

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2013036054901**

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

RE: Citigroup Global Markets Inc., Respondent  
CRD No. 7059

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent Citigroup Global Markets Inc. ("CGMI" or the "Firm") 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 herein.

**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**

CGMI is a wholly-owned subsidiary of Citigroup Financial Products, Inc. and an indirect wholly-owned subsidiary of Citigroup, Inc. Formerly known as Salomon Smith Barney, Inc., the Firm has been a registered broker-dealer and member of FINRA since 1936. Its principal place of business is in New York, New York. The Firm provides a full range of financial services, including investment banking, underwriting debt and equity securities, issuing research and advising corporations, governments and institutions, as well as acting as a full-service global broker-dealer. It trades securities for institutional and individual customers as well as for proprietary accounts.

CGMI's Equity Research Department includes approximately 66 FINRA-licensed equity research analysts, who write research reports published by CGMI, as well as research associates, support staff and research management. The research reports typically include an analyst's forecast for a particular company, as well as

a target price, an expected total return and, after October 8, 2011, a buy, neutral or sell rating.<sup>1</sup>

### **RELEVANT DISCIPLINARY HISTORY**

On September 23, 2002, pursuant to Letter of Acceptance, Waiver and Consent No. CAF020043, NASD made findings (which CGMI neither admitted nor denied) that CGMI issued research reports from January 2001 to April 2001 on Winstar Communications, Inc. that, among other things, contained misleading statements and omissions of material facts. NASD found that, as a result, CGMI violated NASD Rules 2210 and 2110. CGMI consented to a censure and a fine of \$5,000,000.

On April 24, 2003, pursuant to Letter of Acceptance, Waiver and Consent No. CAF030018, NASD made findings (which CGMI neither admitted or denied) that, from 1999 through 2001, CGMI, among other things, did the following: published fraudulent research on companies; published research on companies which contained exaggerated, unbalanced or unwarranted statements; made recommendations in published research without a reasonable basis; maintained business practices that created conflicts of interest caused by the influence of investment banking over research analysts; failed to maintain policies and procedures reasonably designed to prevent the misuse of material, non-public information; failed to establish and maintain adequate policies and procedures to protect research analysts from conflicts of interest with investment banking; and failed to adequately supervise the activities of research analysts. NASD found that, as a result, CGMI violated various provisions of the federal securities laws and several NASD rules, including NASD Rules 2210, 2110 and 3010. CGMI consented to a censure and a total payment of \$400,000,000, including \$150,000,000 as a fine, \$150,000,000 as disgorgement, \$75,000,000 for the procurement of independent research and \$25,000,000 for investor education.<sup>2</sup>

On June 16, 2006, pursuant to Letter of Acceptance, Waiver and Consent No. 2005000792101, NASD made findings (which CGMI neither admitted nor denied) that, from July 2002 to May 2005, CGMI, among other things, failed to make various disclosures required under NASD Rule 2711(h) in over 2500 published research reports. NASD also found that CGMI failed to establish and maintain a supervisory system reasonably designed to detect and prevent violations of NASD Rule 2711(h). CGMI consented to a censure, a fine of

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<sup>1</sup> Prior to October 8, 2011, CGMI had risk ratings of low, medium, high, and speculative, in addition to investment ratings of buy, hold and sell.

<sup>2</sup> In conjunction with entering into Letter of Acceptance, Waiver and Consent No. CAF030018, CGMI entered into a Final Judgment with the U.S. Securities and Exchange Commission that included, among other things, undertakings with regard to research publication and research independence.

**\$350,000 and an undertaking to perform a comprehensive review of its research disclosures.**

**On April 25, 2012, pursuant to Letter of Acceptance, Waiver and Consent No. 20080123101, FINRA made findings (which CGMI neither admitted nor denied) that, from 2007 to 2010, CGMI failed to make various disclosures required under NASD Rule 2711(h) in thousands of published research reports. NASD also found that CGMI failed to maintain policies and procedures reasonably designed to detect and prevent violations of NASD Rule 2711(h). CGMI consented to a censure and a fine of \$725,000.**

**On October 26, 2012, CGMI entered into a Consent Order with the Commonwealth of Massachusetts Securities Division (without admitting or denying the conclusions of law set forth in sections VII and VIII of the Consent Order) concerning CGMI's equity research analyst program. The Massachusetts Securities Division found that CGMI failed to prevent or detect the written disclosure of material, non-public research information. Pursuant to the Consent Order, CGMI agreed to, among other things, pay a civil penalty of \$2,000,000 and to review and implement certain internal policies and procedures relating to outgoing communications of its equity research analysts with parties external to CGMI.**

**On October 2, 2013, CGMI entered into a Consent Order with the Commonwealth of Massachusetts Securities Division (without admitting or denying the conclusions of law set forth in sections VII and VIII of the Consent Order) concerning the disclosure of non-public research information by an equity research analyst located in Taiwan. The Massachusetts Securities Division found that CGMI failed to adequately enforce its supervisory policies and procedures governing the disclosure of confidential, non-public research information. Pursuant to the Consent Order, CGMI agreed to, among other things, pay a civil penalty of \$30,000,000 and conduct a review of its written supervisory policies and procedures with respect to equity research analysts.**

### **OVERVIEW**

**CGMI equity research analysts often possess non-public information, including their analysis, ratings and views of covered companies, which could be valuable to CGMI's clients for an appreciable time before the analysts are able to include such information in published research reports. Federal securities laws and FINRA rules prohibit CGMI equity research analysts from selectively disseminating material, non-public research information to CGMI's clients.**

**While CGMI has a duty not to disclose material, non-public information to clients, CGMI encouraged its equity research analysts to engage in frequent interactions with clients as a means of cultivating client relationships, as commissions and other fees earned from client transactions are an important**

source of revenue for the Firm. CGMI considered the ratings that equity research analysts received from the Firm's clients and sales force when reviewing the performance and determining the compensation of its equity research analysts. This compensation structure, while not inconsistent with the regulatory framework developed in the wake of the 2003 Global Research Analyst Settlement, presented an inherent conflict of interest in that equity research analysts had an incentive to share with clients non-public research information in order to receive favorable feedback. In light of this conflict, CGMI failed to take adequate steps to supervise its equity research analysts' communications with clients to deter the selective dissemination of research ahead of publication.

For example, CGMI did not adequately supervise participation by its equity research analysts in "idea dinners," hosted or attended by CGMI equity research analysts between October 2010 and October 2013. At these events, CGMI equity research analysts provided stock picks to institutional clients and CGMI sales representatives. In some instances, the ideas presented by CGMI equity research analysts at these events were inconsistent with the equity research analysts' published research. CGMI also failed to prevent the disclosure of non-public research information in December 2012 by a foreign sales representative who informed certain of CGMI's clients about a change in a research forecast that had not been published in a research report.

When CGMI detected violations of its policies regarding selective dissemination and client communications, it failed to adequately enforce those policies and deter future violations. Between January 2005 and February 2014, the timing and severity of CGMI's responses to violations of such policies were inconsistent, and, in many cases, the imposition of formal discipline was significantly delayed from the infraction. As a result, equity research analysts tended to discount CGMI's efforts to impose discipline for violations of the Firm's policies and procedures. CGMI's failure to adequately supervise equity research analysts' communications with external clients and internal sales and trading personnel violated NASD Rules 3010 and 2110 and FINRA Rules 5280 and 2010.<sup>3</sup>

In addition, in May and July 2011, a senior CGMI equity research analyst indirectly participated in investment banking road show presentations in violation of NASD Rule 2711(c)(5) and FINRA Rule 2010. In particular, the analyst provided guidance to two companies in preparing road show presentation materials. Further, during the period of 2011 through 2013, CGMI violated NASD Rule 2711(i) and FINRA Rule 2010 by failing to implement written supervisory procedures reasonably designed to ensure that its equity research analysts did not indirectly participate in investment banking roadshow presentations.

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<sup>3</sup> FINRA Rule 2010 replaced NASD Rule 2110 as of December 15, 2008.

## **FACTS AND VIOLATIVE CONDUCT**

### **1. Violations of NASD Rule 3010 and FINRA Rule 5280 – Failure to Adequately Supervise Communications Between Equity Research Analysts and Firm Clients**

CGMI equity research analysts engaged in frequent communications with the Firm's clients as well with CGMI sales and trading personnel, whom equity research analysts viewed and treated as internal clients. These frequent interactions took place by email, over the phone and in-person, and at meetings, social events and other functions hosted or attended by CGMI equity research analysts and the Firm's internal and external clients.

Voting by clients and sales personnel was a significant factor in CGMI's determination of its equity research analysts' compensation. CGMI paid each equity research analyst based upon, among other things, the analyst's relative rank on a "scorecard." Approximately half of each equity research analyst's "scorecard" rating was related to interactions and feedback with both internal and external clients, including the Firm's sales and trading personnel and the Firm's institutional clients. This compensation structure, while not inconsistent with the regulatory framework developed in the wake of the 2003 Global Research Analyst Settlement, created an incentive for CGMI equity research analysts to engage in inappropriate communications with clients, including providing non-public research information to clients before the research was published.

Between January 2005 and February 2013, CGMI did not adequately supervise interactions between its equity research analysts and clients to deter improper communications in light of this incentive. NASD Rule 3010(a) requires each member firm to "establish and maintain a system to supervise the activities of each registered representative, registered principal, and other associated person that is reasonably designed to achieve compliance" with FINRA Rules. Under NASD Rule 3010(b), each member firm must "establish, maintain, and enforce written procedures to supervise the types of business in which it engages and to supervise the activities of registered representatives, registered principals, and other associated persons that are reasonably designed to achieve compliance" with FINRA Rules. In addition, FINRA Rule 5280 requires that each member firm "establish, maintain and enforce policies and procedures reasonably designed to restrict or limit the information flow between research department personnel and the trading department to prevent trading department personnel from utilizing non-public advance knowledge of the issuance or content of a research report for the benefit of the member or any other person."

By failing to adequately supervise communications between its equity research analysts and clients, as described more fully below, CGMI violated NASD Rules 3010(a), 3010(b) and 2110, and FINRA Rules 5280 and 2010.

a. *CGMI Failed to Adequately Supervise Idea Dinners.*

CGMI's failure to adequately supervise communications between its equity research analysts and clients is reflected in its failure to adequately supervise "idea dinners" hosted or attended by CGMI equity research analysts between October 2010 and October 2013. These dinners were typically attended by a number of institutional clients as well as by CGMI sales and trading personnel. Some were conducted as recurring events on a quarterly basis, while others were organized by CGMI equity research analysts or sales personnel on an ad-hoc basis. Research management was aware of the idea dinners and encouraged the Firm's equity research analysts to host or attend idea dinners as a way to interact with the Firm's clients.

During this time period, at least 36 CGMI equity research analysts hosted or participated in over 40 idea dinners. Several of the idea dinners that CGMI equity research analysts hosted or attended during this period included a stock-picking contest. Some dinners involved contests in which each participant, including the CGMI equity research analyst in attendance, identified a "long" stock pick, which the participant believed would perform well in the coming months, and a "short" stock pick, which the participant believed would perform relatively poorly. Attendees, including CGMI equity research analysts, sometimes explained the reasoning behind their picks. In some instances, the performance of the participants' stock picks was tracked, and awards were given to those whose long picks performed best and whose short picks performed worst. On multiple occasions, the stock picks provided by CGMI equity research analysts at these events were inconsistent with their published research reports and other CGMI research publications, including CGMI's Top Picks Live report and U.S. Focus List (which communicated an equity research analyst's highest conviction ideas). In addition, although equity research analysts identified companies as "short" picks at some of these events, CGMI did not have a short rating for its research reports.

For example, at an idea dinner that occurred in July 2011, a CGMI equity research analyst identified a stock as a "short" pick. Before the dinner, however, the analyst had upgraded that stock from Sell to Hold and reiterated his Hold rating on the company in the last report that he published prior to the dinner. Thus, the analyst's characterization of the company as a "short" pick was inconsistent with his published research on the company at the time. Moreover, the analyst identified other companies, on which he had Hold or Neutral ratings, as "short" picks at six subsequent idea dinners between October 2011 and June 2013. These picks were therefore inconsistent with the ratings identified in the analyst's published research.

The same analyst identified companies as "long" picks when that characterization was inconsistent with his published research. For example, the analyst identified a company as a "long" pick at an October 2012 idea dinner. Two days before the

dinner, however, the analyst had published a research report identifying four different stocks as his “favorites” leading into the earnings season. The “long” pick identified by the analyst at the dinner was therefore inconsistent with his prior published research. Similarly, a different equity research analyst identified a stock as a “long” pick at a dinner that occurred in January 2013, despite having a Neutral rating on that company in his published research.

The nature of the communications that occurred at these idea dinners presented risks that equity research analysts would disclose information not contained in their published research reports in an effort to gain positive feedback from the client attendees. In light of the risk of improper communications that these events raised, CGMI took inadequate steps to supervise its equity research analysts and to enforce the boundaries of permissible communications that could occur at these events. For example, CGMI failed to provide adequate guidance to its equity research analysts about how they could participate in the idea dinners and associated stock-picking contests without violating CGMI’s policies, FINRA rules or the federal securities laws. Indeed, CGMI’s policies and procedures relating to Equity Research Department communications did not specifically address idea dinners or stock-picking contests, and CGMI did not take other reasonable steps to supervise communications at these events. As a result, CGMI failed to adequately supervise the equity research analysts who participated in idea dinners.

*b. CGMI Failed to Prevent the Disclosure of Nonpublic Research Information Concerning Apple Inc.*

On December 13, 2012, an equity research analyst employed by Citigroup Global Markets Taiwan Securities Co. Limited (“Citi Taiwan”), who covered a supplier of Apple Inc. (“AAPL”) that is traded on the Taiwan Stock Exchange, disseminated information about AAPL iPhone order cuts to approximately 40 clients of CGMI that was not contained in his published research. On that same day, a FINRA-registered equity sales employee of Citi Taiwan discussed the AAPL order cuts with certain of the Firm’s external clients, as well as with personnel on the Firm’s trading desk, despite knowing that the Citi Taiwan equity research analyst had not published information about the order cuts. CGMI’s supervisory systems and procedures failed to prevent this selective dissemination of research information by individuals in a foreign office.

*c. CGMI Failed to Adequately Enforce its Own Policies Concerning Communications by Equity Research Analysts.*

Between January 2005 and February 2014, CGMI issued approximately 100 internal warnings related to conduct by its equity research analysts that violated CGMI’s simultaneous distribution or client communication policies. These policies required CGMI’s equity research analysts to “ensure that any of [their] new research views are distributed simultaneously to Clients and not selectively

disclosed.” When CGMI detected violations of its policies regarding selective dissemination and client communications, it failed to effectively discipline its equity research analysts, and therefore failed to adequately enforce its policies and deter future violations.

Some equity research analysts received multiple warnings without repeat violations being subject to increased sanctions. At times, lengthy delays occurred between the infractions committed by the analysts and the imposition of formal discipline, sometimes as long as six months and, often, six weeks. Equity research analysts in many cases therefore discounted or ignored the various forms of discipline imposed by CGMI for violations of its selective dissemination policies.

For example, between April 2005 and October 2013, CGMI disciplined an equity research analyst four times for conduct that violated various CGMI policies regarding research reports and client communications. The Firm imposed some of the discipline long after the analyst’s prohibited conduct and did not impose any enhanced discipline for the analyst’s repeat violations. The analyst’s repeated policy violations were never mentioned in any of the analyst’s performance reviews.

Similarly, between September 2005 and April 2012, another CGMI equity research analyst was given six internal letters for conduct that violated CGMI’s policies regarding his research reports and communications with outside parties. The sanctions imposed by the Firm on this analyst did not increase in severity despite his repeated violations. The analyst was eventually terminated in October 2012, while under review by a securities regulator, for another violation of the Firm’s policies.

As another example, in October 2013, CGMI hired a new equity research analyst, and, in March 2014, the analyst received a written reprimand for violating multiple CGMI policies on multiple occasions between November 14, 2013 and February 13, 2014. The analyst did not, however, receive a disciplinary letter or any other form of discipline until more than three months had elapsed since his initial violation.

Because CGMI’s responses to violations of policies regarding research reports and communications with clients were, in certain instances, inconsistent, often had no cumulative effect, and involved implementation of formal discipline that was often significantly delayed from the time of the infraction, CGMI’s equity research analysts were not effectively deterred from committing policy violations. Accordingly, CGMI failed to adequately supervise equity research analysts’ compliance with its policies and deter violations of FINRA rules and the federal securities laws.

**2. Violations of NASD Rule 2711 – Participation in Investment Banking Road Show Presentations**

*a. CGMI's Equity Research Analyst Participated in Investment Banking Road Show Presentations.*

NASD Rule 2711(c)(5) prohibits research analysts from “directly or indirectly . . . participating in a road show related to an investment banking services transaction.” In 2011, CGMI violated NASD Rule 2711(c)(5) when one of its senior equity research analysts indirectly participated in road show presentations in connection with the IPOs of two companies.<sup>4</sup>

On May 5, 2011, the analyst participated in a “Roadshow Presentation practice session” for one of the companies to provide input on the presentation and areas to emphasize and de-emphasize during the road show.

On July 6, 2011, the analyst received draft road show presentation slides from the other company. The CGMI research analyst then sent an email to company representatives in which he suggested that the company “amp up” discussions of certain topics in its road show presentation.

By assisting the two companies in the preparation of road show presentation materials, the CGMI equity research analyst indirectly participated in road show presentations. As a result, CGMI violated NASD Rule 2711(c)(5) and FINRA Rule 2010.

*b. CGMI Failed to Have Written Supervisory Procedures Reasonably Designed to Ensure that its Equity Research Analysts Did Not Participate in Investment Banking Road Show Presentations.*

During the period of 2011 through 2013, CGMI failed to have written supervisory procedures reasonably designed to ensure that its equity research analysts complied with NASD Rule 2711(c)(5). CGMI’s written policies and procedures for equity research analysts in 2011 through 2013 broadly provided that equity research analysts could not participate in or attend investment banking road show presentations. The policies and procedures did not, however, expressly prohibit equity research analysts from assisting in the preparation of road show presentation materials. Further, CGMI did not provide its equity research analysts with adequate guidance concerning circumstances that would constitute indirect participation in road show presentations in violation of NASD Rule 2711(c)(5). By failing to have written supervisory procedures reasonably designed to ensure compliance with NASD Rule 2711(c)(5), CGMI violated NASD Rule 2711(i) and FINRA Rule 2010.

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<sup>4</sup> CGMI served as lead underwriter for the IPOs of the two companies.

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

- A censure; and
- A fine in the amount of \$15,000,000.

1. CGMI shall also:

- a) Within 60 days of the date of Notice of Acceptance of this AWC, submit to FINRA a written plan of how it will undertake to conduct a comprehensive review of the adequacy and implementation of its policies and procedures (written and otherwise) and training relating to the conduct addressed in this AWC, including its (i) research policies and procedures related to selective disclosure of research by its equity research analysts, (ii) research policies and procedures related to communications between its equity research analysts and clients, and (iii) research policies and procedures related to participation by its equity research analysts in investment banking road show presentations.
- b) FINRA will review the plan submitted by CGMI. If FINRA determines that the plan reasonably complies with the specific requirements set forth in this AWC, and is in keeping with the general purpose of the undertaking, FINRA will not object to the plan. The date that FINRA notifies CGMI that it does not object to the plan shall be the Notice Date.
- c) In the event FINRA objects to the plan, CGMI may address FINRA's objection(s) and resubmit the plan within 30 days of being notified of FINRA's objection(s). A failure to resubmit to FINRA a plan that is reasonably designed to meet the specific requirements and general purpose of the undertaking shall be deemed a violation of the terms of this agreement.
- d) At the conclusion of the review, which shall be no more than 180 days after the Notice Date, CGMI shall certify to FINRA in a submission signed by the Firm's Director of Research that its policies, procedures, and training in the areas specified above are implemented and are adequate and reasonably designed to address the conduct at issue in this AWC. In providing this certification, the Firm shall describe the review performed and the conclusions reached.

2. Upon written request showing good cause, the FINRA staff may extend any of the procedural dates set forth above.

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 that it is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

## 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 acceptance or rejection of this AWC.

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.

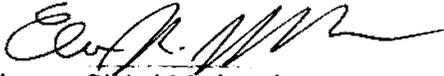
#### OTHER MATTERS

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 actions brought by FINRA or any other regulator against Respondent;
  - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Respondent’s disciplinary record;
  - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof 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: (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. 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 or its staff.

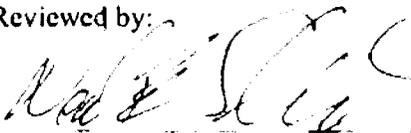
The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that the Firm has agreed to its provisions voluntarily; and that no offer, threat, 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 the Firm to submit it.

8/11/2017  
Date (mm dd/yyyy)

  
Citigroup Global Markets Inc.

By: Elaine H. Mandelbaum  
Managing Director

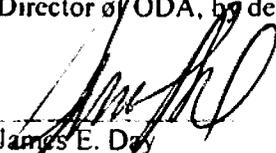
Reviewed by:

  
Neal E. Sullivan  
Counsel for Respondent  
Sidley Austin LLP  
1501 K Street, N.W.  
Washington, DC 20005  
(202) 736-8471

Accepted by FINRA:

11/29/14  
Date

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

  
James E. Day  
Vice President & Chief Counsel  
FINRA Department of Enforcement  
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