

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014041737601**

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

RE: Hector Ramos (CRD No. 4172477),
Respondent

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Hector Ramos (CRD No. 4172477) ("Ramos" or "Respondent"), 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

Ramos has been registered with FINRA since June 2000. From September 2011 to August 2014, Ramos was registered as General Securities Representative through Morgan Stanley (BD No. 149777) (September 2011 to August 2014). Morgan Stanley discharged Ramos effective August 18, 2014. His Form U5 provided the following Termination Explanation: "Concerns related to (1) a check written by the employee to a Firm client and (2) Employee's non-disclosure of an outside incident involving the employee as required by Firm policy."

Since February 2016, Ramos has been registered with FINRA as a General Securities Representative through another FINRA member firm. Thus, FINRA jurisdiction is ongoing.

RELEVANT DISCIPLINARY HISTORY

Ramos has no relevant disciplinary history with the Securities and Exchange Commission, any self-regulatory organization, or any state securities regulator.

OVERVIEW

Ramos lent \$10,000 to a client without his firm's knowledge or approval in violation of FINRA Rules 3240 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 3240 prohibits a registered person from borrowing from or lending to a customer, unless (i) "the member [firm] has written procedures allowing the borrowing and lending of money between such registered persons and customers of the member," (ii) the registered person requests permission for the loan in advance and the member firm pre-approves in writing (unless the firm's procedures permit otherwise), and (iii) certain other pre-conditions are met. A violation of FINRA Rule 3240 also constitutes a violation of FINRA Rule 2010.

In April 2014, Ramos lent \$10,000 to a Morgan Stanley customer. Ramos neither requested nor received firm permission to lend the money. In fact, Morgan Stanley policy prohibited Ramos from lending the money. Accordingly, Ramos violated FINRA Rules 3240 and 2010.

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

- A suspension for 20 business days from associating with any FINRA member firm in any capacity.

Respondent has submitted a sworn financial statement and demonstrated an inability to pay. In light of the financial status of Respondent, no monetary sanction has been imposed.

I understand that if I am 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 suspension (see FINRA Rules 8310 and 8311).

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

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; and
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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.

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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.

08/09/2016

Date (mm dd yyyy)

Hector Ramos

Hector Ramos (CRD No. 4172477),
Respondent

Reviewed by:

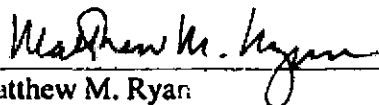


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Accepted by FINRA:

September 1, 2016
Date

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



Matthew M. Ryan
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