

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013039194601**

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

RE: David. S. Weinbach, Respondent
Registered Representative
CRD No. 2345048

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, David S. Weinbach ("Weinbach" or "Respondent") submits 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 Weinbach alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Weinbach hereby accepts and consents, 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

Weinbach entered the securities industry in April 1993 when he became associated with a FINRA-registered firm. Between March 1999 and November 2013, Weinbach was registered with Robert W. Baird & Co. (the "Firm"), a FINRA-registered firm, as a General Securities Representative. He is not currently associated with any FINRA-registered firm. Pursuant to FINRA By-Laws, Article V, Section 4, however, Weinbach remains subject to FINRA jurisdiction.

RELEVANT DISCIPLINARY HISTORY

Weinbach has no relevant disciplinary history.

OVERVIEW

On November 5, 2013, Weinbach exercised discretion in executing a total of six transactions in six different customer accounts. Weinbach did not

obtain written authorization from his clients to exercise discretion in their accounts and the Firm had not accepted the accounts as discretionary accounts. As a result, Weinbach violated NASD Rule 2510(b) and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

NASD Rule 2510(b) prohibits registered representatives from exercising discretion in customer accounts unless the representative has obtained written authorization from the customer and the account has been accepted as a discretionary account by the registered representative's firm.

On November 5, 2013, Weinbach purchased bonds issued by the Federal Home Loan Mortgage Corp. ("Freddie Mac") for six of his customers. The affected customers previously had instructed Weinbach to purchase bonds with certain characteristics matching those of the Freddie Mac bonds that Weinbach did, in fact, purchase. However, Weinbach and the customers had not agreed on the specific bonds to be purchased or the price. In addition, Weinbach executed the purchases on November 5, 2013 without actually communicating with his customers on that day. Consequently, Weinbach's purchases of the Freddie Mac bonds on November 5, 2013 constituted an exercise of discretion in his customers' accounts.

Because Weinbach did not have written authorization from any of the six affected customers to exercise discretion in their accounts, and the Firm had not accepted any of the accounts as discretionary, Weinbach violated NASD Rule 2510(b) and FINRA Rule 2010.

B. Weinbach also consents to the imposition of the following sanctions:

A censure; and
A fine of \$12,500.

The fine shall be due and payable either immediately upon reassociation with a member firm, 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.

Weinbach specifically and voluntarily waives any right to claim that he is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

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

II.

WAIVER OF PROCEDURAL RIGHTS

Weinbach 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, Weinbach 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.

Weinbach 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

Weinbach 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 him; and

C. If accepted:

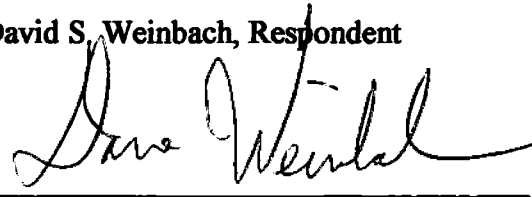
1. this AWC will become part of Weinbach's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against him;
2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
4. Weinbach 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. Weinbach 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 Weinbach'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. Weinbach may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Weinbach 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.

Weinbach certifies that he has read and understands all of the provisions of this AWC and has 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.

5/11/2015
Date

David S. Weinbach, Respondent



Reviewed by:



Daniel J. Supalla
Counsel for Respondent
Briggs and Morgan
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402
612.977.8400

Accepted by FINRA:

6/26/15
Date

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



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