

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013038594301**

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

RE: John Thomas Rincon, Respondent ("Rincon" or "Respondent")
Limited Representative-Investment Banking
CRD No. 5936880

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

Rincon entered the securities industry in July 2012, when he became associated with UBS Securities LLC ("UBS" or the "Firm"), a FINRA regulated broker-dealer. In August 2012, Rincon became registered with UBS as a Series 79 Limited Representative-Investment Banking. On October 11, 2013, UBS filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") on Rincon's behalf disclosing that Rincon's employment with UBS was terminated on September 13, 2013, and that UBS was investigating whether Rincon had engaged in an unapproved outside business activity while associated with the Firm. In March 2014, Rincon registered with another FINRA regulated broker-dealer, as a Series 79, Limited Representative-Investment Banking. On May 12, 2015, that FINRA regulated broker-dealer filed a Form U5 on Rincon's behalf, disclosing that Rincon's employment terminated on April 12, 2015. Although Rincon has not reassociated with another FINRA regulated broker-dealer, pursuant to Article V, Section 4(a) of FINRA's By-Laws, FINRA retains jurisdiction over Rincon.

RELEVANT DISCIPLINARY HISTORY

Rincon has no disciplinary history in the securities industry.

OVERVIEW

From October 2012 through September 2013 (the "Relevant Period"), Rincon held a directorship for a private equity fund without disclosing such participation to, or receiving approval for such participation from UBS, his employing FINRA regulated broker-dealer. In connection with such directorship, Rincon received compensation totaling approximately \$50,000 from the private equity fund. Through the foregoing, Rincon violated FINRA Rules 3270 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 3270 provides, in relevant part:

No registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person as a result of any business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member, in such form as specified by the member.

FINRA Rule 2010 requires associated persons to "observe high standards of commercial honor and just and equitable principles of trade." A violation of FINRA Rule 3270 is considered inconsistent with high standards of commercial honor and just and equitable principles of trade.

During the Relevant Period, Rincon was a named director for a private equity fund. Rincon received directors fees' totaling approximately \$50,000, consisting of between \$12,500 and \$25,000 per quarter, as reflected in Forms 1099 he received from the private equity fund as well as correspondence from the private equity fund to a third party.

UBS's written policies and procedures require registered representatives to disclose to and seek approval from UBS for all external positions, including directorships of private equity funds.

Rincon never disclosed to UBS that he held a director position with the private equity fund or received compensation from the private equity fund, and never received permission from UBS for the same.

Through the foregoing, Rincon violated FINRA Rules 3270 and 2010.

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

A 30 calendar-day suspension from associating with any FINRA member in any capacity and a \$5,000 deferred fine.

The fine shall be due and payable either immediately upon reassociation with a member firm following the 30 calendar-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.

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 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.

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 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:

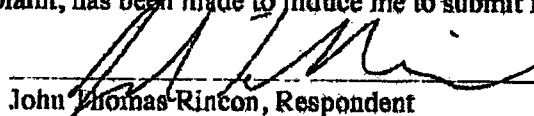
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;**
- B. If this AWC is not accepted, its submission will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

9/15/2015

Date (mm/dd/yyyy)


John Thomas Rincon, Respondent

Reviewed by:



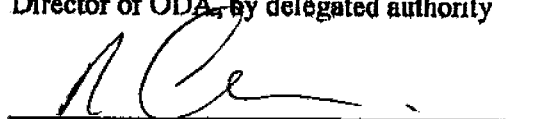
Guy Petrillo
Philip Pilmar
Petrillo Klein & Boxer LLP
655 Third Ave., 22nd Floor
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(212) 370-0331

Accepted by FINRA:

9/30/15

Date

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


Richard Chin
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