

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2020068564101**

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

RE: Steven Albert Bellino (Respondent)
Former General Securities Representative
CRD No. 1278531

Pursuant to FINRA Rule 9216, Respondent Steven Albert Bellino 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 accepts and consents to the following findings by FINRA without admitting or denying them:

BACKGROUND

Bellino entered the securities industry in July 1984 when he became registered as a General Securities Representative (GSR) through his association with a former FINRA member firm. After terminating his association with that firm in September 1985, Bellino was registered as a GSR through his associations with several current and former FINRA member firms between September 1985 and November 2009. From September 2017 until his termination in November 2020, Bellino was registered as a GSR through his association with Equitable Advisors, LLC (Equitable), a FINRA member.

On November 3, 2020, Equitable filed a Uniform Termination Notice for Securities Industry Registration (Form U5) stating that Bellino had been discharged for engaging in an unauthorized and unapproved outside business activity that appeared to be a private securities transaction.

Respondent is not currently associated with a FINRA member, however he remains subject to FINRA's jurisdiction pursuant to Article V, Section 4(a) of FINRA's By-Laws.¹

¹ For more information about the respondent, visit BrokerCheck® at www.finra.org/brokercheck.

OVERVIEW

In April 2019, while associated with Equitable, Respondent participated in a private securities transaction by soliciting a family member to invest \$750,000 in a precious metals trading company in exchange for a 50% ownership interest in the company (Company A). Respondent did not notify or seek approval from Equitable for his participation in this private securities transaction. As a result, Respondent violated FINRA Rules 3280 and 2010.

From April 2019 through October 2020, Respondent also engaged in an undisclosed outside business activity by working for Company A as a commodities trader and financial consultant for which he received a business-related reimbursement and \$10,000 in compensation. Respondent did not provide Equitable with prior written notice or obtain the firm's prior approval before engaging in this outside business activity. As a result, he violated FINRA Rules 3270 and 2010.

FACTS AND VIOLATIVE CONDUCT

This matter originated from the Form U5 filed by Equitable.

A. Undisclosed Private Securities Transaction

FINRA Rule 3280 prohibits any person associated with a member from participating in any manner in a private securities transaction, unless, prior to participating in the transaction, the associated person provides written notice to the member with which he is associated describing in detail the proposed transaction and the person's proposed role therein.

A violation of FINRA Rule 3280 also constitutes a violation of FINRA Rule 2010, which requires associated persons in the conduct of their business to observe high standards of commercial honor and just and equitable principles of trade.

At all relevant times, Equitable had written supervisory procedures that required their registered representatives to obtain prior written approval before participating in a private securities transaction.

In April 2019, while associated with Equitable, Respondent solicited a family member to invest \$750,000 in Company A, a privately held corporation with which Respondent was affiliated, in exchange for a 50% ownership interest. The family member was not a customer of the firm.

In connection with this investment, Respondent met with FG, a firm customer and Company A's sole owner, on behalf of the family member, and provided information to the family member about Company A, including advising the family member on the amount of money to invest and the ownership interest that the family member would receive in exchange for his investment. Respondent facilitated the investment by effectuating four wire transfers totaling \$750,000 between April 2019 and August 2020

from the family member to Company A to purchase 50% ownership shares in the company. Respondent did not notify or receive prior written approval from Equitable to participate in the family member's investment.

By participating in a private securities transaction without providing prior written notice to, and receiving approval from Equitable, his member-firm employer, Respondent violated FINRA Rules 3280 and 2010.

B. Undisclosed Outside Business Activity

FINRA Rule 3270 prohibits registered persons from acting as an employee, independent contractor, sole proprietor, officer, director or partner of another person, or being compensated, or having the reasonable expectation of compensation, from any other person as a result of any business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member in such form as specified by the member.

A violation of FINRA Rule 3270 also constitutes a violation of FINRA Rule 2010.

Throughout Respondent's association with Equitable, the firm had written supervisory procedures that prohibited its associated individuals from engaging in any outside business activity unless they received written approval from the firm.

From April 2019 through October 2020, Respondent operated Company A with FG by opening commodities trading accounts to conduct trades, providing trading and financial consulting services, and effectuating trades in gold futures and physical gold investments, commodities, and foreign currencies on behalf of the company. Respondent also traveled to metal refineries on behalf of Company A to establish trading relationships, for which he received expense reimbursement and \$10,000 in compensation from the company.

Despite engaging in these activities on behalf of Company A, Respondent did not disclose these outside business activities to Equitable, or seek approval from the firm prior to engaging in them. Additionally, Respondent falsely attested on an Equitable March 2020 annual compliance questionnaire that his previous OBA disclosures submitted to the firm in September 2017, which stated that he did not participate in any OBAs, were accurate. In fact, Respondent had engaged in outside business activities with Company A from April 2019 through October 2020.

By engaging in an outside business activity without providing prior written notice to Equitable, Respondent violated FINRA Rules 3270 and 2010.

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

- a 14-month suspension from associating with any FINRA member in all capacities; and
- a \$7,500 fine.

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.

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 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 right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.
- 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 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.

9/19/2022
Date


Steven Albert Bellino
Respondent

Reviewed by:


John Maggio, Esq.
Counsel for Respondent
Condon & Forsyth LLP
7 Times Square
New York, NY 10036

Accepted by FINRA:

10/13/22
Date

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


Elson Ho
Counsel
FINRA
Department of Enforcement
200 Liberty Street
New York, NY 10281