BrokerCheck Report

SANDLER, O'NEILL & PARTNERS, L.P.

CRD# 23328

Section Title | **Page(s)**

When communicating online or investing with any professional, make sure you know who you're dealing with. Imposters might link to sites like BrokerCheck from phishing or similar scam websites, or through social media, trying to steal your personal information or your money.

Please contact FINRA with any concerns.

About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**
- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.
- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.
- **Where did this information come from?**
- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
    - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
    - information that regulators report regarding disciplinary actions or allegations against firms or brokers.
- **How current is this information?**
- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.
- **What if I want to check the background of an investment adviser firm or investment adviser representative?**
- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at https://www.adviserinfo.sec.gov. In the alternative, you may search the IAPD website directly or contact your state securities regulator at http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414.
- **Are there other resources I can use to check the background of investment professionals?**
- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.
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Thank you for using FINRA BrokerCheck.

For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. For more information about FINRA, visit www.finra.org.

SANDLER, O'NEILL & PARTNERS, L.P.

CRD# 23328

SEC# 8-40214

Main Office Location

1251 AVENUE OF THE AMERICAS
6TH FLOOR
NEW YORK, NY 10020

Mailing Address

1251 AVENUE OF THE AMERICAS
6TH FLOOR
NEW YORK, NY 10020

Business Telephone Number

212 466-7800

Report Summary for this Firm

This report summary provides an overview of the brokerage firm. Additional information for this firm can be found in the detailed report.

Firm Profile

This firm is classified as a partnership.

This firm was formed in Delaware on 08/18/1988.

Its fiscal year ends in December.

Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

Firm Operations

This brokerage firm is no longer registered with FINRA or a national securities exchange.

Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm?	**Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	8

Registration Withdrawal Information

This section provides information relating to the date the brokerage firm ceased doing business and the firm's financial obligations to customers or other brokerage firms.

Date firm ceased business:	01/04/2020
Does this brokerage firm owe any money or securities to any customer or brokerage firm?	No

Firm Profile

This firm is classified as a partnership.

This firm was formed in Delaware on 08/18/1988.

Its fiscal year ends in December.

Firm Names and Locations

This section provides the brokerage firm's full legal name, "Doing Business As" name, business and mailing addresses, telephone number, and any alternate name by which the firm conducts business and where such name is used.

SANDLER, O'NEILL & PARTNERS, L.P.

Doing business as SANDLER, O'NEILL & PARTNERS, L.P.

CRD# 23328

SEC# 8-40214

Main Office Location

1251 AVENUE OF THE AMERICAS
6TH FLOOR
NEW YORK, NY 10020

Mailing Address

1251 AVENUE OF THE AMERICAS
6TH FLOOR
NEW YORK, NY 10020

Business Telephone Number

212 466-7800

Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

Direct Owners and Executive Officers

Legal Name & CRD# (if any):	PIPER SANDLER COMPANIES
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	PARENT
Position Start Date	01/2020
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	Yes

Legal Name & CRD# (if any):	DELLAPIETRA, MAY FRANCES 707188
Is this a domestic or foreign entity or an individual?	Individual
Position	CFO, DIR AND TREASURER OF GENERAL PARTNER, PRINCIPAL FINANCIAL OFFICER AND PRINCIPAL OPERATIONS OFFICER
Position Start Date	12/1988
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	HOOPER, CHRISTOPHER STEPHEN MR. 4828924
Is this a domestic or foreign entity or an individual?	Individual
Position	VP AND DIR OF GENERAL PARTNER; GENERAL COUNSEL AND CHIEF COMPLIANCE OFFICER

Firm Profile

Direct Owners and Executive Officers (continued)

Position Start Date	01/2010
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Firm Profile

This section provides information relating to any indirect owners of the brokerage firm.

Indirect Owners

No information reported.

Firm History

This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.

No information reported.

Firm Operations

Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

This firm is no longer registered.

The firm's registration was from 11/23/1988 to 05/05/2020.

Firm Operations

Types of Business

This section provides the types of business, including non-securities business, the brokerage firm is engaged in or expects to be engaged in.

Firm Operations

Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

Name:	NATIONAL FINANCIAL SERVICES LLC
CRD #:	13041
Business Address:	200 SEAPORT BOULEVARD BOSTON, MA 02210
Effective Date:	11/10/2015
Description:	SANDLER O'NEILL & PARTNERS, L.P. HAS A CLEARING AGREEMENT WITH NATIONAL FINANCIAL SERVICES LLC TO CLEAR, EXECUTE AND CONFIRM ORDERS, AND MAINTAIN ACCOUNTS AND RECORDS OF SANDLER O'NEILL AND TRANSACTION EXECUTED OR CLEARED THROUGH THE CLEARING FIRM.

Name:	PERSHING LLC
CRD #:	7560
Business Address:	1 PERSHING PLAZA JERSEY CITY, NJ 07399
Effective Date:	09/26/2008
Description:	SANDLER O'NEILL & PARTNERS, L.P. HAS A CLEARING AGREEMENT WITH PERSHING LLC TO CLEAR, EXECUTE AND CONFIRM ORDERS, AND MAINTAIN ACCOUNTS AND RECORDS OF CUSTOMERS THAT TRANSACT MUNICIPAL AND CORPORATE BOND TRANSACTIONS EXECUTED OR CLEARED THROUGH THE CLEARING FIRM.

Firm Operations

Industry Arrangements

This firm does have books or records maintained by a third party.

Name: CROWN RECORDS MANAGEMENT

Business Address: 5252 ARGOSY DRIVE
HUNTINGTON BEACH, CA 94647

Effective Date: 02/11/2011

Description: SANDLER O'NEILL & PARTNERS, L.P. UTILIZES CROWN RECORDS MANAGEMENT TO STORE AND PRESERVE CERTAIN BOOKS AND RECORDS OF THE FIRM.

Name: IRON MOUNTAIN INFORMATION MANAGEMENT, LLC

Business Address: 1 FEDERAL STREET
BOSTON, MA 02110

Effective Date: 08/08/2003

Description: SANDLER O'NEILL & PARTNERS, L.P. UTILIZES IRON MOUNTAIN INFORMATION MANAGEMENT, LLC TO STORE AND PRESERVE CERTAIN BOOKS AND RECORDS OF THE FIRM.

Name: GLOBAL RELAY COMMUNICATIONS, INC.

Business Address: 220 CAMBIE STREET
2ND FLOOR
VANCOUVER, BC, CANADA V6B-2M9

Effective Date: 08/31/2011

Description: SANDLER O'NEILL & PARTNERS, L.P. UTILIZES GLOBAL RELAY COMMUNICATIONS, INC. TO STORE, PRESERVE AND REVIEW ELECTRONIC COMMUNICATIONS OF THE FIRM.

Name: AMAZON WEB SERVICES, INC.

Business Address: 1200 12TH AVENUE S
SUITE 1200
SEATTLE, WA 98144

Effective Date: 12/15/2017

Description: SANDLER O'NEILL & PARTNERS, L.P. UTILIZES AMAZON WEB SERVICES, INC. TO STORE AND PRESERVE CERTAIN BOOKS AND RECORDS OF THE FIRM.

Name: NATIONAL FINANCIAL SERVICES LLC

Firm Operations

Industry Arrangements (continued)

CRD #:	13041
Business Address:	200 SEAPORT BOULEVARD BOSTON, MA 02210
Effective Date:	11/10/2015
Description:	SANDLER O'NEILL & PARTNERS, L.P. HAS A CLEARING AGREEMENT WITH NATIONAL FINANCIAL SERVICES LLC TO CLEAR, EXECUTE AND CONFIRM ORDERS, AND MAINTAIN ACCOUNTS AND RECORDS OF SANDLER O'NEILL AND TRANSACTION EXECUTED OR CLEARED THROUGH THE CLEARING FIRM.

Name:	PERSHING LLC
CRD #:	7560
Business Address:	1 PERSHING PLAZA JERSEY CITY, NJ 11201
Effective Date:	09/26/2008
Description:	SANDLER O'NEILL & PARTNERS, L.P. HAS A CLEARING AGREEMENT WITH PERSHING LLC TO CLEAR, EXECUTE AND CONFIRM ORDERS, AND MAINTAIN ACCOUNTS AND RECORDS OF CUSTOMERS THAT TRANSACT MUNICIPAL AND CORPORATE BOND TRANSACTIONS EXECUTED OR CLEARED THROUGH THE CLEARING FIRM.

This firm does not have accounts, funds, or securities maintained by a third party.

This firm does not have customer accounts, funds, or securities maintained by a third party.

Control Persons/Financing

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.

Firm Operations

Organization Affiliates

This section provides information on control relationships the firm has with other firms in the securities, investment advisory, or banking business.

This firm is, directly or indirectly:

- **in control of**
- **controlled by**
- **or under common control with**

the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

PIPER SANDLER HONG KONG LTD. is under common control with the firm.

Business Address:	LEVEL 16, NEXXUS BUILDING 41 CONNAUGHT RD., CENTRAL HONG KONG, HONG KONG
Effective Date:	10/10/2012
Foreign Entity:	Yes
Country:	CHINA
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	ENTITY IS OWNED BY PIPER SANDLER COMPANIES, THE HOLDING COMPANY, AND IS UNDER COMMON CONTROL WITH APPLICANT.

PIPER JAFFRAY FINANCIAL LLC is under common control with the firm.

Business Address:	800 NICOLLET MALL MINNEAPOLIS, MN 55402
Effective Date:	07/06/2017
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	UNDER COMMON CONTROL BY PARENT HOLDING COMPANY PIPER SANDLER COMPANIES.

PIPER JAFFRAY FINANCIAL TRUST DEPOSITOR,LLC is under common control with the firm.

Firm Operations

Organization Affiliates (continued)

Business Address:	800 NICOLLET MALL MINNEAPOLIS, MN 55402
Effective Date:	07/06/2017
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	UNDER COMMON CONTROL BY PARENT HOLDING COMPANY PIPER SANDLER COMPANIES.

PARALLEL GENERAL PARTNER LIMITED is under common control with the firm.

Business Address:	PO BOX 656,EAST WING, TRAFALGAR COURT, LES BANQUES ST PETER PORT, GUERNSEY (UK) GY1 3PP
Effective Date:	02/29/2016
Foreign Entity:	Yes
Country:	UNITED KINGDOM
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	UNDER COMMON CONTROL BY PARENT HOLDING COMPANY PIPER SANDLER COMPANIES.

PJC CAPITAL PARTNERS LLC is under common control with the firm.

CRD #:	165620
Business Address:	800 NICOLLET MALL MINNEAPOLIS, MN 55402
Effective Date:	11/30/2012
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes

Firm Operations

Organization Affiliates (continued)

Description: UNDER COMMON CONTROL BY PARENT HOLDING COMPANY PIPER SANDLER COMPANIES.

PIPER JAFFRAY INVESTMENT MANAGEMENT, LLC is under common control with the firm.

CRD #: 145876

Business Address: 800 NICOLLET MALL
MINNEAPOLIS, MN 55402

Effective Date: 05/12/2008

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: UNDER COMMON CONTROL BY PARENT HOLDING COMPANY PIPER SANDLER COMPANIES.

PIPER SANDLER LTD is under common control with the firm.

Business Address: 88 WOOD STREET
13TH FLOOR
LONDON EC2V 7RS, ENGLAND

Effective Date: 10/06/2001

Foreign Entity: Yes

Country: UNITED KINGDOM

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: BROKER-DEALER REGISTERED THROUGH THE FINANCIAL CONDUCT AUTHORITY AND WHICH IS UNDER COMMON CONTROL BY PARENT HOLDING COMPANY PIPER SANDLER COMPANIES.

SANDLER O'NEILL ADVISORS, L.P. is under common control with the firm.

CRD #: 134172

Business Address: 1251 AVENUE OF THE AMERICAS
6TH FLOOR

Firm Operations

Organization Affiliates (continued)

	NEW YORK, NY 10020
Effective Date:	01/19/2005
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	UNDER COMMON CONTROL WITH APPLICANT VIA THE PARENT HOLDING COMPANY, PIPER SANDLER COMPANIES.

This firm is not directly or indirectly, controlled by the following:

- **bank holding company**
- **national bank**
- **state member bank of the Federal Reserve System**
- **state non-member bank**
- **savings bank or association**
- **credit union**
- **or foreign bank**

Disclosure Events

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	8	0

Disclosure Event Details

What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
   - A law enforcement agency must file formal charges before a brokerage firm is required to disclose a particular criminal event.
3. **Disclosure events in BrokerCheck reports come from different sources:**
   - Disclosure events for this brokerage firm were reported by the firm and/or regulators. When the firm and a regulator report information for the same event, both versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
   - A disclosure event may have a status of *pending, on appeal,* or *final.*
     - A "pending" event involves allegations that have not been proven or formally adjudicated.
     - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
     - A "final" event has been concluded and its resolution is not subject to change.
   - A final event generally has a disposition of *adjudicated, settled* or *otherwise resolved.*
     - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
     - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that firms may choose to settle customer disputes or regulatory matters for business or other reasons.
     - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.
5. **You may wish to contact the brokerage firm to obtain further information regarding any of the disclosure events contained in this BrokerCheck report.**

Regulatory - Final

This type of disclosure event involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the U.S. Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of the authority of a brokerage firm or its control affiliate to act as an attorney, accountant or federal contractor.

Disclosure 1 of 8

Reporting Source:	Regulator
Current Status:	Final

Allegations:	DURING THE PERIOD OCTOBER 11, 2017 THROUGH APRIL 11, 2018, THE FIRM FAILED TO QUALIFY AND REGISTER ONE EMPLOYEE AS A SECURITIES TRADER IN VIOLATION OF RULE 1031. ADDITIONALLY, THE FIRM'S SUPERVISORY SYSTEM WAS NOT REASONABLY DESIGNED TO ENSURE THAT ITS EMPLOYEES WERE APPROPRIATELY QUALIFIED AND REGISTERED WITH NASDAQ IN VIOLATION OF RULES 3010 AND 2010A.
Initiated By:	NASDAQ STOCK MARKET
Date Initiated:	08/29/2019
Docket/Case Number:	2019.08.0061
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	08/07/2020
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Censure Monetary/Fine $12,500.00
Other Sanctions Ordered:	
Sanction Details:	AS A RESULT OF THE VIOLATIONS, THE FIRM CONSENTED TO THE IMPOSITION OF A CENSURE AND A TOTAL FINE IN THE AMOUNT OF $12,500 (CONSISTING OF $7,500 FOR THE RULE 1031 VIOLATION AND $5,000 FOR THE SUPERVISORY RELATED VIOLATIONS).

Disclosure 2 of 8

Reporting Source:	Regulator
Current Status:	Final
Allegations:	SANDLER, O'NEILL & PARTNERS, L.P. (THE "FIRM" OR "RESPONDENT") SUBMITTED THE MINOR RULE VIOLATION LETTER ("MRV") FOR THE

PURPOSE OF PROPOSING A SETTLEMENT OF THE ALLEGED RULE VIOLATIONS. THE MRV WAS ACCEPTED. FROM OCTOBER 10, 2018, TO DECEMBER 22, 2018, FOUR OF THE FIRM'S REPRESENTATIVES WERE NOT QUALIFIED AND REGISTERED WITH THE EXCHANGE AS SECURITIES TRADERS AND ONE OF THE FOUR, A FIRM PRINCIPAL, WAS NOT QUALIFIED AND REGISTERED WITH THE EXCHANGE AS A SECURITIES TRADER PRINCIPAL. AFTER FINRA NOTIFIED THE FIRM THAT THE FOUR ASSOCIATED PERSONS WERE NOT PROPERLY QUALIFIED AND REGISTERED PURSUANT TO NYSE ARCA RULE 2.1220, THE FIRM DISABLED THEIR ACCESS TO NYSE ARCA ON DECEMBER 22, 2018. THE FIRM FAILED TO ESTABLISH AND MAINTAIN A REASONABLY DESIGNED SUPERVISORY SYSTEM TO ENSURE COMPLIANCE WITH NYSE ARCA RULE 2.1220. SPECIFICALLY, THE FIRM DID NOT HAVE A SUPERVISORY SYSTEM IN PLACE TO ENSURE THAT ITS ASSOCIATED PERSONS WERE PROPERLY QUALIFIED AND REGISTERED AS SECURITIES TRADERS AND SECURITIES TRADER PRINCIPALS PURSUANT TO NYSE ARCA RULE 2.1220.

Initiated By:	NYSE ARCA, INC.
Date Initiated:	11/22/2019
Docket/Case Number:	2019064344801
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Other
Resolution Date:	11/22/2019
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Monetary/Fine $4,000.00
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS FINED $4,000. BECAUSE THE FINE IMPOSED EXCEEDS $2,500, SUCH FINE IS REQUIRED

TO BE REPORTED BY THE FIRM ON THE FORM BD. A FAILURE TO REPORT THE FINE ON THE FORM BD COULD SUBJECT THE FIRM TO FURTHER DISCIPLINARY ACTION. MOREOVER, NYSE ARCA, NYSE REGULATION AND/OR FINRA WILL REPORT THE FINE TO THE SECURITIES AND EXCHANGE COMMISSION UNDER RULE 19D-1 OF THE SECURITIES EXCHANGE ACT OF 1934.

Reporting Source:	Firm
Current Status:	Final
Allegations:	ON NOVEMBER 19, 2019, THE FIRM CONSENTED TO A FINDING OF A MINOR RULE VIOLATION OF NYSE ARCA EQUITIES RULE 2.1220(B)(3)/2. 1220(A)(5)/11.18. THE FINDING ALLEGED THAT DURING THE PERIOD OF OCTOBER 10, 2018 THROUGH DECEMBER 22, 2018, THE FIRM FAILED TO ESTABLISH PROCEDURES TO ENSURE THAT REGISTERED REPRESENTATIVES WERE PROPERLY REGISTERED AS SECURITIES TRADERS AND SECURITIES TRADER PRINCIPALS WITH NYSE ARCA.
Initiated By:	NYSE ARCA, INC
Date Initiated:	11/18/2019
Docket/Case Number:	2019064344801
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Other
Resolution Date:	11/22/2019
Sanctions Ordered:	Monetary/Fine $4,000.00
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS FINED $4,000.00. THE FINE WAS PAID ON DECEMBER 5, 2019.

Disclosure 3 of 8

Reporting Source:	Regulator

Current Status:	Final
Allegations:	NOTICE OF FINES FOR MINOR: DURING THE PERIOD BETWEEN AUGUST 2004 AND JUNE 2018, THE FIRM FAILED TO ESTABLISH PROCEDURES, INCLUDING WRITTEN SUPERVISORY PROCEDURES, TO ENSURE THAT REGISTERED REPRESENTATIVES WERE PROPERLY REGISTERED ON NYSE ARCA.
Initiated By:	NYSE ARCA, INC.
Date Initiated:	04/15/2019
Docket/Case Number:	2018059820801
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Other
Resolution Date:	04/24/2019
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Monetary/Fine $3,500.00
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS FINED $3,500. THE IMPOSITION OF THIS FINE SHALL BECOME FINAL AND THE FINE SPECIFIED ABOVE SHALL BECOME DUE AND PAYABLE TO NYSE ARCA FIVE BUSINESS DAYS AFTER THE DATE OF YOUR RECEIPT OF THIS NOTICE. THEREFORE, THE ACTION IS FINAL ON APRIL 24, 2019.
Regulator Statement	BECAUSE ONE OR MORE OF THE INDIVIDUAL FINES BEING IMPOSED EXCEEDS $2,500, SUCH FINE(S) IS REQUIRED TO BE REPORTED BY THE FIRM ON THE FORM BD. SEE NYSE ARCA RULE 10.12 (E). A FAILURE TO REPORT THE FINE(S) ON THE FORM BD COULD SUBJECT THE FIRM TO FURTHER DISCIPLINARY ACTION. MOREOVER, SUCH FINE(S) WILL ALSO BE REPORTED BY NYSE REGULATION, AND/OR FINRA TO THE

SECURITIES AND EXCHANGE COMMISSION, UNDER RULE 19D-1 OF THE SECURITIES EXCHANGE ACT OF 1934. PLEASE ALSO BE ADVISED THAT ANY VIOLATION THAT IS CONTESTED IS ALSO REQUIRED TO BE REPORTED BY THE FIRM ON THE FORM BD.

Reporting Source:	Firm
Current Status:	Final
Allegations:	ON APRIL 23, 2019, THE FIRM CONSENTED TO A FINDING OF A MINOR RULE VIOLATION OF NYSE ARCA EQUITIES RULE 6.18(C)/11.18(C). THE FINDING ALLEGED THAT DURING THE PERIOD OF AUGUST 2004 THROUGH JUNE 2018, THE FIRM FAILED TO ESTABLISH PROCEDURES TO ENSURE THAT REGISTERED REPRESENTATIVES WERE PROPERLY REGISTERED WITH NYSE ARCA.
Initiated By:	NYSE ARCA, INC.
Date Initiated:	04/15/2019
Docket/Case Number:	2018059820801
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Other
Resolution Date:	04/24/2019
Sanctions Ordered:	Monetary/Fine $3,500.00
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS FINED $3,500. THE FINE WAS PAID ON APRIL 23, 2019.

Disclosure 4 of 8

Reporting Source:	Regulator
Current Status:	Final
Allegations:	A FINRA HEARING OFFICER CONSIDERED AN OFFER OF SETTLEMENT AND CONSENT ENTERED INTO BETWEEN FINRA ON BEHALF OF NYSE

REGULATION, INC. AND THE FIRM.
THE FIRM SUBMITTED AN OFFER OF SETTLEMENT AND CONSENT FOR THE SOLE PURPOSE OF SETTLING THIS DISCIPLINARY PROCEEDING, WITHOUT ADJUDICATION OF ANY ISSUES OF LAW OR FACT, AND WITHOUT ADMITTING OR DENYING ANY ALLEGATIONS OR FINDINGS REFERRED TO IN THE OFFER OF SETTLEMENT.
THE HEARING OFFICER ACCEPTS THE OFFER OF SETTLEMENT AND CONSENT AND ISSUES THIS DECISION.
THIS MATTER ARISES FROM AN INVESTIGATION BY NYSE REGULATION INTO THE CIRCUMSTANCES SURROUNDING THE FIRM'S (OR SANDLER'S) FILING OF A CLEARLY ERRONEOUS EXECUTION REQUEST WITH THE EXCHANGE CONCERNING AN ORDER ENTERED, WHICH INVESTIGATION WAS EXPANDED TO INCLUDE A REVIEW OF THE FIRM'S COMPLIANCE WITH EXCHANGE ACT RULE 15C3-5 AND ARCA EQUITIES RULE 6.18.

THE FINDINGS STATED THAT SANDLER'S CONTROLS WERE NOT REASONABLY DESIGNED TO PREVENT THE ENTRY OF ERRONEOUS ORDERS, BY REJECTING ORDERS THAT EXCEED APPROPRIATE PRICE OR SIZE PARAMETERS, ON AN ORDER-BY-ORDER BASIS OR OVER A SHORT PERIOD OF TIME. A CUSTOMER OF THE FIRM ENTERED A 163,256 SHARE MARKET ORDER IN FIRST REPUBLIC BANK ("FRC") TO THE FIRM'S INTERNAL ORDER MANAGEMENT SYSTEM, FIDESSA OMS ("FIDESSA"). A TRADER OF THE FIRM MISTAKENLY ENTERED AND SENT AN ORDER TO SELL SHORT 79,900 FRC SHARES (OUT OF THE ORIGINAL CUSTOMER ORDER) TO THE EXCHANGE. ACCORDING TO THE FIRM, THE TRADER INTENDED TO ENTER 7,900 SHARES, NOT 79,900. UPON RECEIVING THE ORDER, ARCA EXECUTED PART OF THE ORDER AGAINST INTEREST RESTING ON ITS OWN BOOK. EXECUTIONS OCCURRED WITHIN THE SAME SECOND OF ORDER SUBMISSION AND RANGED IN PRICE FROM $63.11 TO $60.19, A DECREASE OF 4.6% FROM THE NATIONAL BEST BID AND OFFER ("NBBO") FOR FRC. FRC'S 30-DAY CONSOLIDATED AVERAGE DAILY VOLUME ("ADV") WAS APPROXIMATELY 935,153 SHARES, AND THEREFORE THE ORDER REPRESENTED APPROXIMATELY 8.54% OF FRC'S ADV. ONCE THE TRADER REALIZED HIS ERROR, HE ALERTED HIS SUPERVISOR, WHICH PROMPTED THE FIRM TO SUBMIT A CLEARLY ERRONEOUS REVIEW REQUEST WITH ARCA. EXCHANGE TRADING OFFICIALS DETERMINED TO BUST ALL EXECUTIONS THAT EXCEEDED 3% OF THE NBBO-IN THIS CASE AT OR BELOW $61.22. THE FIRM HAD 47 SEPARATE EXECUTIONS BUSTED ON ARCA, TOTALING 14,776 SHARES AND $909,582.64. THE FIRM DID NOT EMPLOY CONTROLS AND PROCEDURES REASONABLY DESIGNED TO PREVENT ERRONEOUS ORDERS. ALSO, THE FIRM DOES NOT UTILIZE AN ADV CONTROL. FURTHERMORE, WITH RESPECT TO LIMIT ORDERS, A POP-UP WARNING MESSAGE IS GENERATED WHEN AN ORDER IS ENTERED AT A PRICE AWAY FROM THE MARKET, AND FIDESSA'S DEFAULT SETTING IS 10% OF THE NBBO. WHILE FIDESSA PERMITS FIRMS TO CUSTOMIZE THE

DEFAULT SETTING TO INDIVIDUAL EXCHANGE GUIDELINES (IN THIS CASE, 3%), THE FIRM HAD NOT IMPLEMENTED THIS FEATURE. THE ORDER WAS INTENDED TO BE A LIMIT ORDER, BUT THE FIRM TRADER INCORRECTLY MARKED IT AS A MARKET ORDER, SO THIS CONTROL WOULD NOT HAVE BEEN TRIGGERED. HOWEVER, IF THE FIRM HAD CORRECTLY MARKED THE ORDER AS A LIMIT ORDER AND THE EXCHANGE GUIDELINE OF 3% HAD BEEN IMPLEMENTED, THEN THE ORDER COULD HAVE BEEN PREVENTED. THERE WAS NO NOTIONAL ROUTING LIMIT CONTROL IN PLACE IN FIDESSA. ONLY AFTER NYSE REGULATION'S INVESTIGATION WAS FIDESSA UPDATED TO IMPLEMENT THIS CONTROL.
THE FINDINGS ALSO STATED THAT THE FIRM'S FAILED TO CONDUCT ADEQUATE REVIEWS, AS WELL AS FAILED TO ADEQUATELY DOCUMENT SUCH REVIEWS. DURING THE REVIEW PERIOD, THE REVIEWS AND CERTIFICATION PROCESS IN PLACE AT SANDLER WERE NOT EFFECTIVE. AS AN INITIAL MATTER, ALTHOUGH THE FIRM'S WSPS STATED THAT THE FIRM'S SUPERVISORY PROCEDURES "MUST BE REVIEWED AT LEAST ANNUALLY TO MAKE SURE THEY ARE EFFECTIVE," THEY DID NOT SPECIFY WHICH CONTROLS SHOULD BE REVIEWED OR ANY OTHER DETAILS ABOUT HOW SUCH REVIEWS SHOULD BE CONDUCTED.

THE FINDINGS ALSO INCLUDED THAT THE FIRM'S WRITTEN PROCEDURES WERE NOT REASONABLY DESIGNED TO ACHIEVE COMPLIANCE, AND ITS SUPERVISORY SYSTEM WAS NOT REASONABLY DESIGNED TO ENSURE COMPLIANCE.

Initiated By:	NYSE ARCA, INC.
Date Initiated:	02/01/2017
Docket/Case Number:	2016012100001
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Decision & Order of Offer of Settlement
Resolution Date:	02/01/2017

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Censure Monetary/Fine $75,000.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	THE FIRM WAS CENSURED AND FINED $75,000. WITH AN UNDERTAKING: ALSO, THE FIRM IS ORDERED TO ADDRESS DEFICIENCIES IN ITS MARKET ACCESS CONTROLS AND ITS WRITTEN SUPERVISORY PROCEDURES TO ENSURE THAT IT HAS IMPLEMENTED CONTROLS AND PROCEDURES THAT ARE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE RULES AND REGULATIONS CITED IN THE OFFER PERTAINING TO MARKET ACCESS REQUIREMENTS.
Regulator Statement	THE FIRM VIOLATED RULE 15C3-5(C)(1) BY FAILING TO HAVE CONTROLS THAT WERE REASONABLY DESIGNED TO PREVENT THE ENTRY OF ERRONEOUS ORDERS BY REJECTING ORDERS THAT EXCEED APPROPRIATE PRICE OR SIZE PARAMETERS, ON AN ORDER-BY-ORDER BASIS OR OVER A SHORT PERIOD OF TIME; RULE 15C3-5(E) BY FAILING TO ADEQUATELY REVIEW THE EFFECTIVENESS OF ITS CONTROLS AND DID NOT ADEQUATELY DOCUMENT SUCH REVIEWS; AND NYSE ARCA EQUITIES RULES 6.18(B) AND (C) BY FAILING TO ESTABLISH AND MAINTAIN ADEQUATE SUPERVISORY SYSTEMS AND WRITTEN PROCEDURES THAT WERE REASONABLY DESIGNED TO ENSURE COMPLIANCE WITH RULE 15C3-5.

Reporting Source:	Firm
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO (I) HAVE CONTROLS THAT WERE REASONABLY DESIGNED TO PREVENT THE ENTRY OF ERRONEOUS ORDERS BY REJECTING ORDERS THAT EXCEED APPROPRIATE PRICE OR SIZE PARAMETERS, ON AN ORDER-BY-ORDER BASIS OR OVER A SHORT PERIOD OF TIME, (II) ADEQUATELY DOCUMENT THE REVIEW AND EFFECTIVENESS OF ITS CONTROLS AND (III) ESTABLISH AND MAINTAIN ADEQUATE SUPERVISORY SYSTEMS AND WRITTEN PROCEDURES THAT WERE REASONABLY DESIGNED TO ENSURE COMPLIANCE WITH RULE 15C3-5.
Initiated By:	NYSE ARCA, INC

Date Initiated:	02/01/2017
Docket/Case Number:	2016012100001
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Decision & Order of Offer of Settlement
Resolution Date:	02/01/2017
Sanctions Ordered:	Censure Monetary/Fine $75,000.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO AN UNDERTAKING. THE FIRM IS REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES TO ADDRESS DEFICIENCIES. THE FIRM WAS CENSURED AND FINED $75,000.

Disclosure 5 of 8

Reporting Source:	Regulator
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO REPORT TO THE TRADE REPORTING AND COMPLIANCE ENGINE (TRACE) THE CORRECT TIME OF TRADE EXECUTION FOR TRANSACTIONS IN TRACE-ELIGIBLE SECURITIZED PRODUCTS AND FAILED TO SHOW THE CORRECT TIME OF EXECUTION ON THE MEMORANDA OF BROKERAGE ORDERS.
Initiated By:	FINRA
Date Initiated:	04/16/2014
Docket/Case Number:	2013037791601
Principal Product Type:	No Product
Other Product Type(s):	

Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	04/16/2014
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Censure Monetary/Fine $7,500.00
Other Sanctions Ordered:	
Sanction Details:	SEE ABOVE

Reporting Source:	Firm
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO (I) REPORT TO THE TRADE REPORTING AND COMPLIANCE ENGINE (TRACE) THE CORRECT TIME OF TRADE EXECUTION FOR TRANSACTIONS IN TRACE-ELIGIBLE SECURITIZED PRODUCTS AND (II) SHOW THE CORRECT TIME OF EXECUTION ON THE MEMORANDA OF BROKERAGE ORDERS.
Initiated By:	FINRA
Date Initiated:	04/16/2014
Docket/Case Number:	2013037791601
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	

Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	04/16/2014
Sanctions Ordered:	Censure Monetary/Fine $7,500.00
Other Sanctions Ordered:	
Sanction Details:	SEE ABOVE

Disclosure 6 of 8

Reporting Source:	Regulator
Current Status:	Final
Allegations:	NASDAQ RULES 2110, 3010, 4755 - SANDLER, O'NEILL & PARTNERS, L.P. ENTERED ORDERS INTO THE NASDAQ MARKET CENTER THAT FAILED TO CORRECTLY INDICATE WHETHER THE ORDERS WERE A BUY, SHORT SALE OR LONG SALE. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND NASDAQ RULES. THE FIRM'S WRITTEN SUPERVISORY PROCEDURES (WSPS) FAILED TO PROVIDE FOR MINIMUM REQUIREMENTS FOR ADEQUATE WSPS IN ENTERING ACCURATE INFORMATION INTO THE NASDAQ SYSTEM INCLUDING WHETHER THE FIRM ACTED IN A PRINCIPAL, AGENT, OR RISKLESS PRINCIPAL CAPACITY; AND ACCURATELY IDENTIFYING BUY, SHORT SALE AND LONG SALE INFORMATION WHEN ENTERED INTO THE NASDAQ SYSTEM.
Initiated By:	NASDAQ STOCK MARKET
Date Initiated:	11/13/2012
Docket/Case Number:	2011026111901
Principal Product Type:	Other
Other Product Type(s):	NASDAQ SECURITIES
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/13/2012

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Censure Monetary/Fine $15,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED $15,000.

Reporting Source:	Firm
Current Status:	Final
Allegations:	FINRA ALLEGED THAT SANDLER O'NEILL ENTERED SIX ORDERS THAT FAILED TO CORRECTLY INDICATE WHETHER THE ORDERS WERE A BUY, SHORT SALE OR LONG SALE. FINRA ALLEGED THAT THE FIRM'S WRITTEN SUPERVISORY PROCEDURES DID NOT PROVIDE FOR ENTERING ACCURATE INFORMATION INTO THE NASDAQ SYSTEM.
Initiated By:	NASDAQ STOCK MARKET
Date Initiated:	11/13/2012
Docket/Case Number:	2011026111901
Principal Product Type:	Other
Other Product Type(s):	NASDAQ SECURITIES
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINE OF $15,000
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/13/2012
Sanctions Ordered:	Censure Monetary/Fine $15,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED

TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS. THE FIRM WAS CENSURED AND FINED $15,000.

Disclosure 7 of 8

Reporting Source:	Regulator
Current Status:	Final
Allegations:	FAILED TO MAINTAIN CONTINUOUS, 2-SIDED Q ORDERS IN VIOLATION OF PCXE RULE 7.23(A)(1)
Initiated By:	NYSE ARCA, INC.
Date Initiated:	08/19/2004
Docket/Case Number:	04-01/33746, 33766, & 33805
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Decision & Order of Offer of Settlement
Resolution Date:	02/10/2005
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Monetary/Fine $900.00
Other Sanctions Ordered:	
Sanction Details:	$900.00, ALL LEVIED AGAINST SANDLER ONEILL.

Reporting Source:	Firm
Current Status:	Final
Allegations:	THE PCX, INC. ALLEGED THAT, ON FIVE OCCASIONS IN 2004, SANDLER O'NEILL & PARTNERS, L.P. FAILED TO MAINTAIN CONTINUOUS, TWO-SIDED

	Q ORDERS IN VIOLATION OF PCXE RULE 7.23(A)(1).
Initiated By:	PCX EQUITIES, INC. (NOW NYSE ARCA)
Date Initiated:	08/19/2004
Docket/Case Number:	04-01/33746, 33766 & 33805
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Decision & Order of Offer of Settlement
Resolution Date:	02/10/2005
Sanctions Ordered:	Monetary/Fine $900.00
Other Sanctions Ordered:	
Sanction Details:	$900.00 LEVIED AGAINST SANDLER O'NEILL & PARTNERS, L.P. PAID ON OR ABOUT FEBRUARY 10, 2005.
Firm Statement	ACTION IS COMPLETE AND FINAL.

Disclosure 8 of 8

Reporting Source:	Regulator
Current Status:	Final
Allegations:	08-16-01, NASD RULES 2110, 3010, 3060 - RESPONDENT MEMBER, ACTING THROUGH AN INDIVIDUAL, FAILED TO SUPERVISE AN INDIVIDUAL WITH REGARD TO THE ENTERTAINMENT AND GIVING OF GIFTS TO CLIENTS AND FAILED TO TAKE REASONABLE STEPS WHEN IT BECAME KNOWN THAT UNLAWFUL ACTIVITY HAD OCCURRED;AND FAILED TO HAVE PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH NASD RULE 3060 AND DID NOT CLEARLY ARTICULATE THE RESPONSIBILITIES OF EACH ASSOCIATED AND REGISTERED PERSON TO ENSURE GIFTS WERE MADE IN ACCORDANCE WITH THE RESTRICTION OF THAT RULE AND THAT EACH GIFT WAS REPORTED,FAILED TO SET FORTH THE FIRM'S POLICY ON REPORTING GIFTS AND THE MANNER IN WHICH COMPLIANCE WITH RULE 3060 WOULD BE SUPERVISED, AND FAILED TO ENSURE THAT NEW EMPLOYEES WERE INFORMED OF THE REQUIREMENTS OF NASD RULE 3060.

Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated:	08/13/2001
Docket/Case Number:	CAF010018
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	08/13/2001
Sanctions Ordered:	Censure Monetary/Fine $28,000.00
Other Sanctions Ordered:	
Sanction Details:	CENSURED AND FINED $28,000
Regulator Statement	.

Reporting Source:	Firm
Current Status:	Final
Allegations:	ON JULY 30,2001, SANDLER O'NEILL & PARTNERS, L.P. EXECUTED AN ADVICE, WAIVER AND CONSENT (THE "AWC") WITH NASD REGULATION, INC. BY WHICH SANDLER O'NEILL & PARTNERS, L.P. CONSENTED TO A FINDING OF VIOLATIONS OF NASD RULES 3010 AND 2110. THE AWC ALLEGED THAT, DURING THE PERIOD MAY THROUGH DECEMBER 1998, THE FIRM DID NOT HAVE ADEQUATE WRITTEN PROCEDURES AND POLICIES TO ENSURE COMPLIANCE WITH THE NASD'S RULES REGARDING THE GIVING OF GIFTS TO, AND BUSINESS ENTERTAINMENT OF, CLIENTS OF THE FIRM.THE AWC ALSO ALLEGED THAT A FORMER SANDLER O'NEILL & PARTNERS, L.P. SALESPERSON (VALERIE J. MILES), DID NOT ACT APPROPRIATELY UPON BECOMING AWARE, OR AT LEAST HAVING NOTICE, THAT THE FORMER SALESPERSON MAY HAVE GIVEN SOME AMOUNT OF CASINO GAMBLING CHIPS TO A CLIENT OF THE FIRM DURING A TRIP TO ATLANTIC CITY AND THAT THE FORMER SALESPERSON PURCHASED A DOG WITH A VALUE IN EXCESS OF $100 FOR THE CLIENT. IN CONNECTION WITH THE AWC, THE NASD ACCEPTED A STATEMENT OF CORRECTIVE ACTION FROM SANDLER O'NEILL & PARTNERS, L.P. THAT NOTES THAT

	SANDLER O'NEILL & PARTNERS, L.P. HAD ADDRESSED THE ISSUES WITH REGARD TO ITS WRITTEN GIFTS AND ENTERTAINMENT POLICIES OF ITS OWN ACCORD, LONG BEFORE ANY INVESTIGATION HAD BEEN COMMENCED.
Initiated By:	NASD REGULATION, INC.
Date Initiated:	08/13/2001
Docket/Case Number:	CAF010018
Principal Product Type:	Debt - Asset Backed
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	08/13/2001
Sanctions Ordered:	Censure Monetary/Fine $28,000.00
Other Sanctions Ordered:	
Sanction Details:	FINE OF $28,000 WAS PAID UPON UPON NOTIFICATION FROM THE NASD FINANCE DEPARTMENT. RECORDS RELATING TO THIS PAYMENT WERE DESTROYED IN THE ATTACKS ON 9/11/2001, AND ACCORDINGLY AN EXACT PAYMENT DATE IS NOT KNOWN.
Firm Statement	THE AWC DESCRIBED IN PARAGRAPH 7 ABOVE WAS ACCEPTED BY THE NASD ON AUGUST 8, 2001, AND THE MATTER IS NOW RESOLVED. PURSUANT TO THE AWC, SANDLER O'NEILL & PARTNERS, L.P. CONSENTED TO SANCTIONS NOT TO EXCEED (FOR SANDLER O'NEILL & PARTNERS, L.P.) A CENSURE AND A FINE OF $28,000. A PERSON PREVIOUSLY ASSOCIATED WITH THE FIRM AGREED TO A FINE OF $20,000 AND A LIMITED SUSPENSION.

End of Report

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