore be held on August 20-21, 2013.
11. Thereafter, Respondent's counsel and Enforcement had a telephone conversation on July 30, 2013 ("July 30 Call"). During that call, Enforcement agreed to postpone the interview with Bracy to August 20-21, 2013, to be held in FINRA's Rockville, Maryland offices.
12. In the July 30 Call, Respondent's counsel, on behalf of Bracy, agreed to have Bracy appear for the interview on August 20-21, 2013.
13. On July 31, 2013, Enforcement sent Respondent's counsel a letter by first class certified mail, confirming the rescheduling of the on-the-record interview from August 5-6, 2013 to August 20-21, 2013 in FINRA's Rockville, MD offices ("July 31 Letter").
14. The July 31 Letter informed Respondent's counsel that the request for the on-the-record interview was being conducted pursuant to FINRA Rule 8210.
15. The July 31 Letter stated that Enforcement would not agree to any further adjournments.
16. On August 19, 2013, after 5:00 pm, Respondent's counsel sent Enforcement's counsel an email that had an attached letter ("August 19th Postponement Request"). In this correspondence, Respondent's counsel stated that Respondent was "not in a

position to go forward with his on-the-record interview, currently scheduled for August 20 and 21” and requested that the interview be adjourned.

17. On August 19, 2013, after consideration of Respondent’s request to adjourn the interview, Enforcement informed Respondent’s counsel that it had denied the request and that the interview of Respondent remained scheduled for the next day.
18. On August 20, 2013, Respondent did not appear for his on-the-record interview as scheduled.
19. On August 21, 2013, Respondent did not appear for his on the record interview as scheduled.

Respondent’s Failure to Appear for Interview Scheduled for September 10-11, 2013

20. Between August 22 and August 27, 2013, Respondent did not contact Enforcement.
21. On August 28, 2013, Enforcement sent a letter to Respondent’s counsel (“August 28 Letter”) that gave notice in accordance with FINRA Rule 8210 that Respondent was being provided a final opportunity to appear for an on-the-record interview to fulfill his FINRA Rule 8210 obligation. The letter further stated that Enforcement had scheduled an on-the-record interview for September 10-11, 2013, to be held in FINRA’s Rockville, Maryland offices.
22. On September 6, 2013, Enforcement sent a letter pursuant to FINRA Rule 8210 by first class certified mail to Respondent’s counsel (“September 6 Letter”) that informed Respondent’s counsel that if Respondent did not appear for the testimony scheduled for September 10-11, 2013, in accordance with FINRA Rule 8210,

Enforcement was prepared to recommend the filing of a complaint against Respondent for violating FINRA Rule 8210.

23. On September 9, 2013, Respondent's counsel sent a letter to Enforcement as an email attachment ("September 9 Letter"). In the letter, Respondent's counsel stated that they "were not in a position to go forward" on September 10-11, 2013 with Respondent's on-the-record interview.

24. On September 10, 2013, Respondent did not appear for the on-the-record interview.

25. On September 11, 2013, Respondent did not appear for the on-the-record interview.

Respondent's Continuing Failure to Cooperate

26. To date, Respondent has neither appeared for an on-the-record interview in accordance with Enforcement's FINRA Rule 8210 request nor provided Enforcement with a date certain for appearing for the interview.

27. FINRA Rule 8210 requires associated persons "to provide information orally, in writing or electronically... and testify at a location specified by FINRA staff, under oath or affirmation ...with respect to any matter involved in the investigation, complaint, examination, or proceeding...."

28. By reason of the facts alleged above, including for failing to appear twice for testimony scheduled pursuant to FINRA Rule 8210, Respondent violated FINRA Rules 8210 and 2010.

Based on the foregoing, Respondent violated FINRA Rules 8210 and 2010.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future

misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

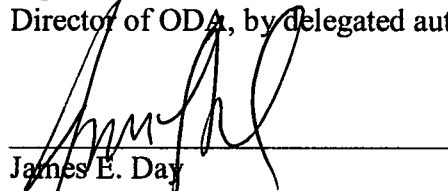
It is ordered that Respondent be barred from associating with any FINRA member in all capacities.

The sanction 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 Order.

SO ORDERED.

FINRA

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

A handwritten signature in black ink, appearing to read "James E. Day", is written over a horizontal line.

James E. Day
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