

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013038925501**

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

RE: Kevin James Connors ("Connors"), Respondent
General Securities Representative
CRD No. 2765622

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

Connors entered the securities industry in June 1996 and received his Series 7, 52 and 63 licenses in October, July and August 1996, respectively.

Connors became employed with Fidelity Investment Institutional Services Company, Inc., a FINRA-regulated broker-dealer (the "Firm"), in April 2003 and thereafter became a registered representative with the Firm. On November 5, 2013, the Firm filed a Form U5 stating that Connors' employment had been terminated on October 11, 2013 for violating the Firm's corporate travel and expense policies.

Connors is not currently associated with a FINRA-regulated broker-dealer. However, FINRA retains jurisdiction over him pursuant to Article V, Section 4(a) of FINRA's By-Laws.

RELEVANT DISCIPLINARY HISTORY

Connors has no prior formal disciplinary history in the securities industry.

FACTS AND VIOLATIVE CONDUCT

Conversion is an intentional and unauthorized taking of and/or exercise of ownership over property by one who neither owns the property nor is entitled to possess it.

FINRA Rule 2010 requires members and associated persons to observe high standards of commercial honor and just and equitable principles of trade.

Conversion of funds violates Rule 2010 because such conduct is inconsistent with high standards of commercial honor and just and equitable principles of trade.

Where an associated person obtains funds from his or her employer by submitting false claims for the payment of expenses that were not business-related, such conduct constitutes conversion in violation of FINRA Rule 2010.

During 2010 through 2013, the Firm's policies provided that employees were permitted to use Firm-issued corporate credit cards only for business purposes. The use of such cards for personal expenses was prohibited. Firm policy further provided that the Firm would pay for only reasonable and necessary business expenses.

Connors was in possession of a corporate credit card that was issued to him by the Firm. From January 2011 through August 2013, while registered with the Firm, Connors submitted four expense reports to the Firm, each of which falsely attested that a personal meal expense charged on his Firm corporate credit card was eligible for payment as a business expense. The total of amount of these expensed personal meals was approximately \$689.

Following Connors' submission of these improper expense reports, the Firm paid the bill for Connor's Firm-issued credit card, approximately \$689 of which was improperly expensed. As a result, Connors converted such funds from the Firm, in violation of FINRA Rule 2010.

FINRA Rule 4511, (which became effective on December 5, 2011) and its predecessor, NASD Rule 3110(a) (which was effective prior thereto) require that each member make, keep current and preserve books, accounts, records, memoranda and correspondence in conformity with Rules 17a-3 and 17a-4 of the Securities Exchange Act of 1934 (the "Exchange Act").

Exchange Act Rule 17a-3(2) requires that a firm make and keep current ledgers or other records reflecting its assets and liabilities, income and expense, and capital accounts. Implicit in the requirement to make records is the requirement that they be accurate.

From 2010 through 2013, the Firm's electronic travel and expense system required that employees who wished to submit an expense report had to click on an acknowledgment box prior to submitting the report, certifying that all expenses included in the report were

true, correct and in compliance with all applicable Firm policies. For each of the aforementioned expense reports, Connors checked the acknowledgment box indicating that the expenses were being claimed in compliance with applicable Firm policy when he knew that the reports actually sought payment for personal expenses.

During January 2011, Connors submitted one expense report to the Firm claiming that a personal meal expense was actually a business expense, and attesting that the expense report, which sought payment of this expense, was in compliance with Firm policy as a business expense. This caused the Firm to maintain inaccurate books and records in violation of Section 17(a) of the Securities Exchange Act of 1934 and Rule 17a-3 promulgated thereunder, thus constituting a violation by Connors of NASD Rule 3110(a) and FINRA Rule 2010.

For the same misconduct with respect to three expense reports which Connors submitted to the Firm during 2012 and 2013, Connors caused the Firm to maintain inaccurate books and records in violation of Section 17(a) of the Securities Exchange Act of 1934 and Rule 17a-3 promulgated thereunder, thus constituting a violation by Connors of FINRA Rules 4511 and 2010.

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

A bar from associating with any FINRA member in any capacity.

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

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).

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

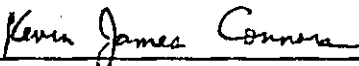
I understand that:

- 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.

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.

Date: December 12, 2014


Kevin James Connors
Respondent

Reviewed by:


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Accepted by FINRA:

12/29/14
Date

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


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