

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014040107201**

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

RE: Douglas Benrud Neet, Respondent
Registered Representative
CRD No.: 1687756

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Douglas Benrud Neet ("Neet") 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 him alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Neet 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

Neet entered the securities industry in March 1987 as an associated person with NYLife Securities, LLC (the "Firm"), a FINRA member broker-dealer. Neet registered to take the Investment Company and Variable Contracts representative (Series 6) examination in September 1987 and January 1989, however did not take the examination. In September 1989, Neet took and failed the Series 6 examination. On July 29, 1991, the Firm filed a Uniform Termination Notice for Securities Industry Registration ("Form U-5") reporting Neet's termination. On May 27, 1998, Neet reassociated with the Firm at its Westlake Village, California office.

Neet obtained his Uniform Securities Agent State Law (Series 63) and Series 6 licenses in August 1998 and September 1998, respectively. He also obtained his General Securities Representative (Series 7) license in January 2002.

Neet has been employed by the Firm's insurance affiliate since 1987.

On November 25, 2015, the Firm filed a Form U-5 reporting that Neet voluntarily terminated his employment with the Firm. Neet has not been associated with a FINRA regulated broker-dealer since November 24, 2015. Pursuant to Article V, Section 4 of FINRA's By-Laws, Neet remains subject to FINRA's jurisdiction.

RELEVANT DISCIPLINARY HISTORY

Neet has no prior disciplinary history in the securities industry.

OVERVIEW

Neet failed to timely amend his Uniform Application for Securities Industry Registration ("Form U-4") to disclose two personal bankruptcy petitions. By engaging in such misconduct, Neet acted in contravention of Article V, Section 2(c) of FINRA's By-Laws and violated FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of the FINRA By-Laws requires that registrations filed with FINRA be kept current at all times and that amendments must be filed with FINRA "not later than 30 days after learning of the facts or circumstances giving rise to the amendment."

FINRA Rule 1122 prohibits filing with FINRA information regarding registration "which is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead, or fail to correct such filing after notice thereof."

FINRA Rule 2010 requires the observance of high standards of commercial honor and just and equitable principles of trade.

Throughout the relevant time period referenced below, Question 10K on the Form U-4 asked, "[w]ithin the past 10 years have you made a compromise with creditors, filed a bankruptcy petition or been the subject of an involuntary bankruptcy petition?"

On August 26, 2013, Neet filed a Chapter 7 bankruptcy in the U.S. Bankruptcy Court in the Central District of California ("Chapter 7 bankruptcy"). On September 26, 2013, Neet voluntarily withdrew his Chapter 7 bankruptcy and it was dismissed. The Chapter 7 bankruptcy was closed on November 18, 2013.

On October 8, 2013, Neet filed Chapter 13 bankruptcy in the U.S. Bankruptcy Court in the Central District of California ("Chapter 13 bankruptcy"). On February 2, 2014, Neet's Chapter 13 bankruptcy was voluntarily withdrawn and dismissed. The Chapter 13 bankruptcy was closed on April 9, 2014.

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Neet did not amend his Form U-4 to disclose either the Chapter 7 bankruptcy or the Chapter 13 bankruptcy until July 8, 2014, despite that Firm policies and procedures required Neet to make prompt disclosure of any reportable financial events, including Chapter 7 and 13 bankruptcy filings.

As a result of the foregoing conduct, Neet failed to timely amend his Form U-4 to disclose his personal bankruptcy petitions in contravention of Article V, Section 2(c) of FINRA's By-Laws and in violation of FINRA Rules 1122 and 2010.

B. Neet also consents to the imposition of the following sanction:

- a. A 30-calendar-day suspension from associating with any FINRA registered broker-dealer in any capacity; and
- b. A fine of \$5,000.

Neet 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, Neet 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 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.

Neet 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**

Neet 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, Neet 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.

Neet 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**

Neet 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

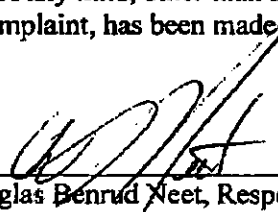
C. If accepted:

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

Neet 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.

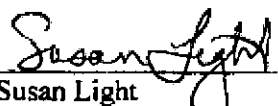
12/8/2015
Date (mm/dd/yyyy)


Douglas Benrud Neet, Respondent

Accepted by FINRA:

January 6, 2016
Date

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


Susan Light
Senior Vice President & Chief Counsel
FINRA Department of Enforcement
Brookfield Place
200 Liberty Street, 11th Floor
New York, NY 10281