

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013037056601**

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

**RE: Corporate Fuel Securities LLC
BD No. 139124**

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Corporate Fuel Securities ("Corporate Fuel" 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 the Firm alleging violations based on the same factual findings described herein.

1.

ACCEPTANCE AND CONSENT

- A. Corporate Fuel 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

Corporate Fuel has been registered with the Securities and Exchange Commission ("SEC") and a member of FINRA since July 2006. Since its inception, the Firm has acted as an agent and an adviser on private placements. The Firm currently has five registered representatives and is located in New York.

RELEVANT DISCIPLINARY HISTORY

Corporate has had no relevant disciplinary history with the SEC, FINRA, any other self-regulatory organization or any state securities regulator.

OVERVIEW

From August 10, 2010 through April 10, 2013, Corporate Fuel engaged in a securities business without employing a qualified registered principal. By reason of the foregoing, the Firm violated NASD Rule 1021(e) and FINRA Rule 2010.

During that time period, Corporate Fuel permitted KB to function as a principal of the Firm without being registered as such. By reason of the foregoing, Corporate Fuel violated NASD Rule 1021(a) and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

1. Corporate Fuel Failed to Have a Registered Principal with Respect to its Securities Business

By Membership Agreement dated June 6, 2006, FINRA granted Corporate Fuel a waiver from the requirement in NASD Rule 1021(e) that the Firm have at least two officers or partners registered as principals with respect to the Firm's securities business, to allow the Firm to operate with only one such registered principal.

From August 10, 2010 through April 10, 2013, Corporate Fuel engaged in a securities business without employing a qualified registered principal. During that time period, the Firm did not have an individual registered through the Firm as a General Securities Principal ("GSP"), as was required.

By reason of the foregoing, Corporate Fuel violated NASD Rule 1021(e) and FINRA Rule 2010.

2. Corporate Fuel Allowed KB to Act as a Registered Principal without such Registration

From August 10, 2010 through March 31, 2013, Corporate Fuel permitted KB, who was not registered as a principal, to be designated on Schedule A to the Firm's Form BD (Uniform Application for Broker-Dealer Registration) as the Firm's Chief Executive Officer and Chief Compliance Officer, and to function in those capacities through April 10, 2013. From August 10, 2010 through April 10, 2013, KB was actively engaged in the management of the Firm's securities business, including by way of example, hiring and supervising registered representatives, supervising training and compliance, and approving client accounts and the Firm's private placement activities.

By reason of the foregoing, Corporate Fuel violated NASD Rules 1021(a) and FINRA Rule 2010.

B. Corporate Fuel consents to the imposition of the following sanctions:

1. Censure; and
2. Fine in the amount of \$20,000.

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

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

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

II.

WAIVER OF PROCEDURAL RIGHTS

Corporate Fuel 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, Corporate Fuel 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.

Corporate Fuel 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

Corporate Fuel understands that:

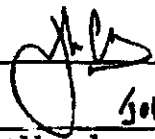
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;**
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against the Firm; 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. Corporate Fuel 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. Corporate Fuel 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. The Firm 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.**

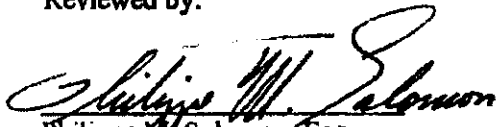
The undersigned, on behalf of Corporate Fuel, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Corporate Fuel has agreed to its provisions voluntarily, and that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

Corporate Fuel Securities LLC, Respondent

11/25/14
Date (mm/dd/yyyy)

By: 
[Print Name] Gold C. Smoly
Manager.
[Title]

Reviewed by:


Philippe M. Salomon, Esq.
Counsel for Respondent
Blank Rome LLP
405 Lexington Avenue
New York, NY 10174-0208
(212) 885-5455

Accepted by FINRA:

December 19, 2014
Date

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


Gary A. Chodosh
Senior Regional Counsel
FINRA Department of Enforcement
200 Liberty Street
New York, NY 10281
Tel. No. 212-858-4771; Fax No.: 202-721-6564

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
STATEMENT OF CORRECTIVE ACTION BY CORPORATE FUEL LLC
NO. 20130370566**

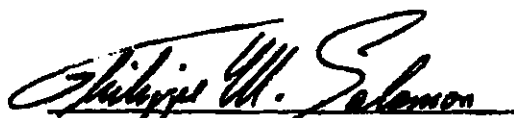
Corporate Fuel Securities LLC ("Corporate Fuel"), by its attorneys Blank Rome LLP, submit this Statement of Corrective Action.¹

- Currently, Corporate Fuel has two registered qualified General Securities Principals – John Bolebruch and Stuart Appelson.
- In November or December of 2014, Jim Janesky will become the second registered qualified General Securities Principals, replacing Stuart Appelson in that role.
- On April 29, 2013, Mr. Bolebruch passed the Series 24 examination, becoming Corporate Fuel's Chief Executive Officer, registered and qualified General Securities Principal and Chief Compliance Officer.
- From April 11, 2013, to the present, Mr. Stuart Appelson, who holds a Series 24 license, associated with Corporate Fuel as a qualified, registered General Securities Principal.
- From April 11, 2013, to April 29, 2013, Mr. Stuart Appelson was the Chief of Compliance Officer at Corporate Fuel.

Dated: New York, New York
November 28, 2014

25
^

BLANK ROME LLP



Philippe M. Salomon
The Chrysler Building
405 Lexington Avenue
New York, New York 10174
Phone: (212) 885-5000
Fax: (212) 885-5001
Attorneys for Corporate Fuel Securities LLC

¹ This Statement of Corrective Action is submitted by Corporate Fuel. It does not constitute factual or legal findings by FINRA; nor does it reflect the views of FINRA, or its staff.