

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2015046512101**

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

RE: Bruce Martin Zipper, Respondent  
General Securities Principal  
CRD No. 1019731

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I 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**

Bruce Martin Zipper ("Zipper") entered the securities industry in 1981. At various times since 1981, Zipper was associated with FINRA members and obtained the following FINRA licenses: Series 7 (General Securities Representative), Series 4 (Registered Options Principal), Series 24 (General Securities Principal), Series 27 (Financial and Operations Principal) and Series 63 (State Agent). Since August 2004, Zipper has been associated with Dakota Securities International, Inc. ("DSI"). Zipper is subject to FINRA's jurisdiction because he is currently registered through a FINRA member.

**RELEVANT DISCIPLINARY HISTORY**

On or about January 27, 1989, FINRA accepted an Offer of Settlement wherein Zipper was censured and fined \$1,000, jointly and severally with Vanguard Securities. That firm, acting through Zipper, effected transactions in non-exempt securities while failing to maintain sufficient net capital to conduct a securities business.

On or about October 31, 1994, FINRA imposed a censure, \$5,000 fine and suspension from association with any FINRA member in any capacity for five business days, for Zipper's failure to honor an arbitration award. On or about April 17, 1995, the U.S. Securities and Exchange Commission sustained the sanctions.

On or about November 17, 1995, the Florida Department of Banking and Finance entered into a Stipulation and Consent Agreement. Zipper agreed to cease and desist from any and all future violations of Chapter 517, Florida statutes, and the rules thereunder, and pay a \$1,000 fine. Zipper violated the terms of his registration agreement, failed to timely notify the Department of a FINRA action, and failed to satisfy margin deficiencies in a manner prescribed by the Federal Reserve.

On or about November 24, 2009, the Florida Office of Financial Regulation entered into a Stipulation and Consent Agreement. DSI and Zipper were jointly and severally fined \$5,000 and required to amend DSI's written supervisory procedures to be consistent with its practices and comply with the independent testing requirements pursuant to NASD Rule 3011. DSI and Zipper had failed to provide independent testing of DSI's anti-money laundering compliance program in 2006 when Zipper had tested the program and failed to enforce DSI's written supervisory procedures.

### OVERVIEW

While Zipper was associated with DSI, Zipper willfully failed to timely amend his Uniform Application for Securities Industry Registration and Transfer ("Form U4") to disclose three unsatisfied judgments against him.

### FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of FINRA's By-Laws provides that every application for registration filed with FINRA shall be kept current at all times by supplementary amendments which must be filed within thirty days after learning of the facts or circumstances giving rise to the amendment.

Since at least 2009, Disclosure Question 14M of Form U4 has read: "Do you have any unsatisfied judgments or liens against you?"

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."

Zipper failed to timely amend his Form U4 to disclose three judgments. First, on or about November 25, 2009, Sutter Holding Company, Inc. f/k/a Shochet Holding Company, Inc. ("SHC") obtained a Final Judgment of Attorney's Fees against Zipper in the amount of \$11,083. Zipper knew or should have known about this judgment on or about November 25, 2009. Second, on or about June 11, 2012, SHC obtained a Final Judgment Awarding Appellate Fees against Zipper in the amount of \$1,872, plus post-judgment interest. Zipper knew or should have known about this judgment on or around June 11, 2012. Third, on or about October 14, 2014, Fidelity Bank obtained a Final Judgment against Zipper in the amount of \$8,227.17, plus interest. Zipper knew or should have known about this judgment on or around October 14, 2014. Zipper knew that none of these three judgments against him had been satisfied. Despite his knowledge of these unsatisfied judgments, Zipper willfully failed to timely amend his Form U4 to disclose the judgments within 30 days of learning of each of them. Indeed, Zipper failed to update his Form U4 to disclose the first and third judgments until November 13, 2015. Zipper failed to update his Form U4 to disclose the second judgment until March 16, 2016.

As a result of the foregoing conduct, Zipper willfully failed to timely amend his Form U4 to disclose the judgments, in contravention of Article V, Section 2 of FINRA's By-Laws, and in violation of FINRA Rules 1122 and 2010.

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

- A three-month suspension from association with any FINRA member in all capacities; and
- A fine in the amount of \$5,000.

Respondent has submitted a sworn financial statement and demonstrated a limited ability to pay. In light of the financial status of Respondent, a fine of \$5,000 has been imposed.

My limited ability to pay has been considered in connection with the monetary sanction imposed in this matter. I specifically and voluntarily waive any right to claim that I am unable to pay at any time hereafter the monetary sanction imposed in this matter.

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 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).

I understand that this settlement includes a finding that I willfully omitted to state a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 and Article III, Section 4 of FINRA's By-Laws, this omission makes me subject to a statutory disqualification with respect to association with a member.

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.

04/17/16  
Date (mm/dd/yyyy)

Bruce Martin Zipper  
Bruce Martin Zipper, Respondent

Accepted by FINRA:

04/22/2016  
Date

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

[Signature]  
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