

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015047201702**

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

RE: Jamie Bennett, Respondent
General Securities Principal
CRD No. 2740248

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, 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 Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent 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

Jamie Bennett ("Bennett") first became registered as a General Securities Representative and General Securities Principal through a FINRA member firm in October 2003. In 2011, he founded Silber Bennett Financial Inc. ("Silber Bennett"), a former FINRA member firm, and served in a variety of roles at the firm including as Director, chief executive officer, chief financial officer, and financial and operations principal. Bennett was also chief compliance officer ("CCO") from April 2012 to March 2016, among other periods. He has not been associated with a FINRA member firm since March 14, 2019, when Silber Bennett terminated its registration.¹ FINRA maintains jurisdiction over Bennett subject to Article V, Section 4(a) of FINRA's By-Laws.

Bennett does not have any relevant disciplinary history.

¹ Silber Bennett filed a Form BDW seeking withdrawal of its FINRA registration on December 27, 2018.

OVERVIEW

While assigned responsibility for Silber Bennett's review and retention of email, CCO Bennett failed to ensure that the firm captured, retained and reviewed emails related to firm business, specifically: (i) emails sent or received by a Silber Bennett branch office from October 2013 through June 2015, and (ii) certain business-related emails sent or received by Bennett through his outside email address from January 2014 through November 2015.

As a result, Bennett violated FINRA Rule 3110 (for conduct on or after December 1, 2014), NASD Rule 3010 (for conduct before December 1, 2014),² and FINRA Rules 4511 and 2010. In addition, Bennett caused the firm to act in contravention of Section 17(a) of the Securities and Exchange Act of 1934 (the "Exchange Act") and Rule 17a-4 promulgated thereunder, and therefore violated FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA identified the violations described below as the result of an examination of Silber Bennett.

FINRA Rule 3110 requires a firm to "establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules." FINRA Rule 3110(b)(4) requires a firm to review the incoming and outgoing electronic correspondence of its registered representatives relating to its securities business. Before December 1, 2014, NASD Rule 3010 imposed similar requirements.

Section 17(a) of the Exchange Act, Rule 17a-4 promulgated thereunder, and FINRA Rule 4511 require a member firm to retain emails relating to its securities business. Specifically, Section 17(a) of the Exchange Act requires every broker-dealer to "keep for prescribed periods such records . . . as the Commission, by rule, prescribes." Rule 17a-4(b)(4) requires every registered broker-dealer to preserve for at least three years "all communications . . . relating to its business" that the firm receives and sends. FINRA Rule 4511 requires firms to "preserve books and records as required under the FINRA rules, the Exchange Act and the applicable Exchange Act rules."

Violations of these aforementioned rules also constitute violations of FINRA Rule 2010.

² FINRA Rule 3110 replaced NASD Rule 3010, effective December 1, 2014. Because the conduct at issue in this AWC occurred before and after this date, both rules are applicable.

From October 2013 through November 2015, as reflected in the firm's written supervisory procedures, Bennett was responsible for Silber Bennett's supervision (including compliance with the rules identified above), the review of emails, and the maintenance of the firm's books and records.

Review and Retention of Branch Email

In June 2012, a representative associated with Silber Bennett for the purpose of conducting investment banking business. The representative's location was registered as a firm branch office, and it held itself out for business through a d/b/a entity. The d/b/a name was in existence and being utilized at the time of the representative's association in June 2012, but it was also formally accepted by the firm through a Silber Bennett d/b/a disclosure form, which was filled out by the representative in October 2013. At the time of the d/b/a disclosure form, the representative also filled out an annual compliance questionnaire that explicitly disclosed his use of a third-party email address associated with the d/b/a. As CCO of the firm, Bennett approved these forms.

Bennett, however, did not take any steps on behalf of the firm to review or capture the representative's or other branch employees' use of email through the d/b/a email domain until January 2015. Subsequently, although steps were taken to capture the d/b/a email, emails could still be permanently deleted until June 2015, when full review and retention of the branch's email was effective.

Moreover, the representative in question was engaged in undisclosed outside business activity at the time, whereby he also attempted to solicit investments. Reasonable review of his email may have allowed the firm, through Bennett, to discover these issues.

Bennett's Use of an Outside Email Address

In addition, Bennett frequently—if not almost exclusively—used a third-party email account instead of his Silber Bennett account to conduct firm business. Based on staff's investigation, only three communications—calendar invites—over the relevant period were directed to or from Bennett's firm email address. Bennett was unable to produce to staff all of his business-related, third-party emails. Consequently, Bennett failed to properly retain his own email at a minimum between January 2014 and November 2015.

* * *

As a result of the foregoing conduct, Bennett violated FINRA Rule 3110 (for conduct on or after December 1, 2014), NASD Rule 3010 (for conduct before December 1, 2014), and FINRA Rules 4511 and 2010. In addition, Bennett

caused the firm to act in contravention of Section 17(a) of the Exchange Act and Rule 17a-4 promulgated thereunder, and therefore violated FINRA Rule 2010.

B. Respondent Jamie Bennett consents to the imposition of the following sanctions:

- A fine of \$5,000; and
- A suspension of 30 calendar days from associating with any FINRA member in any capacity.

The fine shall be due and payable either immediately upon reassociation with a member firm, 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.

Respondent specifically and voluntarily waives any right to claim that he is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

Respondent 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).

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

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent 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, Respondent 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.

Respondent 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

Respondent understands that:

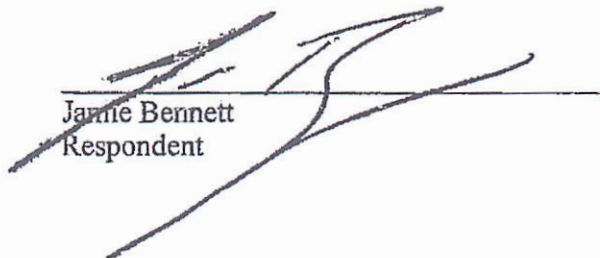
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
 - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Respondent;
 - 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. Respondent 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. Respondent 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 Respondent's: (i) testimonial obligation; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

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

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.

04/18/19
Date (mm/dd/yyyy)


Jamie Bennett
Respondent

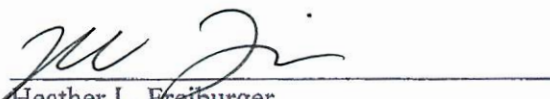
Reviewed by:


Sam Puathasnanon, Esq.
Counsel for Respondent
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Accepted by FINRA:

Date

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


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