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Wedbush Securities Inc.

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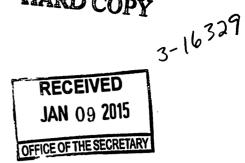
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Attorneys for Applicants Wedbush Securities Inc. and Edward Wedbush



UNITED STATES OF AMERICA
Before The
SECURITIES AND EXCHANGE COMMISSION

In the Matter of the Application of

WEDBUSH SECURITIES, INC. and EDWARD WILLIAM WEDBUSH

For Review of Disciplinary Action Taken by FINRA

APPLICATION OF WEDBUSH SECURITIES INC. AND EDWARD WILLAM WEDBUSH FOR REVIEW OF FINRA DISCIPLINARY ACTION

[Re FINRA Disciplinary Proceeding No. 200700904044]

[SEC Rule 420]

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Pursuant to Rule 420(a)(i) of the SEC Rules of Practice, please take notice that Applicants Wedbush Securities Inc. and Edward William Wedbush (collectively, "Applicants") hereby apply for review by the Commission of a final disciplinary sanction by FINRA. The determination of which Applicants complain is the Decision of the National Adjudicatory Council dated December 11, 2014 (the "Decision")¹, in the FINRA Office of Hearing Officers proceeding entitled Department of Enforcement v. Wedbush Securities and Edward William Wedbush, Disciplinary Proceeding No. 20070094044 (Hearing Officer Lawrence B. Bernard).

Pursuant to Rule 420(c), a brief statement of the errors alleged in the determination,

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¹ To the extent necessary to preserve all rights on appeal, Applicants also complain of the underlying Extended Hearing Panel Decision of the FINRA Office of Hearing Officers, dated August 2, 2012 (the "OHO Decision").

Dated: January 8, 2015

and the supporting reasons therefor, is a follows:

The finding that Applicants failed to reasonably supervise regulatory reporting is erroneous in that, among other reasons, it is inconsistent with the evidence, in particular with respect to: Applicants' dedication to compliance and regulatory reporting; Mr. Wedbush's role with respect to the regulatory reporting and the supervision thereof; the firm's regulatory reporting procedures; and the alleged failings of the Business Conduct department.

The finding that Applicants' corrective measures were untimely and insufficient is erroneous in that, among other reasons, it is inconsistent with the evidence.

The finding that Applicants received a fair hearing is erroneous in that it is inconsistent with the evidence presented at the hearing and comparable precedent. The Decision does not account for outright errors in the underlying OHO Decision. The determination that no distinction exists between a fine and a suspension is erroneous on its face and is inconsistent with the FINRA Sanctions Guidelines and the evidence at the hearing, and resulted in a denial of due process for Applicant Edward Wedbush. The determination that a "de novo" review cured all potential prejudice with respect to a fair hearing and selective prosecution is erroneous, for among other reasons, the fact that it fails to account for evidence that does not exist in the record because Applicants were denied a reasonable opportunity to present it.

The sanctions issued against Applicants are erroneous in that they are inconsistent with the evidence presented at the hearing and the FINRA Sanction Guidelines.

As noted in the Notice of Appearance and Designation of Address for Service, filed contemporaneously herewith, Applicants can be served through their counsel at the following address: John L. Erikson, Jr., Wedbush Securities Inc., Legal Department,

Respectfully Submitted,

By:

IOHN L. ERIKSON, JR.

Attorney for Applicants Wedbush Securities

Inc. and Edward Wedbush