

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013038353002**

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

RE: John N. Duffin, Respondent
General Securities Principal
General Securities Representative
CRD No. 2309815

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, John N. Duffin ("Duffin" or "Respondent"), 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 Duffin 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

Duffin entered the securities industry in 1993 and has worked in the securities industry for approximately 22 years with six different FINRA-member broker-dealers. Duffin obtained the following securities licenses between 1998 and 2014: Series 7 (General Securities Representative), Series 63 (Uniform State Securities Examination) and Series 24 (General Securities Principal).

From April 1, 2013 to May 16, 2014, Duffin was associated with Banca IMI Securities Corp. ("Banca IMI" or the "Firm"), a FINRA-registered broker-dealer, as the Firm's Chief Administrative Officer in its New York office. In a Uniform Termination Notice of Securities Industry Registration (Form U5) dated May 20, 2014, the Firm reported Duffin's termination as a result of a corporate reorganization.

Beginning on approximately August 7, 2015, Duffin began working as a contracted temporary employee for another member firm as a non-registered fingerprint individual ("NRF"), working in its back office on a variety of projects, such as reviewing written procedures, including supervisory procedures, and participating in the Firm's annual risk assessment. Upon the expiration of that temporary position, the member firm terminated Duffin's NRF status on January 29, 2016. Duffin is not currently registered or associated with any FINRA-regulated broker-dealer, but

remains subject to FINRA's jurisdiction pursuant to Article V, Section IV of the FINRA By-Laws.

RELEVANT DISCIPLINARY HISTORY

Duffin has no relevant disciplinary history in the securities industry.

OVERVIEW

From April 1, 2013 to May 16, 2014 (the "Relevant Period"), Banca IMI employed Duffin, a registered representative, as Chief Administrative Officer without the appropriate registration. As the Firm's Chief Administrative Officer, Duffin was responsible for supervising the Firm's operations support function, which included the Firm's back office, control unit and information technology departments, and its administration support function, which included the Firm's credit and compliance departments. As a result, for approximately nine months during the Relevant Period, Banca IMI's Chief Compliance Officer reported directly to Duffin. Although the Firm applied to register Duffin as a general securities principal, Duffin did not obtain his Series 24 license until March 31, 2014, nearly one year after joining Banca IMI in a supervisory capacity.

By failing to qualify as a general securities principal within 90 calendar days of his association with the Firm, and continuing to function as a principal without having successfully passed the appropriate qualification examination, Duffin violated NASD Rule 1021 and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

NASD Rule 1021(a) requires all persons engaged in the securities business of a FINRA Member who are to function as principals to be registered as such with FINRA. According to NASD Rule 1021(b), any person actively engaged in the management of a member firm's securities business, including the supervision of its business and persons holding the title of "Officer", functions as a principal.

Pursuant to NASD Rule 1021(a), an individual's principal registration does not become effective until they pass a qualification examination. NASD Rule 1021(d)(1) provides a registered individual a period of 90 calendar days to pass the appropriate qualification examination. Rule 1021(d)(1) further provides that "[i]n no event may a person function as a Principal beyond the initial 90 calendar day period following the change in his duties without having successfully passed the appropriate Qualification Examination."

FINRA Rule 2010 requires that FINRA member firms observe high standards of commercial honor and just and equitable principles of trade. A violation of NASD Rule 1021 constitutes a violation of FINRA Rule 2010.

On April 1, 2013, Banca IMI hired Duffin, a registered representative, as its Chief Administrative Officer, a position Duffin held from April 1, 2013 to May 16, 2014. At the time he joined the Firm, Duffin held a Series 7 and a Series 63 securities license.

As the Firm's Chief Administrative Officer, Duffin was responsible for supervising the Firm's operations support functions, which included the Firm's back office, control unit and information technology departments, and its administration support function, which included the Firm's credit and compliance departments. As a result, for approximately nine months during the Relevant Period, between April 2013 and January 2014, Banca IMI's Chief Compliance Officer reported directly to Duffin. As Chief Administrative Officer, Duffin was also vested with authority to approve travel & entertainment expenses for any employee in his area of authority, to carry out any powers the CEO delegated to him, and to engage in any of the powers of his subordinated officers subject to governing regulatory qualifications.

Consistent with his title and responsibilities, Banca IMI applied to register Duffin as a general securities principal. However, Duffin did not obtain his Series 24 license until March 31, 2014, nearly one year after becoming employed by Banca IMI as a securities principal.

By failing to qualify as a general securities principal within the period of 90 calendar days from his association with the Firm, and continuing to function as a general securities principal without having successfully passed the appropriate qualification examination, Duffin violated NASD Rule 1021 and FINRA Rule 2010.

B. Duffin consents to the imposition of the following sanctions:

1. a 15 business-day suspension from association with any FINRA-regulated broker-dealer in any capacity; and
2. a fine in the amount of \$5,000.

Duffin understands that if he is barred or suspended from associating with any FINRA member, he will 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, Duffin 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 fine shall be due and payable either immediately upon reassociation with a member firm following the 15 business-day suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

Duffin specifically and voluntarily waives any right to claim that he 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

Duffin specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against him;

- 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, Duffin 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.

Duffin 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

Duffin understands that:

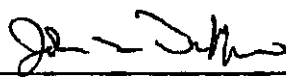
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Duffin; and
- C. If accepted:
 - 1. this AWC will become part of Duffin's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Duffin;
 - 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. Duffin 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. Duffin 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 Duffin'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. Duffin may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Duffin understands that he 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 certifies that he has read and understands all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that he 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 him to submit it.

6-15-16
Date (mm/dd/yyyy)


John N. Duffin, Respondent

Reviewed by:
6/16/16
Date (mm/dd/yyyy)


Counsel for Respondent
Jillian B. Berman, Partner
Levine Lee LLP
666 Fifth Avenue
New York, NY 10103

Accepted by FINRA:

June 17, 2016
Date (mm/dd/yyyy)

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

Susan Light
Susan Light
Senior Vice President & Chief Counsel
FINRA Department of Enforcement
One Brookfield Place
200 Liberty Street, 11th Floor
New York, New York 10281