

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014043686001**

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

**RE: Terry Taisuk Lee, Respondent
General Securities Representative
CRD No. 1856901**

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Respondent Terry Taisuk Lee, 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

Terry T. Lee ("Lee") first became registered with FINRA as a General Securities Representative (Series 7) through an association with a FINRA member firm in July 1993. He remained registered with FINRA as a GS through consecutive associations with several different FINRA member Firms through March 2001. In July 2001, Respondent became a registered representative and an employee of Citigroup Global Markets Korea Securities Ltd. ("CGMKS"), a foreign securities affiliate of FINRA member firm Citigroup Global Markets Inc. ("CGMI" or the "Firm"). He remained registered with FINRA through that association until November 2014.

The Firm terminated Respondent's employment on October 24, 2014. On November 21, 2014, the Firm filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") terminating Lee's registration.

Respondent has not registered with another FINRA member firm since his termination from the Firm. Pursuant to Article V, Section 4 of FINRA's By-laws, FINRA currently retains jurisdiction over Lee.

RELEVANT DISCIPLINARY HISTORY

Lee does not have any prior disciplinary history with the Securities and Exchange Commission, any state securities agency, FINRA or any other self-regulatory organization.

OVERVIEW

During January 2012 and March 2014, Lee, while he was a General Securities Representative at the Firm, structured six cash deposits totaling \$49,500 so that each individual transaction was for an amount that was just below the Currency Transaction Report ("CTR") threshold of \$10,000. He acted to avoid Federal reporting requirements. By reason of the foregoing, Lee violated FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

From September 2010 through July 2014, Lee engaged in numerous cash and check deposits and withdrawals in his Citibank account. Thirty-two of those transactions were in amounts between \$7,000 and \$9,800, and 25 of those 32 transactions were above \$9,000 and below \$10,000. Lee engaged in all 32 of the transactions on the same day or within a few days of other transactions that, had they been one transaction, would have exceeded \$10,000.

The Bank Secrecy Act ("BSA"), 31 U.S.C. 5311 *et seq.*, requires financial institutions to file reports of transactions in currency exceeding \$10,000 in accordance with regulations established by the Secretary of the Treasury. The Treasury requires financial institutions to file a CTR for currency transactions in excess of \$10,000. 31 C.F.R. 1010.311.

Section 5324(a) of the BSA provides that no person shall, for the purpose of evading federal reporting requirements, (1) cause or attempt to cause a domestic financial institution to fail to file a required transaction report, (2) cause or attempt to cause a domestic financial institution to file a required transaction report containing a material omission or misstatement of fact, or (3) structure or assist in structuring any transaction with one or more domestic financial institutions, or attempt to do so.

Structuring is defined as acting alone or in conjunction with, or on behalf of, other persons to conduct or attempt to conduct one or more transactions in currency, in any amount, at one or more financial institutions, on one or more days, in any manner, for the purpose of evading reporting requirements under the regulations. 31 C.F.R. 1010.100(xx) clarifies that "in any manner" includes the breaking down of a single sum of currency exceeding \$10,000 into smaller sums at or below \$10,000 or the conduct of a series of currency transactions at or below \$10,000.

In January 2012 and March 2014, Lee made six cash deposits totaling \$49,500 into his Citibank account. Two of the six transactions were just six days apart between January 12, 2012 and January 17, 2012. Those two cash deposits were for \$2,000 and \$9,500, totaling \$11,500. The remaining four transactions were between March 6, 2014 and March 21, 2014. Each cash deposit was in the amount of \$9,500 for a total of \$38,000. Lee made each deposit in an amount equal to or less than \$10,000 with the intention of evading the Federal reporting requirements.

FINRA Rule 2010 requires "[a] member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade." By structuring the six cash transactions in January 2012 and March 2014 to avoid the filing of a CTR, Lee failed to observe high standards of commercial honor and just and equitable principles of trade in violation of FINRA Rule 2010.

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

- A bar in all capacities from any FINRA member.

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).

The sanctions imposed herein shall be effective on a date set by FINRA staff. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

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:

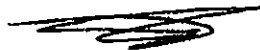
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;**
- B. If this AWC is not accepted, its submission will 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, Respondent Terry T. Lee, 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.

8/31/2016

Date (mm/dd/yyyy)



Respondent Terry T. Lee

Reviewed by:



Robert Fink, Esq.
Counsel for Terry T. Lee
Kostelanetz & Fink, LLP
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New York, New York 10007
212-808-8100

Accepted by FINRA:

October 10, 2016
Date

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



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