

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

BARRY MILINOVICH,
CRD No. 2873433,

Respondent.

DISCIPLINARY PROCEEDING
No. 2013038755801

Hearing Officer--CC

**ORDER ACCEPTING OFFER
OF SETTLEMENT**

Date: June 4, 2014

INTRODUCTION

Disciplinary Proceeding No. 2013038755801 was filed on March 19, 2014, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Barry Milinovich submitted an Offer of Settlement (Offer) to Complainant dated June 2, 2014. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint (as amended), 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, to the entry of findings and violations consistent with the allegations of the Complaint (as amended), and to the imposition of the sanctions set forth below, and fully understands that this Order will

become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

Milnovich entered the securities industry in March 1997. He was registered with four member firms before joining PNC Investments in April 2011. Milnovich was registered with PNC Investments as a General Securities Representative and Investment Company/Variable Products Representative. He was contemporaneously employed as a Relationship Manager at a branch of PNC's Investment's banking affiliate.

PNC Investments terminated Milnovich's registration by filing a Form U5 on October 25, 2013 as a result of the misconduct described below. Although Respondent is no longer registered or associated with a FINRA member, he remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because: (1) the Complaint was filed within two years after the effective date of termination of Respondent's registration with PNC Investments, namely, October 25, 2013; and (2) the Complaint charges him with conduct that commenced prior to the termination of his registration and with failing to provide information requested while he remained subject to FINRA's jurisdiction.

This matter arose from the filing of the Form U5 disclosing the facts underlying this matter.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

CONVERSION AND RELATED MISCONDUCT

On April 5, 2013, Milinovich made an unauthorized withdrawal of \$2,000 from the savings account of a customer of the bank branch at which he was employed, and converted the money he withdrew for his own use.

On June 6, 2013, Milinovich made an additional unauthorized withdrawal of \$4,100 from the savings account of the customer referred to above, and converted the money he withdrew for his own use.

On July 12, 2013, Milinovich made a third unauthorized withdrawal of \$4,000 from the savings account of the customer referred to above, and converted the money he withdrew for his own use.

Milinovich opened a new account for the customer on July 12, 2013, and closed the old account on August 2, 2013, after the customer had raised concerns about the balance in her account. Milinovich then attempted to assuage the customer's concerns by pretending to deposit \$10,100 into her new account. In reality, he closed out the certificate of deposit owned by a second customer, opened a new account for a second customer, and deposited the proceeds of the certificate of deposit into that new account. He then showed the deposit slip to the first customer, falsely telling her that the money had been deposited into her account.

By virtue of converting the money he took from the first customer's account, Milinovich engaged in conduct inconsistent with just and equitable principles of trade and high standards of commercial honor, thereby violating FINRA Rule 2010. By misusing the second customer's funds to cover up the conversion of the first customer's funds, Milinovich engaged in a further violation of FINRA Rule 2010.

FAILURE TO TESTIFY

On January 23, 2014, Enforcement sent Milinovich a letter requiring him to appear for testimony on February 6, 2014. The letter was sent to his address in FINRA's Central Registration Depository system by certified mail and regular mail. The certified mailing was signed for by Milinovich on January 27, 2014, and the regular mailing has not been returned to Enforcement, indicating that he received both mailings.

Milinovich did not appear for testimony on February 6, 2014, or communicate with Enforcement in any way regarding his testimonial obligation. Milinovich violated FINRA Rule 8210 by failing to appear and testify on February 6, 2014. In addition, he thereby failed to observe high standards of commercial honor and just and equitable principles of trade, violating FINRA Rule 2010.

* * *

By virtue of the foregoing conduct, Respondent violated FINRA Rules 2010 and 8210.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

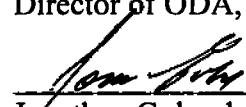
It is ordered that Respondent be barred from association any FINRA member in any and all capacities.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar is effective upon approval or acceptance of this Offer.

SO ORDERED.

FINRA

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



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