

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20130367793-01**

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

RE: BNY Mellon Capital Markets, LLC, Respondent
Broker-Dealer
CRD No. 17454

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, BNY Mellon Capital Markets, LLC (the "firm" or "Respondent") 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 the firm alleging violations based on the same factual findings described herein.

L.

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

Respondent has been a FINRA member since August 1, 1986, and its registration remains in effect.

RELEVANT DISCIPLINARY HISTORY

Respondent has no prior relevant disciplinary history.

SUMMARY

In connection with Review No. 20130367793, the Customer Issues Group of the Department of Market Regulation reviewed the firm's compliance with FINRA Rule 5310 during the period January 1, 2013 through March 31, 2013 (the "review period").

FACTS AND VIOLATIVE CONDUCT

During the review period, the firm failed to execute 50 market orders fully and promptly. In nine of the 50 orders, the firm failed to use reasonable diligence to ascertain the best market for the subject securities so that the resultant price to the customer was as favorable as possible under prevailing market conditions. The instances are reflected on Exhibit A, which is attached. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rules 5310 and 2010.

B. The firm also consents to the imposition of the following sanctions:

A censure and a fine of \$12,500.

Restitution is ordered to be paid to the customer(s) listed on Exhibit A hereto in the amount of \$41.05, plus interest at the rate set forth in Section 6621(a) of the Internal Revenue Code, 26 U.S.C. 6621(a)(2), from the date of the violative conduct until the date this AWC is accepted by the National Adjudicatory Council.

A registered principal on behalf of the Respondent shall submit satisfactory proof of payment of the restitution, or of reasonable and documented efforts undertaken to effect restitution. Such proof shall be submitted to the COMPLIANCE ASSISTANT, LEGAL SECTION, MARKET REGULATION DEPARTMENT, 9509 KEY WEST AVENUE, ROCKVILLE, MD 20850, either by letter that identifies the Respondent and case number, or by email from a work-related account of the registered principal of the firm to MarketRegulationComp@finra.org. This proof shall be provided to FINRA no later than 120 days after acceptance of this AWC.

If for any reason, Respondent cannot locate any customer identified in Exhibit A after reasonable and documented efforts within 120 days from the date the AWC is accepted, or such additional period agreed to by FINRA staff in writing, Respondent shall forward any undistributed restitution and interest to the appropriate escheat, unclaimed-property or abandoned-property fund for the state in which the customer is known to have last resided. Respondent shall provide satisfactory proof of such action to FINRA in the manner described above, within 14 days of forwarding the undistributed restitution and interest to the appropriate state authority.

The imposition of a restitution order or any other monetary sanction herein, and the timing of such ordered payments, does not preclude customers from pursuing their own actions to obtain restitution or other remedies.

Respondent agrees to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. It 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(s) imposed in this matter.

The sanctions 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 the firm;
- 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 Respondent; and
- C. If accepted:
 - 1. This AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against the firm;
 - 2. This AWC will be made available through FINRA's public disclosure program in response to public inquiries about the firm's 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. The firm 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 the firm's: (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. The firm 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 understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that it has agreed to the AWC's 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.

11/3/14
Date

Respondent
BNY Mellon Capital Markets, LLC

By: 

Name: Gary Strumayer

Title: President

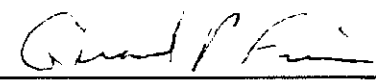
Reviewed by:

Attorney Name
Counsel for Respondent

Accepted by FINRA:

11/25/14
Date

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


Gerard P. Finn
Chief Counsel
Department of Market Regulation

Item #	Order Receipt Date	Event Type	Firm MPID	Order Received Time	Desk Received Time	Buy/Sell	Quantity	Issue Symbol	Firm Order ID	Special Handling Codes	Reporting Exception Code	Execution Time*	Routing Firm MPID	Restitution
1	1/4/2013	OE	BKMM	11:23:44		B	500	KWN	4789695E			11:25:39	PERS	N/A
2	1/7/2013	NW	BKMM	11:45:52		B	400	TAYOO	47EC4623			11:46:22	PERS	N/A
3	1/8/2013	NW	BKMM	11:11:02		B	600	TVC	47FB8841			11:11:45	PERS	\$10.12
4	1/9/2013	NW	BKMM	12:01:55		B	993	MSZ	48058498			12:02:32	PERS	\$2.93
5	1/10/2013	NW	BKMM	14:06:31		B	282	GS PRO	4814F735			14:07:07	PERS	N/A
6	1/10/2013	NW	BKMM	15:49:14		B	500	JPM PRD	4814F79C			15:50:17	PERS	\$1.00
7	1/14/2013	OE	BKMM	12:15:00		SL	2,000	BST PRF	484C95CA			12:16:10	PERS	N/A
8	1/15/2013	NW	BKMM	12:26:18		SL	1,000	UZA	4866583A			12:27:02	PERS	\$5.00
9	1/16/2013	OE	BKMM	10:45:12		B	400	DUKH	48686E24			10:46:18	PERS	\$4.00
10	1/17/2013	OE	BKMM	09:59:54		SL	1,000	PSA PRV	4884DC6D			10:03:10	PERS	N/A
11	1/17/2013	OE	BKMM	10:50:00		B	692	GS PRI	487FC66D			10:51:05	PERS	N/A
12	1/17/2013	OE	BKMM	15:24:11		B	1,500	WFC PRO	4884D05E			15:25:30	PERS	N/A
13	1/18/2013	NW	BKMM	11:15:48		B	1,000	NRUJ	48841EAE			11:16:28	PERS	N/A
14	1/18/2013	NW	BKMM	11:28:59		B	788	DDR PRH	4889F2A4			11:30:03	PERS	N/A
15	1/22/2013	NW	BKMM	10:05:43		SL	600	MWO	48CC11A4			10:06:45	PERS	\$3.00
16	1/22/2013	NW	BKMM	10:42:11		SL	1,000	PJH	48D127F4			10:44:30	PERS	N/A
17	1/23/2013	NW	BKMM	12:33:52		B	250	GST PRA	48D85438			12:34:41	PERS	N/A
18	1/23/2013	CR	BKMM	13:14:49		B	505	KJM PRJ	48D85451			13:16:14	PERS	N/A
19	1/23/2013	OE	BKMM	13:40:25		B	200	NEE PRJ	48E06A7F			13:41:42	PERS	N/A
20	1/28/2013	NW	BKMM	10:22:18		B	400	USB PRH	492CB538			10:23:15	PERS	N/A
21	1/29/2013	OE	BKMM	10:39:23		B	800	DUKH	4931CB51			10:39:56	PERS	N/A
22	1/29/2013	OE	BKMM	14:10:22		B	150	PYS	4938F7F9			14:10:57	PERS	N/A
23	1/29/2013	OE	BKMM	15:42:07		B	325	DUKH	4931CC2F			15:42:42	PERS	N/A
24	1/30/2013	OE	BKMM	10:51:35		SL	500	WRI PRF	494B39CC			10:52:14	PERS	N/A
25	1/31/2013	OE	BKMM	11:35:36		B	1,000	INZ	49556616			11:37:03	PERS	N/A
26	2/1/2013	OE	BKMM	09:40:28		B	280	NW PRZ	49698E0A			09:41:16	PERS	N/A
27	2/1/2013	NW	BKMM	13:21:29		B	1,400	DTK	495F9228			13:23:23	PERS	N/A
28	2/1/2013	NW	BKMM	15:45:02		B	750	WFC PRN	49698F17			15:46:12	PERS	N/A
29	2/5/2013	OE	BKMM	11:18:43		B	200	BAC PRJ	499C9847			11:19:13	PERS	N/A
30	2/6/2013	OE	BKMM	15:39:54		SL	128	JPM PRJ	4980F4AC			15:40:31	PERS	N/A
31	2/7/2013	NW	BKMM	09:29:15		B	1,000	GDV PRD	49C03571			09:30:47	PERS	\$8.00
32	2/7/2013	NW	BKMM	14:21:07		SL	1,000	SAN PRA	49C54C77			14:21:43	PERS	N/A
33	2/8/2013	NW	BKMM	09:33:40		B	600	BML PRJ	49CA619E			09:34:19	PERS	N/A
34	2/8/2013	NW	BKMM	11:04:24		B	200	ABW PRB	49CA61DE			11:04:55	PERS	\$1.00
35	2/8/2013	NW	BKMM	14:48:16		SL	300	GS PRA	49CF78F2			14:49:01	PERS	N/A
36	2/11/2013	NW	BKMM	14:54:12		B	350	MTB PRA	49FD3F39			14:55:22	PERS	N/A
37	2/11/2013	NW	BKMM	14:58:41		B	500	MTB PRA	49FD3F3A			14:59:25	PERS	N/A
38	2/14/2013	NW	BKMM	14:26:02		B	644	GUL	4A2B05E1			14:26:38	PERS	N/A
39	2/14/2013	NW	BKMM	15:50:32		B	850	JPM PRD	4A2B0643			15:51:12	PERS	N/A
40	2/20/2013	OE	BKMM	11:19:55		B	325	PRE PRF	4A8BA90E			11:20:54	PERS	N/A
41	2/20/2013	CR	BKMM	11:21:32		SL	4,860	MER PRK	4A8692FC			11:23:09	PERS	N/A
42	2/21/2013	NW	BKMM	15:45:34		SL	500	MTS PRA	4A95D665			15:46:25	PERS	N/A
43	2/27/2013	OE	BKMM	13:17:18		SL	300	TDI	4AF67914			13:18:00	PERS	N/A
44	2/27/2013	CR	BKMM	13:24:34		SL	200	JPM PRC	4AF1633A			13:25:40	PERS	N/A
45	3/1/2013	NW	BKMM	14:06:02		B	600	GOM	4B0FE7EB			14:06:56	PERS	\$6.00
46	3/12/2013	NW	BKMM	10:27:49		SL	800	ARN	4BB2A9CA			10:40:13	PERS	N/A
47	3/12/2013	NW	BKMM	10:27:46		B	860	DKT	4BB2A9C9			10:40:14	PERS	N/A
48	3/12/2013	NW	BKMM	10:27:45		B	4,000	JPM PRA	4BB78FD3			10:40:14	PERS	N/A
49	3/18/2013	NW	BKMM	10:42:43		SL	2,000	COR PRA	4C0E372A			10:58:57	PERS	N/A
50	3/21/2013	NW	BKMM	09:53:37		B	600	GSP PRA	4C411413			10:19:43	PERS	N/A
Total Restitution:														\$41.05