

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013037842601**

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

**RE: Elizabeth Boyer Hambrecht, Respondent
CRD No. 2271772**

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Elizabeth Boyer Hambrecht ("Hambrecht" 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 her alleging violations based on the same factual findings described herein.

I.

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 entered the securities industry in 1992 through an association with a FINRA regulated broker-dealer and was first registered as a General Securities Representative ("GSR") in October 1992. She was employed with that firm until May 1995. From June 1995 to January 14, 2010, Hambrecht was not associated with securities industry. She re-entered the securities industry in January 2010 and became registered as GSR through an association with W.R. Hambrecht + Co. (BD No. 45040) ("WRH + Co." or the "Firm"). Since January 15, 2010, Hambrecht has worked as a partner at WRH + Co.'s San Francisco, California branch office.

RELEVANT DISCIPLINARY HISTORY

Hambrecht does not have any disciplinary history with any state securities agency, the Securities and Exchange Commission, FINRA or any other self-regulatory organization.

FACTS AND VIOLATIVE CONDUCT

NASD Rule 2711(c)(1) prohibits members from submitting a research report to the subject company before its publication. NASD Rule 2711(c)(2)(A), however, permits members to submit certain sections of a research report to the subject company prior to publication to verify the factual accuracy of those sections, provided that those sections do not contain the research summary, the research rating or the price target. NASD Rule 2711(c)(2)(B) requires a complete draft of the research report to be provided to the legal or compliance department before the sections of the report are submitted to the subject company. A violation of NASD Rule 2711 also violates FINRA Rule 2010.

In June 2013, Hambrecht was a partner at WRH + Co., a financial services firm that provides underwriting and advisory services for technology and emerging growth companies. As a partner at WRH + Co., Hambrecht was responsible for WRH + Co.'s venture funds, and she helped evaluate new investment targets. In June 2013, WRH + Co. was a lead underwriter and a co-manager of an initial public offering ("IPO") for an emerging growth company that opened for trading on June 20, 2013. One of the co-managers on the IPO published and distributed two pre-deal research reports on March 14, 2013 and June 7, 2013, regarding the upcoming IPO.

On June 3, 2013, before the publication of one of the pre-deal research reports, an officer of the subject company requested a copy of the draft report from the co-manager that authored the report. The co-manager declined to provide it. However, after discussions with Hambrecht and the officer of the subject company, the co-manager sent a copy of the complete draft report to Hambrecht, stating that the report will be published the next day at 1:45 p.m. On June 4, 2013, after receiving the draft report and prior to the report's publication, Hambrecht shared the complete draft research report with the subject company. Thereafter, Hambrecht told the co-manager that the officer of the subject company felt the projections in the draft report were conservative in light of the imminent closing of the subject company's fiscal year on June 30, 2013. Hambrecht also told the co-manager that she and the officer of the subject company wanted to have a telephone call before the publication of the report. The report was not changed after it was shared with the subject company.

By submitting the complete draft research report containing the research rating, price target and research summary to the subject company before the publication of the report, and by submitting the draft report to the subject company without first providing the complete draft of the research report to the Firm's legal or compliance department, Hambrecht violated NASD Rule 2711(c)(1) and FINRA Rule 2010.

B. Respondent also consents to the imposition of the following sanction:

- A suspension from association with any FINRA member in any capacity for a period of 10 business days; and
- A \$7,500 fine.

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

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

Respondent understands that if she is barred or suspended from associating with any FINRA member, Respondent becomes 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, Respondent 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 sanction 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 her;
- 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:

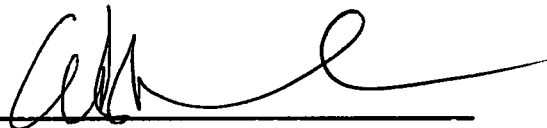
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;**
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against her; and**
- C. If accepted:**
 - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against her;**
 - 2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;**
 - 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. Respondent 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 her (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. Respondent understands that she 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.

Respondent Elizabeth B. Hambrecht certifies that she has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that she 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 her to submit it.

4 December 2015
Date


Elizabeth B. Hambrecht
Respondent

Reviewed by:


Peter R. Boutin, Esq.
Counsel for Respondent
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January 5, 2016
Date

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



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