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

RE: Jacob Popek (Respondent)  
Former General Securities Representative  
CRD No. 6815448

Pursuant to FINRA Rule 9216, Respondent Jacob Popek 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 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

Respondent entered the securities industry in July 2017. In November 2018, Respondent registered as a General Securities Representative through an association with FINRA member Wells Fargo Clearing Services, LLC. On May 20, 2020, the firm filed a Uniform Termination Notice for Securities Industry Registration (Form U5), stating that Respondent was discharged on April 21, 2020 after he “acknowledged providing inaccurate information to his manager and Wells Fargo… regarding the status of a personal outside brokerage account.” Although Respondent is no longer registered or associated with a FINRA member, he remains subject to FINRA’s jurisdiction, pursuant to Article V, Section 4 of FINRA’s By-Laws.1

OVERVIEW

Between November 2018 and April 2020, while associated with the firm, Respondent maintained outside brokerage accounts without the firm’s written consent. As a result, Popek violated FINRA Rules 3210 and 2010.

1 For more information about the respondent, including prior regulatory events, visit BrokerCheck® at www.finra.org/brokercheck.
FACTS AND VIOLATIVE CONDUCT

This matter originated from the firm’s Form U5 filing described above.

FINRA Rule 3210 provides that “[n]o person associated with a member (‘employer member’) shall, without the prior written consent of the member, open or otherwise establish at a member other than the employer member (‘executing member’), or at any other financial institution, any account in which securities transactions can be effected and in which the associated person has a beneficial interest.” Rule 3210’s Supplementary Material further states that “[i]f the account was opened or otherwise established prior to the person’s association with the employer member, the associated person, within 30 calendar days of becoming so associated, shall obtain the written consent of the employer member to maintain the account and shall notify in writing the executing member or other financial institution of his or her association with the employer member.” A violation of FINRA Rule 3210 also violates FINRA Rule 2010.

During October 2018, after Popek informed the firm that he maintained three outside brokerage accounts at two other member firms, the firm directed Popek to close those accounts. Despite receiving this instruction, and multiple subsequent instructions from the firm to close the accounts during 2019, Popek maintained each of these accounts until July 2019, December 2019, and April 2020, respectively. Popek effected multiple trades in one of these accounts during 2019 and 2020. Additionally, from November 2018 until his termination, without the firm’s consent, Respondent maintained two additional outside brokerage accounts that he failed to disclose to the firm.

During December 2019, Popek falsely attested on a firm compliance questionnaire that he had no outside brokerage accounts, although he continued to maintain three of his outside accounts at that time.

Therefore, Respondent violated FINRA Rules 3210 and 2010.

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

- a three-month suspension from associating with any FINRA member in all capacities and
- a $2,500 fine

Respondent understands that if he is barred or suspended from associating with any FINRA member, he becomes 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, he 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.
The fine shall be due and payable either immediately upon reassociation with a member firm or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

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 him;

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 testimonial obligations or 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 he 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.

Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; Respondent understands and acknowledges that FINRA does not represent or advise him and Respondent cannot rely on FINRA for legal advice. Respondent has agreed to the AWC’s provisions voluntarily; and 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 him to submit this AWC.
August 31, 2021

Date

Jacob Popek
Respondent

Accepted by FINRA:

September 9, 2021

Date

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

Matthew Aglialoro
Counsel
FINRA
Department of Enforcement
200 Liberty Street
New York, New York 10281