

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2024080523501**

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

RE: ABN AMRO Capital Markets (USA) LLC (Respondent)
Member Firm
CRD No. 325235

Pursuant to FINRA Rule 9216, Respondent ABN AMRO Capital Markets (USA) 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

ABN AMRO Capital has been a FINRA member since November 2023. The firm is headquartered in New York, NY, has two active branches, and employs seven registered representatives. The firm's business includes underwriting securities offerings in the capital markets.¹

OVERVIEW

ABN AMRO Capital violated several interrelated regulatory requirements designed to ensure broker-dealers maintain sufficient liquid resources to meet their financial commitments. Between November 2023 and September 2024, ABN AMRO Capital conducted a securities business on 84 days during which it failed to maintain its required minimum net capital; maintained inaccurate books and records related to its net capital calculations; filed ten inaccurate Financial and Operational Combined Uniform Single (FOCUS) reports; and failed to provide timely required notifications to FINRA and the SEC regarding its net capital deficiencies. Through this conduct, ABN AMRO Capital violated Sections 15(c)(3) and 17(a) of the Securities Exchange Act of 1934 (Exchange Act), Exchange Act Rules 15c3-1, 17a-3, 17a-5, and 17a-11, and FINRA Rules 4110(b)(1), 4511(a), and 2010.

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

For these violations, the firm is censured and fined \$50,000.

FACTS AND VIOLATIVE CONDUCT

This matter originated from FINRA's examination of ABN AMRO Capital.

A. ABN AMRO Capital conducted a securities business while net capital deficient.

Exchange Act § 15(c)(3), Exchange Act Rule 15c3-1, and FINRA Rule 4110 ensure that broker-dealers maintain sufficient liquid assets to promptly satisfy their liabilities to customers and other market participants, and provide a financial safeguard against market, credit, and other risks in the event of financial difficulties.

Exchange Act § 15(c)(3) and Exchange Act Rule 15c3-1 require broker-dealers to maintain certain minimum levels of net capital. FINRA Rule 4110(b)(1) requires member firms to suspend all business operations during any period in which they are not in compliance with applicable net capital requirements set forth in Exchange Act Rule 15c3-1. A violation of Exchange Act § 15(c)(3), Exchange Act Rule 15c3-1, and FINRA Rule 4110(b)(1) also constitutes a violation of FINRA Rule 2010, which requires firms to observe high standards of commercial honor and just and equitable principles of trade in the conduct of their business.

Exchange Act Rule 15c3-1(c)(2)(iv) directs a broker-dealer, in computing its net capital, to deduct from its net worth all non-allowable assets. Exchange Act Rule 15c3-1(c)(2)(iv)(F)(2)(i) addresses the treatment of reverse repurchase agreements in net capital calculations. Interpretation /01 of Exchange Act Rule 15c3-1(c)(2)(iv)(F)(2)(i) provides, "[w]hen a broker-dealer enters into reverse repurchase agreement transaction for its own account, the securities subject to the agreement must be in the possession or control of the broker-dealer and outside of the control of the counterparty in order to treat the contract as an allowable asset for net capital purposes." Consistent with this standard, Notice to Members 07-16 explains that "[a] broker-dealer should treat the entire amount of the reverse repurchase agreement contract as a non-allowable asset unless the securities subject to a reverse repurchase agreement are in the possession or control of the broker-dealer and are outside the control of the counterparty...."

Beginning in October 2023, ABN AMRO Capital entered into a reverse repurchase transaction with its parent bank involving U.S. Treasury securities held as collateral in a segregated account owned by, and in the name of, the parent bank. Between November 2023 and September 2024, the firm treated the contract value of the reverse repurchase agreement as an allowable asset in its net capital computation. However, because the collateral was neither in the firm's possession or control, nor outside the parent bank's control, the firm improperly classified the reverse repurchase agreement as an allowable asset when it should have treated the entire contract value as a non-allowable asset in its net capital calculations.

As a result, between November 2023 and September 2024, ABN AMRO Capital overstated its net capital due to this misclassification and the firm conducted a securities business on 84 days while failing to maintain its minimum net capital requirement of

\$250,000 or 2% of its aggregate debit items. The firm's net capital deficiencies during this period ranged from approximately \$1,900 to approximately \$8.3 million, with an average deficiency of approximately \$665,000.

Therefore, ABN AMRO Capital violated Exchange Act § 15(c)(3), Exchange Act Rule 15c3-1, and FINRA Rules 4110(b)(1) and 2010.

B. ABN AMRO Capital maintained inaccurate books and records, and filed inaccurate FOCUS reports.

FINRA Rule 4511(a) requires each FINRA member to make and preserve books and records as required under the FINRA rules, the Exchange Act and the applicable Exchange Act rules. Exchange Act § 17(a) and Exchange Act Rule 17a-3(a)(11) require FINRA members to make and maintain a record of the proof of money balances of all ledger accounts in the form of trial balances and a record of the computation of aggregate indebtedness and net capital. Inherent in the obligation to make and preserve books and records is the requirement that they be accurate. Recordkeeping requirements are integral to investor protection and market integrity because a firm's books and records are the primary means of monitoring its compliance with applicable securities laws and enabling regulatory oversight of market activity.

Exchange Act § 17(a) and Exchange Act Rule 17a-5(a) require member firms to prepare and file monthly or quarterly FOCUS reports containing certain accounts and financial information, including the firm's minimum required net capital, net capital, and excess net capital. The FOCUS system serves as a primary tool for regulatory financial and operational surveillance of broker-dealers, enabling detection of potential compliance issues and financial weaknesses.

A violation of Exchange Act § 17(a), Exchange Act Rules 17a-3 and 17a-5, and FINRA Rule 4511 is also a violation of FINRA Rule 2010.

Between November 2023 and September 2024, ABN AMRO Capital's misclassification of the reverse repurchase agreement contract value and the resultant inaccurate net capital calculations caused the firm's books and records concerning its net capital position to be inaccurate. In addition, the firm filed ten FOCUS reports that overstated its net capital by amounts ranging from approximately \$23 million to approximately \$25 million. These errors hindered regulators' ability to effectively monitor the firm's financial condition.

Therefore, ABN AMRO Capital violated Exchange Act § 17(a), Exchange Act Rules 17a-3 and 17a-5, and FINRA Rules 4511(a) and 2010.

C. ABN AMRO Capital filed untimely notices regarding its net capital deficiencies.

Exchange Act § 17(a) and Exchange Act Rule 17a-11(a)(1) require broker-dealers whose net capital declines below their minimum net capital requirement to give same-day notice to FINRA and the SEC. This notification requirement is designed to protect a broker-dealer's customers and provide regulators with adequate early warning of a broker-

dealer's financial or operational problems to enhance regulators' ability to monitor and prevent unsound business practices. A violation of Exchange Act § 17(a) and Exchange Act Rule 17a-11 is also a violation of FINRA Rule 2010.

Between November 2023 and September 2024, ABN AMRO Capital's net capital was below its required minimum on 84 days. Despite these deficiencies, the firm did not file a net capital deficiency notice with the SEC or FINRA until September 2024. Consequently, FINRA and the SEC were unaware of, and could neither consider nor act upon, the deficiency until it was discovered by FINRA's examination team.

Therefore, ABN AMRO Capital violated Exchange Act § 17(a), Exchange Act Rule 17a-11, and FINRA Rule 2010.

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

- a censure; and
- a \$50,000 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.

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 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 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 understands and acknowledges that it is permitted to retain an attorney at its expense to review and provide legal advice regarding the AWC before agreeing to the language and signing the AWC; that FINRA does not represent or advise it and Respondent cannot rely on FINRA for legal advice; 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.

January 14, 2026
Date

Antonio Molestina
ABN AMRO Capital Markets (USA) LLC
Respondent

Print Name: Antonio Molestina

Title: Managing Director

Accepted by FINRA:

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

January 16, 2026
Date

John R. Fallon
John R. Fallon
Senior Attorney
FINRA
Department of Enforcement
1700 K Street, NW
Washington, DC 20006