

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20160498644 01**

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

RE: Dalila Costa-Leroy, Respondent
General Securities Representative
CRD No. 2544837

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Dalila Costa-Leroy ("Costa-Leroy" 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

Costa-Leroy first became registered with FINRA as a General Securities Representative ("GSR") through an association with a FINRA member firm in June 1996. She was subsequently registered as a GSR through associations with nine member firms. From March 2006 through October 2008, Costa-Leroy was registered as a GSR through an association with UBS Financial Services Inc. ("UBS") (BD No. 8174). Since January 19, 2016 she has been registered as a GSR through National Securities Corporation (BD No. 7569), where she remains employed today.

RELEVANT DISCIPLINARY HISTORY

Costa-Leroy has no prior disciplinary history with the Securities and Exchange Commission, FINRA, any other self-regulatory organization or any state securities regulator.

OVERVIEW

Costa-Leroy failed to timely disclose a civil judgment of \$570,183.91 on her Uniform Application for Securities Industry Registration or Transfer ("Form U4"). As a result, she violated Article V, Section 2(c) of the FINRA By-Laws and FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of FINRA's By-Laws requires registered persons to keep their Form U4 "current at all times," and that amendments to Forms U4 be filed, in most instances, within 30 days after learning of the facts or circumstances giving rise to the amendment.

FINRA Rule 1122 provides that: "No member or person associated with a member shall file with FINRA information with respect to membership or registration which is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead, or fail to correct such filing after notice thereof."

Disclosure question 14M of the Form U4 asks: "Do you have any unsatisfied judgments or liens against you?"

In December 2011, Costa-Leroy entered into a settlement agreement with UBS that obligated her to repay \$576,529, which she received from UBS through promissory notes executed with the Firm. Costa-Leroy failed to meet her obligations under the settlement agreement. On July 12, 2012, UBS obtained a civil judgment in the amount of \$570,183.91 against Costa-Leroy from the Supreme Court of New York, Kings County. A copy of that judgment was sent to Costa-Leroy on September 26, 2012.

The judgment required disclosure on Costa-Leroy's Form U4 beginning 30 days after learning of the facts and circumstances giving rise to the amendment. Costa-Leroy did not disclose the civil judgment until August 17, 2015.

By reason of the foregoing, Costa-Leroy violated Article V, Section 2(c) of FINRA's By-Laws and FINRA Rules 1122 and 2010.

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

- A fine of \$5,000; and
- A suspension from association with any FINRA member firm in any and all capacities for three (3) months.

I agree to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. I have submitted an Election of Payment form showing the method by which I propose to pay the fine imposed.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

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.

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.
- 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

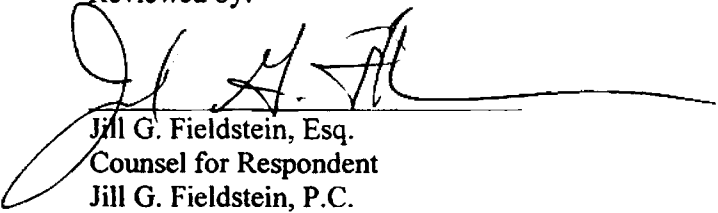
the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

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.

3/17/17
Date (mm/dd/yyyy)


Respondent Dalila Costa-Leroy

Reviewed by:


Jill G. Fieldstein, Esq.
Counsel for Respondent
Jill G. Fieldstein, P.C.
39 NE Mountain Road
Dover Plains, New York 12522
(718) 986-0922

Accepted by FINRA:

3/31/17
Date

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


Matthew Minerva
Principal Regional Counsel
FINRA Department of Enforcement
200 Liberty Street
New York, New York 10281
Tel: (212) 416-1756
Fax: (301) 527-4738