



STATE OF FLORIDA  
OFFICE OF FINANCIAL REGULATION

OFFICE OF FINANCIAL REGULATION,

Administrative Proceeding  
Number: 0700-S-1/13

Petitioner,

v.

NEWBRIDGE SECURITIES CORPORATION,

Respondent.

\_\_\_\_\_ /

**FINAL ORDER**

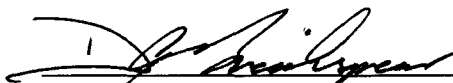
The State of Florida, Office of Financial Regulation (“Office”), and Newbridge Securities Corporation having entered into the attached Stipulation and Consent Agreement (“Agreement”), last dated February 10<sup>th</sup>, 2013, resolving and concluding this matter, it is therefore

ORDERED:

1. The Agreement entered into by the Office and Newbridge Securities Corporation, last dated February 10<sup>th</sup>, 2013, is adopted and incorporated by reference herein as if set forth at length.

2. The parties shall comply with all provisions of the incorporated Agreement.

**DONE AND ORDERED** this 12<sup>th</sup> day of February, 2013, in Tallahassee, Leon County, Florida.


  
\_\_\_\_\_  
Drew J. Breakspear, Commissioner  
Office of Financial Regulation

**NOTICE OF RIGHTS**

A PARTY WHO IS ADVERSELY AFFECTED BY THIS FINAL ORDER IS ENTITLED TO JUDICIAL REVIEW PURSUANT TO SECTION 120.68, FLORIDA STATUTES. REVIEW PROCEEDINGS ARE GOVERNED BY THE FLORIDA RULES OF APPELLATE PROCEDURE. SUCH PROCEEDINGS ARE COMMENCED BY FILING THE ORIGINAL NOTICE OF APPEAL WITH THE AGENCY CLERK, OFFICE OF FINANCIAL REGULATION, GENERAL COUNSEL'S OFFICE, POST OFFICE BOX 8050 TALLAHASSEE, FLORIDA 32314-8050, AND A COPY, ACCOMPANIED BY FILING FEES PRESCRIBED BY LAW, WITH THE DISTRICT COURT OF APPEAL, FIRST DISTRICT, 2000 DRAYTON DRIVE, TALLAHASSEE, FLORIDA 32399-0950, OR WITH THE DISTRICT COURT OF APPEAL IN THE APPELLATE DISTRICT WHERE THE PARTY RESIDES. THE NOTICE OF APPEAL MUST BE FILED WITHIN 30 DAYS OF RENDITION OF THE ORDER TO BE REVIEWED.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Final Order has been furnished via email to Arnold Levine, General Counsel, at Newbridge Securities Corporation at [Alevine@newbridgesecurities.com](mailto:Alevine@newbridgesecurities.com) on this 12<sup>th</sup> day of February, 2013.

  
\_\_\_\_\_  
Tobl C. Pam  
Senior Attorney  
Florida Bar Number 745782  
Office of Financial Regulation  
Post Office Box 8050  
Tallahassee, Florida 32314-8050  
(850) 410-9552

**STATE OF FLORIDA  
OFFICE OF FINANCIAL REGULATION**

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**STIPULATION AND CONSENT AGREEMENT**

The State of Florida, Office of Financial Regulation, (the "Office"), and Newbridge Securities Corporation ("Newbridge") in consideration of the mutual promises herein, recite, stipulate, and agree as follows:

1. **Background:** At all times material hereto Newbridge has been registered as dealer in the State of Florida having been registered from approximately August 21, 2000 through the present. Newbridge's home office is located at 1451 West Cypress Creek Road, Suite 204, Fort Lauderdale, Florida. The Office conducted an examination of Newbridge.
2. **Jurisdiction:** The Office is the state agency charged with the administration and enforcement of Chapter 517, Florida Statutes, and the rules promulgated thereto. Based on the review of information gathered, the Office contends that grounds exist to initiate an administrative proceeding against Newbridge pursuant to Section 517.161, Florida Statutes.
3. **Findings:** The Office finds that Newbridge violated the provisions of Chapter 517, Florida Statutes and rules promulgated thereto as follows:
  - a. Newbridge failed to establish and maintain a system to supervise the activities of each registered representative, registered principal, and other associated person that was

reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable NASD rules during the time period of January 1, 2006 through March 2009 in violation of Section 517.161(1)(h), Florida Statutes, Rule 69W-600.013(1)(h)1., Florida Administrative Code, and NASD Conduct Rule 3010(a);

b. Newbridge failed to establish, maintain, and enforce written procedures to supervise the types of business in which it engaged and to supervise the activities of registered representatives, registered principals, and other associated persons that were reasonably designed to achieve compliance with applicable securities laws and regulations, and with the applicable NASD rules during the time period of January 1, 2006 through March 2009 in violation of Section 517.161(1)(h), Florida Statutes, Rule 69W-600.013(1)(h)1., Florida Administrative Code, and NASD Conduct Rule 3010(b)(1);

c. Newbridge utilized an office inspection program during the time period of January 1, 2006 through March 2009 which violated Section 517.161(1)(h), Florida Statutes, Rule 69W-600.013(1)(h)1., Florida Administrative Code, and NASD Conduct Rule 3010(c);

d. Newbridge failed to accurately and timely report to the NASD/FINRA statistical and summary information regarding customer complaints in such detail as the NASD/FINRA specified during the time period of January 1, 2007 to December 31, 2009 in violation of Section 517.161(1)(h), Florida Statutes, Rule 69W-600.013(1)(h)1., Florida Administrative Code, and NASD Conduct Rule 3070;

e. Newbridge failed to ensure that its associated persons accurately and timely reported customer complaints on their Forms U-4 and U-5 during the time frame of January 2007 to December 2009 in violation of Section 517.161(1)(h), Florida Statutes, Rules 69W-600.002

and 69W-600.013(1)(h)1., Florida Administrative Code, and NASD Conduct Rule 2110 and FINRA Conduct Rule 2010;

f. Newbridge charged excessive commissions to clients during the time period of July 2008 to August 2008 in violation of Section 517.161(1)(h), Florida Statutes, Rule 69W-600.013(1)(h)1., Florida Administrative Code, and NASD Conduct Rule 2440.

4. **Consideration:** The parties agree that the issues raised in this proceeding can be expeditiously resolved without the expense of litigation and a formal hearing upon the following terms and conditions:

a. Newbridge agrees to immediately cease and desist from any and all violations of Chapter 517, Florida Statutes, and the rules duly promulgated thereunder, and shall henceforth strictly comply with all provisions of the laws and rules as such laws and rules exist now and as they may be amended.

b. Newbridge agrees to pay to the Office at the time of execution and delivery of this Stipulation and Consent Agreement an administrative fine of \$40,000.00 by cashiers check, payable to "Department of Financial Services," and mailed to Agency Clerk, Attn: Tobi Pam, Post Office Box 8050, Tallahassee, FL 32314-8050. Failure to pay this fine will constitute a breach of this Stipulation and Consent Agreement. Newbridge agrees that (1) in accordance with Section 215.31, Florida Statutes regarding the deposit of monies that the tendered fine or settlement check proceeds may be deposited in advance of full execution or acceptance of the proposed settlement agreement and (2) such deposit shall not be construed as a final acceptance of the Stipulation and Consent Agreement absent full execution thereof and entry of the Final Order adopting same.

5. **Final Order:** Newbridge consents to the issuance by the Office of the accompanying Final Order, attached hereto as “Exhibit A”, which incorporates by reference the terms of this Stipulation and Consent Agreement. Newbridge understands and agrees that this Stipulation and Consent Agreement is subject to the final approval of the Commissioner of the Office of Financial Regulation and the entry of the Final Order adopting same. In the event that the Final Order is not entered, this Stipulation and Consent Agreement shall be null and void. The Final Order incorporating this Stipulation and Consent Agreement constitutes final agency action by the Office for which the Office may seek enforcement pursuant to the provisions of Chapters 517 & 120, Florida Statutes.

6. **Consent and Waiver:** By Newbridge’s consent to the entry of the Final Order with respect to this proceeding, Newbridge knowingly and voluntarily waives:

- a. any right to receive notice of administrative charges or an administrative complaint and notice of rights pursuant to Chapter 120, Florida Statutes;
- b. any right to an administrative hearing provided by Chapter 120, Florida Statutes and the Act;
- c. any requirement that the Office’s final order contain separately stated Findings of Fact and Conclusions of Law or a Notice of Rights;
- d. any right to issuance of a recommended order by an administrative law judge from the Division of Administrative Hearings or a hearing officer from the Office; and
- e. any and all rights to object to or challenge in any judicial proceeding, including but not limited to, an appeal pursuant to Section 120.68, Florida Statutes, any term, condition, obligation, or duty expressly created by the Final Order.

7. **Releases:** Upon full execution of this Stipulation and Consent Agreement, Newbridge waives and releases the Office's agents and representatives, and employees from any and all causes of action that it may have arising from or relating to the subject matter hereof. The Office agrees to accept this release on behalf of itself, its agents, representatives and employees without acknowledging and expressly denying that any such cause or causes of action may exist.

8. **Future Actions:** This Stipulation and Consent Agreement is being executed solely for the purpose of resolving and settling the instant proceeding. Nothing herein shall be construed to waive or restrict the Office's right in a future proceeding to undertake any administrative action under the provisions of Chapter 517, Florida Statutes, or any civil or criminal prosecution, arising out of any facts or circumstances undisclosed or undiscovered at the time of the entry of the Final Order; or facts unrelated to this settlement should further information warrant such action.

9. **Failure to Comply:** Newbridge acknowledges, concurs, and stipulates that its failure to comply with any of the terms, obligations and conditions of this Stipulation and Consent Agreement, and the Final Order adopting it, violates this written agreement and the Final Order entered pursuant to Chapters 120 and 517, Florida Statutes.

10. **Attorneys' Fees:** Each party herein shall be solely responsible for its attorneys' fees and costs incurred up to and including entry of the Final Order in this matter.

11. **Severability:** Newbridge agrees that if any provision of this Stipulation and Consent Agreement or the application thereof to any person or circumstance is held to be invalid, the invalidity shall not affect the remaining provisions of the Stipulation and Consent Agreement

or the Final Order adopting it, which shall be given effect without the invalid provision(s), and to this end, the provisions of this Stipulation and Consent Agreement are severable.

12. **Agreement Covered by the Law of the State of Florida:** This Stipulation and Consent Agreement and performance hereunder and all suits and special proceedings hereunder shall be construed in accordance with the laws of the State of Florida.

13. **Venue:** In any action, special proceeding, or other proceedings that may be brought arising out of, in connection with, or by reason of this Stipulation and Consent Agreement, the laws of the State of Florida shall be applicable and shall govern to the exclusion of the law of any other forum, and venue shall be in Leon County, Florida.

14. **Entire Agreement:** This Stipulation and Consent Agreement represents the entire agreement by and between Newbridge and the Office. Any alterations, variations, changes, modifications or waivers of the provisions hereof shall be valid only when they have been reduced to writing, duly signed by the Office and Newbridge hereto and attached to the original of this Stipulation and Consent Agreement.





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OFFICE OF FINANCIAL REGULATION**

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**FINAL ORDER**

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**ORDERED:**

1. The Agreement entered into by the Office and Newbridge Securities Corporation, last dated \_\_\_\_\_, 2013, is adopted and incorporated by reference herein as if set forth at length.

2. The parties shall comply with all provisions of the incorporated Agreement.

**DONE AND ORDERED** this \_\_\_\_ day of \_\_\_\_\_, 2013, in  
Tallahassee, Leon County, Florida.

\_\_\_\_\_  
Drew J. Breakspear, Commissioner  
Office of Financial Regulation

**EXHIBIT A**

**NOTICE OF RIGHTS**

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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Final Order has been furnished via regular U.S. Mail to Robert Pendleton Spitler, President and Chief Financial Officer of Newbridge Securities Corporation, at 1451 West Cypress Creek Road, Suite 204, Fort Lauderdale, FL 33309 this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

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Tobi C. Pam  
Senior Attorney  
Florida Bar Number 745782  
Office of Financial Regulation  
Post Office Box 8050  
Tallahassee, Florida 32314-8050  
(850) 410-9552