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FINRA Hits Santander with \$175K Fine for Charging Customers Unfair Muni Bond Prices.

FINRA slapped Santander Securities with a \$175,000 fine for allegedly selling municipal bonds to customers at unfair and unreasonable prices.

The regulator charged that the pricing in at least 12 transactions were not reasonable, taking into consideration factors such as the judgement of the broker or the dealer as to the fair market value of the securities, according to the settlement the firm reached with FINRA.

FINRA charged that Santander Securities sold municipal bonds to clients at unreasonable prices. FINRA charged that Santander Securities sold municipal bonds to clients at unfair prices. The unfair pricing occurred from July 2013 to September 2013, FINRA claimed.

"Santander Securities is pleased to have resolved this matter," said Nancy Orlando, a spokeswoman for Santander Bank. Orlando added that since 2013 the firm has enhanced its compliance, risk management, legal and control functions. "We take our compliance responsibilities very seriously, and are committed to providing excellent service to our customers," she said.

In addition to the \$175,000 fine, the firm was ordered to pay restitution to the affected customers in the amount of \$62,807 plus interest. The restitution does not preclude customers from pursuing their own actions, FINRA said in the settlement document.

Santander settled the charges without admitting or denying FINRA's findings.

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