

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2016049085801**

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

RE: W. Michael Rosenberg, Respondent  
General Securities Representative, General Securities Principal  
CRD No. 1617639

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**

Rosenberg first became registered with FINRA as a General Securities Representative through association with a member firm in 1987. He has been continuously registered as a General Securities Principal and Representative through association with member firms since 1990. He has been employed with Intrepid Investment Bankers LLC ("Intrepid") since June 2010 and remains associated there currently as Intrepid's Senior Managing Director.

**RELEVANT DISCIPLINARY HISTORY**

Rosenberg has no disciplinary history.

## OVERVIEW

Between November 2013 and September 2015, Rosenberg failed to disclose in writing to Intrepid that he had 13 brokerage accounts that he held away from Intrepid, in violation of NASD Rule 3050(c) and FINRA Rule 2010.

## FACTS AND VIOLATIVE CONDUCT

NASD Rule 3050(c) requires a person associated with a member, prior to opening an account or placing an initial order for the purchase or sales of securities with another member, to notify both the employer member and executing member, in writing, of his or her association with the other member. If the account was established prior to the association of the person with the employer member, the associated person is required to notify both members in writing promptly after becoming so associated.

In November 2013, while associated with Intrepid, Rosenberg opened 13 brokerage accounts at UBS when his brokers moved to UBS from a prior firm. He had disclosed the prior accounts to Intrepid, however Rosenberg failed to disclose the new UBS accounts to Intrepid until September 2015. By failing to promptly disclose the UBS accounts to Intrepid, Rosenberg violated NASD Rule 3050(c) and FINRA Rule 2010.

- B. I also consent to the imposition of a suspension from association with any FINRA member firm in any capacity of 20 business days and a fine of \$25,000.

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 specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanctions imposed in this matter.

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.

10/19/18  
Date (mm/dd/yyyy)

W. Michael Rosenberg  
W. Michael Rosenberg

Reviewed by:

MaryJeanette Dee  
MaryJeanette Dee  
Counsel for Respondent  
Sheppard, Mullin, Richter & Hampton LLP  
30 Rockefeller Plaza  
New York, NY 10112  
212-634-3079

Accepted by FINRA:

10/29/18  
Date

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

Margery M. Shanoff  
Margery M. Shanoff  
Senior Counsel  
FINRA Department of Enforcement  
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