

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2019061763302**

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

RE: Jamie Bennett (Respondent)
Former General Securities Principal
CRD No. 2740248

Pursuant to FINRA Rule 9216, Respondent Jamie Bennett 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 in this AWC.

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 first became registered with FINRA as a Financial and Operations Principal (FINOP) in May 2003, and as a General Securities Representative (GSR) and General Securities Principal (GSP) in October 2003, through his association with a member firm. In February 2011, Bennett founded Silber Bennett Financial, Inc., a former FINRA member firm, and was registered with FINRA as a GSP, FINOP, GSR and in other capacities through this firm until March 2019. While registered with Silber Bennett Financial, Bennett served in a variety of capacities, including Director, Chief Executive Officer, and Chief Financial Officer. Bennett also acted as his firm's Chief Compliance Officer and Anti-Money Laundering Compliance Officer from June 2017 to March 2019, among other periods.

Although Bennett is not currently registered with FINRA or associated with a FINRA member firm, he remains subject to FINRA's jurisdiction pursuant to Article V, Section 4(a) of FINRA's By-Laws.

RELEVANT DISCIPLINARY HISTORY

On April 30, 2019, FINRA issued a Letter of Acceptance, Waiver and Consent (No. 2015047201702) finding that Bennett, while responsible for the review and retention of

email at Silber Bennett Financial, failed to ensure that the firm captured, retained and reviewed emails related to firm business—specifically: (i) emails sent or received by a firm branch office and (ii) certain business-related emails sent or received by Bennett using a third-party email address. As a result, Bennett violated NASD 3010 (for conduct prior to December 1, 2014), FINRA Rule 3110 (for conduct on or after 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 Securities and Exchange Act of 1934 and Rule 17a-4 promulgated thereunder, and therefore violated FINRA Rule 2010. For this misconduct, FINRA suspended Bennett in all capacities for 30 calendar days and fined him \$5,000.

From September 3, 2019 until October 23, 2020, Bennett was suspended in all capacities, pursuant to FINRA Rule 9552, for failing to timely respond to FINRA requests for information and documents.

OVERVIEW

Between August 2018 and January 2019, Bennett structured a total of 80 cash deposits and withdrawals from four personal bank accounts totaling approximately \$170,000. He did so in amounts below \$10,000 for the purpose of evading federal reporting requirements that would have caused the financial institutions to file Currency Transaction Reports (CTRs). As a result, Bennett violated FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

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. In turn, 31 C.F.R. § 1010.311, requires that financial institutions—including banks—file CTRs for transactions in excess of \$10,000.

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(xx) clarifies that the phrase “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.

Between August 2018 and January 2019, Bennett structured his cash deposit and withdrawal activity in amounts below \$10,000 using various methods and patterns that included: the use of multiple bank branch locations, multiple accounts, and multiple transactions (either on the same day, consecutive days or within a period of multiple days). Bennett structured 80 cash withdrawals and deposits totaling approximately \$170,000, in amounts below \$10,000, involving four personal bank accounts at bank branches located in the Los Angeles, California area. Bennett's structured cash withdrawals and deposits did not involve any customer funds.

Bennett intentionally structured cash deposits and withdrawals in increments of less than \$10,000 in an attempt to evade the federal reporting requirements and prevent the filing of CTRs. By structuring cash deposits and/or withdrawals, Bennett failed to observe high standards of commercial honor and just and equitable principles of trade.

Therefore, Bennett violated FINRA Rule 2010.

B. Respondent also consents to the imposition of the following sanctions:

- a two-year suspension from associating with any FINRA member in all capacities; and
- a \$10,000 fine.

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 an inability to pay, now or at any time after the execution of this AWC, the monetary sanction 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 in this AWC shall be effective on a date set by FINRA.

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 its acceptance or rejection.

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 action 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;

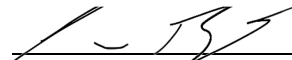
3. FINRA may make a public announcement concerning this agreement and its subject matter in accordance with FINRA Rule 8313; and
4. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any 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 testimonial obligations or 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.

Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; Respondent understands and acknowledges that FINRA does not represent or advise him and Respondent cannot rely on FINRA for legal advice. Respondent has agreed to the AWC's provisions voluntarily; and no offer, threat, inducement, or promise of any kind, other than the terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce him to submit this AWC.

January 28, 2021

Date



Jamie Bennett
Respondent

Accepted by FINRA:

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

February 5, 2021

Date



Jill Jablonow
Senior Counsel
FINRA
Department of Enforcement
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