

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013037816101**

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

RE: Wei-Sheng Wang, Respondent
CRD No. 2253377

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

Respondent Wei-Sheng Wang ("Respondent" or "Wang") first became registered with FINRA on September 30, 1992 as an Investment Company Products/Variable Contracts Representative (Series 6) with NYLife Securities, LLC ("NYLife" or the "Firm"). Wang remained registered with NYLife until December 15, 1997, when his registration was terminated by the Firm. On January 14, 1998, Wang registered again with the Firm. The Firm filed a Form U5 on July 31, 2013, terminating Wang's registration with FINRA for the events discussed herein. Throughout his registration with the Firm, Wang also was employed as an agent for the Firm's affiliate, New York Life Insurance Company.

Wang is not currently registered with any FINRA member. FINRA retains jurisdiction over Wang pursuant to Article V, Section 4(a) of the FINRA By-Laws because the conduct that serves as the basis for this action commenced prior to his termination of registration from a member firm and this AWC has been filed within two years after the effective date of Wang's last termination of registration from a member firm.

FACTS AND VIOLATIVE CONDUCT

The Bank Secrecy Act (“BSA”), 31 U.S.C. 5311 *et seq.*, requires financial institutions as defined therein to file reports of transactions in currency exceeding \$10,000 in accordance with regulations established by the Secretary of the Treasury. Specifically, 31 C.F.R. 1010.311 requires that financial institutions file a Currency Transaction Report (“CTR”) for currency transactions in excess of \$10,000.

Section 5324(a) of the BSA provides that no person shall, for the purpose of evading federal reporting requirements, (1) cause or attempt to cause a domestic financial institution to fail to file a required transaction report, (2) cause or attempt to cause a domestic financial institution to file a required transaction report containing a material omission or misstatement of fact, or (3) structure or assist in structuring any transaction with one or more domestic financial institutions, or attempt to do so.

Structuring is defined as acting alone or in conjunction with, or on behalf of, other persons to conduct or attempt to conduct one or more transactions in currency, in any amount, at one or more financial institutions, on one or more days, in any manner, for the purpose of evading reporting requirements under the regulations. 31 C.F.R. 1010.100(xx) clarifies that “in any manner” includes the breaking down of a single sum of currency exceeding \$10,000 into smaller sums at or below \$10,000 or the conduct of a series of currency transactions at or below \$10,000.

From December 2009 to July 2013 (the “Relevant Period”), Wang and his wife, a non-registered individual, accepted currency in excess of \$130,000 from at least three New York Life Insurance Company customers for traditional life insurance product premium payments. During the Relevant Period, Wang, with assistance from his wife, intentionally structured cash deposits received from customers through personal bank accounts controlled by his wife in increments less than \$10,000 to avoid Federal reporting requirements. Checks drawn on these personal accounts by Wang’s wife were then made payable to New York Life Insurance Company in payment of customer life insurance premiums. By depositing customer funds into personal bank accounts controlled by his wife, Wang commingled personal funds with customer funds.

During the Relevant Period, the Firm’s written policies proscribed structuring, required timely and accurate reporting of currency transactions, and strictly prohibited accepting customer cash and then writing personal checks in payment of the currency transactions. The Firm’s written policies also clearly prohibited the commingling of customer cash with personal funds. During the Relevant period, Wang certified that he read the Firm’s written policies. Wang also attended training provided by the Firm during the Relevant Period, instructing on the Firm’s anti-money laundering program and the proper handling of cash received from customers in payment of traditional life insurance premiums.

During the Relevant Period, Wang also submitted false information on two insurance applications, which were approved by New York Life Insurance Company and on which he earned commissions. Specifically, Wang knowingly submitted an insurance application containing false information regarding the insured's income, net worth, and occupation. Wang also knowingly submitted an insurance application bearing a policy delivery date later in time than when the insured reviewed and signed the application. As a result of this misdating, the insured's medical history disclosure information was false as of the delivery date.

FINRA Rule 2010 requires "[a] member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade." By structuring cash deposits, commingling customer funds with personal funds, and submitting false information on insurance applications, Wang failed to observe high standards of commercial honor and just and equitable principals, in violation of FINRA Rule 2010.

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

A bar in all capacities from any FINRA 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. Pursuant to FINRA Rule 8313(e), a bar shall become effective upon approval or acceptance of this AWC.

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 prejudice 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

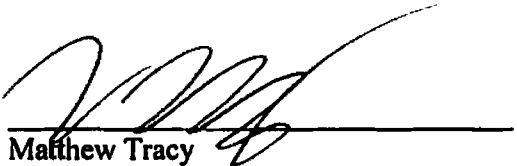
statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent 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.

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.

3/4/14
Date (mm/dd/yyyy)


Respondent Wei-Sheng Wang

Reviewed by:


Matthew Tracy
Counsel for Respondent
Winget, Spadafora & Schwartzberg, LLP
45 Broadway, 19th Floor
New York, NY 10006
212-221-6900

Accepted by FINRA:

3/11/2014
Date

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


Emma Kuntz
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FINRA Department of Enforcement
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