

**NEW YORK STOCK EXCHANGE LLC
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2024-02-29-00057**

TO: New York Stock Exchange LLC

RE: Wellington Shields & Co., LLC, Respondent
CRD No. 149021

During the period from May 2018 through February 2024 (the “Relevant Period”), Wellington Shields & Co., LLC (“Wellington” or the “Firm”) violated (i) NYSE Rule 36 by providing market looks to non-customers who were not reasonably believed to be receiving such information in consideration of a potential securities transaction with the Firm; and (ii) NYSE Rule 3110(a) and (b) by failing to have a supervisory system, including written supervisory procedures (“WSPs”), reasonably designed to ensure compliance with NYSE Rule 36. Consent to a censure and a \$25,000 fine.

* * *

Pursuant to Rule 9216 of the New York Stock Exchange LLC (the “NYSE” or the “Exchange”) Code of Procedure, Wellington 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, the NYSE will not bring any future actions against the Firm alleging violations based on the same factual findings described herein.

I. ACCEPTANCE AND CONSENT

- A. Wellington hereby accepts and consents, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of the NYSE, or to which the NYSE is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by the NYSE:

BACKGROUND AND JURISDICTION

1. Wellington is a registered broker-dealer that operates on the NYSE trading floor. Wellington has been a member of the NYSE since 2009. The Firm has no relevant disciplinary history.

VIOLATIONS

Market Looks Violations

2. A “market look” is a message that conveys “information about buying and selling interest in the market.” NYSE Rule 36.
3. NYSE Rule 36 allows a floor broker to provide market looks by wireless handheld device to a customer who the floor broker reasonably believes is receiving the market looks in consideration of a securities transaction or potential securities transaction with the floor broker, or by telephone “as historically have been routinely transmitted from a broker’s booth location.”
4. NYSE Information Memo 14-2 states that “Floor brokers should reasonably ensure that their written policies and procedures reflect the[] requirements [of Rule 36] and clearly state that electronic and oral looks should only be provided to a person the Floor broker reasonably believes is receiving the order-related messages in consideration of a securities transaction or potential securities transaction with a Floor broker.”
5. On a daily basis during the Relevant Period, a Wellington floor broker (“Floor Broker A”) provided market looks by telephone from the NYSE floor to a third party that was never a customer of the Firm. Floor Broker A provided the market looks in connection with an outside business activity for which he received compensation. The Firm did not receive any compensation for the provision of market looks.
6. At Floor Broker A’s request, two other Wellington floor brokers occasionally provided market looks to the same third party. They did not receive compensation in return for the provision of market looks.
7. Floor Broker A also provided market looks to other non-customers through instant messaging services.
8. By virtue of its floor brokers’ provision of market looks to non-customers, the Firm violated NYSE Rule 36.

Supervision Violations

9. NYSE Rule 3110(a) requires member firms to “establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable Exchange rules.” Among other things, NYSE Rule 3110(a) requires members firms to reasonably investigate red flags of potential misconduct, and to take reasonable action when such misconduct has occurred.
10. NYSE Rule 3110(b) requires member firms to “establish, maintain, and enforce written procedures to supervise the types of business in which it engages and the activities of its associated persons that are reasonably designed to achieve compliance

with applicable securities laws and regulations, and with applicable Exchange rules.”

11. Here, the Firm violated NYSE Rule 3110(a) by failing to take reasonable action in response to information that should have alerted the Firm to Floor Broker A’s violations of Rule 36.
12. The Firm also violated NYSE Rule 3110(b). The Firm’s WSPs addressed the provision of market looks by handheld device, stating that floor personnel were permitted to send market looks messages from their handheld devices only to customers. However, the WSPs unreasonably did not address the provision of market looks by other means, such as by telephone.
13. As a result, the Firm violated NYSE Rule 3110(a) and (b).

SANCTIONS

- B. The Firm also consents to the imposition of the following sanctions:

Censure and fine in the amount of \$25,000

The Firm agrees to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. The Firm has submitted a Method of Payment Confirmation form showing the method by which it will pay the fine imposed.

The Firm specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

The sanctions herein are imposed pursuant to NYSE Rule 8310 and shall be effective on a date set by NYSE Regulation staff.

WAIVER OF PROCEDURAL RIGHTS

The Firm specifically and voluntarily waives the following rights granted under the NYSE Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against the Firm;
- B. To be notified of the Formal 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 Exchange’s Board of Directors and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, the Firm specifically and voluntarily waives any right to claim bias or prejudgment of

the Chief Regulatory Officer of the NYSE; the Exchange's Board of Directors, Disciplinary Action Committee ("DAC"), and Committee for Review ("CFR"); any Director, DAC member, or CFR member; Counsel to the Exchange Board of Directors or CFR; any other NYSE employee; or any Regulatory Staff as defined in Rule 9120 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 acceptance or rejection of this AWC.

The Firm further specifically and voluntarily waives any right to claim that a person violated the ex parte communication prohibitions of Rule 9143 or the separation of functions prohibitions of 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.

II. OTHER MATTERS

The Firm understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed by NYSE Regulation, and accepted by the Chief Regulatory Officer of the NYSE pursuant to NYSE Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against the Firm; and
- C. If accepted:
 1. The AWC shall be sent to each Director and each member of the Committee for Review via courier, express delivery or electronic means, and shall be deemed final and shall constitute the complaint, answer, and decision in the matter, 10 days after it is sent to each Director and each member of the Committee for Review, unless review by the Exchange Board of Directors is requested pursuant to NYSE Rule 9310(a)(1)(B);
 2. This AWC will become part of the Firm's permanent disciplinary record and may be considered in any future actions brought by the Exchange or any other regulator against the Firm;
 3. The NYSE shall publish a copy of the AWC on its website in accordance with NYSE Rule 8313;
 4. The NYSE may make a public announcement concerning this agreement and the subject matter thereof in accordance with NYSE Rule 8313; and
 5. The Firm 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. The Firm may not take any position in any proceeding brought by or on behalf of the Exchange, or to which the Exchange is a party,

that is inconsistent with any part of this AWC. Nothing in this provision affects the Firm's (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Exchange is not a party.

- D. A signed copy of this AWC and the accompanying Method of Payment Confirmation form delivered by email, facsimile or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy.
- E. The Firm may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The Firm understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this statement. A Corrective Action Statement does not constitute factual or legal findings by the Exchange, nor does it reflect the views of NYSE Regulation or its staff.

The Firm certifies that, in connection with each of the Exchange's requests for information in connection with this matter, the Firm made a diligent inquiry of all persons and systems that reasonably had possession of responsive documents and that all responsive documents have been produced. In agreeing to the AWC, the Exchange has relied upon, among other things, the completeness of the document productions.

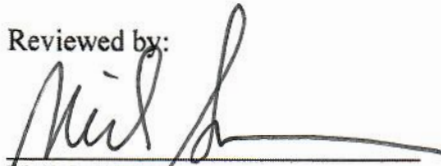
The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on the Firm's behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that the Firm has agreed to the AWC's provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce the Firm to submit this AWC.

8/27/2014
Date

Wellington Shields & Co., LLC,
Respondent

By: Steve Portas
Steve Portas
Chief Compliance Officer

Reviewed by:



Neil Sussman
Sussman & Frankel, LLP
488 Madison Avenue, 11th Floor
New York, NY 10022
(212) 688-8895

Counsel for Respondent

Accepted by NYSE Regulation

9/30/2024

Date



Danielle Kantor
Kerry Tirrell
NYSE Regulation

Signed on behalf of New York Stock
Exchange LLC, by delegated authority from
its Chief Regulatory Officer