

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT  
NO. 2024081858901**

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

RE: Intesa Sanpaolo IMI Securities Corp. (Respondent)  
Member Firm  
CRD No. 19418

Pursuant to FINRA Rule 9216, Respondent Intesa Sanpaolo IMI Securities Corp. 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**

Intesa Sanpaolo IMI Securities Corp. has been a FINRA member since 1987. The firm employs approximately 30 registered representatives operating from one branch location in New York, New York. The firm conducts a general securities business, consisting primarily of fixed-income and equity trading for institutional customers.<sup>1</sup>

**OVERVIEW**

From July 2018 to April 2024, the firm failed to report or inaccurately reported more than 12,000 transactions to the Trade Reporting and Compliance Engine (TRACE) in violation of FINRA Rules 6730 and 2010. Separately, from at least July 2018 to September 2024, the firm violated the Securities Exchange Act of 1934 Rule 10b-10 and FINRA Rules 2232 and 2010 by failing to disclose the price of the security on over 11,000 customer confirmations and violated FINRA Rules 3110 and 2010 by failing to supervise for compliance with trade confirmation disclosure requirements. For these violations, the firm is censured and fined \$125,000.

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<sup>1</sup> For more information about the firm, including prior regulatory events, visit BrokerCheck® at [www.finra.org/brokercheck](http://www.finra.org/brokercheck).

## **FACTS AND VIOLATIVE CONDUCT**

This matter originated from reviews by FINRA's Department of Market Regulation.

**The firm failed to accurately report to TRACE its execution capacity on over 7,000 TRACE-eligible transactions and failed to report to TRACE over 4,000 non-member affiliate transactions.**

TRACE facilitates the mandatory reporting of over-the-counter transactions in certain fixed income securities and provides price transparency to market participants and investors. Untimely trade reporting of disseminated trades directly affects investors and other market participants by depriving them of meaningful information necessary to make trading and valuation decisions. Inaccurate information reported to TRACE affects the audit trail and can result in either false alerts or the inability to detect problematic transactions.

FINRA Rule 6730 sets out the requirements that apply to member firms when reporting transactions in TRACE-eligible securities. FINRA Rule 6730(a)(6) requires member firms to promptly, accurately, and completely report TRACE-eligible securities transactions to the TRACE system.<sup>2</sup> FINRA Rule 6730(b) specifies the party responsible for reporting a transaction to TRACE, and FINRA Rule 6730(c) specifies the transaction information that must be reported. As applicable here, FINRA Rule 6730(b)(2) states that in transactions involving a member and a non-member, the member shall submit a trade report to TRACE. FINRA Rule 6730(c)(7) requires each TRACE trade report to specify the capacity in which the member acted in executing the transaction. A violation of FINRA Rule 6730 also constitutes a violation of FINRA Rule 2010, which requires member firms, in the conduct of their business, to observe high standards of commercial honor and just and equitable principles of trade.

In July 2018, the firm transitioned to an agency booking model and changed the account used to execute fixed income securities trades for its non-member affiliate but failed to communicate to its fixed income desk that the new account was an agency account rather than principal. As a result, from July 2018 through December 2023,<sup>3</sup> the firm reported approximately 7,450 transactions in TRACE-eligible corporate debt securities and approximately 440 transactions in U.S. Treasury securities in a principal capacity when they should have been reported in an agency capacity. These reports constituted 100 percent of the total corporate debt and U.S. Treasury reports the firm submitted during the same period.

Additionally, from February 2020 through April 2024, as a result of human error, the firm did not report certain transactions between itself and its non-member affiliate.<sup>4</sup> As a

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<sup>2</sup> Prior to November 6, 2023, this requirement was codified in Rule 6730(a)(5).

<sup>3</sup> The firm discovered that it was inaccurately reporting its capacity as a result of an internal review of its operational processes and began reporting the transactions in an agency capacity on December 12, 2023.

<sup>4</sup> After receiving an inquiry from FINRA in April 2024, the firm immediately began correctly reporting the non-member affiliate transactions.

result, the firm failed to report to TRACE approximately 4,250 non-member affiliate transactions in TRACE-eligible corporate debt securities and approximately 355 non-member affiliate transactions in U.S. Treasury securities. These reports constituted 50 percent of the total corporate debt and U.S. Treasury reports the firm was required to submit during the same period.

By reporting inaccurate capacities and failing to report reportable transactions in TRACE-eligible securities to TRACE, the firm violated FINRA Rules 6730 and 2010.

**The firm issued to customers over 11,000 customer trade confirmations that omitted the price of the security.**

Trade confirmations protect investors who buy and sell securities through broker-dealers by, among other things, alerting them to potential conflicts of interest with their broker-dealers and providing them the means to verify the terms of their transactions and evaluate transaction costs and the quality of their broker-dealers' executions.

Exchange Act Rule 10b-10, promulgated under § 10(b) of the Exchange Act, requires broker-dealers that effect securities transactions for customers to provide customers a confirmation, at or before completion of each transaction, disclosing certain basic terms of the transaction, such as the identity, price, number of shares of the security bought or sold, and the execution capacity of the broker-dealer.

FINRA Rule 2232(a) requires members, at or before the completion of any transaction in any security effected for or with an account of a customer, to provide the customer with a written confirmation that conforms with the requirements of Exchange Act Rule 10b-10.

A violation of Exchange Act Rule 10b-10 or FINRA Rule 2232 is also a violation of FINRA Rule 2010.

From at least July 2018 through September 2024, as a result of a coding error, the firm omitted the security price from 11,780 trade confirmations sent to institutional customers on fixed income transactions. In September 2024, the firm corrected its system such that the price field was properly populated on its customer confirmations. Therefore, the firm violated Exchange Act Rule 10b-10 and FINRA Rules 2232(a) and 2010.

**The firm did not establish, maintain, and enforce a supervisory system, including written supervisory procedures, reasonably designed to achieve compliance with trade confirmation disclosure requirements.**

FINRA Rule 3110(a) requires each member 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) requires member firms to establish, maintain, and enforce written procedures to supervise the types of business in which it engages and the activities of its associated persons that are reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules. A violation of FINRA Rule 3110 also is a violation of FINRA Rule 2010.

From at least July 2018 through September 2024, the firm failed to establish, maintain, and enforce a supervisory system, including written supervisory procedures, reasonably designed to achieve compliance with Exchange Act Rule 10b-10 and FINRA Rule 2232. Specifically, the firm's procedures governing customer confirmations did not include any process to review, and the firm did not review, the confirmations for accuracy or completeness. Therefore, the firm violated FINRA Rules 3110 and 2010.

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

- a censure and
- a \$125,000 fine.

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

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.

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 it;
- 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 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 it 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.

The undersigned, on behalf of Respondent, certifies that a person duly authorized to act on Respondent's behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has agreed to the AWC's provisions voluntarily; and that 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 Respondent to submit this AWC.

11/14/2025

Date



Intesa Sanpaolo IMI Securities Corp.  
Respondent

Print Name: Stefano Marras

Title: CEO

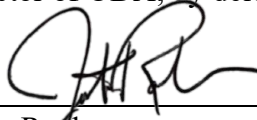
Reviewed by:



Peter Isajiw  
Counsel for Respondent  
Clifford Chance US LLP  
Two Manhattan West  
375 9<sup>th</sup> Avenue  
New York, NY 10001-1696

Accepted by FINRA:

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



Dec. 1, 2025

Date

Justin Roerber  
Principal Counsel  
FINRA  
Department of Enforcement  
4600 S. Syracuse Street, Suite 1400  
Denver, CO 80237