

April 16, 2017

Brent J. Fields, Secretary

Securities and Exchange Commission

100 F Street, N.E.

Washington D.C., 20549

3-17963



Dear Mr. Fields,

I am writing you this letter because I now have nowhere else to turn. My name is Bruce Zipper and I own a small Broker Dealer in Miami, Fl by the name of Dakota Securities Intl. (CRD # 132700). After a FINRA routine exam in 2015 a copy of which I enclosed for your review (Exhibit "A") FINRA found 4 exceptions for our company and me and that the FINRA Membership wanted responses to. This was on July 15, 2015. The next notice I received was a letter in October of 2015 stating FINRA wanted me to come to Boca Raton, Fl office of FINRA to discuss the 4 exceptions in question which I did. The interview I attended with Mr. Kevin Rosen, attorney for FINRA Enforcement, went over all the exceptions and that was all I heard from FINRA until March of 2016 when Mr. Rosen called me and said to come back to Boca Raton to discuss these exceptions and mentioned FINRA was prepared to set fines and possible suspension for certain exceptions in this report Which I did in late March 2016. At that meeting Mr. Rosen then asked if I wanted to settle the issues with FINRA in what is called an "AWC" Acceptance, Waiver, and Consent Agreement and clear up all the issues for Bruce Zipper, personally, and Dakota Securities my Firm of which is a one man business which I own the majority of the stock in the corporation. I told Mr. Rosen, that if the AWC was fair and that my weak financial situation both personally and with the firm would be taken into consideration that I would be interested. Mr. Rosen and I

never discussed which exceptions in our discussion were to be brought up for the AWC but rather the amount of the fine and the amount of the suspension were all that was discussed. In early April of 2016 Mr. Rosen wrote up the AWC and asked me come over to Boca to review with him and see if I wanted to sign the agreement. The two AWC's included not only one exception from the 2015 FINRA Exam but also an outstanding exception from a 2103 Finra Exam that was still pending. After review, which I thought was particularly harsh in terms of both fines and suspensions I said to Mr. Rosen if I did agree to these AWC's I and my company would have no further issues open for both me personally and my firm dakota Securities. Mr. Rosen said yes and I then proceeded to sign the two AWC's enclosed which I have marked for you Exhibit( "B"). My Suspension for 90 days started on May 31, 2016 and ended on August 31, 2016. I came back to work at that time and all was fine until after I requested certain papers relating to the FINRA Exam of 2015 to be sent to me in the fall of 2016 for my files when I discovered a letter that I hadn't seen before which I have enclosed as well and call Exhibit ("C"). When reading this letter I almost fell out of my chair with disbelief. In this letter dated August 10, 2015 FINRA Membership talked about the exceptions they were going to send up for possible enforcement and the one exception (#2) that was deemed cautionary and that didn't need to go any further. The disbelief was that Exception #2 was the exception Mr. Rosen decided to throw the book at me on with a 90 day suspension and thousands of dollars in fines which now might also contribute to me being barred from the industry. My loss of reputation, monies owed I didn't have, and now the ability to work and support my family all done by Mr. Rosen, who like me, probably didn't get the letter dated August 10, 2015 from the FINRA Membership stating Exception #2 having to do with Dakota and Bruce Zipper not updating my U-4 to show a couple of outstanding judgments against me was to be judged CAUTIONARY and NOT to go to Enforcement. In other words in looks like one hand of FINRA didn't know what the other was doing and unfortunately I got destroyed in the process for no

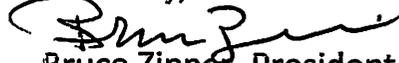
apparent reason.

The first thing I did in November of 2016 after receiving this letter of August 10, 2015( which was authored by a( Ms. Yvette Pineda, Deputy District Director in Boca Raton) was to call Boca Raton and speak to Mr. Rosen. I then learned Mr. Rosen was not working for FINRA anymore. I then called my FINRA Supervisor, Angela Brunnelle to discuss this matter. After she reviewed the letter and heard my outrage she said she would get back to me. The next day Angela and her supervisor (Dawn Colange) get me on the phone and tell me that the caution Bruce was for the firm Dakota Securities and not you personally. After catching my breath from that response I said please tell me when FINRA Membership let me know that this was just cautionary for the firm and not me personally and I would be subject to an issue personally. There was no response. I then said the letter in question stated under the cautionary paragraph that because this is a caution there is NO NEED to UPDATE both the company BD and the individual Form U-4 and need not be included or uploaded in the Central Registration Depository. Clearly meaning Both Dakota and Bruce Zipper are deemed cautionary . I again I get no answer. They told me I would get a call from the head enforcement person at FINRA to discuss this matter in a few days. (Cover up beginning). In about two days I get a call with all three people from FINRA on the phone trying to explain to me that the story is the same and that it was cautionary for the firm but not for me personally. So at that conversation I say do you mean to tell me this exception #2 was a letter of caution for the firm and for me the FINRA Enforcement people basically threw me out of the business for the same offense. Does that seem in any way fair and reasonable? No answers again. No, this was a tragic error by FINRA and now they are trying to cover it up. That is why I am coming to your Commission to help me with this matter. It is my firm belief certain people in the FINRA organization located in the Boca Raton Office were hell bent on destroying both me and my firm and have done one great job in accomplishing this. Why I do not know. I don't have the resources to hire an

attorney. I know the State Court System is stacked in favor of FINRA in that they have immunity from most challenges brought against them. Who does oversee this organization called FINRA? Who checks on them to see if they are doing anything wrong? They seem to act with impunity and feel like they can do whatever they want to someone. To me they seem drunk with the power they are given without fear of repercussion. I am hoping your Commission who is their superior might be able to help me.

I know in my heart that if I or anyone else could get discovery from this Boca Raton Office of FINRA showing the e-mails and communications between these people working there the information received would be shocking. I hope and pray you and your Commission can check out what I am alleging and do your own investigation as to what is going on there. I believe this isn't happening only with me as I have friends who have small Broker dealers and I am hearing the same complaints from them as well. If there are other suggestions you may have for me to pursue this matter and shed light in this matter please let me know. I appreciate very much the opportunity to state my case with you for your review. Hopefully you will give it your utmost consideration. Thank you again,

Sincerely,

  
Bruce Zipper, President

Dakota Securities International

7428 S.W. 189 Street

Miami, Fl. 33157

305-403-7500

Exhibit "A"



July 14<sup>th</sup>, 2015

Yvette Q. Panetta  
Deputy Director  
FINRA - District 7  
Boca Raton, FL

Re: 2015 Cycle Examination of Dakota Securities Intl, Inc.

Examination # 20150434132

Firm CRD # 132700

Dear Mr. Michienzi / Mrs. Mauro,

This letter serves as the response of Dakota Securities International, Inc. ("Dakota" or the "Firm") to the letter received from the FINRA on June 29, 2015 in connection with the 2015 Cycle Examination of Dakota Securities Intl, Inc. For your convenience, each of the exceptions noted on the letter is reprinted in bold and italics below, followed in each instance by the Firm's response. We appreciate your attention to this matter.

1. ***EXCEPTION: The firm was not in compliance with FINRA Rule 3310 (Anti-Money Laundering Compliance Program).***

- a. ***It appeared that the firm failed to establish and implement risk based procedures and controls reasonably designed to detect and report suspicious activity as required by FINRA Rule 3310(a). Specifically the AMLCP was not designed to capture a series of patterns of suspicious transactions, such as wash sales, or other potential manipulative activity. Although the Firm had various AML related exception reports, primarily involving money movements, the Firm failed to provide evidence of reviews of these reports: The Firm failed to establish a system to identify suspicious transactions, such as wash sales, or other potential manipulative activity. The firm failed to establish a process to trend and analyze transactions or exception report data in order to detect patterns of suspicious activity.***

**RESPONSE:** The firm currently does not use any specific reports or tools to conduct trending analysis for AML reviews / surveillance. As a small firm and due to the limited number of Wire Transfers, Journal Entries and other cash-like instruments transactions and relatively small number of clients and accounts, trending analysis is conducted manually by the CCO/AMLRO as part of the periodic review of the accounts / transactions, using the above mentioned reports, ad-hoc review of Wire Transfers and Journal Entries (Mr. Zipper reviews and authorizes all Wire Transfers and Third Party Journal Entries).

Ms. Kerri Provenza  
May 1, 2015

Due to the nature of and the limited activity in the accounts, there was no trending analysis conducted in the accounts for the review period. Mr. Zipper currently conducts manual reviews of all the trading activity in all accounts and relies on Exception Reports provided by the COR Clearing.

The Firm understands the challenges of conducting a proper transaction monitoring using manual reviews and ad-hoc reports in the current regulatory environment. As explained during the audit, the Firm intends to implement a Trading & Activity Surveillance Tool for Sales & AML Supervision as soon as the pending CMA is approved.<sup>1</sup>

***b. It appeared that the firm did not fully comply with FINRA Rule 3310 (b) by failing to perform adequate due diligence when opening correspondent accounts for foreign financial institutions as required by 31 CFR 1010.610(a) of the Bank Secrecy Act. Specifically, the firm failed to obtain the following account opening due diligence for correspondent accounts:***

***-The nature and duration of the firm's relationship with the foreign financial institution (14 of 14 accounts)***

***-The type, purpose, and anticipated activity (including trading volume) of the foreign correspondent account (10 of 14 accounts)***

***In addition, the Firm failed to provide its correspondent account holders (14 of 14 accounts) notice that the account may not be used to provide Banco Delta Asia and its affiliates or Commercial Bank of Syria and its affiliates with access to the firms required by 31 CFR 1010.653 and 31 CFR 1010.655.***

**RESPONSE:** The Firm does not agree with the statement that the firm "did not fully comply with FINRA Rule 3310(b) by failing to perform adequate due diligence when opening correspondent accounts for foreign financial institutions as required by 31 CFR 1010.610(a) of the Bank Secrecy Act."

The examiners had the opportunity to review the Enhanced Due Diligence files maintained for all the Foreign Financial Institutions (FFIs) at the Firm. All the FFI accounts were duly identified as Institutional DVP Accounts. These accounts are trading accounts for which the Firm has no custody.

Even though the Firm has certain goals in terms of trading volume for each client, it is impossible to predict future trading activity for institutional clients, as it depends on several different factors not controlled by the Firm, including market conditions, among others. Nevertheless, an updated KYC is now utilized which will gather this information at the time of opening all accounts.

With respect to the client notifications required by 31 CFR 1010.653 and 31 CFR 1010.655, the Firm has updated the procedures for new institutional accounts to include a notice delivery immediately after opening.

***c. A review of information and documentation relating to the firm's annual independent AML test revealed an apparent failure to comply with FINRA rule***

Ms. Kerri Provenza  
May 1, 2015

**3310(c). Specifically, according to documentation produced by the firm, the firm's 2013 and 2014 annual AML test was not independent. Bruce Zipper, the firm's AML Compliance Officer, was involved in performing the 2013 and 2014 annual AML test. According to the rule, independent testing may not be conducted by**

- 1) a person who performs the functions being tested**
- 2) the designated anti-money laundering compliance person, or**
- 3) a person who reports to a person described in 1 or 2 above**

**In addition, the 2013 and 2014 AML tests appeared inadequate since there was no evidence that customer accounts or AML exception reports were sampled or tested. According to documentation produced by the firm, each test appeared to be limited to an internal meeting including firm employees, Bruce Zipper, Christopher McNamee, Dianne Alexander, and Robert Lefkowitz.**

**RESPONSE:** The Firm understands the importance of the implementation of a proper independent AML audit. To that effect, in 2014 the Firm contracted the services of a compliance consulting firm, International Compliance Solutions LLC to provide different compliance and risk management services to the Firm, including the 2014 Independent AML Audit. However, in January 2015, the Firm hired the principal of the consulting firm as a Compliance Officer and proposed CCO of the firm after the CMA approval. Since this constitutes a conflict of interest, the Firm will contract an outside company to perform the Independent AML Test for this year (2015) and future years.

- 2. EXCEPTION: The firm was not in compliance with FINRA By-Laws Article V Section 2 (Application for Registration), NASD Rule 3010 (Supervision), and NYSE Arca Equities Rule 6.13 (Disciplinary Action by Other Organizations).**

**The firm failed to implement written supervisory procedures and to ensure that registered persons' Form U4 were current. Specifically the firm failed to disclose unsatisfied judgment / liens against Bruce Zipper (CRD 1019731) and Christopher McNamee (CRD 4271195).**

**The following 3 judgments/liens were not disclosed for Bruce Zipper:**

- i. Translux Corp, \$7,634, 8/17/2000, #B19244p0407**
- ii. Fidelity Bank, \$8,227, 10/22/2014, #j14000924802**
- iii. Schochet Holding Company, \$11,083, 11/25/2009, #j11000597505**

**In addition, the following judgement/lien was not disclosed on the Form U4 for Christopher McNamee:**

- i. American Express Centurion Bank, \$14,401, 11/26/2010, #09cc30884**

**RESPONSE:** Under the compliance and supervisory structure of the Firm during the review period, Mr. Zipper was the only person with oversight responsibility for different compliance activities,

Ms. Kerri Provenza  
May 1, 2015

including ensuring that registered persons' Form U4 was current.

The Firm has implemented a new compliance and supervisory structure to avoid this type of situations in the future. Mrs. Alicia Mayi is now responsible for all U4 / U5 filings and she has implemented a new periodic attestation process.

For the non-disclosed judgements/liens for Mr. Zipper, he provided the following explanation for not disclosing the items on his U4:

- i. Mr. Zipper did not disclose this item because it is dated over 10 years ago and he considered it lapsed. (see attached attestation)
- ii. Mr. Zipper explained that this claim is being appealed in the courts, as evidenced by the clerk of courts letter evidencing Mr. Zipper's appeal. Mr. Zipper's U4 will be updated to reflect this potential judgment. (see attached attestation)
- iii. Mr. Zipper explained that in 2010 he was working with Schochet Holding Company to resolve the judgment, but this company went out of business and Mr. Zipper has not had any contact with this company for 4 years. Mr. Zipper's U4 will be updated to reflect this potential judgment. (see attached attestation).

In the case of Mr. McNamee's non-disclosed item, the Firm was not aware of the issue. Mr. McNamee's U4 will be updated to reflect this judgment.

**3. EXCEPTION: The firm was not in compliance with FINRA rule 4511 (General Requirements) and Securities Exchange Act of 1934 240.17a-3 (Records to be made by Certain Exchange Members, Brokers & Dealers)**

***The firm failed to correctly identify whether customer trades were solicited or unsolicited. Specifically, the staff identified 48 transactions that were marked as solicited on the trade blotter. However, each of the 48 transaction was accompanied by a non-solicitation statement, in contradiction of the solicited marketing on the trade blotter. These transactions were made on behalf of BancTrust accounts. The staff noted that there were a total of 235 transactions made in BancTrust accounts during the review period, which appeared to be inaccurately marked as solicited.***

***Additionally, the firm failed to comply with SEC Rule 17a-3(a)(6) with respect to accurately recording the time and order was received from a customer, including customers serviced by the registered representatives in the unregistered location of Caracas, Venezuela.***

**RESPONSE:** The Firm noted a procedural error in the process of transmitting the order information to the custodian. This matter was discussed with the registered representatives and is not expected to be an issue in the future as orders are expected to be properly entered, documented, and supervised in the future.

As explained during the audit, a new procedure was immediately put into place where all orders, regardless of whether executed or not, are entered into a log with timestamp and all details. Currently, however, there are no longer registered representatives in Caracas, Venezuela. Dakota

Ms. Kerri Provenza  
May 1, 2015

Securities has a sole branch, in Miami, FL. All the associates located in the Caracas offices have been de-registered and all trading and support activities of the firm are now performed from the Miami-Brickell office.

**4. EXCEPTION: The firm was not in compliance with NASD 3010 (Supervision).**

***A review of the WSPs, revealed the following:***

- i. Although the WSPs included policies and protocol for the designated principal to conduct inspections of registered and unregistered branch office locations, no inspections were conducted of the Venezuelan office location during the Review Period. From early 2014 through the end of the Review Period, a significant portion of the firm's revenue was derived from the activity stemming from the Venezuelan office location which shared space with the firm's foreign affiliated broker dealer, BancTrust. Despite the increased level of activity and apparent conflicts of interest, the firms designated principal had not conducted an onsite inspection of this office.***
  
- ii. The firm failed to establish or implement WSPs designed to supervise trading and money movement activity in accounts as follows:***
  - a. There were no WSPs to monitor activity in RVP/DVP accounts. The staff identified one account in which the RVP/DVP transaction resulted in a failed delivery of securities. The firm failed to evidence any review of the Daily Fails reports to ensure that the customer delivered the securities.***
  - b. The firm's CCO failed to implement and evidence the reviews of dealer-to-dealer transactions affected after receiving a cautionary letter from FINRA regarding ceasing of such activities. After receiving the cautionary letter, the firm affected at least 7 dealer-to-dealer transactions.***
  
- iii. The firm failed to establish WSPs designed to adequately supervise the Outside Business Activities and Private Securities Transactions of its registered representatives located in Caracas, Venezuela. Specifically, 2 institutional traders located in Venezuela were dually registered with BancTrust Securities Casa de Bolsa, an affiliated Venezuelan Broker Dealer, through which they were authorized to affect securities transactions. The firm failed to evidence supervision of any possible private securities transactions affected by its registered representatives during the review period.***

**RESPONSE:**

- i. As previously explained, the firm's designated supervisor had not conducted an onsite inspection of the Caracas office for the review period. The Head of Trading during most of the review period, Mauricio de la Torre, was scheduled to visit the Caracas office in 2014. This visit was postponed for different reasons. During the review period, associates were supervised by the designated supervisor from the Miami Home Office as an OSJ. Currently, however, there are no longer registered representatives / foreign associates in Caracas, Venezuela. Dakota Securities has a sole branch, in Miami, FL.***

Exhibit "B"



**NOTICE OF ACCEPTANCE OF AWC**

**Certified, Return Receipt Requested**

**TO:** Bruce Martin Zipper  
14091 SW 157 Court  
Miami, FL 33196

**FROM:** FINRA, Department of Enforcement  
5200 Town Center Circle  
Tower 1, Suite 200  
Boca Raton, FL 33486

**DATE:** April 22, 2016

**RE:** Notice of Acceptance of Letter of Acceptance, Waiver and Consent No. 2015046512101

**Please be advised** that your above-referenced Letter of Acceptance, Waiver and Consent ("AWC") has been accepted by FINRA's National Adjudicatory Council ("NAC") Review Subcommittee, or by the Office of Disciplinary Affairs on behalf of the NAC pursuant to FINRA Rule 9216. A copy of the executed AWC is enclosed.

You are hereby reminded of your obligation, if currently registered, to immediately update your Form U4 (Uniform Application for Securities Industry Registration or Transfer) to reflect the conclusion of this disciplinary action. Additionally, you must also notify FINRA in writing of any change of address or other changes required to be made to your Form U4. Please also note that this disciplinary action may change and/or advance the date by which you must complete your continuing education.

You will be notified by FINRA's Registration and Disclosure Department regarding sanctions if a suspension has been imposed. If a fine has been imposed, you will be contacted by FINRA's Finance Department regarding payment.

If you have any questions concerning this matter, please call me at 561-443-8015,

Sincerely,  
  
Kevin D. Rosen  
Senior Regional Counsel

Enclosure

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2015046512101**

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

**RE: Bruce Martin Zipper, Respondent  
General Securities Principal  
CRD No. 1019731**

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**

Bruce Martin Zipper ("Zipper") entered the securities industry in 1981. At various times since 1981, Zipper was associated with FINRA members and obtained the following FINRA licenses: Series 7 (General Securities Representative), Series 4 (Registered Options Principal), Series 24 (General Securities Principal), Series 27 (Financial and Operations Principal) and Series 63 (State Agent). Since August 2004, Zipper has been associated with Dakota Securities International, Inc. ("DSI"). Zipper is subject to FINRA's jurisdiction because he is currently registered through a FINRA member.

**RELEVANT DISCIPLINARY HISTORY**

On or about January 27, 1989, FINRA accepted an Offer of Settlement wherein Zipper was censured and fined \$1,000, jointly and severally with Vanguard Securities. That firm, acting through Zipper, effected transactions in non-exempt securities while failing to maintain sufficient net capital to conduct a securities business.

On or about October 31, 1994, FINRA imposed a censure, \$5,000 fine and suspension from association with any FINRA member in any capacity for five business days, for Zipper's failure to honor an arbitration award. On or about April 17, 1995, the U.S. Securities and Exchange Commission sustained the sanctions.

On or about November 17, 1995, the Florida Department of Banking and Finance entered into a Stipulation and Consent Agreement. Zipper agreed to cease and desist from any and all future violations of Chapter 517, Florida statutes, and the rules thereunder, and pay a \$1,000 fine. Zipper violated the terms of his registration agreement, failed to timely notify the Department of a FINRA action, and failed to satisfy margin deficiencies in a manner prescribed by the Federal Reserve.

On or about November 24, 2009, the Florida Office of Financial Regulation entered into a Stipulation and Consent Agreement. DSI and Zipper were jointly and severally fined \$5,000 and required to amend DSI's written supervisory procedures to be consistent with its practices and comply with the independent testing requirements pursuant to NASD Rule 3011. DSI and Zipper had failed to provide independent testing of DSI's anti-money laundering compliance program in 2006 when Zipper had tested the program and failed to enforce DSI's written supervisory procedures.

### OVERVIEW

While Zipper was associated with DSI, Zipper willfully failed to timely amend his Uniform Application for Securities Industry Registration and Transfer ("Form U4") to disclose three unsatisfied judgments against him.

### FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of FINRA's By-Laws provides that every application for registration filed with FINRA shall be kept current at all times by supplementary amendments which must be filed within thirty days after learning of the facts or circumstances giving rise to the amendment.

Since at least 2009, Disclosure Question 14M of Form U4 has read: "Do you have any unsatisfied judgments or liens against you?"

FINRA Rule 1122 provides that: "No member or person associated with a member shall file with FINRA information with respect to membership or registration which is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead, or fail to correct such filing after notice thereof."

Zipper failed to timely amend his Form U4 to disclose three judgments. First, on or about November 25, 2009, Sutter Holding Company, Inc. f/k/a Shochet Holding Company, Inc. ("SHC") obtained a Final Judgment of Attorney's Fees against Zipper in the amount of \$11,083. Zipper knew or should have known about this judgment on or about November 25, 2009. Second, on or about June 11, 2012, SHC obtained a Final Judgment Awarding Appellate Fees against Zipper in the amount of \$1,872, plus post-judgment interest. Zipper knew or should have known about this judgment on or around June 11, 2012. Third, on or about October 14, 2014, Fidelity Bank obtained a Final Judgment against Zipper in the amount of \$8,227.17, plus interest. Zipper knew or should have known about this judgment on or around October 14, 2014. Zipper knew that none of these three judgments against him had been satisfied. Despite his knowledge of these unsatisfied judgments, Zipper willfully failed to timely amend his Form U4 to disclose the judgments within 30 days of learning of each of them. Indeed; Zipper failed to update his Form U4 to disclose the first and third judgments until November 13, 2015. Zipper failed to update his Form U4 to disclose the second judgment until March 16, 2016.

As a result of the foregoing conduct, Zipper willfully failed to timely amend his Form U4 to disclose the judgments, in contravention of Article V, Section 2 of FINRA's By-Laws, and in violation of FINRA Rules 1122 and 2010.

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

- A three-month suspension from association with any FINRA member in all capacities; and
- A fine in the amount of \$5,000.

Respondent has submitted a sworn financial statement and demonstrated a limited ability to pay. In light of the financial status of Respondent, a fine of \$5,000 has been imposed.

My limited ability to pay has been considered in connection with the monetary sanction imposed in this matter. I specifically and voluntarily waive any right to claim that I am unable to pay at any time hereafter the monetary sanction imposed in this matter.

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 understand that if I am barred or suspended from associating with any FINRA member, I become 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, I 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).

I understand that this settlement includes a finding that I willfully omitted to state a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 and Article III, Section 4 of FINRA's By-Laws, this omission makes me subject to a statutory disqualification with respect to association with a member.

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 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: (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.

04/17/16  
Date (mm/dd/yyyy)

Bruce Martin Zipper  
Bruce Martin Zipper, Respondent

Accepted by FINRA:

04/22/2016  
Date

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

Kevin D. Rosen  
Kevin D. Rosen, Senior Regional Counsel  
FINRA Department of Enforcement  
5200 Town Center Circle  
Tower I, Suite 200  
Boca Raton, Florida 33486  
Phone: (561) 443-8015; Fax (561) 443-7998  
E-mail: kevin.rosen@finra.org



Exhibit "C"

August 10, 2015

Mr. Bruce Zipper, Chief Executive Officer  
Dakota Securities International, Inc.  
1111 Brickell Avenue – Suite 2803  
Miami, FL 33133

**RE: Examination Disposition Letter  
2015 Cycle Examination of Dakota Securities International, Inc.  
Examination Number 20150434132  
Firm CRD Number 132700**

Dear Mr. Zipper:

We would like to express our appreciation for the cooperation and courtesies extended to our examiners during our Financial/Operational and Sales Practice examination of your firm. During this examination, and as described in the attached Examination Report, we reviewed selected aspects of your firm's business and operations. As a result of our examination, Member Regulation has elected to take the following action(s).

Enforcement Referral

Exceptions 1, 3, and 4 as detailed in the Examination Report, have been referred to our Enforcement Department for further review and disposition.

Cautionary Action

With respect to Exception 2 in the Examination Report, Member Regulation hereby cautions the firm concerning these violations of securities rules and regulations. For your information, these matters need not be included in the Central Registration Depository nor must they be reported on Form BD or Form U4. However, since this is a cautionary action, in accordance with FINRA practice, it will be taken into consideration should a repeat violation occur in the future.

Please be advised that this letter pertains only to the specific reviews conducted by Member Regulation during this examination, and does not address, limit, or in any way impact any other matter(s) being reviewed by Member Regulation, other FINRA departments, or other regulatory agencies or any findings made in connection with any such matter(s).

Preventive compliance is an important area of emphasis for FINRA, thus one purpose of our examination program is to help members understand relevant securities rules and regulations. I hope we have been of help in this respect.

If you have any questions or comments regarding this examination or the examination process, please contact me at 561-443-8000.