

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013038530901**

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

RE: Neil S. Fineman, Respondent
Registered Representative
CRD No. 2225170

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

Neil S. Fineman ("Fineman") first entered the securities industry in June 1992 when he registered with a FINRA member firm as a Series 7 representative and Series 63 agent. Fineman registered with Regal Securities, Inc. ("Regal") from July 2007 to October 2013. He registered with SagePoint Financial, Inc. ("SagePoint") from September 2013 to February 2014. Fineman is currently registered with another FINRA member firm.

OVERVIEW

From October 2012 to October 2013, Fineman engaged in two outside business activities without providing prior written notice to Regal and without providing prior written notice of one of the activities to SagePoint. As a result, Fineman violated FINRA Rules 3270 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 3270 requires a registered person to provide prior written notice of outside business activities, including serving as an officer of a business outside the scope of the relationship to his or her member firm. FINRA Rule 2010 requires a member, in the conduct of its business, to observe high standards of commercial honor and just and equitable principles of trade

In October 2012, Fineman founded "CZ," a Nevada-based limited liability company that sold natural, flavored drinks in a paper bottle. He served as its CEO until it was dissolved on October 31, 2013.

Fineman also founded "GW," a Nevada corporation, on March 21, 2013 and served as its President until October 28, 2013. It had a similar business model as CZ.

Fineman did not disclose CZ to Regal until July 19, 2013 and he did not provide written notice of GW to Regal at any time.

In addition, after becoming associated with SagePoint in September 2013, Fineman disclosed GW (but not CZ, which was not dissolved until October 2013).

By failing to provide prior written notice of his involvement in CZ and GW to Regal and in CZ to SagePoint as required, Fineman violated FINRA Rules 3270 and 2010.

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

1. A 20-business day suspension from associating with any FINRA member firm in any capacity; and
2. A \$5,000 fine.

I agree to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. I have submitted an Election of Payment form showing the method by which I propose to pay the fine imposed.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

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 function, during the period of the suspension (see FINRA Rules 8310 and 8311).

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

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;
- B. 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 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.

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:

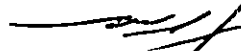
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will 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 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. 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.

- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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.

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.

10/05/2015

Date (mm/dd/yyyy)



Neil S. Fineman, Respondent

Accepted by FINRA:

October 21, 2015
Date

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

A handwritten signature in cursive script, appearing to read "David L. Fenimore", written over a horizontal line.

David L. Fenimore
Senior Counsel
FINRA Department of Enforcement
15200 Omega Drive
Suite 300
Rockville, MD 20850
Phone: 301.258.8526
Facsimile: 202.721.8362

**Neil S. Fineman
11379 Notte Calma Street
Las Vegas, NV 89141**

Corrective Action Statement

This procedure and process with FINRA has alerted me to the seriousness in which Outside Business Activity is seen and judged by FINRA. The infraction of disclosing my affiliation with Global Water and its product Clearly Zero was one of timing. I now understand that my actual involvement on any level with any corporation outside of my financial business, needs to be disclosed even before ANY efforts are taken on my behalf to advance the interests of that company no matter how much or how little. My previous understanding was that my disclosure needed to coincide with my actual efforts to advance their interests not the paperwork that could set up this relationship. By offering to help set up Global Water with The State of Nevada without disclosing that first, I had already violated FINRA's OBA Disclosure procedure. If encountered with this again, I will first disclose my intent in writing to both my firm and FINRA before I take any course of action at all.

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

My Best,

A handwritten signature in black ink, appearing to read 'Neil Fineman', with a long horizontal line extending to the left.

Neil Fineman

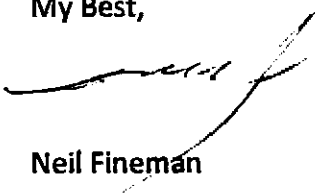
**Neil S. Fineman
11379 Nottel Calma Street
Las Vegas, NV 89141**

Mitigation Statement

I failed in my affiliation with Global Water and Clearly Zero to notify my employer Regal Securities in writing before my relationship began with these two entities. My failure at Regal was a failure to disclose Global Water entirely and Clearly Zero was disclosed only after its formation. By doing so, Clearly Zero appeared on my U-4 too late to be in compliance with both my firm and FINRA OBA Rules and Global Water became a violation by its omission. When I switched firms and went to Sagepoint Securities, I disclosed both entities in writing in my pre-hire paperwork but failed to include CZ in my official written OBA to both my firm and FINRA. Even though this entity was closed shortly afterward it needed to be disclosed regardless. In my mind these two entities were intertwined and I was not trying to mislead or intend to hide my affiliation with either entity. I submit that these mistakes were a failure to attend to the details of my disclosure statement and a failure to follow the very clear rules which I am expected to follow, and nothing further. I submit to pay strict attention to the communication written and received with my broker dealer so that I can honor these rules and FINRA's guidelines.

This Mitigation Statement is submitted by the Respondent. It does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA, or its staff.

My Best,

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Neil Fineman