

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2016048480901**

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

RE: Brian Lewis Pittman, Respondent
General Securities Representative
CRD No. 2963196

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Brian Lewis Pittman, 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

Brian Lewis Pittman ("Pittman") entered the securities industry in October 1997, when a FINRA member firm filed a Uniform Application for Securities Industry Registration or Transfer ("Form U4") on his behalf. In December 1997, Pittman obtained his Series 7 license and was registered with FINRA as a general securities representative. During his time in the industry, Pittman associated with multiple other firms. Most recently, Pittman was associated with Sabadell Securities USA, Inc. ("Sabadell Securities"), from October 2012 until Sabadell Securities filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") on February 6, 2014 terminating Pittman's registrations with FINRA and his association with Sabadell Securities. Although Pittman is not currently registered with FINRA or associated with a FINRA member, he remains subject to the jurisdiction of FINRA pursuant to Article V, Section 4(a) of FINRA's By-Laws, which provides for a two-year period of retained jurisdiction over formerly-registered persons.

RELEVANT DISCIPLINARY HISTORY

On December 12, 2014, FINRA accepted an AWC in which Pittman consented to the imposition of a \$7,500 fine and a four month suspension in all capacities based on findings that he participated in private securities transactions, which were not approved for sale by his then FINRA member firm, without providing prior written notice of his participation or obtaining approval of his participation from his then FINRA member firm. As a result of the foregoing conduct, Pittman violated NASD Conduct Rule 3040 and FINRA Rule 2010.

OVERVIEW

On or around June 1, 2013, Pittman participated in a private securities transaction without providing prior written notice of his participation or obtaining approval of his participation from Sabadell Securities.

As a result of the foregoing conduct, Pittman violated NASD Conduct Rule 3040 and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

NASD Conduct Rule 3040 requires associated persons to “provide written notice to the member” firm prior to “participating in any private securities transaction.” Similarly, Sabadell Securities’ written supervisory procedures required written notification of outside private securities transactions and written approval by Sabadell Securities before engaging in any outside private securities transactions. Rule 3040 is broadly interpreted to reach a representative who participates in any manner in the transaction, with the goal of both protecting investors and permitting member firms to supervise transactions in which their representatives become involved. A violation of Rule 3040 is also a violation of FINRA Rule 2010, which requires registered persons to adhere to just and equitable principles of trade.

On or around June 1, 2013, Pittman participated in a private securities transaction by referring a customer of an affiliated firm, to invest \$100,000 in a promissory note offered by a petroleum company. The promissory note is a security. In connection with this transaction, Pittman received compensation from the petroleum company of approximately \$4,000.

Prior to participating in the aforementioned private securities transaction, Pittman failed to provide prior written notice to Sabadell Securities of his participation and failed to obtain Sabadell Securities approval of his participation in such transaction.

In January 2014, Pittman filled out an annual compliance questionnaire for Sabadell Securities and checked a box indicating that he had not participated in

any private securities transactions.

As a result of the foregoing conduct, Pittman violated NASD Conduct Rule 3040 and FINRA Rule 2010.

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

A \$10,000 fine and a six (6) month suspension from association with any FINRA member firm in all capacities.

The fine shall be due and payable either immediately upon reassociation with a member firm following the six-month suspension noted above, 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.

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 specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

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 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 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.

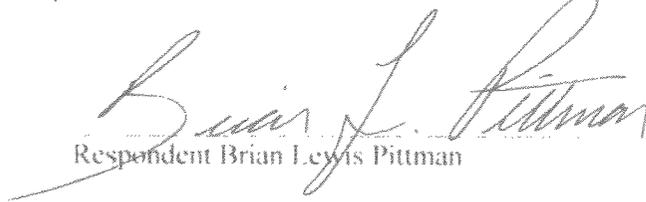
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute 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.

Date

2/1/16

Respondent Brian Lewis Pittman

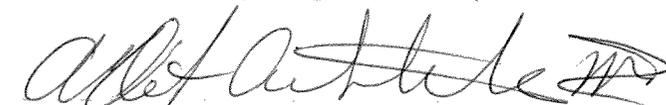


Accepted by FINRA:

Date

2/2/16

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



Albert A. Starkus III
Principal Regional Counsel
FINRA Department of Enforcement
12801 North Central Expressway
Suite 1050
Dallas, Texas 75243
972-716-7663 (direct)
972-716-7612 (fax)