

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2016049236901**

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

RE: Jay Jules Gruenebaum, Respondent
CRD No. 2351888

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

Gruenebaum entered the securities industry on April 19, 1993. Since that time, Gruenebaum has been continuously registered with a FINRA member firm until his involuntary termination from Stifel, Nicolaus & Company, Inc. ("the Firm") on May 23, 2016. On June 16, 2016, the Firm filed a Form U5 reporting Gruenebaum's termination "for making unauthorized payments to clients". On September 19, 2016, the Firm filed an amended Form U5 disclosing details of two customer complaints concerning Gruenebaum's handling of their accounts and certain representations Gruenebaum had allegedly made to them. Gruenebaum has not been registered with a FINRA member firm since his termination from the Firm. Pursuant to Article V, Section 4 of FINRA's By-Laws, FINRA retains jurisdiction.

FACTS AND VIOLATIVE CONDUCT

On September 12, 2016, in connection with a FINRA investigation into the circumstances surrounding Gruenebaum's termination from the Firm and the Firm's disclosures in the above-referenced Form U5 filings, FINRA staff sent Gruenebaum a request to take his testimony pursuant to FINRA Rule 8210. As

stated in his counsel's phone call with FINRA staff on September 16, 2016, and by this agreement, Respondent acknowledges that he received FINRA's request and will not appear for on-the-record testimony at any time. By refusing to appear for on-the-record testimony as requested pursuant to FINRA Rule 8210, Respondent violated FINRA Rules 8210 and 2010.

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

A bar from associating with any FINRA member in any capacity.

The sanctions imposed herein will be effective on a date set by FINRA staff. A bar or expulsion is effective upon approval or acceptance of this AWC.

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 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 prejudice 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:

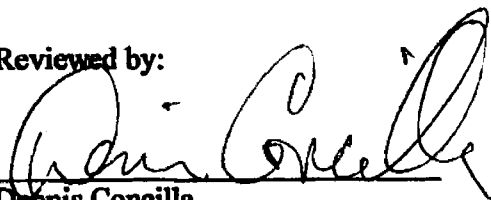
- A. **Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;**
- B. **If this AWC is not accepted, its submission 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 testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.**

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 [the Firm] to submit it.

Sept 23 2016
Date (mm/dd/yyyy)

Jay Jules Gruenebaum
Jay Jules Gruenebaum

Reviewed by:

A handwritten signature in black ink, appearing to read "Dennis Concilla", written over a horizontal line.

Dennis Concilla

Counsel for Respondent

Carlile, Patchen & Murphy LLP

366 East Broad Street

Columbus, OH 43215

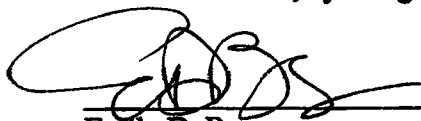
e-mail: dconcilla@cpmlaw.com

phone: (614) 628-0771

Accepted by FINRA:

10/10/2016
Date

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



Emily D. Barnes

Counsel

FINRA Department of Enforcement

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