

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2023078672001**

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

RE: Brian Robert Roth (Respondent)
Former General Securities Representative
CRD No. 4607595

Pursuant to FINRA Rule 9216, Respondent Brian Robert Roth 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 accepts and consents to the following findings by FINRA without admitting or denying them:

BACKGROUND

Roth first became registered with FINRA through an association with a member firm in February 2003. From June 2013 to August 2018, Roth was registered with FINRA as a General Securities Representative through an association with International Assets Advisory, LLC (CRD No. 10645). From December 2018 to May 2023, Roth was registered with FINRA as a General Securities Representative through an association with Newbridge Securities Corporation (CRD No. 104065).

On May 3, 2023, Newbridge filed a Uniform Termination Notice for Securities Registration (Form U5) reporting that Roth had been “terminated for violation of FINRA Rule 3240(b) and firm policies in regard to a loan that Roth obtained from a brokerage client before his association with Newbridge, that was then modified and documented during his association with Newbridge (and ultimately paid in full), all without notifying and/or seeking approval from Newbridge.” Although Roth is not currently associated with any FINRA member, he remains subject to FINRA’s jurisdiction pursuant to Article V, Section 4 of FINRA’s By-Laws.

Pursuant to Article VI, Section 3 of FINRA By-Laws and FINRA Rule 9554, Roth was suspended on September 14, 2018, for failure to comply with an arbitration award or settlement agreement or to satisfactorily respond to a FINRA request to provide

information concerning the status of compliance. That suspension was lifted on October 4, 2018.¹

OVERVIEW

In March 2017, Roth borrowed \$250,000 from a customer while associated with International Assets Advisory, LLC. In March 2020, while Roth was associated with Newbridge, Roth and the customer executed a promissory note to memorialize the terms of the March 2017 loan. Through this conduct, Roth violated FINRA Rules 3240 and 2010. For these violations, Roth is suspended for three months.

FACTS AND VIOLATIVE CONDUCT

This matter originated from FINRA's review of the Form U5 Newbridge filed.

FINRA Rule 3240 prohibits registered persons from borrowing money from their customers unless (1) their member firm has written procedures permitting borrowing from customers; and (2) the borrowing arrangement meets at least one of five circumstances specified in the rule. Even if these requirements are satisfied, the registered representative must seek and obtain prior written approval of the loan from the member firm, except that the firm's procedures may provide otherwise where the customer is a lending-related business, under certain circumstances, or a member of the representative's immediate family.

A violation of FINRA Rule 3240 also constitutes a violation of FINRA Rule 2010, which requires associated persons "to observe high standards of commercial honor and just and equitable principles of trade" in the conduct of their business.

While Roth was associated with International Assets Advisory and Newbridge, the firms' written supervisory procedures prohibited registered representatives from borrowing money from a customer without permission except in specific circumstances consistent with FINRA Rule 3240.

In March 2017, while Roth was associated with International Assets Advisory, he borrowed \$250,000 from a high-net worth customer without seeking prior written approval from his member firm. None of the circumstances specified in Rule 3240(a)(2) applied to the relationship between Roth and this customer. Roth did not disclose this loan to International Assets Advisory or receive permission from the firm to accept it.

When Roth joined Newbridge in December 2018, the customer opened accounts at Newbridge for which Roth was the registered representative. However, Roth did not disclose the loan to Newbridge at the time of his registration. In March 2020, Roth and the customer documented the loan in a promissory note, which stated that the original loan was for a three-year term with 10% annual interest and that \$75,000 had already

¹ For more information about the respondent, including prior regulatory events, visit BrokerCheck® at www.finra.org/brokercheck.

been repaid. The promissory note required monthly payments and extended the maturity date to March 31, 2021. Roth ultimately repaid the loan in full.

In addition, Roth falsely attested in annual compliance questionnaires completed in 2019 through 2021 that he had not solicited or accepted a loan from a customer while associated with Newbridge.

Therefore, Roth violated FINRA Rules 3240 and 2010.

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

- a three-month suspension from associating with any FINRA member in all capacities.²

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.

² On April 4, 2024, Respondent filed a Chapter 13 bankruptcy petition pursuant to Title 11 of the United States Code. Accordingly, no monetary sanctions are being imposed in this matter.

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 right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.

- 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 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.

4/22/25
Date


Brian R. Roth
Respondent

Reviewed by:

Matthew Ross
Matthew Ross
Counsel for Respondent
Lucosky Brookman
111 Broadway, Suite 807
New York, NY 10006

Accepted by FINRA:

April 22, 2025
Date

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


Susan G. Taylor
Counsel
FINRA
Department of Enforcement
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Washington, D.C. 20006