

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015047753401**

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

RE: Cynthia Bolker, Respondent
Former Registered Representative
CRD No. 1182590

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

Bolker was first registered with a FINRA member firm, NYLIFE Securities LLC (NYLife Securities), in 1983. She remained registered with NYLife Securities until December 28, 2015, when the firm filed a Form U5 terminating her registration.

Although Bolker is no longer associated with a FINRA member firm, FINRA retains jurisdiction over her pursuant to Article V, Section 4 of FINRA's By-Laws.

OVERVIEW

In August 2010 and May 2014, Bolker borrowed \$16,800 from two NYLife Securities customers, in violation of FINRA Rules 3240 and 2010. During the firm's internal investigation into her borrowing activity, Bolker provided false and misleading information to her firm, in violation of FINRA Rule 2010. Further, Bolker provided false, misleading, and incomplete responses to a FINRA request for information, in violation of FINRA Rules 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

Borrowing from customers

On at least 37 occasions between approximately June 2010 and July 2015, Bolker borrowed at least \$745,800 from ten individuals to pay for her personal expenses. Two of those individuals were Bolker's customers at NYLife Securities at the time she borrowed from them. Specifically, Bolker borrowed \$4,800 from a customer in August 2010 and \$12,000 from a customer in May 2014. Bolker did not disclose to her firm that she borrowed from the customers, though she understood that the firm's policies and procedures prohibited borrowing from customers.

FINRA Rule 3240 provides that no person associated with a member in any registered capacity may borrow money from or lend money to any customer unless the member firm has written procedures allowing for the borrowing and lending of money between registered persons and customers of the firm, and then only when certain conditions are met. By borrowing money from two NYLife Securities customers in violation of her firm's policies and procedures prohibiting such borrowing, Bolker violated FINRA Rule 3240. By virtue of that violation, Bolker also violated FINRA Rule 2010.

Providing false and misleading information during an internal investigation

In September 2015, NYLife Securities and its insurance affiliate, New York Life Insurance Company (NYLIC), began an internal investigation into Bolker's borrowing activity. On or about September 23, 2015, Bolker was interviewed by a firm investigator in connection with that investigation. During that interview, Bolker provided false and misleading information to the firm, including denying that she borrowed from any NYLife Securities customers. Subsequently, on several occasions during the internal investigation, Bolker falsely denied that she had borrowed from any NYLife Securities customers. Bolker knew these statements were false when she made them.

FINRA Rule 2010 requires members and associated persons to observe high standards of commercial honor and just and equitable principles of trade. Making false and misleading statements to a registered representative's employer during an internal investigation of business-related misconduct is inconsistent with high standards of commercial honor and just and equitable principles of trade. By making false statements and representations regarding the extent of her borrowing activity during an internal investigation of said activity, Bolker violated FINRA Rule 2010.

Providing false, misleading, and incomplete information in response to a request for information issued pursuant to FINRA Rule 8210

In November 2015, FINRA initiated an investigation regarding Bolker's borrowing activity. On December 1, 2015, FINRA requested pursuant to FINRA Rule 8210 that, among other things, Bolker identify loans she received from customers. FINRA also requested that Bolker provide any document memorializing such loans and a description of the then-current status of each loan. FINRA also requested that Bolker provide all bank account statements, including copies of checks and deposit/withdrawal slips, for the period January 2010 through December 2015.

On December 14, 2015, Bolker responded by letter to FINRA's December 1 request. In her response, Bolker failed to identify and to provide related documentation for the loans she had taken from the two NYLife Securities customers. Bolker also produced one monthly statement from one bank account and selected monthly statements from another account, but did not produce the remainder of the statements from those accounts and the statements and checks for several bank accounts that she owned or controlled that contained evidence of the additional loans from customers that Bolker did not identify in her response.

In her December 14 letter, Bolker also stated, "Throughout [the NYLife Securities and NYLIC internal] investigation, I cooperated fully with New York Life. I also met with company representatives as requested, including a New York Life corporate investigator. The same company representative asked me the same questions several times for which they received the same truthful answers." As described above, however, during the firm's internal investigation, Bolker knew that she had specifically and falsely denied the existence of certain loans from customers she had received.

FINRA Rule 8210 states that the staff may require a "person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically...with respect to any matter involved in the investigation." Because FINRA lacks subpoena power, it must rely upon Rule 8210 to police the activities of its members and associated persons. Providing false, misleading, or incomplete information to FINRA in response to a request for information violates Rule 8210. When an associated person fails to provide requested documents and information, and/or provides false and misleading information, FINRA's ability to perform its regulatory responsibilities is subverted.

Bolker violated FINRA Rule 8210 by providing a false, misleading, and incomplete response to FINRA's December 1, 2015 request for documents and information. Specifically, in her December 14, 2015 response, Bolker: (1) misrepresented the extent of her borrowing activity; (2) falsely stated that she had provided complete and truthful answers to NYLife Securities during its internal

investigation when Bolker knew she had not been fully truthful with the firm during the investigation; and (3) failed to provide responsive account statements, checks, and deposit/withdrawal slips for several bank accounts that Bolker owned or controlled and that reflected additional borrowing activity that she had omitted from her written response.

By virtue of violating Rule 8210, Bolker also violated FINRA Rule 2010.

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

A bar from associating with any FINRA member in all capacities.

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:

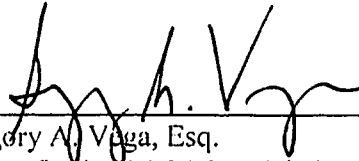
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will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

November 3, 2016
Date (mm/dd/yyyy)

Cynthia Bolker
Respondent

Reviewed by:

A handwritten signature in black ink, appearing to read 'Gregory A. Vega', written over a horizontal line.

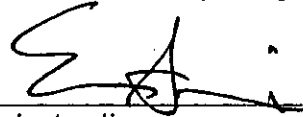
Gregory A. Vega, Esq.
Seltzer Caplan McMahon Vitek
750 B Street, Suite 2100
San Diego, CA 92101

Counsel for Respondent

Accepted by FINRA:

11/16/2016
Date

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

A handwritten signature in black ink, appearing to read 'Edwin', is written over a horizontal line.

Edwin Aradi
Senior Counsel
FINRA Department of Enforcement
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Rockville, MD 20850
301.258.8555