

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2022073420401**

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

RE: Siebert Williams Shank & Co., LLC (Respondent)
Member Firm
CRD No. 42568

Pursuant to FINRA Rule 9216, Respondent Siebert Williams Shank & Co., LLC 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

Respondent has been a FINRA member and a Municipal Securities Rulemaking Board (MSRB) registrant since 1997. It is a full-service brokerage firm headquartered in New York, New York. It has approximately 130 registered representatives across 33 branches.¹

OVERVIEW

Between August 2021 and August 2023, Siebert violated MSRB Rule G-14 by failing to report the correct time of trade to the MSRB's Real-Time Transaction Reporting System (RTRS) for approximately 12,100 municipal securities transactions and by failing to report to the RTRS approximately 4,700 additional municipal securities transactions. Siebert also violated MSRB Rule G-27 by failing to establish and maintain a supervisory system, including written supervisory procedures (WSPs), reasonably designed to ensure compliance with MSRB Rule G-14.

For these violations, Siebert is censured and fined \$55,000.

¹For more information about the firm, including prior regulatory events, visit BrokerCheck® at www.finra.org/brokercheck.

FACTS AND VIOLATIVE CONDUCT

This matter originated from a FINRA cycle examination of the firm.

Siebert failed to report the correct time of trade and failed to report certain municipal securities transactions to the RTRS.

MSRB Rule G-14(b)(i) requires each broker, dealer or municipal securities dealer to report “information about each purchase and sale transaction effected in municipal securities to the [RTRS] in the manner prescribed by the Rule G-14 RTRS Procedures and the RTRS Users Manual.” MSRB Rule G-14(b)(ii) requires each broker, dealer, and municipal securities dealer to report the information in the Rule G-14 RTRS Procedures promptly, accurately, and completely. Accurate reporting to the RTRS ensures the correct dissemination of transaction information, increases price transparency, and enhances regulatory oversight of trading in certain fixed income and municipal securities.

MSRB Rule G-14 RTRS Procedures Section (a)(ii) requires transactions to be reported within 15 minutes of the time of trade except in limited circumstances not present here. MSRB Rule G-14 RTRS Procedures Section (d)(iii) defines “time of trade” as “the time at which a contract is formed for a sale or purchase of municipal securities at a set quantity and set price.” For transaction reporting purposes, a contract is formed for a sale or purchase of municipal securities at a set quantity and set price when the trade is executed.

Between August 2021 and May 2023, the firm failed to report to the RTRS the correct time of trade for approximately 12,100 municipal security transactions. Instead of reporting the time the trade was executed on the firm’s electronic order management system, due to a default setting on the firm’s order management system, the firm reported the later time at which the firm’s personnel confirmed the customer order. This also caused approximately 160 trades to be reported to the RTRS late (*i.e.*, more than 15 minutes after the accurate time of trade).

In addition, between August 2021 and August 2023, the firm failed to report to the RTRS approximately 4,700 step-out trades in municipal securities.² The firm’s order entry system required operations personnel to manually enter a specific code for step-out trades; otherwise, step-out trades were processed as customer trades. The 4,700 trades were initially executed in a customer account but subsequently cancelled and re-booked to the master account for step-out trades at the firm’s clearing broker. When the trades were cancelled for re-booking, the initial trade reports that were submitted to the RTRS also were cancelled. The firm did not report the corrected trades to the RTRS.

Therefore, the firm violated MSRB Rule G-14.

² A step-out trade is when a broker receives and executes a block order from another entity (often an outside investment advisor that is aggregating orders for its clients).

Siebert's supervisory system was not reasonably designed to comply with MSRB Rule G-14.

MSRB Rule G-27 requires brokers, dealers, and municipal securities dealers to establish and maintain a supervisory system, including written procedures, to supervise the conduct of their municipal securities to ensure compliance with MSRB rules and applicable provisions of the Securities Exchange Act of 1934 and Exchange Act rules.

Here, the firm failed to establish and maintain a supervisory system, including written procedures, reasonably designed to achieve compliance with MSRB Rule G-14. The firm's WSPs did not define "time of trade." The firm also failed to train its operations personnel on how the RTRS procedures and MSRB guidance define "time of trade." In addition, the firm's written procedures failed to address what steps supervisors should take to review whether operations personnel were entering accurate time of trade information. Although the firm's WSPs required a designated principal to review reports from the MSRB and the firm's clearing firm regarding trade reporting, the WSPs failed to address how the designated principal should review the reports for Rule G-14 compliance or outline steps the principal should take upon identifying errors or discrepancies.³

Therefore, the firm violated MSRB Rule G-27.

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

- a censure and
- a \$55,000 fine.

Respondent agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. Respondent has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

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.

The sanctions imposed in this AWC shall be effective on a date set by FINRA.

³ By August 2023, the firm changed the settings in its order entry system for municipal securities relating to time of trade, provided additional training to personnel, and updated its written supervisory procedures.

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 it;
- 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 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 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 it 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.

The undersigned, on behalf of Respondent, certifies that a person duly authorized to act on Respondent's behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has agreed to the AWC's provisions voluntarily; and that 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 Respondent to submit this AWC.

5/8/2025
Date

DiAnne Calabrisotto
Siebert Williams Shank & Co., LLC
Respondent

Print Name: DiAnne Calabrisotto

Title: Chief Operating Officer

Reviewed by:

Ateesh S. Chanda

Ateesh S. Chanda
General Counsel & Secretary
Siebert Williams Shank & Co., LLC

Accepted by FINRA:

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

5/9/25

Date

AIC

Seth Kean
Senior Counsel
FINRA
Department of Enforcement
200 Liberty Street
New York, NY 10281