

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014039218102**

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

RE: David J. Rosenberg, Respondent
Registered Representative
CRD No. 3223751

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, David J. Rosenberg ("Rosenberg" 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 Rosenberg alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Rosenberg 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

Rosenberg entered the securities industry in 1996 when he became registered through a FINRA-registered firm. Between 1996 and 2001, Rosenberg was registered through five different FINRA-registered firms. From 2001 until 2009, Rosenberg was not employed in the securities industry. In September 2009, Rosenberg became registered through Ditto Trade, Inc. ("Ditto Trade" or the "Firm"). From September 2009 through the present, Rosenberg has remained registered through Ditto Trade.

RELEVANT DISCIPLINARY HISTORY

Rosenberg does not have any disciplinary history.

OVERVIEW

While registered through Ditto Trade, Rosenberg failed to timely disclose on his Uniform Application for Securities Industry Registration or Transfer ("Form U4") the material fact that he filed for bankruptcy on January 12, 2010. As a result, Rosenberg violated Article V, Section 2(c) of FINRA's By-Laws and FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

On January 12, 2010, Rosenberg filed a voluntary petition for bankruptcy under Chapter 7 of the Bankruptcy Code. He received his discharge on April 7, 2010.

Article V, Section 2(c) of FINRA's By-Laws imposes a duty on registered persons to keep their Form U4 "current at all times by supplementary amendments." Such amendments must be filed no later than 30 days after a registered representative learns of material facts that are required to be disclosed. FINRA Rule 1122 prohibits the filing with FINRA of "information with respect to membership or registration which is incomplete or inaccurate so as to be misleading."

Question 14K(1) on Form U4 asks: "Within the past 10 years have you made a compromise with creditors, filed a bankruptcy petition or been the subject of an involuntary bankruptcy petition?" Within 30 days of the filing of his bankruptcy petition (or, on or before February 11, 2010), Rosenberg was required to update his Form U4 by answering "Yes" to this question. Rosenberg failed to do so. Moreover, although Rosenberg filed three amendments to his Form U4 in 2012 and 2013, he again failed to disclose the filing of his bankruptcy petition. In fact, Rosenberg's filing of a bankruptcy petition was not disclosed on his Form U4 until March 5, 2014, following an inquiry by FINRA.

As a result of the foregoing, Rosenberg violated Article V, Section 2(c) of FINRA's By-Laws and FINRA Rules 1122 and 2010.

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

A suspension from associating with any FINRA-registered firm in any capacity for a period of three months; and

A fine of \$5,000.

Rosenberg understands that if he is barred or suspended from associating with any FINRA member, he becomes 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, he 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).

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

Rosenberg 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

Rosenberg 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, Rosenberg 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.

Rosenberg 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

Rosenberg 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

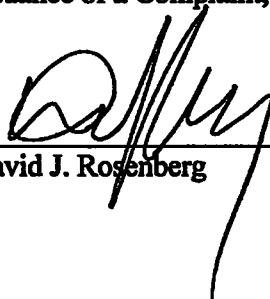
C. If accepted:

1. this AWC will become part of Rosenberg'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. Rosenberg 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. Rosenberg 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 Rosenberg'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. Rosenberg may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Rosenberg 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.

Rosenberg 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.

8/14/15
Date (mm/dd/yyyy)



David J. Rosenberg

Accepted by FINRA:

9/1/15
Date

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

A handwritten signature in black ink, appearing to read 'Thomas K. Anderson', is written over a horizontal line.

Thomas K. Anderson
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