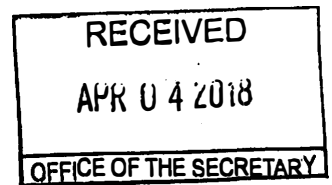


HARD COPY

**BEFORE THE
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC**



In the Matter of the Application of
Dakota Securities International, Inc.
For Review of Disciplinary Action Taken by
FINRA
File No. 3-18382

**FINRA'S MOTION TO DISMISS THE APPLICATION FOR REVIEW
AND TO STAY THE BRIEFING SCHEDULE**

Alan Lawhead
Vice President and
Director – Appellate Group

Michael Garawski
Associate General Counsel

Celia L. Passaro
Assistant General Counsel

FINRA
1735 K Street, NW
Washington, DC 20006
(202) 728-8985

April 4, 2018

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION	1
II. FACTUAL AND PROCEDURAL BACKGROUND	2
A. The Arbitration Claim and Fees	2
B. The Suspension Proceedings	4
III. ARGUMENT	6
A. The Commission Lacks Jurisdiction Over This Appeal	6
B. Dakota’s Application for Review Is Moot.....	8
IV. CONCLUSION.....	10

TABLE OF AUTHORITIES

Pages

SEC Decisions, Orders, and Releases

Blinder, Robinson & Co., Inc., Exchange Act Release No. 29496,
1991 SEC LEXIS 1479 (July 29, 2011)9

Burst.Com, Inc., Exchange Act Release No. 43198,
2000 SEC LEXIS 1735 (Aug. 23, 2000)9

Joseph Dillon & Co., 54 S.E.C. 960 (2000)6

Kirk A. Knapp, 49 S.E.C. 994 (1988)9

Marshall Financial, Inc., Exchange Act Release No. 48917,
2003 SEC LEXIS 2956 (Dec. 12, 2003).....8

Marshall Financial, Inc., 57 S.E.C. 869 (2004)8

Daniel M. Pecoraro, 48 S.E.C. 875 (1987)8

John Joseph Plunkett, Exchange Act Release No. 69766,
2013 SEC LEXIS 1699 (June 14, 2013).....7

Tara Securities Corp., 49 S.E.C. 1067 (1989).....9

W.C.W. Western Canada Water Enterprises, Inc., 50 S.E.C. 134 (1989).....9

Wedbush Morgan Securities, Inc., Exchange Act Release No. 57138,
2008 SEC LEXIS 57 (Jan. 14, 2008).....6, 7

Federal Statutes and Codes

Exchange Act Section 19(d)2, 6, 7, 10

17 C.F.R. § 201.1612

FINRA Rules

By-Laws Article IV, Section 1(a)4

Rule 95534

Rule 95595

FINRA Rule 12904(i)4

**BEFORE THE
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC**

In the Matter of the Application of
Dakota Securities International, Inc.
For Review of Disciplinary Action Taken by
FINRA
File No. 3-18382

**FINRA'S MOTION TO DISMISS THE APPLICATION FOR REVIEW
AND TO STAY THE BRIEFING SCHEDULE**

I. INTRODUCTION

Dakota Securities International, Inc. ("Dakota") has appealed from a February 6, 2018 decision in a FINRA expedited proceeding (the "Expedited Decision") suspending Dakota for its failure to pay fees assessed in connection with a customer-initiated arbitration. Specifically, the Expedited Decision ordered that, effective 14 calendar days after issuance, FINRA would suspend Dakota's membership until the outstanding fees were paid. Prior to the suspension starting, however, Dakota paid the arbitration fees and the suspension was never imposed. FINRA took no other adverse actions against Dakota.

The Commission should dismiss Dakota's application for review primarily because it

lacks jurisdiction over this appeal.¹ Because the suspension was never effective, Dakota is not subject to a final disciplinary decision by FINRA and, accordingly, the Commission does not have jurisdiction over this appeal under Section 19(d) of the Securities Exchange Act of 1934 (the “Exchange Act”).

Even if the Commission finds that it has jurisdiction, the appeal should be dismissed because it is moot. Because the suspension was never imposed, even a favorable decision by the Commission will not provide Dakota with any relief. Dakota, therefore, has no cognizable interest in the outcome of this appeal and the Commission should dismiss it.

II. FACTUAL AND PROCEDURAL BACKGROUND

The relevant facts are largely undisputed and the subject of Dakota’s stipulations.²

A. The Arbitration Claim and Fees

Dakota was named as a respondent in a FINRA customer arbitration claim filed on September 23, 2015, *Paul Beattie, et al. v. Dakota Securities International, Inc. and Christopher Russell McNamee*, FINRA Dispute Resolution Arbitration Case No. 15-02495 (the “Arbitration”). (R. 547-554; 283 (Stip. No. 1).) On November 13, 2015, Dakota’s then president and owner, Bruce Zipper, executed a FINRA Arbitration Submission Agreement on behalf of Dakota. (R. 523-524; 283 (Stip. No. 3.) In the Arbitration Submission Agreement,

¹ Pursuant to Commission Rule of Practice 161, FINRA requests that the Commission stay the briefing schedule it issued on April 2, 2018 while this motion is pending. *See* 17 C.F.R. § 201.161. The Commission should first evaluate the dispositive arguments that Dakota’s appeal should be dismissed on jurisdictional grounds before it reaches the underlying substance of this appeal.

² “R. ____” refers to the page numbers in the certified record filed by FINRA on March 12, 2018.

Dakota agreed to submit the claims “to arbitration in accordance with the FINRA By-Laws, Rules, and Code of Arbitration Procedure.” (R. 523.)

FINRA assessed several fees against Dakota in connection with the Arbitration. On September 30, 2015, FINRA invoiced Dakota for a \$2,475 “member surcharge fee” for the Arbitration. (R. 521; 283 (Stip. No. 2).) On November 30, 2015, FINRA invoiced Dakota a second time for a \$5,075 “member process fee.” (R. 525; 283 (Stip. No. 5).) Dakota acknowledges that it received these invoices. (R. 283 (Stip. Nos. 2, 5).)

The Arbitration proceeded over several months. On November 30, 2015, FINRA Dispute Resolution issued a list of potential arbitrators to the parties, asking them to strike and rank arbitrators for appointment to the Arbitration hearing panel. (R. 1471-1588; 283 (Stip. No. 4).) On January 28, 2016, the chairperson of the Arbitration panel executed a subpoena/order for production requested by the claimants in the Arbitration. (R. 527-531; 284 (Stip. No. 6).) The arbitrators convened for three prehearing conference sessions with the parties on February 11, 2016, February 23, 2016, and May 25, 2016. (R. 284 (Stip. No. 7).) Dakota participated in these conferences. (*Id.*)

On October 21, 2016, the claimants notified FINRA Dispute Resolution that they had settled the Arbitration with Dakota, but not the other respondent. (*Id.*) On May 5, 2017, an award was issued in the Arbitration (the “Arbitration Award”). (R. 547-553; 284 (Stip. No. 8).) The Arbitration Award ordered the other respondent, McNamee, to pay the claimants compensatory damages and set forth the assessment of arbitration fees. (R. 549-553.) With respect to Dakota, the Arbitration Award confirmed the member surcharge and member process fees that FINRA had previously invoiced to Dakota, assessed a discovery fee of \$200 against Dakota for the subpoena/order of production, and assessed fees of \$3,900 against Dakota for the

three prehearing conferences in which it had participated. (R. 549-550.) The Award explained that “[a]ll balances [were] payable to FINRA Office of Dispute Resolution and [were] due upon receipt.” (R. 551.) Consistent with the terms of the Arbitration Award, on May 31, 2017, FINRA Finance issued to Dakota a “Dispute Resolution Invoice” in the amount of \$4,100 for the discovery fee and the prehearing conference fees. (R. 629; 284 (Stip. No. 10).) Dakota acknowledges that it received this invoice. (R. 284 (Stip. No. 10).)

At various times, Zipper, on behalf of Dakota, requested that FINRA waive the fees assessed against Dakota, citing the firm’s inability to pay. At FINRA’s request, Dakota submitted supporting financial statements. (R. 284 (Stip. Nos. 9, 11); 607-627.) In response, FINRA offered Dakota a 12-month payment plan. (R. 284 (Stip. No. 12); 631-639.) Dakota rejected the plan. (*Id.*)

B. The Suspension Proceedings

Under FINRA’s rules, member firms must timely pay all fees, dues, or assessments resulting from arbitrations.³ On October 16, 2017, FINRA sent Dakota notice that it would be suspended pursuant to FINRA Rule 9553, effective November 6, 2017 (the “Suspension Notice”), for failure to pay \$11,650 in fees assessed in the Arbitration (the “Arbitration Fees”).⁴

³ FINRA Rule 12904(i) provides that “[f]ees and assessments imposed by the arbitrators under the Code shall be paid immediately upon the receipt of the award by the parties.” Under FINRA By-Laws Article IV, Section 1(a), FINRA membership includes an “agreement to pay such dues, assessments, and other charges in the manner and amount as from time to time shall be fixed pursuant to [FINRA By-Laws and rules].”

⁴ FINRA Rule 9553 provides that “[i]f a member . . . fails to pay any fees, dues, assessment or other charge required to be paid under the FINRA By-Laws or rules, . . . FINRA staff may issue a written notice to such member . . . stating that the failure to comply within 21 days of service of the notice will result in a suspension or cancellation of membership.” Dakota stipulated that it was properly served with the Suspension Notice. (R. 284 (Stip. No. 13).)

(R. 284 (Stip. No. 13); 647-650.) The Suspension Notice explained that the suspension would be effective unless Dakota paid the Arbitration Fees in full, entered into an installment plan with FINRA, timely filed a motion to vacate or modify the Arbitration Award and that motion had not been denied, or filed for bankruptcy.⁵ (R. 647.) The Suspension Notice also explained that the suspension would be stayed if Dakota requested a hearing under FINRA Rule 9559.⁶ (R. 648.)

On October 17, 2017, Dakota timely requested a hearing. (R. 1437-1450.) A hearing was held on November 28, 2017. (R. 293-517.) On February 6, 2018, the Hearing Officer issued the Expedited Decision. (R. 1613-1624.) In the Expedited Decision, the Hearing Officer found that Dakota had failed to pay the Arbitration fees as alleged and had failed to demonstrate a bona fide inability to pay the fees. (*Id.*) The Hearing Officer ordered that Dakota would be suspended 14 calendar days after issuance of the Expedited Decision if Dakota did not pay the outstanding Arbitration Fees totaling \$11,650. (*Id.*) On February 12, 2018, prior to the February 20 date of the suspension imposed in the Expedited Decision, Dakota paid the outstanding Arbitration Fees of \$11,650 and FINRA never imposed the suspension.⁷

⁵ Dakota stipulated that it had not entered into an installment plan with FINRA, had not filed to vacate or modify the Arbitration Award, and had not filed for bankruptcy protection. (R. 285 (Stip. Nos. 20, 21, 22).)

⁶ FINRA Rule 9559 provides the hearing procedures for a member who is served with a notice issued under the FINRA Rule 9550 series, including FINRA Rule 9553, and who requests a hearing.

⁷ See the relevant portion of Dakota's FINRA Central Registration Depository ("CRD®") record, attached hereto as Exhibit A to the Declaration of Celia Passaro (the "Declaration"), reflecting that Dakota paid the Arbitration Fees and, accordingly, "will not be suspended." See also the Dispute Resolution Statement reflecting the payments by Dakota, attached as Exhibit B to the Declaration.

III. ARGUMENT

The Commission should dismiss this appeal because it lacks jurisdiction under Section 19(d) of the Exchange Act. Alternatively, the Commission should dismiss this appeal because it is moot, in accordance with numerous Commission decisions involving appeals from parties who are not aggrieved by a FINRA decision. Dakota is not aggrieved by FINRA's potential suspension because it paid the outstanding Arbitration Fees and was not suspended. Because the suspension did not take place, Dakota cannot obtain any relief from the Commission.

A. The Commission Lacks Jurisdiction Over This Appeal

Exchange Act Section 19(d) defines the Commission's jurisdiction over applications for review of actions by self-regulatory organizations ("SROs") such as FINRA. 15 U.S.C. § 78s(d). Section 19(d)(1) authorizes Commission review of an SRO action that: 1) imposes any final disciplinary sanction on any member or person associated with a member; 2) denies membership or participation to any applicant; 3) prohibits or limits any person in respect to services offered by the SRO; or 4) bars any person from being associated with a member. *See Joseph Dillon & Co.*, 54 S.E.C. 960, 962 (2000) (finding the Commission lacked jurisdiction over the appeal of an NASD action where the action did not fall within any of the four jurisdictional bases of Section 19(d)).

The Commission has found that it lacks jurisdiction under Exchange Act Rule 19(d) where, as here, a suspension is never effective. In *Wedbush Morgan Securities, Inc.*, the NASD brought an expedited proceeding against Wedbush for failing to pay the full amount of interest ordered in an arbitration. Exchange Act Release No. 57138, 2008 SEC LEXIS 57, at *1 (Jan. 14, 2008). After a hearing, an NASD hearing officer found that Wedbush had not paid the interest and ordered that it would be suspended on a future date unless, prior to the suspension date, Wedbush either provided evidence that it had paid the interest, settled with the claimants, or

declared bankruptcy. *Id.* at *1, 6, 7. Wedbush paid the outstanding interest prior to the suspension date and the suspension was never imposed. *Id.* Wedbush nonetheless appealed the hearing officer's decision to the Commission arguing that it was based on erroneous facts and that Wedbush had been denied due process. *Id.* The Commission dismissed Wedbush's appeal, explaining that because Wedbush had paid the interest and the suspension never took effect, and because NASD had not taken any other action to deny Wedbush membership, prohibit or limit its access to services, or bar any person from becoming associated with Wedbush, that the "NASD took no action within the meaning of Section 19(d) of the Exchange Act that is subject to review by the Commission." *Id.* at *10. The Commission concluded, therefore, that the "appeal must be dismissed for lack of jurisdiction." *Id.*; *cf. John Joseph Plunkett*, Exchange Act Release No. 69766, 2013 SEC LEXIS 1699, at *39 n.62 (June 14, 2013) (finding that the Commission lacked jurisdiction to review a hearing panel decision and arbitration because neither fell within the four jurisdictional bases under Exchange Act Section 19(d)).

The Commission similarly lacks jurisdiction to review the Expedited Decision and the application for review should be dismissed. FINRA's action in the Expedited Decision does not fall within any of the four jurisdictional bases under Section 19(d) because FINRA's action did not impose a final disciplinary sanction on Dakota. There is no dispute that FINRA did not suspend Dakota from membership.⁸ FINRA merely found that Dakota failed to pay fees and surcharges assessed in connection with arbitration proceedings where Dakota had been named a party and failed to establish a bona fide inability to pay those fees. (R. 1613-1624.) Although

⁸ Nor does the Expedited Decision deny Dakota membership or participation, prohibit or limit any services provided by FINRA, or bar any person from associating with Dakota.

FINRA ordered that Dakota be suspended, Dakota paid the outstanding Arbitration Fees and the suspension never went into effect. (See Declaration, Exhibits A and B.) Under these circumstances, the Commission lacks jurisdiction to review the Expedited Decision and the application for review should be dismissed.

B. Dakota's Application for Review Is Moot

Alternatively, the Commission should dismiss this proceeding because it is moot. FINRA did not suspend Dakota from FINRA membership. Before the suspension order in the Expedited Decision went into effect, Dakota paid the outstanding Arbitration Fees, thereby avoiding the suspension. (See Declaration, Exhibits A and B.) Consequently, Dakota is not "aggrieved" by FINRA's decision below and it has no basis to appeal that decision to the Commission. *See Daniel M. Pecoraro*, 48 S.E.C. 875, 875 n.1 (1987) (finding that respondent who was not "aggrieved" by determination of self-regulatory organization had no basis for appeal and dismissing respondent's appeal on those grounds).

It is well settled that an application for review is moot when "even a favorable decision by the Commission would entitle [the applicant] to no relief" and the Commission has dismissed an application for review under circumstances comparable to the facts of this case. *Marshall Fin., Inc.*, Exchange Act Release No. 48917, 2003 SEC LEXIS 2956, at *1-2 (Dec. 12, 2003) (dismissing an appeal as moot). Like here, in *Marshall Financial*, the applicant was suspended after an expedited proceeding for failure to pay fees incurred in an arbitration, but paid the fees prior to the suspension becoming effective. *Marshall Fin., Inc.*, 57 S.E.C. 869, 875 (2004). The Commission dismissed the appeal explaining that a matter will be dismissed "as moot unless the complaining party has suffered some actual injury that can be redressed by a favorable judicial decision." *Id.* at *11-12. Indeed, the Commission has repeatedly and consistently dismissed

applications for review when the applicant no longer has a direct cognizable interest in the outcome of the case. *See, e.g., Burst. Com, Inc.*, Exchange Act Release No. 43198, 2000 SEC LEXIS 1735 (Aug. 23, 2000) (dismissing as moot applicant's appeal of NASD's decision to remove quotations of the applicant's securities from the OTC Bulletin Board where, after reissuing the decision, NASD found that applicant met the requirements for being listed); *Blinder, Robinson & Co.*, Exchange Act Release No. 29496, 1991 SEC LEXIS 1479, at *4 (July 29, 1991) (dismissing as moot Blinder's appeal of NASD's denial of an exemption from a rule prohibiting certain sales and purchases of securities where Blinder would obtain no relief from a favorable decision because the firm had entered liquidation proceedings and Blinder "no longer has a direct cognizable interest in the outcome of the case"); *W.C.W. Western Canada Water Enters., Inc.*, 50 S.E.C. 134, 135 (1989) (dismissing as moot applicant's appeal of NASD's denial of an application for listing on NASDAQ where the applicant qualified for listing shortly after filing its appeal); *Tara Sec. Corp.*, 49 S.E.C. 1067, 1068 (1989) (dismissing as moot applicant's appeal to continue its NASD membership while employing a statutorily disqualified person where NASD revoked the applicant's registration on other grounds while the appeal was pending); *Kirk A. Knapp*, 49 S.E.C. 994, 995 (1988) (dismissing as moot applicant's appeal of a denial to continue its membership with an associated person where, while the appeal was pending, NASD cancelled applicant's membership for failure to pay fees).

Dakota does not have a "direct cognizable interest" in the outcome of this appeal because the suspension was not and will not be imposed. Dakota is not "aggrieved" by FINRA's action in the Expedited Decision because even a favorable Commission decision would not entitle it to any relief. The record establishes that Dakota paid the outstanding Arbitration Fees and thereby avoided being suspended. (See Declaration, Exhibits A and B.) Therefore, Dakota would not

obtain any relief from a favorable Commission decision that overturned the Expedited Decision, and Dakota's appeal of the suspension is moot.

IV. CONCLUSION

The Commission should dismiss this appeal because, under Section 19(d) of the Exchange Act, the Commission lacks jurisdiction to hear it. Alternatively, the Commission should dismiss this appeal as moot because the suspension in the Expedited Decision never went into effect and even a favorable decision by the Commission would not entitle Dakota to any relief. Accordingly, the Commission should dismiss the application for review.

Respectfully submitted,



Celia L. Passaro
Assistant General Counsel
FINRA
1735 K Street, NW
Washington, DC 20006
(202) 728-8985

April 4, 2018

CERTIFICATE OF SERVICE

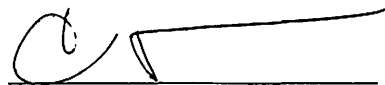
I, Celia L. Passaro, certify that on this 4th day of April 2018, I caused a copy of the foregoing FINRA's Motion to Dismiss and to Stay the Briefing Schedule, In the Matter of Dakota Securities International, Inc., Administrative Proceeding File No. 3-18382 to be served by messenger and facsimile on:

Brent J. Fields, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090
Fax: (202) 772-9324

and via FedEx on:

Gary Cuccia
Dakota Securities International, Inc.
5966 S Dixie Highway - Suite 300
Miami, FL 33143

Service was made on the Commission by messenger and on the Applicant by overnight delivery service due to the distance between FINRA's offices and the Applicant.



Celia L. Passaro
Assistant General Counsel
FINRA
1735 K Street, NW
Washington, DC 20006
(202) 728-8985

**BEFORE THE
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC**

In the Matter of the Application of
Dakota Securities International, Inc.
For Review of Disciplinary Action Taken by
FINRA
File No. 3-18382

**DECLARATION OF CELIA PASSARO IN SUPPORT OF
FINRA'S MOTION TO DISMISS THE APPLICATION FOR REVIEW
AND TO STAY THE BRIEFING SCHEDULE**

I, Celia Passaro, declare as follows:

1. This declaration was executed on April 4, 2018 in Washington, DC.
2. I am employed by FINRA as Assistant General Counsel in the Office of General Counsel.
3. The statements contained in this declaration are based upon personal knowledge and my review of FINRA documents.
4. Attached as Exhibit A is a portion of Dakota Securities International, Inc.'s record as contained in FINRA's Central Registration Depository ("CRD®"), which I caused to be printed from FINRA's CRD records.
5. Attached as Exhibit B is a Dispute Resolution Statement, which I caused to be obtained from FINRA business records.

I declare under penalty of perjury under the laws of the District of Columbia that the foregoing is true and correct.

Dated: April 4, 2018

A handwritten signature in black ink, appearing to read 'Celia', written over a horizontal line.

Celia Passaro

Exhibit A

Reportable Disclosure:

Occurrence: 1968299 Disclosure Type: Regulatory Action
FINRA Public Disclosable: Y Reportable: Y
Disclosure Review Comments:

Form: BD Received: 03/26/2018
Source: Organization CRD# 132700
Questions: 11E2

Part I

<<No Part I information for this DRP.>>

Part II

Regulatory Action DRP Content

1. Regulatory Action Initiated By:
FINRA
2. Principal Sanction:
Suspension
Other Sanctions:
3. Date initiated: 10/16/2017
4. Docket/Case Number:
20170560282
5. Employing Firm:
6. Principal Product Type:
Other
Other Product Types:
NONE
7. Allegations:
FINRA DISTRIBUTED THE FEE ASSESSMENT. A HEARING WAS CONDUCTED
WHERE THE HEARING OFFICER RULED AGAINST DAKOTA SECURITIES, DAKOTA
SECURITIES PAID THE ARBITRATION FEE 2/12/18.
8. Current Status: Final
9. Appealed to:
10. Resolution:
Decision
11. Resolution Date/Explanation: 02/06/2018
12. (A) Resolution Detail:
(B) Other Sanctions Ordered:
(C) Sanction Detail:
ARBITRATION FEE WAS ON APPEAL - IN
FEBRUARY DECISION WAS FOUND AGAINST THE
FIRM AND FEE WAS PAID
13. Summary:

Reportable Disclosure:

ARBITRATION FEE WAS PAID 2/12/18

Form: U6 Received: 03/02/2018
Source: FINRA
Questions:

Part I

<<No Part I information for this DRP.>>

Part II

Regulatory Action DRP Content

1. Regulatory Action Initiated By:
FINRA
2. Principal Sanction:
Suspension
Other Sanctions:
3. Date initiated: 10/16/2017
4. Docket/Case Number:
20170560282
5. Employing Firm:
6. Principal Product Type:
No Product
Other Product Types:
7. Allegations:
RESPONDENT DAKOTA SECURITIES INTERNATIONAL, INC. FAILED TO PAY
ARBITRATION FEES ASSESSED IN FINRA ARBITRATION CASE #15-02495.
8. Current Status: On Appeal
9. Appealed to:
APPEALED TO THE SEC, RECEIVED ON FEBRUARY 26, 2018
BY THE OFFICE OF GENERAL COUNSEL
10. Resolution:
Decision
11. Final Order: No
12. Resolution Date/Explanation: 02/06/2018
13. (A) Resolution Detail:
(B) Other Sanctions Ordered:
COSTS
(C) Sanction Detail:
ON NOVEMBER 28, 2017, THE FIRM REQUESTED
A HEARING. THE FIRM DID NOT MEET ITS
BURDEN OF DEMONSTRATING AN INABILITY TO
PAY THE ARBITRATION FEES. THE FINRA

Reportable Disclosure:

MEMBERSHIP OF THE FIRM WILL BE SUSPENDED UNTIL THE FIRM PAYS THE OUTSTANDING ARBITRATION FEES TOTALING \$11,650. THE SUSPENSION WILL BECOME EFFECTIVE ON FEBRUARY 21, 2018, 14 DAYS AFTER ISSUANCE OF THIS DECISION AND SHALL CONSTITUTE FINAL FINRA ACTION. IN ADDITION, THE FIRM IS ORDERED TO PAY FINRA COSTS OF \$2,462.09 WHICH SHALL BECOME DUE UPON ISSUANCE OF THIS DECISION. (ASSOCIATED CASE NO. DFC170004) ON FEBRUARY 12, 2018, THE FIRM PAID THE OUTSTANDING ARBITRATION FEES OF \$11,650; THEREFORE THE FIRM WILL NOT BE SUSPENDED. THE FIRM IS STILL REQUIRED TO PAY COSTS OF \$2,462.09.

14. Comment:

ON FEBRUARY 26, 2018, THE OFFICE OF GENERAL COUNSEL RECEIVED DAKOTA SECURITIES INTERNATIONAL, INC.'S APPLICATION OF REVIEW TO THE SEC REGARDING THE FEBRUARY 6, 2018 FINRA EXPEDITED DECISION

Exhibit B

Dispute Resolution Statement

Statement Date: 02/21/2018
Customer Number: 1502495-888773
Send Payments To: FINRA
P.O. BOX 418911
BOSTON, MA 02241-8911

BRUCE ZIPPER
C/O DAKOTA SECURITIES INTERNATIONAL
7428 S.W 189 ST
MIAMI, FL 33157

Customer Name: DAKOTA SECURITIES INTERNATIONAL, INC.
Case Name: PAUL BEATTIE, MAUREEN BEATTIE, ET AL. VS. DAKOTA SECURITIES INTERNATIONAL, INC.
Case ID: 15-02495

Billing Transaction Detail

Table with columns: Date, Description, Invoice, Amount. Rows include Member Surcharge Fee, Member Process Fee, Discovery Motion Fee, Hearing Session Fee, and a Total Billing Transactions row.

Account Activity

Table with columns: Date, Description, Amount. Rows include Reallocation (From CRD, To CRD) and Payment (EBILL314146, EBILL314145, EBILL314147) entries, plus a Total Account Activity row.

Account Balance: 0.00

Any questions regarding fee assessments should be directed to your case administrator.
Any questions concerning this statement should be directed to 240/386-5910 between 8 AM and 5 PM EST.