

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20140438633-01**

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

RE: Bruce Michael Weinstein, Respondent
General Securities Representative
CRD No. 1573055

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I 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

Bruce Michael Weinstein ("Respondent") entered the securities industry in November 1986. Respondent received his Series 7 license on November 15, 1986;¹ his Series 24 license on January 7, 1998; his Series 31 license on December 10, 2004; his Series 63 license on December 22, 1986;² and his Series 65 license on October 15, 2003. Since 1986, Respondent has been registered with numerous FINRA regulated broker-dealers.

On September 23, 2011, Respondent became registered with Morgan Stanley Smith Barney LLC (the "Firm"), a FINRA-regulated broker-dealer, as a General Securities Representative ("GSR"). On November 25, 2014, the Firm filed a Form U5 (Uniform Termination Notice for Securities Industry Registration) stating that Respondent had voluntarily resigned effective November 20, 2014. On January 5, 2015, the Firm filed a Form U5 Amendment stating that

¹ Respondent subsequently re-qualified for his Series 7 license on June 18, 1994.

² Respondent subsequently re-qualified for his Series 63 license on August 16, 1994.

Respondent's voluntary resignation occurred after allegations were made concerning his expense reimbursement submissions.

Respondent joined another FINRA regulated broker-dealer on November 20, 2014, is currently employed as a GSR, and remains subject to FINRA's jurisdiction.

RELEVANT DISCIPLINARY HISTORY

Respondent has no relevant disciplinary history.

OVERVIEW

Respondent violated FINRA Rule 2010 in September and October, 2014, by converting \$2,605 in Firm funds. Respondent also violated FINRA Rules 4511 and 2010 by filing four false expense reports, each of which misrepresented that Respondent and various Firm customers and potential customers had attended certain football games, in an effort to obtain reimbursement for the cost of tickets that Respondent had actually sold to third parties. By submitting the four false expense reports, Respondent caused the Firm to maintain inaccurate books and records in violation of Section 17(a) of the Exchange Act and Rule 17a-3 promulgated thereunder.

FACTS AND VIOLATIVE CONDUCT

Respondent Converted Firm Funds

FINRA Rule 2010 requires all associated persons to observe high standards of commercial honor and just and equitable principles of trade. Conversion is an intentional and unauthorized taking of and/or exercise of ownership over property by one who neither owns the property nor is entitled to possess it, and constitutes a violation of Rule 2010.

In 2014, the Firm maintained expense reimbursement policies, which provided that entertainment expenses were only reimbursable if incurred at events attended by both the Firm employee seeking reimbursement and one or more Firm customers or potential customers.

In or about May, 2014, Respondent purchased eight tickets to each 2014 New York Giants home football game. Respondent also purchased two tickets to each 2014 New York Jets home football game. In or about July 2014, Respondent sold those tickets to third parties. Respondent then photocopied all of the tickets and gave them to his assistant to submit for expense reimbursement after the games were played.

Between September 12 and October 29, 2014, Respondent submitted four expense reports seeking reimbursement of \$5,035 for a total of 47 tickets spread over five Giants and three Jets games. The expense reports falsely represented that Respondent had attended each of the games with Firm customers and potential customers—a prerequisite for reimbursement eligibility under Firm policy. In fact, Respondent had sold the tickets to third parties, and neither Respondent nor any customers or potential customers had attended.

As a result of Respondent's submission of these four false expense reports, the Firm paid him \$2,605. The Firm did not pay the balance of Respondent's reimbursement requests because it discovered his misconduct and his employment terminated.

By submitting false expense reports in September and October, 2014, and accepting reimbursements totaling \$2,605 in Firm funds for ineligible expenses, Respondent converted Firm funds in violation of Rule 2010.

Respondent Caused the Firm to Maintain Inaccurate Books and Records

FINRA Rule 4511 provides that the Firm must "make and preserve books and records as required under the FINRA rules, the Exchange Act and the applicable Exchange Act rules." Section 17(a) of the Exchange Act and SEC Rule 17a-3(a)(3) thereunder requires broker-dealers to maintain current "[l]edger accounts (or other records) reflecting all assets and liabilities, income and expense and capital accounts." A violation of FINRA Rule 4511 also constitutes a violation of FINRA Rule 2010.

As described above, Respondent submitted false expense reports to the Firm on September 12, October 10, October 28, and October 29, 2014. Each of the expense reports falsely represented that Respondent and multiple customers and potential customers had attended football games using tickets for which Respondent sought reimbursement. In fact, neither Respondent, nor any Firm customer or potential customer, attended the games.

By knowingly submitting false expense reports in September and October, 2014, Respondent violated FINRA Rules 4511 and 2010, by causing the Firm to maintain inaccurate books and records in violation of Section 17(a) of the Exchange Act and Rule 17a-3 promulgated thereunder.

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

A bar from association with any FINRA member in any capacity.

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. Pursuant to FINRA Rule 8313(c), 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 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.

11/4/2016
Date (mm/dd/yyyy)


Respondent

Reviewed by:

Brian Carlis, Esq.
Stark & Stark Attorneys at Law
993 Lenox Drive
Lawrenceville, NJ 08648
Phone: (609) 895-7313

Accepted by FINRA:

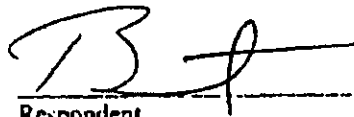
Date

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

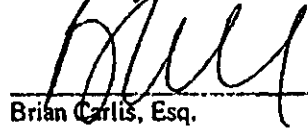
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Brookfield Place
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richard.chin@finra.org

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Respondent

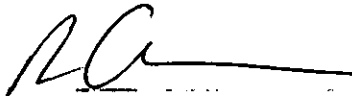
Reviewed by:


Brian Carlis, Esq.
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993 Lenox Drive
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Phone: (609) 895-7313

Accepted by FINRA:

11/29/16
Date

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


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