

Disciplinary and Other FINRA Actions

Firms Fined

BGC Financial, L.P. (CRD® #19801, New York, New York) submitted a Letter of Acceptance, Waiver and Consent (AWC) in which the firm was censured and fined \$110,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to report information regarding purchase and sale transactions effected in municipal securities to the Real-time Transaction Reporting System (RTRS) in the manner prescribed by Municipal Securities Rulemaking Board (MSRB) Rule G-14 RTRS Procedures and the RTRS Users Manual. The findings stated that the firm failed to report information about such transactions to an RTRS Portal within 15 minutes after trade time. The findings also stated that the firm failed to report transactions in Trade Reporting and Compliance Engine® (TRACE®)-eligible securitized products to TRACE within 15 minutes of execution. ([FINRA Case #2015047761401](#))

Cantor Fitzgerald & Co. (CRD #134, New York, New York) submitted an AWC in which the firm was censured, fined \$380,000, required to address TRACE reporting to ensure that the firm has implemented procedures that are reasonably designed to achieve compliance with the rules cited in the AWC, and required to submit a written report concerning the firm's implementation and effectiveness of its policies, systems and procedures (written or otherwise) and training to ensure that the firm addresses its supervisory inadequacies. Additionally, the firm is required to meet with relevant FINRA® staff to provide an update on the effectiveness of the enhancements and changes implemented by the firm. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to timely report transactions in TRACE-eligible securitized products, agency debt securities and corporate debt securities to TRACE; failed to report the correct trade time execution for transactions in TRACE-eligible securitized products, agency debt securities and corporate debt securities; failed to report transactions in TRACE-eligible securitized products to TRACE within the time permitted by FINRA Rules 6730(a) or 6730(a)(8); and failed to show the correct execution time on brokerage order memoranda, in violation of FINRA Rule 4511 and Securities Exchange Act Rule 17a-3.

The findings also stated that the firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to securities laws and regulations, and FINRA rules concerning trade reporting to TRACE. The firm failed to provide documentary evidence that it was performing the supervisory reviews set forth in its Written Supervisory Procedures (WSPs). In addition, the firm's supervisory reviews concerning TRACE reporting failed to identify the documentation that was required to be reviewed. ([FINRA Case #2014043136001](#))

Reported for June 2017

FINRA has taken disciplinary actions against the following firms and individuals for violations of FINRA rules; federal securities laws, rules and regulations; and the rules of the Municipal Securities Rulemaking Board (MSRB).

Citadel Securities LLC ([CRD #116797](#), Chicago, Illinois) submitted an AWC in which the firm was censured and fined \$7,500. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that in six instances, it published a quotation for an over-the-counter (OTC) equity security or non-exchange-listed security, or, directly or indirectly, submitted such quotation for publication, in a quotation medium, OTC Link, without having in its records the documentation and information required by Securities and Exchange Commission (SEC) Rule 15c2-11(a) and (b), and having a reasonable basis under the circumstances for believing that the information required by SEC Rule 15c2-11(a) was accurate in all material respects, and the sources of such information were reliable or availing itself of an applicable exception to SEC Rule 15c2-11. The findings stated that for each quotation described above, the firm failed to file a Form 211 with FINRA at least three business days before the quotation was published or displayed in a quotation medium. ([FINRA Case #2015046927801](#))

Daiwa Capital Markets America Inc. ([CRD #1576](#), New York, New York) submitted an AWC in which the firm was censured and fined \$100,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that during two different periods of time, it failed to deliver quarterly account statements to some customers who requested electronic-only delivery of account statements. The findings stated that the firm learned that it had inadvertently turned off its system that delivered, via email, customer account statements to those customers who chose electronic delivery only. The firm turned off that system in the course of upgrading a separate electronic system, and when that upgrade was complete, the firm neglected to re-employ the electronic account statement delivery system. The firm knew that it had failed to deliver quarterly account statements to customers during the first period of time. While it promptly fixed the issue that led to that problem by turning on the electronic account delivery system, it failed to then implement a system to ensure that subsequently, quarterly account statements were being delivered to customers. Shortly after the problems surfaced, the firm began a project to manually re-enter all customer email addresses into its electronic account statement delivery system. Inaccurate or missing email addresses were not the cause of the failure to deliver during the first period of time, so the project introduced a new risk to the firm's account statement delivery system. The firm should have implemented a process to monitor that new risk, but it did not do so. The firm did not implement any process or procedure to determine if employees entered all required customer email addresses into its systems and entered them accurately, or generate any reports to check for missing email addresses in the electronic account statement delivery system. During the project, the firm conducted occasional random spot-checks of its manual entry of email addresses and delivery of account statements. The firm failed, however, to establish specific parameters for these spot-checks. The firm failed to establish the breadth and scope of the spot-checks, including failing to establish the number of accounts or sub-accounts or electronically delivered statements to be reviewed during the firm's spot-checks. Indeed, the firm did not find during these spot-checks that it failed to deliver account statements. The firm currently is not able to determine how many spot-checks it conducted, who conducted them or what they reviewed. The firm

also did not implement any process or procedure once the project was completed to ensure that account statements were actually delivered to customers. As a result of its supervisory failure, the firm did not detect that during the project, employees had failed to populate email addresses in its electronic account statement delivery system for certain accounts and sub-accounts, or that those failures led to non-delivery of quarterly account statements during the second period. During the second period, the firm learned from its outside auditor that one customer had not received quarterly account statements. The firm investigated and found that data-entry failures during the project led its electronic system to fail to deliver quarterly account statements. The findings also stated that after learning of the failure to deliver electronic account statements during the first period, the firm failed to establish and maintain adequate supervisory systems to review whether it delivered quarterly account statements to customers who chose email-only delivery of account statements. As a result, the firm failed to deliver account statements to customers during the second period of time. ([FINRA Case #2015047420601](#))

Dominick & Dominick LLC nka Dominick & Dickerman LLC ([CRD #7344](#), New York, New York) submitted an AWC in which the firm was censured, fined \$20,000, and ordered to pay \$17,425 in restitution to customers who were charged excessive commissions for certain equity trades. A lower fine was imposed after considering, among other things, the firm's revenue and financial resources. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish and maintain a system to reasonably supervise and monitor customer accounts for manipulative trading activity, such as potential market manipulation, including pre-arranged or matched trading. The findings stated that the firm lacked certain systems or surveillance reports to monitor for such specific trading activity in customer accounts. Firm supervisors did not perform a tailored review of trading in customer accounts for this particular type of market manipulation, including potential matched or pre-arranged trading. The findings also stated that the firm was deficient in its implementation of the firm's supervisory system to ensure compliance with anti-money laundering (AML) policies and procedures reasonably designed to detect and cause the reporting of potentially suspicious transactions related to deposits and liquidations of low-priced securities. The firm failed to develop and implement its AML program reasonably designed to achieve and monitor compliance with the requirements of the Bank Secrecy Act. The firm failed to reasonably supervise and monitor customer accounts for manipulative trading, and failed to detect and investigate "red flags" indicative of potentially suspicious account activity, including transactions that could have been prearranged or matched trading, and the deposit and liquidations of low-priced securities for impermissible purposes. The firm's systems lacked mechanisms or processes to detect specific and identifiable trends in potential suspicious trading. The firm also lacked a system to cross-reference and identify individual codes from registered representatives who had entered customer orders in the same securities on opposite sides of the market on the same day. Firm supervisors did not review the trading in customer accounts for certain types of market manipulation or potential matched or pre-arranged trading. The firm did not maintain electronic wire transfer and stock deposit (and funds received) blotters, but instead relied on a daily

hardcopy log to record information and affix any supporting documentation to that day's log (e.g., physical stock certificates). The firm failed to investigate adequately how customers acquired shares of low-priced securities, and failed to identify the suspicious deposit and liquidation of shares in low-priced securities followed by wiring of funds from the accounts, and also failed to perform further reviews to determine whether to report the activity through a suspicious activity report (SAR).

The findings also included that for equity trades, the firm charged certain customers excessive commissions greater than 5 percent and/or, depending on the dollar amount of certain transactions, greater than the firm's \$100 minimum transaction charge. As a result, the firm charged net excessive commissions totaling \$17,425 relating to 236 unique customer accounts and 420 equity trades. The firm failed to implement an adequate system to ensure that all trades were reviewed against the 5 percent guidance and/or the \$100 minimum transaction charge provided for in the firm's WSPs. Although the firm performed daily, manual review of all trading activity, it did not generate and review electronic exception reports specifically designed to detect red flag indicators, including trades that charged commission in excess of the above thresholds. ([FINRA Case #2014041218901](#))

FSC Securities Corporation (CRD #7461, Atlanta, Georgia) submitted an AWC in which the firm was censured and fined \$200,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish, maintain, and enforce a supervisory system that was reasonably designed to review and monitor third-party check requests from customer accounts. The findings stated that a registered representative associated with the firm sold memberships in an investment fund created by a former firm representative. Without the firm's knowledge or approval, the representative sold memberships in the fund, which was not an approved product for sale, and the firm did not therefore supervise the representative's sales. In connection with the representative's sale of the fund memberships, the representative submitted to the firm Letters of Authorization (LOA) signed by each of the 15 firm customers, which authorized in aggregate approximately \$1.6 million to be transferred from their firm brokerage accounts to a bank account the fund controlled. The findings also stated that the fund ultimately lost millions of dollars through speculative trading and other investments. To cover up the losses, the former firm representative created false account statements that fraudulently reflected fictitious assets and investment returns. The former representative made these false account statements available to the fund investors through its website. The firm's customers who invested in the fund suffered significant losses.

The findings also included that the firm failed to establish and maintain a supervisory system including WSPs that were reasonably designed to ensure compliance with applicable securities laws and regulations. In particular, the firm failed to establish and maintain reasonable supervisory controls and procedures to monitor customer accounts to identify and review for patterns involving multiple transmittals of funds from

customer's accounts to the same third-party payee. The firm's required annual testing of its supervisory controls and reports was not fully documented or verified, and failed to detect any issues with its review of third-party check requests. The firm's procedures allowed for a decentralized manual review of third-party check requests. The firm failed to develop and utilize any exception reports to bolster its decentralized manual review of LOAs. Consequently, the firm's supervisory system was too limited to detect the representative's misconduct, which involved—among other things—a pattern of checks issued from customer accounts to the same third-party payee. As a result, the firm failed to conduct reasonable supervision of third-party check requests coming from a single branch office, and approved the transmittal of approximately \$1.6 million of customer funds to the fund. ([FINRA Case #2012034037602](#))

Garden State Securities, Inc. (CRD #10083, Red Bank, New Jersey) submitted an AWC in which the firm was censured and fined \$25,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish, maintain, and enforce a reasonably designed supervisory system and WSPs regarding the sales of leveraged, inverse and inverse-leveraged exchange-traded funds (non-traditional ETFs). The findings stated that the firm did not have WSPs that specifically addressed the suitability or supervision of non-traditional ETFs. In addition, the firm did not have a system that enabled its supervisory personnel to adequately review non-traditional ETF transactions to ensure their suitability. The firm relied on supervisory staff to conduct a manual blotter review to detect potentially unsuitable non-traditional ETF transactions. However, this manual blotter review was an inadequate means of reviewing non-traditional ETF trades. In fact, the firm's blotter did not even differentiate between traditional and non-traditional ETFs. The firm also did not have any exception reports specific to non-traditional ETFs, and failed to implement any system to monitor non-traditional ETF holding periods and losses. The findings also stated that the firm executed short sale orders in an equity security and failed to properly mark the orders as short. ([FINRA Case #2013035131702](#))

Merrill Lynch, Pierce, Fenner & Smith Incorporated (CRD #7691, New York, New York) submitted an AWC in which the firm was censured and fined \$30,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to submit to the OTC Reporting Facility™ (ORF™) last sale reports of transactions in OTC equity securities within 10 seconds after execution. The findings stated that the firm's supervisory procedures were not reasonably designed to achieve compliance with respect to the applicable securities laws and regulations and FINRA Rules concerning late trade reporting. Specifically, the firm failed to identify, prevent and correct the firm's pattern or practice of late trade reporting, which resulted in violations of FINRA Rule 6622(a). ([FINRA Case #2015046460201](#))

Mid Atlantic Capital Corporation (CRD #10674, Pittsburgh, Pennsylvania) submitted an AWC in which the firm was censured and fined \$100,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to adequately supervise the private securities transactions of two registered representatives. The findings stated that at the time of their association with the firm, the representatives informed it about their involvement with a hedge fund. The representatives participated in securities transactions through the hedge fund, and received compensation from it in connection with those transactions. The firm was not compensated in connection with these securities transactions. The firm was required to supervise the transactions and include them on its books and records, but failed to do so. The firm did not recognize that the representatives' involvement with the hedge fund constituted private securities transactions, rather than an outside business activity. The firm did not supervise the hedge fund's transactions or portfolio activity other than by receiving monthly statements from its custodian and administrator. As a result, the firm failed to detect that, during the time they were registered through the firm, the representatives accepted new hedge fund subscriptions of approximately \$1.25 million. ([FINRA Case #2013039024401](#))

Multi-Bank Securities, Inc. (CRD #22098, Southfield, Michigan) submitted an AWC in which the firm was censured and fined \$35,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to adequately disclose to its municipal customers whether it was acting as a municipal advisor or merely a broker-dealer in municipal transactions, and it did not have adequate procedures in place to ensure compliance with the new municipal advisor rules. The findings stated that after registering as a municipal advisor with the SEC, the firm sent a consent form to its municipal customers that disclosed that it had registered as a municipal advisor, that it intended to act as a broker-dealer and not as a municipal advisor, and certain other requirements and disclosures of municipal advisors. The consent form also required that the client disclose whether the invested proceeds originated from bond proceeds. The consent form was vague and confusing because it did not adequately disclose whether the firm would be acting as a municipal advisor, or merely as a broker-dealer. In addition, the firm did not have adequate WSPs and processes in place to ascertain whether it was acting as a municipal advisor, whether an exemption from municipal advisor status applied, whether the municipality was investing bond proceeds, and the nature and scope of the required disclosures, during any times it was acting as a municipal advisor.

The findings also stated that the firm did not have adequate procedures in place to ensure compliance with aspects of the market access rule. The firm failed to establish adequate WSPs reasonably designed to systematically limit the financial exposure that could arise as a result of market access, including preventing the entry of orders that exceed appropriate pre-set credit or capital thresholds, and preventing the entry of erroneous orders. The firm also failed to document the risk management controls and supervisory controls it had in place with the alternative trading systems to prevent, on a pre-order basis, duplicative or erroneous orders, or orders that exceeded pre-set credit or capital thresholds. ([FINRA Case #2016048230901](#))

Nationwide Fund Distributors LLC ([CRD #25910](#), Columbus, Ohio) and **Nationwide Investment Services Corporation** ([CRD #7110](#), Columbus, Ohio) submitted an AWC in which the firms were censured and jointly and severally fined \$65,000. Without admitting or denying the findings, the firms consented to the sanctions and to the entry of findings that two out of the firms' 87 email servers were not properly reloaded with an email retention and supervision program after a standard server refresh. The findings stated that the firms share email servers and an email monitoring and retention system, and that the system was not reloaded on the two servers due to human error. Nationwide Investment Services Corporation, who maintained and administered the system, first discovered the issue as part of an internal compliance review of emails. Upon discovery, the firm identified the extent of the issue and took steps to recover emails that were potentially lost. Despite these efforts, approximately 547,000 emails were lost due to the error over a nine-month period, and the emails of representatives from both firms were impacted. The fact that the firm self-reported to FINRA, and took steps to identify and correct technical deficiencies, was considered in determining appropriate sanctions. ([FINRA Case #2014041901001](#))

Pershing LLC ([CRD #7560](#), Jersey City, New Jersey) submitted an AWC in which the firm was censured, fined \$80,000, and required to revise its WSPs. 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 OTCRF as "tape-eligible" 35,303 odd-lot transactions in OTC equity securities. The findings stated that as a result, the OTCRF received inaccurate information regarding these transactions, which impacted the quality and usability of information FINRA received and employed in its overall surveillance of market activity in OTC equity securities. The findings also stated that the firm failed to media report 23,526 odd-lot transactions in OTC equity securities to the OTCRF. As a result, the OTCRF received inaccurate information regarding these transactions, which impacted the quality and usability of information FINRA received and employed in its overall surveillance of market activity in OTC equity securities. Additionally, as a result of the firm's conduct, information regarding these 23,526 transactions was not (but should have been) made available to the public as part of FINRA's regular dissemination of information regarding media-reported transactions.

The findings also included that the firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with certain applicable securities laws and regulations, and/or FINRA rules. The firm's WSPs failed to set forth a review process to ensure accurate reporting of odd-lot transactions in equity securities as "tape eligible" or proper media reporting of such trades, as applicable. The firm's written supervisory system therefore failed to provide for the minimum requirements for adequate WSPs to achieve compliance with FINRA rules concerning the reporting of odd-lot transactions, including media reporting of such transactions. ([FINRA Case #2014043545101](#))

Sagetrader, LLC ([CRD #137862](#), San Francisco, California) submitted an AWC in which the firm was censured, fined \$12,500, and required to revise its WSPs. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that

it accepted market orders to purchase shares in new issues prior to the commencement of trading in the secondary market for those new issues. The findings stated that the firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with FINRA Rule 5131. ([FINRA Case #2016049897301](#))

SG Americas Securities, LLC ([CRD #128351](#), New York, New York) submitted an AWC in which the firm was censured and fined \$100,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish and maintain a supervisory system reasonably designed to ensure that customers of a recently acquired firm were sent account statements, were notified of the availability of statements on its customer portal, agreed to receive statements and confirmations electronically, and were sent confirmations that contained all of the required information. The findings stated that the firm continued to rely on the acquired firm's legacy system for distributing statements and confirmations, and did not have sufficient internal controls to monitor whether customer account statements were being sent to customers of the acquired firm during 2015. As a result, at least some customers acquired in the acquisition did not receive periodic account statements. In addition, some customers elected to receive their customer statements and trade confirmations in electronic format via a customer portal. In certain instances, the firm did not notify customers that their statements were available for download, effectively depriving them of the ability to obtain the statements. It also sent account statements and confirmations electronically to some customers who had not agreed to forgo delivery of paper copies. Some of the confirmations generated by the acquired firm's legacy systems for transactions executed away from the firm failed to identify the executing broker. ([FINRA Case #2016050593301](#))

Two Sigma Securities, LLC ([CRD #148960](#), New York, New York) submitted an AWC in which the firm was censured, fined a total of \$65,000 (to be paid jointly to FINRA and the exchanges in related disciplinary actions, of which \$6,500 shall be paid to FINRA), and required to update the firm's system of risk management controls and supervisory procedures, including but not limited to, its written description of risk management controls and WSPs. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that the firm's risk management controls and supervisory procedures were not reasonably designed to manage certain aspects of the financial, regulatory, and other risks associated with its business activity involving market access, and did not comply with Rule 15c3-5 in several respects during the 2012-2014 review period. The findings stated that the firm failed to adequately document its risk management controls and supervisory procedures under Rule 15c3-5. The firm failed to sufficiently document certain risk controls it deployed in its written description of its risk management controls (or how they operated), lacked sufficient documentation of its basis for certain control limits, and failed to sufficiently detail its criteria for evaluating and establishing certain control limits and procedures. Furthermore, the firm made only generic reference to certain daily and quarterly reviews by certain personnel of particular changes to risk control limits, and provided insufficient detail about what the firm's reviews

for assessing the overall effectiveness of its controls and procedures entailed. The firm's controls were also inadequate in that the firm lacked pre-order entry controls, based on the particular characteristics of the order, tailored to identify and prevent potential duplicative order entry; lacked pre-order entry controls specifically tracking the number of cancel messages sent to an exchange to detect repeated cancellations within compressed time periods, which could be indicative of erroneous activity; and set certain order rate limits at levels too high to be reasonably expected to prevent potentially erroneous order activity. Further, the firm's controls and procedures for complying with regulatory requirements pursuant to Rule 15c3-5(c)(2) were inadequate. Specifically, the firm lacked any specific controls or surveillance to detect and prevent potentially manipulative activity in the form of spoofing, layering and algorithmic gaming activity, and had insufficient surveillance for potential marking of the close activity during the 2012-2014 review period. ([FINRA Case #2013039165804](#))

UBS Financial Services Inc. (CRD #8174, Weehawken, New Jersey) submitted an AWC in which the firm was censured and fined \$32,500. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to report 43 large block S1 transactions to TRACE within 15 minutes of the execution time. ([FINRA Case #2016050047501](#))

Valdes & Moreno, Inc. (CRD #37560, Kansas City, Missouri) submitted an AWC in which the firm was censured and fined \$20,000. A lower fine was imposed after considering, among other things, the firm's revenue and financial resources. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish and implement AML policies, procedures, and internal controls reasonably designed to achieve compliance with the Bank Secrecy Act for microcap securities transactions. The findings stated that the firm failed to detect and further investigate potentially suspicious activity or manipulative trading by one customer that engaged in 10 securities transactions involving the stocks of 10 microcap issuers. The firm failed to review the 10 transactions at issue, despite the presence of numerous red flags, including that many of these microcap transactions occurred during periods of large increases in trading volumes for the issuing companies. Additionally, the issuers lacked financial viability and promoted their stocks in a manner that was indicative of pump and dump schemes.

The findings also stated that the firm failed to conduct the required due diligence for its single correspondent account for a foreign financial broker-dealer. Specifically, the firm failed to maintain documentation evidencing that it had determined whether each correspondent account was subject to enhanced due diligence, that it had assessed the money-laundering risk presented by each correspondent account, and that it had applied to the correspondent account risk-based procedures and controls reasonably designed to detect and report known or suspected money-laundering activity, including a periodic review of the correspondent account activity sufficient to determine consistency with information obtained about the type, purpose and anticipated activity of the account. The

findings also included that the firm failed to conduct adequate, independent annual tests of its AML compliance program. The firm's AML testing was inadequate because it failed to identify the accounts that were reviewed and failed to address the firm's Customer Identification Program (CIP), the opening of new accounts, and trading activity in high-risk areas.

FINRA found that the firm permitted its director of research to author research reports even though he had not successfully completed the qualification examination for research analysts. FINRA also found that the firm permitted its director of research to issue 19 research reports that did not disclose the valuation methods that he used to determine the price targets, nor the risks that could have impeded achieving those price targets. In addition, FINRA determined that the firm failed to establish, maintain and enforce adequate WSPs for research reports. The firm's procedures were inadequate because they did not address its director of research's hiring, his activities, or the research reports he issued on the firm's behalf. ([FINRA Case #2016048244301](#))

Vision Financial Markets LLC ([CRD #142271](#), Stamford, Connecticut) submitted an AWC in which the firm was censured and fined \$20,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it reported inaccurate short interest positions to FINRA. The findings stated that the firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations, and FINRA rules, concerning short interest reporting. ([FINRA Case #2013039143101](#))

Wells Fargo Clearing Services, LLC ([CRD #19616](#), St. Louis, Missouri) submitted an AWC in which the firm was censured, fined \$20,000, and required to pay \$4,543.08, plus interest, in restitution to investors. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to fully and promptly execute 50 market orders in preferred securities. The findings stated that in 19 of those 50 transactions, the firm failed to use reasonable diligence to ascertain the best inter-dealer market, and failed to buy or sell in such market so that the resultant price to its customer was as favorable as possible under prevailing market conditions. ([FINRA Case #2016049925401](#))

Wilson-Davis & Co., Inc. ([CRD #3777](#), Salt Lake City, Utah) submitted an AWC in which the firm was censured; fined \$15,000; ordered to pay \$183.07, plus interest, in restitution to customers; and required to revise its WSPs. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that in 35 instances, the firm accepted and held 24 customer orders in OTC securities, traded for its own account at prices that would have satisfied the customer orders, and failed to execute or immediately thereafter execute the customer orders up to the size and at the same price at which it traded for its own account or at a better price. The findings stated that in 11 of these instances, the firm also failed to fully and promptly execute a marketable customer order.

The findings also stated that the firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with FINRA Rule 5320. Specifically, the firm's WSPs relied upon certain exception reports to identify potentially violative conduct, but the exception reports failed to capture many of the violations cited herein. ([FINRA Case #2014043626301](#))

Wood (Arthur W.) Company, Inc. (CRD #3798, Boston, Massachusetts) was fined a total of \$98,000, prohibited from liquidating penny stocks in new accounts for a period of two years, and ordered to pay \$40,229.28, plus interest, in restitution to affected customers. The National Adjudicatory Council (NAC) affirmed the findings and modified the sanctions imposed following an appeal of an Office of Hearing Officers (OHO) decision.

The sanctions were based on findings that the firm failed to implement and enforce its AML program with respect to monitoring for, and reasonably following up on, potentially suspicious activities. The findings stated that the firm failed to properly investigate or ignored red flags relating to certain account activity, concerns raised by its clearing firm, and certain email communications. The firm failed to conduct adequate and independent tests of its AML program during the relevant period.

The findings also stated that the firm charged excessive commissions on equity transactions. Although the firm's WSPs required that it review the reasonableness of commissions charged, it never did. The firm failed to establish, maintain and enforce an adequate supervisory system, including WSPs, to ensure the commissions it charged were reasonable. The findings also included that the firm prepared and maintained inaccurate books and records by failing to take into account payments made to another FINRA member firm, in willful violation of Section 17(a) of the Securities Exchange Act of 1934 and Rule 17a-3 thereunder.

The NAC found that the firm knowingly failed to accrue for liabilities in the form of the payments made to the firm, resulting in erroneous net capital calculations, and knowingly failed to make its required SEC net capital filing, in willful violation of Section 17(a) of the Securities Exchange Act of 1934 and Rule 17a-11 thereunder. The NAC also found that the firm conducted a securities business while net capital deficient, in willful violation of Section 15(c) of the Securities Exchange Act of 1934 and Rule 15c3-1 thereunder. ([FINRA Case #2011025444501](#))

Firms Sanctioned

Legend Equities Corporation (CRD #30999, Palm Beach Gardens, Florida) submitted an AWC in which the firm was censured and required to provide FINRA with a plan to remediate eligible customers who qualified for, but did not receive, the applicable mutual fund sales-charge waiver. As part of this settlement, the firm agrees to pay restitution to eligible customers, which is estimated to total \$2,300,188 (the amount eligible customers

were overcharged, inclusive of interest). The firm will also ensure that retirement and charitable waivers are appropriately applied to all future transactions. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it disadvantaged certain retirement plan and charitable organization customers that were eligible to purchase Class A shares in certain mutual funds without a front-end sales charge. The findings stated that these eligible customers were instead sold Class A shares with a front-end sales charge or Class B or C shares with back-end sales charges and higher ongoing fees and expenses. These sales disadvantaged eligible customers by causing such customers to pay higher fees than they were actually required to pay. The findings also stated that the firm failed to reasonably supervise the application of sales-charge waivers to eligible mutual fund sales. The firm relied on its financial advisors to determine the applicability of sales-charge waivers, but failed to maintain adequate written policies or procedures to assist financial advisors in making this determination. In addition, the firm failed to adequately notify and train its financial advisors regarding the availability of mutual fund sales-charge waivers for eligible customers. The firm also failed to adopt adequate controls to detect instances in which they did not provide sales-charge waivers to eligible customers in connection with their mutual fund purchases. As a result of the firm's failure to apply available sales-charge waivers, the firm estimates that eligible customers were overcharged by approximately \$2,080,690 for mutual fund purchases made since July 1, 2009. ([FINRA Case #2016050259801](#))

Individuals Barred or Suspended

Barbara Jean Abadi ([CRD #5429958](#), New York, New York) submitted an AWC in which she was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Abadi consented to the sanction and to the entry of findings that she refused to appear for FINRA on-the-record testimony in connection with its investigation concerning certain suspicious fund transfers involving her member firm and affiliates thereof indirectly owned and controlled by her husband. ([FINRA Case #2015044587502](#))

Carlos Andres Abadi ([CRD #5867644](#), New York, New York) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Abadi consented to the sanction and to the entry of findings that he refused to produce FINRA-requested documents and information and appear for on-the-record testimony in connection with its investigation concerning certain suspicious fund transfers involving his member firm and affiliates thereof that he indirectly owned and controlled. ([FINRA Case #2015044587501](#))

Jetmir Ahmeti ([CRD #5568499](#), Richardson, Texas) submitted an AWC in which he was suspended from association with any FINRA member in all capacities for nine months. In light of Ahmeti's financial status, no monetary sanction has been imposed. Without admitting or denying the findings, Ahmeti consented to the sanction and to the entry of

findings that he submitted information to open new accounts at his member firm for 14 individuals without first contacting the individuals and obtaining their consent, and in violation of the firm's policies and procedures. The findings stated that the individuals were Transfer on Death beneficiaries of his existing clients. Ahmeti gathered basic information on the individuals from his existing clients, while making guesses regarding items such as the individuals' investment objectives, income and risk profile. Nonetheless, Ahmeti completed new account opening documents on the firm's electronic system without contacting the individuals to obtain their authorization or to verify the information. Based on the information Ahmeti submitted, the firm opened new accounts for each of the 14 individuals. After the accounts were opened, Ahmeti mailed copies of the account opening documents to the 14 individuals to sign and return. For six of the 14 accounts, the account owner signed and returned the account opening documentation. One of the individuals was deceased, and for the remaining seven accounts, the account owners did not sign and return the account opening documents. There was no trading activity in the accounts.

The findings also stated that by submitting new account opening documentation to his firm that contained information that was not obtained from or verified by the account owners, Ahmeti caused his firm to maintain inaccurate books and records. The findings also included that Ahmeti willfully failed to timely amend his Uniform Application for Securities Industry Registration or Transfer (Form U4) to disclose a felony charge.

The suspension is in effect from May 1, 2017, through January 31, 2018. ([FINRA Case #2015045448902](#))

Hossein Amirriahei (CRD #2121350, Los Angeles, California) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Amirriahei consented to the sanction and to the entry of findings that he refused to appear for FINRA on-the-record testimony as part of an investigation into whether he, while associated with his former member firm, had engaged in unauthorized and/or discretionary trading in two customers' accounts. ([FINRA Case #2016051344401](#))

Rafael A. Benavides (CRD #6098206, Miramar, Florida) submitted an AWC in which he was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for 18 months. Without admitting or denying the findings, Benavides consented to the sanctions and to the entry of findings that he possessed prohibited items while taking the Series 7 examination. The findings stated that prior to beginning the examination, he attested that he had read and would abide by the FINRA Test Center Rules of Conduct, which prohibit the use or possession of prohibited items during the examination. However, during his Series 7 examination, Benavides possessed and had access to a cell phone and a piece of paper, both of which were prohibited.

The suspension is in effect from April 17, 2017, through October 16, 2018. ([FINRA Case #2016052217901](#))

John Amador Blakezuniga ([CRD #1014886](#), Gurabo, Puerto Rico) submitted an AWC in which he was assessed a deferred fine of \$25,000 and suspended from association with any FINRA member in all capacities for 22 months. Without admitting or denying the findings, Blakezuniga consented to the sanctions and to the entry of findings that he borrowed a total of \$775,000 from two of his member firm's customers, in violation of the firm's policy. The findings stated that Blakezuniga has not repaid the full principal amount owed for either of these loans. Blakezuniga completed his firm's annual compliance questionnaire and falsely answered "no" to a question that asked if he had ever borrowed money from a customer.

The findings also stated that Blakezuniga recommended approximately 1,280 transactions in inverse and inverse-leveraged ETFs (non-traditional ETFs) in 85 customer accounts without a reasonable basis for the recommendations. Despite the warning in the prospectuses, as well as FINRA *Regulatory Notice 09-31*, Blakezuniga recommended that non-traditional ETF positions be held in customer accounts for periods ranging from approximately 30 days to several years. Blakezuniga did not have reasonable grounds for believing these recommendations were suitable given that these investments were not meant to be held for long periods of time.

The suspension is in effect from April 3, 2017, through February 2, 2019. ([FINRA Case #2016048453601](#))

Scott Charles Brandle ([CRD #1693965](#), Brick, New Jersey) submitted an AWC in which he was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Brandle consented to the sanctions and to the entry of findings that he caused his member firm's books and records to be inaccurate by signing his name as the broker of record on four variable annuity applications for four customers, even though he did not substantially participate in the sales of the annuities to these customers. The findings stated that the business was actually solicited by an individual who was formerly registered with the firm. Brandle received \$1,107.81 in commissions from the sale of the annuities and shared these commissions with the individual.

The suspension is in effect from May 1, 2017, through July 31, 2017. ([FINRA Case #2016050435301](#))

Ronald Dale Broadstone ([CRD #1043159](#), Columbus, Ohio) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Broadstone consented to the sanction and to the entry of findings that he refused to respond to FINRA's questions during on-the-record testimony in connection with its investigation into whether he had misused or misappropriated customer assets, engaged in unauthorized trading, or settled a customer complaint without notifying his member firm. ([FINRA Case #2017052707101](#))

Johnny Earl Burris ([CRD #2850953](#), Surprise, Arizona) submitted an Offer of Settlement in which he was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for five business days. Without admitting or denying the allegations, Burris consented to the sanctions and to the entry of findings that he failed to execute a trade for his customers according to their instructions. The findings stated that the customers instructed Burris to liquidate one of their securities holdings, which were shares in a mutual fund, in order to fund a tax payment to the Internal Revenue Service (IRS), and his failure to do so caused the customers' payment to the IRS to be rejected for insufficient funds.

The findings also stated that once the customers complained to Burris about their failed tax payment, he took multiple steps to resolve the customers' complaint himself without informing his member firm. Burris verbally informed the customers that he would "take care of" their issue, which included executing a new trade, having a cashier's check drafted and sent to the IRS to satisfy the customer's remaining tax liability, sending the customers a follow-up letter apologizing for his error and assuring them he would remedy any fees or penalties that may have resulted from his error, and sending the IRS a letter requesting that the IRS forgive the customers' fees and penalties.

The findings also included that in connection with his attempt to settle the customers' complaint away from the firm, Burris created and sent unapproved and misleading correspondence to the customers and the IRS that did not follow the firm's code of conduct and applicable written procedures. Burris did not, at any time, submit either letter to anyone at his firm. As a result, Burris did not obtain supervisory review or approval to send either letter to its intended recipient. Further, by using what appeared to be firm letterhead, Burris made it seem that the firm had authorized the letters and their contents, when it had not.

The suspension was in effect from April 17, 2017, through April 21, 2017. ([FINRA Case #2015044921601](#))

Adriane L. Cagle ([CRD #6236929](#), Fayetteville, Georgia) submitted an AWC in which she was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Cagle consented to the sanctions and to the entry of findings that she altered several documents that had already been signed by customers and signed as a witness to customer signatures on certain documents without having actually witnessed the customers sign them. The findings stated that approximately two years after receiving a written disciplinary letter from her member firm for altering certain documents after they had already been signed by a customer, Cagle engaged in similar practices in an effort to avoid inconvenience. Specifically, Cagle added customer-occupation information and signed as a witness to another customer's previously signed power-of-attorney document even though she had not actually witnessed the customer sign. Later, Cagle filled in dates and signed as

a witness to another customer's previously-signed power-of-attorney document even though she had not actually witnessed the customer sign. The findings also stated that by certifying to having witnessed customer signatures without having actually witnessed the customer's sign, and by altering the contents of customer documents after the customer had signed the documents, Cagle caused the firm to maintain inaccurate books and records.

The suspension is in effect from April 17, 2017, through June 16, 2017. ([FINRA Case #2016051146801](#))

Jay Martin Chapler (CRD #2575511, Monsey, New York) submitted an AWC in which he was assessed a deferred fine of \$22,500 and suspended from association with any FINRA member in all capacities for four months. Without admitting or denying the findings, Chapler consented to the sanctions and to the entry of findings that he paid or caused to be paid transaction-based compensation earned by his member firm to an unregistered entity. The findings stated that Chapler, through a disclosed outside business, paid \$78,145.23 in transaction-based compensation received by the firm from offshore entities to the unregistered entity. Later, Chapler directed an offshore firm customer to pay transaction-based compensation that was due to the firm directly to the unregistered entity. Based on Chapler's instruction, the customer wired \$121,583 in transaction-based compensation directly to the unregistered entity. The findings also stated that Chapler failed to disclose two outside business activities to the firm. Chapler received compensation from both of these businesses and reasonably expected to continue receiving compensation from at least one of these businesses. Chapler also failed to identify either outside business in a firm compliance questionnaire wherein he incorrectly responded "not applicable" to questions pertaining to outside business activities. The findings also included that Chapler used a personal email account to conduct firm business in a manner that caused the firm to fail to preserve and maintain all such emails in its books and records.

The suspension is in effect from May 1, 2017, through August 31, 2017. ([FINRA Case #2014042606901](#))

Ann Marie Comcowich (CRD #3161377, Moosic, Pennsylvania) submitted an AWC in which she was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Comcowich consented to the sanction and to the entry of findings that she refused to produce information and documents to FINRA in connection with its investigation into an amended Uniform Termination Notice for Securities Industry Registration (Form U5) filed by her former member firm, which stated, among other things, that she was suspected of processing 13 unauthorized withdrawals from customer accounts. ([FINRA Case #2017053006702](#))

Joseph George Daher II (CRD #856181, Berkeley, California) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Daher consented to the sanction and to the entry of findings that

he refused to provide FINRA with documents and information during its investigation into the details provided by Daher's member firm on his Form U5 stating that the firm was conducting an internal review into his business entertainment expenses and possible business-related gifts. ([FINRA Case #2017053037701](#))

Jeffrey Paul Davis ([CRD #2501354](#), Bristol, Connecticut) submitted an AWC in which he was fined \$5,000 and suspended from association with any FINRA member in all capacities for one month. Without admitting or denying the findings, Davis consented to the sanctions and to the entry of findings that he recommended and effected unsuitable transactions totaling \$566,000 in customer accounts by over-concentrating their assets in illiquid non-traded Real Estate Investment Trusts (REITs). The findings stated that these excessive concentrations in illiquid investments were unsuitable in light of the customers' financial situations, risk tolerances and investment objectives.

The suspension was in effect from May 1, 2017, through May 31, 2017. ([FINRA Case #2013039456301](#))

Fernando de la Lama Merino ([CRD #2257749](#), Key Biscayne, Florida) was barred from association with any FINRA member in all capacities. The sanction was based on findings that De la Lama Merino failed to produce documents to FINRA during an investigation into his potential misconduct involving the sales of illiquid structured notes and bonds referred by a foreign individual while de la Lama Merino was associated with his former member firm. ([FINRA Case #2015046020001](#))

Leon Edward Dixon ([CRD #723675](#), Miami, Florida) submitted an AWC in which he was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for five months. Without admitting or denying the findings, Dixon consented to the sanctions and to the entry of findings that he participated in private securities transactions without notifying his member firm. The findings stated that Dixon invested approximately \$18,000 in a private start-up company that purports to offer broadband and telecommunications services. Dixon solicited firm clients to invest in the company and facilitated those investments, including by assisting the clients with sending payment checks to the company. In total, the clients invested approximately \$181,500 in the company, and Dixon received approximately \$15,000 from the company in connection with his participation in the private securities transaction. In addition, in annual compliance questionnaires for 2014, 2015 and 2016, Dixon inaccurately indicated that he had not participated in any private securities transaction. The findings also stated that Dixon failed to timely disclose a civil judgment and failed to disclose an unsatisfied tax lien on his Form U4. Dixon also willfully failed to disclose an unsatisfied tax lien on his Form U4.

The suspension is in effect from April 17, 2017, through September 16, 2017. ([FINRA Case #2016051430401](#))

Lloyd Henry Dotson ([CRD #2551716](#), Ridgefield, Connecticut) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Dotson consented to the sanction and to the entry of findings that he refused to appear for FINRA on-the-record testimony in connection with an investigation into suspected outside business activities, private securities transactions and the overall circumstances surrounding his termination from his former member firm. ([FINRA Case #2016050323501](#))

David Adam Elgart ([CRD #825759](#), Roswell, Georgia) was fined a total of \$20,000, suspended from association with any FINRA member in all capacities for six months, and suspended from association with any FINRA member in any capacity for 30 business days. The suspensions shall run consecutively. The NAC affirmed the findings in part, vacated them in part, and affirmed the sanctions following the appeal of the Office of Hearing Officer's decision. The sanctions were based on findings that Elgart willfully failed to timely disclose five tax liens on his Form U4. The findings stated that Elgart was aware of his tax liens and of the straightforward requirement to disclose them, yet he voluntarily did not timely update his Form U4. The findings also stated that Elgart provided false information to FINRA in bad faith by intentionally and dishonestly providing a false response on a personal activity questionnaire. Elgart did not correct the false response even after FINRA requested that he do so. In addition, Elgart's conduct contributed to a pattern of misconduct, considering that his failure to timely amend his Form U4 and his providing of a false response on the questionnaire both involved withholding information about his liens from regulators. Moreover, the information that FINRA requested was important; truthful information about the liens would have informed FINRA that Elgart had withheld material information from customers, member firms and regulators for years, in violation of his disclosure obligations. The NAC vacated the Hearing Panel's findings that Elgart filed 13 misleading Form U4 amendments.

This matter has been appealed to the SEC and the sanctions are not in effect pending review. ([FINRA Case #2013035211801](#))

Aileen Eppig ([CRD #851464](#), Bayshore, New York) submitted an AWC in which she was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Eppig consented to the sanction and to the entry of findings that she refused to appear for FINRA on-the-record testimony related to disclosures reported on her Form U5 that, while employed at her former member firm, she accepted a loan from a firm customer totaling \$103,000 without notifying the firm, and failed to disclose a judgment of \$704,843.70 on her Form U4. ([FINRA Case #2015047608501](#))

Natalie E. Fogiel Moon ([CRD #5010360](#), Dallas, Texas) submitted an Offer of Settlement in which she was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for 12 months. Without admitting or denying the allegations, Fogiel Moon consented to the sanctions and to the entry of findings that

she and her husband participated in private securities transactions in which customers invested a total of \$2.64 million in three different entities, without providing prior written notice to her member firm. The findings stated that the investments constituted securities transactions, and all were effected outside the scope of Fogiel Moon's employment with the firm.

The suspension is in effect from April 17, 2017, through April 16, 2018. ([FINRA Case #2015046926801](#))

Ahmed Abdelmawla Gadelkareem (CRD #2815685, Brooklyn, New York) was barred from association with any FINRA member in all capacities. The NAC affirmed the bar and modified, in part, the findings of violation, following appeal of an OHO decision. The bar was based on findings that Gadelkareem made abusive, intimidating and threatening communications to various individuals at his former firm, in violation of FINRA Rule 2010.. The findings stated that following his termination, Gadelkareem embarked upon an extended campaign of repeated phone calls, email communications, and other harassing and threatening conduct directed towards individuals at his former firm. As part of his efforts to force his firm to settle its claims against him, Gadelkareem impersonated a police detective and FINRA investigator. Gadelkareem also made unfounded allegations of fraud against the firm to the media and undermined a business relationship between the firm and an investor. Gadelkareem also lodged complaints against the firm's attorney with the New York City Bar Association. The NAC found that this misconduct violated FINRA Rule 2010.

The NAC also found that FINRA Rule 5240 applies to harassing conduct in connection with coordinating prices and other related anticompetitive behavior. Accordingly, the NAC found that Rule 5240 does not apply to Gadelkareem's conduct, and it dismissed that segment of the findings of violation.

This matter has been appealed to the SEC and the bar remains in effect pending review. ([FINRA Case #2014040968501](#))

Matthew Ernest Garbarino (CRD #5653747, Newtown, Connecticut) submitted an AWC in which he was fined \$5,000 and suspended from association with any FINRA member in all capacities for four months. Without admitting or denying the findings, Garbarino consented to the sanctions and to the entry of findings that he obtained from customers of his member firm executed, but partially blank, signature pages from change-of-broker forms issued by several annuity companies. The findings stated that Garbarino copied the signature pages and created new change-of-broker forms by filling in numerous annuity contract numbers on the blank portions of the pages containing the photocopied signatures. At least one of the customers implied consent to having his signature page used in this manner. Thereafter, Garbarino submitted the falsified forms to the annuity companies as authentic.

The suspension is in effect from May 1, 2017, through August 31, 2017. ([FINRA Case #2014043695701](#))

Jose Ramon Gonzalez (CRD #1172302, Elmhurst, Illinois) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Gonzalez consented to the sanction and to the entry of findings that he refused to provide FINRA with information and documents in connection with its investigation into possible excessive trading in three of his customers' accounts. ([FINRA Case #2016050670101](#))

Nasrollah Victor Hatami (CRD #4477964, Island Heights, New Jersey) submitted an AWC in which he was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Hatami consented to the sanctions and to the entry of findings that he caused his member firm's books and records to be inaccurate by signing his name as the broker of record on three variable annuity applications for three customers, even though he did not substantially participate in the sales of the annuities to these customers. The findings stated that the business was actually solicited by another individual who was formerly registered with the firm. Hatami received \$3,340.91 in commissions from the sale of these annuities and earned an additional \$5,671.15 in commissions from the sales of four other variable annuity policies to three other customers. Hatami shared these commissions with the unregistered individual.

The suspension is in effect from May 1, 2017, through July 31, 2017. ([FINRA Case #2016050441001](#))

Clay Emerson Hoffman (CRD #4371162, Brunswick, Georgia) was barred from association with any FINRA member in all capacities. The sanction is based on findings that Hoffman failed to respond to FINRA's information requests in connection with its investigation into allegations that he had engaged in, among other things, unsuitable transactions, unauthorized transactions, excessive trading and fraud. ([FINRA Case #2015045207702](#))

Lynsey King (CRD #6256535, Chicago, Illinois) submitted an AWC in which she was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, King consented to the sanction and to the entry of findings that she refused to appear for FINRA on-the-record testimony in connection with its investigation into allegations against King related to her use of personal bank accounts. ([FINRA Case #2016048509701](#))

Andrew Bennett Kramer (CRD #1896558, Sands Point, New York) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Kramer consented to the sanction and to the entry of findings that he failed to respond to FINRA's requests for documents and information related to an examination concerning a customer complaint. ([FINRA Case #2016052092001](#))

John Richard Kuprianchik III (CRD #4185525, Northport, New York) submitted an Offer of Settlement in which he was fined \$5,000 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the allegations, Kuprianchik consented to the sanctions and to the entry of findings that he failed to timely disclose three unsatisfied tax liens on his Form U4. The findings stated that Kuprianchik also failed to disclose, at any time, an additional unsatisfied tax lien on his Form U4. The findings also stated that Kuprianchik misled his member firms by making false attestations regarding the undisclosed liens on a background questionnaire, an annual affirmation and an employee certification.

The suspension is in effect from May 15, 2017, through July 14, 2017. ([FINRA Case #2014042919501](#))

Richard Charles Kuriger IV (CRD #2426878, Houston, Texas) submitted an AWC in which he was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Kuriger consented to the sanctions and to the entry of findings that he failed to provide prior written notice to his member firm of his outside business activities regarding insurance employment and service as an officer for two non-profit organizations. The findings stated that Kuriger also failed to provide prior written notice to his firm of his reasonable expectation of compensation from one of the outside business activities or his actual receipt of compensation. None of his activities with the insurance employment involved firm customers. The findings also stated that Kuriger failed to disclose his insurance employment or his officer positions with the non-profit organizations in response to the firm's compliance questionnaires, and he failed to amend his Form U4 to disclose the outside business activities.

The suspension is in effect from April 17, 2017, through July 16, 2017. ([FINRA Case #2015046083801](#))

Richard William Lunn Martin (CRD #723309, Johor, Malaysia) submitted an Offer of Settlement in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the allegations, Martin consented to the sanction and to the entry of findings that he solicited, purchased and recommended his customers hold non-traditional ETFs in their accounts for years, without having a reasonable basis to believe that the non-traditional ETF products he recommended were suitable for any customer. The findings stated that in recommending his investment strategy, Martin focused on one potential risk, namely, his prediction of the impending collapse of the monetary and financial system. In failing to account for any other risks, including the risk that his predictions regarding the collapse of the economy may not come to pass, Martin recommended non-traditional ETFs to virtually all of his customers. As a consequence of Martin's unsuitable investment strategy, his customers sustained significant losses in the approximate amount of \$2.4 million, and he benefited from commissions received in the approximate amount of \$55,912.

The findings also stated Martin sent communications to the public that failed to provide a sound basis for evaluating the facts, were misleading, and contained exaggerated and unwarranted language, promissory statements and projections of future performance. The findings also included that Martin improperly attempted to align his testimony and/or to cause inaccurate or untruthful testimony of his supervisor at his member firm, knowing that his supervisor would provide testimony soon after his interview. While associated with the firm, Martin testified under oath in this matter and provided testimony about his investment strategy. Martin disclosed his testimony to his supervisor, including questions and subject areas, and he provided his supervisor with a copy of his transcript. ([FINRA Case #2013035817701](#))

Michael Jean-Paul Mason ([CRD #4938877](#), Cordova, Tennessee) was barred from association with any FINRA member in all capacities. The sanction was based on findings that Mason twice failed to appear for on-the-record testimony in connection with FINRA's investigation into the circumstances of his termination from his member firm. The findings stated that the firm filed a Form U5 indicating that Mason falsified client information to open seven new firm accounts and provided it with inaccurate information during an internal review. ([FINRA Case #2015044198601](#))

Glenn McDowell ([CRD #2748337](#), Springfield Gardens, New York) was barred from association with any FINRA member in all capacities and ordered to pay \$70,040.03, plus pre-judgment interest, in restitution to a customer. The sanctions were based on findings that McDowell executed 38 unauthorized transactions in a customer's account over the course of three months, without obtaining authority to do so. The findings stated that as a direct result, the customer suffered a quantifiable loss of \$5,299.95 in commissions paid on the unauthorized trades and \$64,740.08 in realized losses. ([FINRA Case #2013035902701](#))

Bernard G. McGee ([CRD #1203327](#), Cazenovia, New York) was barred from association with any FINRA member in all capacities and ordered to pay \$237,643.25, plus interest, in restitution to a customer. The SEC sustained FINRA's findings and sanctions following McGee's appeal of the NAC decision. The sanctions were based on findings that McGee willfully failed to inform the customer of the more than \$59,000 in commissions that he received in connection with the customer's purchase of a charitable gift annuity, and made an unsuitable recommendation to the customer when he proposed the customer surrender variable annuities and purchase the charitable gift annuity.

The SEC also affirmed FINRA's findings that McGee engaged in undisclosed outside business activities, failed to timely update his Form U4, and made misrepresentations on his firm's annual compliance questionnaires. The NAC declined to impose additional sanctions on McGee for this misconduct in light of the bar it assessed for his fraud and suitability violations, and the SEC declined review of this aspect of FINRA's decision.

McGee has appealed the SEC's decision to the U.S. Court of Appeals for the Second Circuit. The bar is in effect pending the review. ([FINRA Case #2012034389202](#))

Enrique Mercado Jr. (CRD #2242873, Miami, Florida) submitted an Offer of Settlement in which he was assessed a deferred fine of \$15,000 and suspended from association with any FINRA member in all capacities for 12 months. Without admitting or denying the allegations, Mercado consented to the sanctions and to the entry of findings that he submitted a false and backdated FINRA Rule 3130 certification to FINRA in response to a FINRA Rule 8210 request. The findings stated that the certification falsely stated that Mercado's former member firm had processes in place to review and test its supervisory procedures on a periodic basis, and that these processes were evidenced in a written report. The certification was also backdated to make it appear that it had been executed by the deadline required by FINRA Rule 3130. Mercado did not sign the certification submitted, but he knew that the certification that he provided to FINRA contained false statements and was backdated. Mercado acknowledged that the certification contained false statements during his on-the-record testimony.

The suspension is in effect from May 1, 2017, through April 30, 2018. ([FINRA Case #2012033767402](#))

Neal Charles Moon (CRD #3271716, Dallas, Texas) submitted an Offer of Settlement in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the allegations, Moon consented to the sanctions and to the entry of findings that he and his wife participated in private securities transactions in which six customers invested a total of \$2.64 million in three different entities, without providing prior written notice to his member firm. The findings stated that the investments constituted securities transactions, and all were effected outside the scope of Moon's employment with his firm. The findings also stated that Moon lied to firm investigators when first questioned about his participation in certain private securities transactions. Moon said his customers were withdrawing money from their firm accounts to contest a lawsuit involving real property they owned in a foreign country. Moon's representations were false, and he admitted to firm investigators that he lied to them. Moon also falsely certified to the firm in annual compliance questionnaires that he had not participated in any private securities transactions. ([FINRA Case #2015046926801](#))

Thaddeus James North (CRD #2100909, New Milford, Connecticut) was fined \$40,000, suspended from association with any FINRA member in any principal and supervisory capacity for 30 business days, followed by a two-month suspension from association with any FINRA member in any principal and supervisory capacity. The NAC modified the sanctions and findings following appeal of the OHO decision. The sanctions were based on findings that while he was chief compliance officer (CCO) at his member firm, North failed to report to FINRA that an associated person at the firm was involved in a business activity with a statutorily disqualified person. The findings stated that North should have known of the relationship and should have followed up by seeking all relevant details of the associated persons' relationship with the statutorily disqualified person. The findings also stated that North willfully violated Municipal Securities Rulemaking Board

(MSRB) Rule G-27 by failing to establish, maintain, and enforce a reasonable supervisory system regarding review of electronic correspondence and failing to adequately review electronic correspondence. The firm's general and, at times, incomplete written supervisory procedures fell well short of FINRA guidance and thus were unreasonable. The procedures were deficient considering the size of the firm and its business model, and lacked specificity regarding the size of the review sample, method, frequency of the review, and the documentation of the review. The NAC found that North did not willfully violate MSRB Rule G-17.

This matter has been appealed to the SEC and the sanctions are not in effect pending review. ([FINRA Case #2010025087302](#))

John Christopher Oldham ([CRD #4621277](#), Gold Canyon, Arizona) submitted an AWC in which he was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Oldham consented to the sanctions and to the entry of findings that he shared commissions from the sales of publicly registered non-traded REITs and business development companies (alternative investments) with an unregistered entity. The findings stated that Oldham facilitated the sales of the alternative investments totaling more than \$4.8 million to customers referred to him by the entity, and shared commissions with the entity amounting to about \$240,000 for these transactions. The findings also stated that in connection with these transactions, Oldham, and the customers referred to him by the entity, executed subscription agreements. By executing these agreements, Oldham expressly warranted that he was the financial advisor who had advised each customer of all aspects of liquidity and marketability of the investments. In some instances, this representation was inaccurate because Oldham had not communicated with the customer who had executed the subscription agreement, which caused his member firm's books and records to be inaccurate.

The suspension is in effect from April 3, 2017, through July 2, 2017. ([FINRA Case #2015046203101](#))

John Edward Olinghouse ([CRD #2160093](#), Sparks, Nevada) submitted an AWC in which he was assessed a deferred fine of \$15,000 and suspended from association with any FINRA member in all capacities for one year. Without admitting or denying the findings, Olinghouse consented to the sanctions and to the entry of findings that he altered customer documents he then submitted to his member firm, which caused the firm to have inaccurate books and records. The findings stated that Olinghouse did so in some instances by cutting customers' signatures from documents and pasting or taping the signatures onto new forms and then photocopying the forms. In other instances, Olinghouse used white-out to adjust information on forms that had already been signed by customers. The findings also stated that Olinghouse settled a customer complaint away from his firm without notifying the firm or obtaining its approval. While Olinghouse was registered

with the firm, he was the subject of a civil complaint involving one of his customers. The complaint alleged, in part, that Olinghouse had rendered improper financial advice. Olinghouse did not bring this complaint to the firm's attention; rather, he settled the complaint by executing a settlement document and writing a check for \$5,000.

The suspension is in effect from April 17, 2017, through April 16, 2018. ([FINRA Case #2015045276901](#))

Eric Eugene Ott (CRD #6262487, Union, Kentucky) submitted an AWC in which he was assessed a deferred fine of \$15,000 and suspended from association with any FINRA member in all capacities for 13 months. Without admitting or denying the findings, Ott consented to the sanctions and to the entry of findings that he signed a customer's name to two insurance applications without the customer's knowledge or consent. The findings stated that although Ott and the customer had discussed the possibility of her applying for life insurance, she did not consent or approve of the submission of either insurance application, nor did she consent to the signing of her name on the applications. Ott also paid the initial premiums for the two insurance policies without the customer's knowledge. The customer did not become aware of the issuance of the two insurance policies in her name until she received correspondence from the issuing company concerning an address change on the account. The customer then called the issuing company to complain, and the issuing company investigated the matter and canceled the policies at the customer's request at no cost. Ott's member firm also investigated the matter and terminated Ott.

The findings also stated that prior to beginning his employment at the firm, Ott was a part owner in a business that invested in past-due taxes, and he performed services for this business, including analyzing potential purchases and attending tax lien sales. Ott failed to disclose his continued involvement in this business to the firm.

The suspension is in effect from April 17, 2017, through May 16, 2018. ([FINRA Case #2016049496201](#))

Louis Ottimo (CRD #2606438, Syosset, New York) was barred from association with any FINRA member in all capacities. The NAC imposed the sanction following an appeal of an OHO decision. The sanction was based on findings that Ottimo willfully omitted material information in his personal biography in the offer and sale of securities, in violation of Section 10(b) of the Securities Exchange Act of 1934, Rule 10b-5 thereunder, and FINRA Rules 2020 and 2010. The findings stated that Ottimo's biography, which was included in the fund's private placement memorandum (PPM) for the sale of securities, omitted significant adverse information concerning his prior business experience with two companies he owned. The findings also stated that Ottimo willfully failed to disclose or timely disclose on his Form U4 material information related to his unsatisfied tax liens, judgments and a bankruptcy filing. Because his violations were willful, Ottimo is statutorily disqualified.

This matter has been appealed to the SEC and the bar is in effect pending review. ([FINRA Case #2009017440201](#))

Neil Palazzo (CRD #4164798, Huntington, New York) submitted an AWC in which he was fined \$5,000 and suspended from association with any FINRA member in all capacities for 10 business days. Without admitting or denying the findings, Palazzo consented to the sanctions and to the entry of findings that he exercised discretion in a customer's account by executing two transactions in connection with the sale and purchase of shares in mutual funds without obtaining the customer's prior written authorization to exercise discretion in the account and without his member firm approving the account for discretionary trading. The findings stated that while Palazzo and his customer discussed and agreed upon the transactions at issue, Palazzo did not speak with his customer on the day he executed the transactions.

The suspension was in effect from May 15, 2017, through May 26, 2017. ([FINRA Case #2015047981501](#))

Todd Joseph Pilosi (CRD #2257310, Clovis, California) submitted an AWC in which he was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for four months. Without admitting or denying the findings, Pilosi consented to the sanctions and to the entry of findings that he borrowed a total of \$150,000 from a customer in contravention of his member firm's policies. The findings stated that the loans did not have any set terms and, besides four checks the customer gave to Pilosi for the amounts borrowed, were undocumented. To date, Pilosi has not repaid the loans. Pilosi and the customer have reached a settlement in principal for him to pay the customer \$150,000. At all relevant times, the firm's policies and procedures prohibited lending arrangements between the firm's registered representatives and customers. Pilosi did not notify or obtain written pre-approval from the firm for the loans he accepted from the customer. The findings also stated that Pilosi submitted a compliance questionnaire to the firm in which he falsely denied having borrowed money from any customers.

The suspension is in effect from April 17, 2017, through August 16, 2017. ([FINRA Case #2016051455601](#))

Jeffrey Lloyd Scheibner (CRD #2545488, Ladera Ranch, California) submitted an AWC in which he was fined \$5,000 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Scheibner consented to the sanctions and to the entry of findings that he made unauthorized mutual fund exchanges in numerous customer accounts. The findings stated that Scheibner exchanged mutual fund positions into corresponding money market funds on behalf of customers, across 36 accounts, during a period of market fluctuation. Scheibner did so without the customers' prior authorization, and he did not possess any written discretionary authority over their accounts. Scheibner did not receive any compensation as a result of the transactions, and there were not any fees to enact the exchanges.

The suspension is in effect from May 15, 2017, through August 14, 2017. ([FINRA Case #2016051534901](#))

Todd Michael Schoenwalder ([CRD #2005038](#), Brookfield, Wisconsin) submitted an AWC in which he was assessed a deferred fine of \$15,000 and suspended from association with any FINRA member in all capacities for 15 months. Without admitting or denying the findings, Schoenwalder consented to the sanctions and to the entry of findings that he engaged in a pattern of check kiting by depositing checks totaling \$171,700 into two personal checking accounts, drawn from an account he owned at another bank, knowing that the originating account did not hold sufficient funds to honor the checks. The findings stated that Schoenwalder circumvented his member firm's supervisory system by accepting and failing to disclose a \$50,000 cash gift from a firm customer in violation of the firm's policies, which prohibited receipt of gifts above \$100 from customers.

The suspension is in effect from April 17, 2017, through July 16, 2018. ([FINRA Case #2016050212901](#))

David Leonard Sheppard ([CRD #2527279](#), Jersey City, New Jersey) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Sheppard consented to the sanction and to the entry of findings that he refused to appear for FINRA on-the-record testimony in connection with an investigation into potential excessive trading and churning in customer accounts. ([FINRA Case #2016048470101](#))

Lakenya Leann Shiver ([CRD #6164430](#), Fayetteville, Georgia) submitted an AWC in which she was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Shiver consented to the sanction and to the entry of findings that she converted approximately \$11,900 from her member firm's insurance affiliate by using monies belonging to the affiliate. The findings stated that Shiver sold insurance products offered by the affiliate, which required her to maintain a non-interest-bearing Premium Fund Account (PFA), at a bank of her choice, to deposit customers' premium payments. The funds in the account, however, belonged to the affiliate. Further, although Shiver maintained control over the PFA, the affiliate's policies prohibited her from using the deposited funds for any purpose other than paying designated insurance premiums. Shiver made 29 separate cash transfers, totaling approximately \$11,900, from the PFA to her personal and business bank accounts, and then used the funds for her own personal use and benefit. ([FINRA Case #2016048743401](#))

Scott Allen Sibley ([CRD #1523981](#), Fort Lauderdale, Florida) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Sibley consented to the sanction and to the entry of findings that he effected about 900 securities purchases and sales in a customer's two accounts without the customer's authorization, knowledge or consent. The findings stated that of the 900 securities purchases and sales, 139 were equity options where Sibley sold uncovered put

option contracts or closed put option contracts for the customer. In addition to effecting purchases and sales without written authorization, Sibley caused the customer to carry a margin debit balance without the customer's authorization, knowledge or consent. The customer never authorized Sibley to purchase securities in his account that would result in a debit balance.

The findings also stated that Sibley's recommendations to purchase, sell or exchange, and his recommended strategy to over-concentrate customers' accounts in the basic materials sector securities (*e.g.*, precious metals), were unsuitable with respect to at least 10 customers. The 10 customers were all seniors who relied on the money in their accounts to help fund their ongoing retirements. Sibley's recommendations to over-concentrate the customers' accounts between 25 percent and 62 percent (per customer household) in the basic materials sector (*e.g.*, precious metals securities) were unsuitable in light of the customers' investment experiences, risk tolerances, investment objectives, ages and financial situations. In fact, Sibley recommended similar strategies to these customers regardless of their varying investment objectives and financial situations. Sibley also recommended that at least three of the 10 customers further concentrate their accounts in precious metals securities by selling uncovered put option contracts in the sector, in addition to certain precious metals equities the customers already owned. In and around April 2013, the precious metals equities began to decrease in value, increasing the risk that the options would be assigned and the stocks put to the customers. Nevertheless, Sibley continued recommending that the customers sell additional uncovered put option contracts with expirations one or more years from the sale (LEAPS), which carried even greater risk. In 2014, when Sibley was selling LEAP put option contracts in three customers' accounts, their accounts had concentrations in precious metals of about 40 percent to 60 percent. Sibley also failed to have a reasonable basis for believing, at the time of making the recommendation, that the three customers had such knowledge and experience in financial matters that they may reasonably be expected to be capable of evaluating the risks of the recommended transactions, and were financially able to bear the risks of the recommended positions in the option contracts.

The findings also included that in order to effect his recommended strategy for customers to concentrate their accounts in the basic materials sector, Sibley effected at least 1,000 discretionary transactions in 14 accounts belonging to 10 customers without written discretionary authority and without the accounts being accepted by his member firm as discretionary. The firm's written procedures prohibited discretionary brokerage accounts. The discretionary transactions Sibley effected included purchases and sales of various security types including, but not limited to, equities and options. None of the transactions were designated as discretionary in the firm's systems.

FINRA found that Sibley entered at least 22 low-priced securities purchases as unsolicited when in fact they were solicited and/or effected using discretion without written authorization. By incorrectly entering the transactions as unsolicited, Sibley caused the firm

to maintain inaccurate books and records. FINRA also found that Sibley willfully failed to amend his Form U4 to disclose a compromise with creditors. ([FINRA Case #2015044123501](#))

Arthur J. Smithee Jr. (CRD #1068632, Orem, Utah) submitted an AWC in which he was fined \$10,000 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Smithee consented to the sanctions and to the entry of findings that he exceeded the scope of his member firm's approval to conduct two consulting businesses. The findings stated that Smithee received the firm's approval to engage in two outside business activities disclosed as providing "computer technology consulting and sales." Smithee provided services through these outside business activities to a publically traded company that amounted to day-to-day management of the company and exceeded the scope of his disclosed activities that the firm approved. Smithee also engaged in two additional outside business activities that he never disclosed to the firm, including a consulting firm that he managed and a limited liability company (LLC) formed to hold a family member's house.

The findings also stated that Smithee incorrectly indicated on three firm annual compliance questionnaires that he had disclosed his involvement in all business activities conducted outside of the firm. The findings also included that Smithee participated in an undisclosed private securities transaction. An LLC Smithee's daughter managed paid \$150,000 to purchase six million shares of common stock in a publically traded company from the company's outgoing chairman. Smithee proposed the transaction to his daughter and facilitated its execution by, among other things, meeting with the attorney who structured the transaction. The transaction was not executed through the firm, and Smithee did not give the firm prior notice that he would be participating in this transaction.

The suspension is in effect from May 15, 2017, through August 14, 2017. ([FINRA Case #2015044115601](#))

Christopher Lonell Solomon (CRD #6066578, Brentwood, Missouri) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Solomon consented to the sanction and to the entry of findings that he submitted to his member firm's insurance affiliate, at least 28 fictitious non-variable life insurance applications on behalf of purported customers. The findings stated that these customers did not exist. Solomon fabricated customer information on the insurance applications and created fake addresses, bank account numbers, social security numbers and driver's license numbers. Solomon also signed the applications with the names of the fictitious customers. Solomon submitted these fictitious applications in order to maintain his leadership position at the firm. The firm's insurance affiliate accepted 11 of the 28 insurance applications submitted by Solomon and issued policies to fictitious individuals. When the premium payments on the issued policies were rejected due to false bank account information, Solomon received notifications. Solomon then accessed the firm's online system and updated the bank information with new false bank account

numbers that extended the status of the issued policies. Solomon earned a commission of approximately \$25,000 from the issuance of these false policies. A portion of the commission was reversed when the policies lapsed, leaving a balance of approximately \$22,000. Solomon signed a restitution agreement with the firm and he is making payments according to the payment plan thereunder. ([FINRA Case #2016050443501](#))

Eric Stanley Springer (CRD #1627822, Wyoming, Michigan) submitted an AWC in which he was fined \$5,000 and suspended from association with any FINRA member in all capacities for one month. Without admitting or denying the findings, Springer consented to the sanctions and to the entry of findings that he photocopied customers' signatures from documents already on file with his member firm, and affixed the photocopied customer signatures onto the signature pages of various forms required to be completed in connection with the purchase, liquidation or exchange of variable annuities prior to submitting them to the firm.

The suspension was in effect from May 1, 2017, through May 31, 2017. ([FINRA Case #2013038505301](#))

David Kimball Stone (CRD #2786995, Action, Massachusetts) submitted an AWC in which he was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in any principal capacity for two months. Without admitting or denying the findings, Stone consented to the sanctions and to the entry of findings that he failed to reasonably supervise the private securities transactions of a registered representative at his member firm. The findings stated that the representative and two partners created a fund to raise capital for investment in commercial and industrial real estate associated with the legal cannabis industry in Colorado (the fund). Stone discussed the fund with the representative and was aware that the representative was seeking to raise capital through the sale of limited partnership interests in the fund. Despite this awareness, Stone mistakenly determined that the representative's sale of interests in the fund did not involve private securities transactions that required his supervision. The representative raised approximately \$1.4 million in investments in the fund from approximately seven investors. Because Stone considered the fund an outside business activity and not private securities transactions, he did not supervise the representative's sale of interests in the fund, and the fund's transactions were not recorded on the firm's books and records.

The suspension is in effect from April 17, 2017, through June 16, 2017. ([FINRA Case #2016049134901](#))

Gregg D. Templeton (CRD #2412775, New York, New York) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Templeton consented to the sanction and to the entry of findings that he failed to provide FINRA with documents and information during the course of its investigation into allegations that he, among other things, misused customer funds and committed other sales practice violations. ([FINRA Case #2015046811401](#))

Angelina Ozlem Todurge ([CRD #4678713](#), West Palm Beach, Florida) submitted an AWC in which she was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Todurge consented to the sanction and to the entry of findings that she failed to provide FINRA with documents and information concerning allegations that she converted \$13,000 for her personal use. ([FINRA Case #2016051002701](#))

Mylinh Nu Ton ([CRD #6287287](#), Hayward, California) submitted an AWC in which she was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Ton consented to the sanction and to the entry of findings that she failed to provide FINRA with documents and information during the course of an investigation into allegations that she may have structured a series of cash deposits totaling approximately \$120,000 in her personal bank accounts to avoid the filing of a Currency Transaction Report. ([FINRA Case #2016050644201](#))

David Albert Tufts Jr. ([CRD #450232](#), New York, New York) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Tufts consented to the sanction and to the entry of findings that he failed to appear for FINRA on-the-record testimony during the course of its investigation into, among other things, his supervision over a former registered representative of his member firm. ([FINRA Case #2015048122701](#))

Ryan Wallace ([CRD #5760688](#), Gilbert, Arizona) submitted an AWC in which he was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for five months. Without admitting or denying the findings, Wallace consented to the sanctions and to the entry of findings that he took home documents that contained non-public customer personal information as that term is defined under SEC Regulation S-P of the Securities Exchange Act of 1934, and caused his member firm to violate Regulation S-P by improperly taking non-public personal customer information. The findings stated that at all relevant times, Wallace understood that he was not allowed to take or possess the firm's non-public information outside of the scope of his employment at the firm.

The findings also stated that Wallace aggravated his misconduct after he left the firm, and while no longer employed in the securities industry, when he offered to sell to a registered representative at another FINRA-registered broker-dealer for \$10,000, the firm documents and list of non-public personal information he had taken from the firm regarding his customers. To entice the representative to make the purchase, Wallace emailed to the representative a one-page firm document containing non-public personal information of 42 of his former firm customers' accounts.

The suspension is in effect from April 17, 2017, through September 16, 2017. ([FINRA Case #2015047832501](#))

Robert William Ward ([CRD #4324025](#), Apple Valley, Minnesota) submitted an AWC in which he was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for nine months. Without admitting or denying the findings, Ward consented to the sanctions and to the entry of findings that he engaged, and permitted other firm employees in his office to engage, in a practice of obtaining customer signatures on blank or incomplete forms and photocopying customer signatures from previously signed documents. The findings stated that Ward was aware of the firm's WSPs with respect to signatures, having been reprimanded by the firm for violating its signature-related policies previously. The blank or incomplete forms included, among others, new account agreements, annuity applications, asset transfer requests and beneficiary designation forms. The forms were completed by Ward or one of the other employees in his office and then submitted to the firm for processing for purposes of, among other things, opening customer accounts, recording customer financial information and authorizing customer transactions. The firm did not receive any requests from customers to cancel or otherwise reverse the transactions at issue. The findings also stated that by engaging in this conduct, Ward caused the firm to create and maintain inaccurate books and records. The findings also included that Ward failed to timely amend and did not at any time update his Form U4 to report a federal tax lien.

The suspension is in effect from May 1, 2017, through January 31, 2018. ([FINRA Case #2015045555901](#))

George Marshall Warner ([CRD #2300570](#), Rowlett, Texas) submitted an AWC in which he was fined \$5,000 and suspended from association with any FINRA member in all capacities for 30 days. Without admitting or denying the findings, Warner consented to the sanctions and to the entry of findings that he altered various customer documents on at least five occasions after the customers had already signed them. The findings stated that Warner corrected or included the customer's anticipated liquidity needs, net worth, liquid net worth and/or annual income on new account forms, alternative investment disclosure forms and an individual retirement account application. Warner made these changes as an accommodation to avoid requiring the customers to re-execute the documents. The findings also stated that by changing the customers' new account documentation, Warner caused his member firm to preserve and maintain altered books and records.

The suspension was in effect from May 1, 2017, through May 30, 2017. ([FINRA Case #2014043727001](#))

Robert Mark Wasserman ([CRD #1554789](#), Marco Island, Florida) submitted an AWC in which he was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for 15 business days. Without admitting or denying the findings, Wasserman consented to the sanctions and to the entry of findings that he participated in the solicitation of investment banking business by appearing in a publicly available video and making statements on the video promoting his member firm's

investment banking business. The findings stated that as a research analyst at his firm, Wasserman was personally prohibited from participating in efforts to solicit investment banking business. Wasserman also improperly issued research reports that lacked certain disclosures the FINRA rules required. Specifically, Wasserman issued reports on the firm's behalf that improperly used conditional language in making disclosures of the firm's and its employees' ownership of subject company securities. The reports used certain ratings without defining them, and did not conform to the requirements with respect to disclosure of the distribution of ratings on covered subject companies.

The suspension was in effect from May 1, 2017, through May 19, 2017. ([FINRA Case #2011028377001](#))

William Cambell Webb (CRD #1621426, Panama City, Florida) submitted an AWC in which he was assessed a deferred fine of \$15,000 and suspended from association with any FINRA member in all capacities for 18 months. Without admitting or denying the findings, Webb consented to the sanctions and to the entry of findings that he engaged in outside business activities involving member firm customers without providing prior written notice to the firm, as required. The findings stated that Webb owned and managed outside business activities involving real estate ventures with firm customers and for which he received compensation. The firm's WSPs required that registered representatives receive prior firm approval before engaging in any outside business activity. Webb initially disclosed to his firm one of his outside business activities in October 2009, but failed to disclose his continued involvement in the activity until December 2014. Webb failed to disclose to his firm the other outside business activities. Webb also provided inaccurate annual firm compliance questionnaires regarding his outside business activities between 2012 and 2014. The findings also stated that Webb obtained loans from firm customers totaling \$340,000, which were neither disclosed nor approved by the firm. The firm's WSPs in effect prohibited loans between firm customers and registered persons. Webb also provided an inaccurate annual firm compliance questionnaire regarding his loans from firm customers in 2014. All loans have been repaid to the customers.

The suspension is in effect from May 1, 2017, through October 31, 2018. ([FINRA Case #2015047061101](#))

John Patrick Wheeler (CRD #1068503, St. Petersburg, Florida) submitted an AWC in which he was assessed a deferred fine of \$20,000 and suspended from association with any FINRA member in all capacities for six months. Without admitting or denying the findings, Wheeler consented to the sanctions and to the entry of findings that he failed to disclose to his member firm that he received compensation in exchange for serving as a customer's power of attorney (POA) and health surrogate, and for paying her bills on a regular basis over a nearly 10-year period. The findings stated that Wheeler received about \$7,300 in payments for services rendered from the customer through seven checks he wrote against her checking account. Wheeler served as the POA for the customer without

first obtaining the firm's approval or disclosing to it his POA-related activities. Wheeler also was the personal custodian of all funds held in the customer's checking account, and in contravention of the firm's written policies and procedures, never sought or received specific written authorization from an officer of the firm to serve as custodian to the customer's funds.

The findings also stated that whether affirmatively or by omission, Wheeler misrepresented to the firm, for a period of six years, his participation in outside business activities for which he received compensation, including his role as the customer's POA, health care surrogate and bill payer. The findings also included that in response to inquiries by a firm compliance employee, Wheeler falsely asserted that he never had possession or control of the customer's checkbook, and never wrote checks to himself or to any entity he controlled from the customer's checkbook.

The suspension is in effect from April 17, 2017, through October 16, 2017. ([FINRA Case #2015046273701](#))

Christopher William Wingader (CRD #6178344, Arlington, Virginia) submitted an AWC in which he was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Wingader consented to the sanction and to the entry of findings that he misappropriated \$403.78, and attempted to misappropriate an additional \$1,134.10, in funds belonging to his member firm. The findings stated that Wingader charged approximately \$1,538 in personal expenses to his corporate-issued credit card, including a \$1,134.10 first-class airline ticket. Wingader claimed that all of the charges were fraudulent, and later submitted a false expense report with his firm seeking reimbursement for a portion of the charges.

The findings also stated that Wingader caused his firm to maintain inaccurate books and records by knowingly submitting a false expense report. The findings also included that Wingader provided false testimony to FINRA during his on-the-record interview by testifying that he was forced to purchase the first-class airline ticket because his firm supervisor kept him late at the office that day, causing him to miss an earlier, ticketed flight. However, there is no record of Wingader ever having been in his firm office on that day. ([FINRA Case #2016049496401](#))

Decisions Issued

The Office of Hearing Officers (OHO) issued the following decision, which has been appealed to or called for review by the NAC as of April 30, 2017. The NAC may increase, decrease, modify or reverse the findings and sanctions imposed in the decision. Initial decisions where the time for appeal has not yet expired will be reported in future *FINRA Disciplinary and Other Actions*.

Scottsdale Capital Advisors Corp ([CRD #118786](#), Scottsdale, Arizona), Darrel Michael Cruz ([CRD #2450344](#), Scottsdale, Arizona), Timothy Brian DiBlasi ([CRD #4623652](#), Surprise, Arizona) and John Joseph Hurry ([CRD #2146449](#), Paradise Valley, Arizona). The firm was fined \$1,500,000. Cruz was fined \$50,000 and suspended from association with any FINRA member in all capacities for two years. DiBlasi was fined \$50,000 and suspended from association with any FINRA member in all capacities for two years. Hurry was barred from association with any FINRA member in all capacities.

The sanctions were based on findings that the firm engaged and participated in sales of securities that were not registered with the SEC, and in transactions that were not exempt from registration, in contravention of Section 5 of the Securities Act of 1933. The findings stated that Hurry, the firm's owner, also acted in contravention of Section 5 by being a necessary participant and substantial factor in the sales of unregistered securities. Hurry established a Cayman Island broker-dealer as an attractive intermediary for individuals engaged in the high-risk microcap stock liquidation business through foreign financial institutions. Hurry, through his control of the firm, its clearing firm and the Cayman Island broker-dealer, allowed suspect microcap stock liquidations to be facilitated without the scrutiny that the transactions demanded. Hurry also intentionally and unreasonably delegated supervisory responsibility for the Cayman Island broker-dealer's high-risk microcap stock liquidation business to an individual who did not have any prior securities industry experience. Hurry thereby engaged in activities designed to enable the unlawful transactions and evade regulatory scrutiny. The firm also failed to address the red flags signaling unlawful distributions. These red flags should have been investigated and appropriately resolved before the securities could be sold. The firm, however, blinded itself to the multiple red flags signaling that the transactions were unlawful public distributions of securities, and did not conduct the required searching inquiry. The firm sold the securities without a reasonable basis for an SEC Rule 144 exemption.

The findings also stated that the firm, through its CCO DiBlasi, failed to establish and maintain a supervisory system, including WSPs, reasonably designed to achieve compliance with Section 5 for sales of unregistered shares of microcap stocks. The WSPs provided insufficient guidance on identifying the true beneficial owners of microcap stocks sold for customers introduced through foreign financial institutions. In addition, the firm's procedures for conducting a reasonable inquiry of the circumstances surrounding deposits and sales of microcap stocks for such customers relied too heavily on information obtained from interested parties, and also failed to require that the inquiry include appropriate independent due diligence and analysis of the claimed registration exemptions.

The findings also included that the firm, through Cruz, its president, failed to conduct reasonable inquiries into the circumstances surrounding the illegal sales of stock by the firm for another broker-dealer. Cruz performed inadequate inquiries on the claimed registration exemptions for sales of the microcap stocks, despite the presence of numerous red flags suggesting that the sales were, or could be, illegal distributions of unregistered

stocks. Although Cruz collected some documents and information on the deposits and sales, he failed to adequately and meaningfully analyze the collected documents and information, some of which were inconsistent and incomplete, and also failed to independently verify the provided information.

This matter has been appealed to the NAC and the sanctions are not in effect pending review. ([FINRA Case #2014041724601](#))

Spencer Edwards, Inc. (CRD #22067, Centennial, Colorado) was fined a total of \$707,000 and suspended with respect to accepting for deposit or liquidating previously deposited certificated securities until such time as an independent consultant (not unacceptable to FINRA) determines that the firm has adopted and implemented supervisory procedures adequate to reasonably ensure that it is not participating in unregistered offerings of securities. The sanctions were based on findings that the firm facilitated unregistered and nonexempt customer sales of billions of shares of securities. The findings stated that the firm liquidated approximately 4 billion shares of penny stocks in customer accounts at the firm that were not registered with the SEC, nor were the transactions exempt from registration. The shares sold for the firm's customers yielded total sales proceeds of approximately \$2 million and generated over \$107,000 in commissions. The firm's failure to carefully scrutinize the transactions is compounded by numerous red flags that suggested the existence of control or an otherwise collusive relationship between its clients and the issuers, or called into question whether the securities acquisition transactions were arms-length.

The findings also stated that the firm failed to adequately supervise its brokers and ensure that it employed procedures adequate to comply with recordkeeping requirements and its obligation not to participate in unregistered, non-exempt securities offerings. The firm's CCO failed to ensure that it had an effective system in place to retain electronic communications, as the firm's brokers routinely used personal email accounts bypassing any system of surveillance or monitoring it utilized. The firm knowingly failed to implement procedures tailored to its business. Instead, the firm uncritically executed customer orders without asking appropriate questions regarding the origin of the stock deposited for liquidation. None of those responsible for supervision at the firm conducted sufficient inquiry into any of the transactions at issue, or recognized red flags in the accounts of the customers selling shares.

This matter has been appealed to the NAC and the sanctions are not in effect pending review. ([FINRA Case #2013035865303](#))

Complaints Filed

FINRA issued the following complaints. Issuance of a disciplinary complaint represents FINRA's initiation of a formal proceeding in which findings as to the allegations in the complaint have not been made, and does not represent a decision as to any of the allegations contained in the complaint. Because these complaints are unadjudicated, you may wish to contact the respondents before drawing any conclusions regarding the allegations in the complaint.

Richard Grant Cody ([CRD #2794558](#), Neptune, New Jersey) was named a respondent in a FINRA complaint alleging that during the course of FINRA's investigation into whether he engaged in securities business while suspended, he provided false and misleading information in response to FINRA's requests for information and during on-the-record testimony. The complaint alleges that FINRA opened an investigation into Cody's activities after being contacted by a former customer. The customer informed FINRA that, among other things, she recently had learned that Cody had been suspended for most of 2013, but that Cody had continued to serve as her broker during that year. The customer forwarded to FINRA emails that were written between the customer and Cody's personal email account in 2013, while Cody was suspended. The customer also forwarded to FINRA an email that was written by the customer in 2013 to a business email account that Cody used prior to (and following) his suspension. The forwarded emails discussed, among other things, investment strategy and potential trades in one or more of the customer's accounts. During the investigation, FINRA reviewed emails associated with Cody's personal email account and the business email account, as well as those associated with the business email account of his wife, during the period that Cody was suspended. FINRA also spoke with a number of Cody's and his wife's former customers. Based in part on those sources, FINRA learned that Cody, with his wife's assistance, repeatedly violated the terms of his suspension by, among other things, communicating with customers, making securities recommendations to them, and placing trades on their behalf. The complaint also alleges that Cody failed to provide documents and information in response to FINRA's requests for information, and failed to appear for on-the-record testimony. ([FINRA Case #2016048538901](#))

Peyton Nelson Jackson ([CRD #1988387](#), Alexandria, Virginia) was named a respondent in a FINRA complaint alleging that he failed to provide FINRA with questionnaires, documents and on-the-record testimony as a part of its investigation into his potential misconduct. The complaint alleges that FINRA was investigating allegations by several of Jackson's former customers who filed statements of claim against him and his former member firms, alleging, among other charges, unsuitable sales, fraud, negligent misrepresentation, breach of fiduciary duty and breach of contract. ([FINRA Case #2016049252901](#))

Kipling Jones & Co., Ltd. ([CRD #144730](#), Houston, Texas) and Robbi Julene Jones ([CRD #1797418](#), Houston, Texas) were named respondents in a FINRA complaint alleging that as president and CEO of the firm, Jones filed, or caused to be filed, materially inaccurate Financial and Operational Combined Uniform Single Reports Part IIA (FOCUS Reports), and caused the firm's books and records to be inaccurate. The complaint alleges that the firm's WSPs designated Jones as the firm's FINOP, and designated the FINOP as the individual responsible for preparing and maintaining the firm's financial books and records, and for preparing and filing all required financial reports for it. Jones filed, or caused to be filed, materially inaccurate FOCUS Reports in which a cancelled certificate of deposit (CD) was reported as an "exempted" security (an allowable asset) with a current value of \$70,313, which also inflated the firm's reported net capital. Jones acquired the CD in the principal amount of \$70,000, using funds drawn from a line of credit. Jones continued to list the CD as an "allowable" asset in the firm's financial books and records, including the firm's general ledger and net-capital computations, when in fact the CD had been canceled by the issuing bank. Jones also did not record the cancellation of the CD in the firm's financial books and records and, instead, continued to reflect the CD as a current asset in the firm's general ledger and net-capital computations, causing the firm's financial books and records to be inaccurate. As a result of this conduct, Jones caused the firm to willfully violate Section 17(a) of the Securities Exchange Act of 1934, Rules 17a-3 and 17a-5 thereunder, and FINRA Rules 2010 and 4511.

The complaint also alleges that in response to requests from FINRA, Jones provided inaccurate and misleading information and documents in an attempt to conceal that the CD had been cancelled. Jones also falsely testified at an on-the-record interview that the CD was "rolled over" each year and that the CD had never been pledged as security for a loan. In the course of FINRA's examination of the firm, FINRA also learned that Jones had recently been questioned by a client concerning possible unauthorized use of the client's credit card to purchase airline tickets. In response to requests from FINRA relating to that inquiry, Jones provided inaccurate and misleading information and documents, including not initially disclosing that the client's inquiry was actually an investigation by the client's Office of Inspector General (OIG), and misrepresenting which airline tickets were the subject of the investigation. Jones falsely testified at an on-the-record interview that she had not received any correspondence or documents from the OIG indicating whether it had made any determination concerning the airline-ticket purchases, when in fact the OIG had sent Jones a letter informing her that it had determined that she was responsible for unauthorized use of the client's credit card. The complaint further alleges that Jones refused to respond to FINRA requests for information concerning her mother's living status and whether Jones had previously represented to FINRA that her mother had recently died. ([FINRA Case #2015044782401](#))

Walter Joseph Marino ([CRD #2121623](#), Dix Hills, New York) was named a respondent in a FINRA complaint alleging that he recommended unsuitable replacements (also known as exchanges) of non-qualified variable annuities to two customers without having a

reasonable basis for recommending the transactions, resulting in benefits to him and substantial financial harm to his customers. The complaint alleges that Marino received commissions of approximately \$60,000 from the unsuitable transactions. Marino's customers, however, did not receive any benefit from the exchanges he recommended. Both customers suffered financial harm due to the costs incurred and new or extended surrender periods as a result of the annuity replacements. Marino's recommendation to one of the customers resulted in her incurring an \$82,523.23 surrender charge. In addition, Marino failed to use the tax-free exchange available under Section 1035 of the Internal Revenue Code in recommending non-qualified annuities, causing the customers to incur significant tax liabilities. The complaint further alleges that Marino made false statements to his member firm and in the firm's books and records by misrepresenting the source of funds being used to purchase the customer's annuities, and by stating that the customer's annuity purchase did not involve an annuity replacement or exchange. ([FINRA Case #2015046537501](#))

Christopher Charles Schaeffer (CRD #1483859, Indianapolis, Indiana) was named a respondent in a FINRA complaint alleging that he willfully failed to timely disclose that he and his wife filed a joint Chapter 7 bankruptcy petition on his Form U4. ([FINRA Case #2016049603001](#))

James Davis Trent (CRD #2730687, Lexington, South Carolina) was named a respondent in a FINRA complaint alleging that he engaged in a pattern of recommending unsuitable short-term trading of Class A mutual fund shares to customers, resulting in the customers (all of whom were elderly) incurring approximately \$6,362.50 in unnecessary sales charges. The complaint alleges that Trent recommended the purchase of Class A mutual fund shares and, within less than a year, recommended the sale of the positions, resulting in an average holding period for the customer accounts of six months. The significant upfront costs associated with the purchase of the Class A mutual fund shares and the subsequent sales within such a short period of time resulted in the customers paying unnecessary fees and charges. Given the long-term nature of investments in Class A mutual fund shares and the customers' investment profiles, Trent lacked a reasonable basis to believe that the recommended securities transactions were suitable for the customers. Trent received approximately \$2,910 as his commission from the sales loads. ([FINRA Case #2014041539301](#))

Robert Russel Tweed (CRD #2339324, Glendale, California) was named a respondent in a FINRA complaint alleging that he obtained more than \$1.6 million from his retail customers through a false and misleading PPM he used to offer and sell interests in a pooled investment fund that he both created and controlled. The complaint alleges that Tweed drafted and circulated the PPM, which misrepresented and failed to disclose material information to investors. Twenty-three customers invested in the fund without the benefit of complete and accurate information about the total potential fees and costs associated with the fund, Tweed himself, and the entities and individual who would

ultimately have immediate control over the money that customers invested. Tweed and the PPM misrepresented or failed to disclose material facts to retail customers, including that Tweed had replaced the fund's identified master fund with another entity controlled by an undisclosed person, who would now have immediate control over the fund's assets. As a result of these material misrepresentations and omissions, the fund investors could not evaluate the true costs and risks associated with the fund, including those relating to the individual or the entities with immediate control over their capital. Because Tweed used misleading information to solicit investors in the fund, those investors were prevented from vetting the undisclosed person, who was engaging in bank fraud and fraudulent trading in another unrelated pooled investment program at the same time that Tweed was entrusting him with the fund's assets. In fact, just over two months after the fund offering ended, the undisclosed person abandoned the computerized quantitative trading strategy described in the PPM, exercising his undisclosed control over the fund's assets to transfer \$650,000 to a third-party financier, purportedly to support the importation, refining and sale of Ghanaian gold dust in the United States. The profit promised from this investment never materialized, the \$650,000 has not been repaid and it may never be recovered by the fund's investors. Tweed's conduct contravened Sections 17(a)(2) and 17(a)(3) of the Securities Act of 1933 ([FINRA Case #2015046631101](#))

Complaints Dismissed

FINRA issued the following complaints, which represented FINRA's initiation of a formal proceeding. The findings as to the allegations were not made, and the Office of Hearing Officers has subsequently ordered that the complaint be dismissed.

McBarron Capital LLC (CRD #131431)
Greenwich, Connecticut
(April 17, 2017)
FINRA Case #2015044211103

Source Capital Group, Inc. (CRD #36719)
Westport, Connecticut
(April 20, 2017)
FINRA Case #2014038889501

Complaint Dismissed

OHO issued the following decision, which dismissed the allegations in the complaint. The decision was appealed to the NAC. The NAC has subsequently ordered that the OHO decision dismissing the complaint be affirmed.

Matthew Joseph Sheerin (CRD #2859126)
Manhasset, New York
(April 17, 2017)
FINRA Case #2011027926301

Firms Expelled for Failure to Pay Fines and/or Costs Pursuant to FINRA Rule 8320

Legend Securities, Inc. (CRD #44952)
New York, New York
(April 18, 2017)
FINRA Case #2010022592101

North Woodward Financial Corp. (CRD #104097)
Birmingham, Michigan
(April 18, 2017)
FINRA Case #2010021303301

Princeton Securities Group, LLC (CRD #41233)
New York, New York
(April 18, 2017)
FINRA Case #2014040595201

Firms Canceled for Failure to Pay Outstanding Fees Pursuant to FINRA Rule 9553

Ridgeway & Conger, Inc. (CRD #113055)
New Woodstock, New York
(April 18, 2017)

Firm Suspended for Failure to Information or Keep Information Current Pursuant to FINRA Rule 9552

(The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

Hallmark Investments, Inc. (CRD #135003)
New City, New York
(April 7, 2017)
FINRA Case #2016047626601

Firms Suspended for Failure to Supply Financial Information Pursuant to FINRA Rule 9552

(The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

Alternative Asset Investment Management Securities, LLC (CRD #135131)
New York, New York
(April 10, 2017 – May 11, 2017)

MIP Global, Inc. (CRD #164640)
San Juan, Puerto Rico
(April 10, 2017)

MVP Financial, LLC (CRD #137662)

New York, New York
(April 10, 2017 – May 8, 2017)

Nanes, Delorme Capital Management LLC (CRD #104135)

New York, New York
(April 10, 2017 – May 3, 2017)

Watts Capital, LLC (CRD #150704)

New York, New York
(April 10, 2017 – April 19, 2017)

Wyche Securities, Inc. (CRD #40772)

Corvallis, Montana
(April 10, 2017)

Firms Suspended for Failing to Pay Arbitration Awards Pursuant to FINRA Rule 9554

(The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

Source Capital Group, Inc. (CRD #36719)

Westport, Connecticut
(April 10, 2017)
FINRA Arbitration Case #16-00147

Individuals Barred for Failure to Provide Information or Keep Information Current Pursuant to FINRA Rule 9552(h)

(If the bar has been vacated, the date follows the bar date.)

Miguel Angel Aguilar (CRD #5663204)

Hurst, Texas
(April 26, 2017)
FINRA Case #2016051130501

Steven Preston Alexander (CRD #4437162)

Ledyard, Connecticut
(April 17, 2017)
FINRA Case #2016051330201

Amadou Bah (CRD #6067377)

Fort Lee, New Jersey
(April 26, 2017)
FINRA Case #2016049429801

John W. Boals (CRD #4196043)

Thompson, Ohio
(April 21, 2017)
FINRA Case #2016050914501

Lionel Brooks Jr. (CRD #2430484)

Cumberland, Rhode Island
(April 12, 2017)
FINRA Case #2016048730701

Sandra Canaba (CRD #5631452)

Santa Teresa, New Mexico
(April 24, 2017)
FINRA Case #2016050977601

Barry Franklin Connell (CRD #3070984)

Chester, New Jersey
(April 21, 2017)
FINRA Case #2016052354501

Pamela A. Daniels (CRD #5700892)

San Dimas, California
(April 24, 2017)
FINRA Case #2016052371901

Charles Greer Denormandie III (CRD #2762869)

Alpharetta, Georgia
(April 14, 2017)
FINRA Case #2016050805801

Leah Rose Fox-Greenberg (CRD #6526175)

Memphis, Tennessee
(April 14, 2017)
FINRA Case #2016051163901

Jennifer Marie Gonzalez (CRD #6442595)
 San Antonio, Texas
 (April 26, 2017)
 FINRA Case #2016051396401

Matthew J. Houtz (CRD #6625409)
 St. Petersburg, Florida
 (April 24, 2017)
 FINRA Case #2016051070101

Barry Jin (CRD #5274970)
 Fresh Meadows, New York
 (April 21, 2017)
 FINRA Case #2016048921101

Jennifer Rebecca Johnson (CRD #2668325)
 South St. Paul, Minnesota
 (April 26, 2017)
 FINRA Case #2016049086201

Martin Jones (CRD #6213671)
 Chicago, Illinois
 (April 10, 2017)
 FINRA Case #2015048052901

Adam Anthony Jurczyk (CRD #6301641)
 Bradenton, Florida
 (April 24, 2017)
 FINRA Case #2016050878701

Alexander Lewis (CRD #6062838)
 Saint Petersburg, Florida
 (April 13, 2017)
 FINRA Case #2016050796701

**Quinn Alexander McClendon
 (CRD #4499537)**
 Philadelphia, Pennsylvania
 (April 28, 2017)
 FINRA Case #2016049799101

Luan Quoc Nguyen (CRD #6130866)
 Irvine, California
 (April 26, 2017)
 FINRA Case #2016050214501

Timothy John Reed (CRD #2930427)
 Gainesville, Virginia
 (April 24, 2017)
 FINRA Case #2016049929801

Steven Barry Sitzer (CRD #2146661)
 New York, New York
 (April 27, 2017)
 FINRA Case #2015046768801

Raynard Keshav Sookdial (CRD #6265466)
 Cutler Bay, Florida
 (April 24, 2017)
 FINRA Case #2016050296601

Quynh Ngoc Tran (CRD #6354647)
 San Jose, California
 (April 27, 2017)
 FINRA Case #2016051270001

Kevin Jin Yi (CRD #6461764)
 Federal Way, Washington
 (April 14, 2017)
 FINRA Case #2016051186701

Young Min Yun (CRD #6422483)
 Melbourne, Florida
 (April 27, 2017)
 FINRA Case #2016049696001

**Individuals Revoked for Failure to Pay Fines
 and/or Costs Pursuant to FINRA Rule 8320**

**(If the revocation has been rescinded, the
 date follows the revocation date.)**

Modesto Biney (CRD #6239490)
 New Hope, Minnesota
 (April 18, 2017)
 FINRA Case #2014042555002

Roberto Montano (CRD #3003372)
 Chicago, Illinois
 (April 18, 2017)
 FINRA Case #2016049236701

Individuals Suspended for Failure to Provide Information or Keep Information Current Pursuant to FINRA Rule 9552(d)

(The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

Devin Barkley (CRD #5980820)
Somerset, New Jersey
(April 24, 2017)
FINRA Case #2016052639601

Alonza Barnett Jr. (CRD #4577695)
Greensboro, North Carolina
(April 3, 2017)
FINRA Case #2017053125201

Wilbert Norman Belizaire Jr. (CRD #6168292)
Los Angeles, California
(April 24, 2017)
FINRA Case #2017052894101

Amalia Bocanegra (CRD #6630498)
Mesquite, Texas
(April 17, 2017)
FINRA Case #2017052777601

Christopher Canale (ID #11061494)
Poughkeepsie, New York
(April 3, 2017)
FINRA Case #2016051356101

Daniel P. Capeless (CRD #5863616)
Washington, DC
(April 17, 2017)
FINRA Case #2016050664101

Juliana Castaneda (CRD #6663040)
Las Vegas, Nevada
(April 21, 2017)
FINRA Case #2016051840201

Nenita Blas Causing (CRD #3111136)
Edison, New Jersey
(April 10, 2017)
FINRA Case #2016052240201

Andrey Chekalin (CRD #6011171)
Fairfax, Virginia
(April 24, 2017)
FINRA Case #2016050934901

Wilson Chung (CRD #6466623)
San Leandro, California
(April 3, 2017)
FINRA Case #2016051922301

Kenneth Paul Collins Jr. (CRD #2395008)
Holden, West Virginia
(April 10, 2017)
FINRA Case #2016052044201

Thomas Eric Constable (CRD #4436655)
Jacksonville, Florida
(April 21, 2017)
FINRA Case #2016052009301

Sebastian Joshua Dimond (CRD #4176788)
Phoenix, Arizona
(April 21, 2017)
FINRA Case #2016052622401

Edwin Waite Duguie Jr. (CRD #6617835)
Benton, Maine
(April 10, 2017)
FINRA Case #2016051944001

John Charles Epting Jr. (CRD #4409356)
Virginia Beach, Virginia
(April 13, 2017)
FINRA Case #2016052240501

Jeffrey Edward Ermi (CRD #2413165)
Woodbridge, Virginia
(April 24, 2017)
FINRA Case #2016052552601

Arsola Feransou (CRD #6652467)

El Cajon, California
(April 21, 2017)
FINRA Case #2016052074401

Felicia Anne Figueroa (CRD #6437758)

Upland, California
(April 14, 2017)
FINRA Case #2016051698301

Nicholas C. Gallo (CRD #5908972)

Amityville, New York
(April 10, 2017)
FINRA Case #2016050735501

David Monroe Hawkes (CRD #2863873)

Idaho Falls, Idaho
(April 10, 2017)
FINRA Case #2016052240401

Christopher Lowell Jackson (CRD #4922650)

Athens, Georgia
(April 24, 2017)
FINRA Case #2016052025001

Jamar Darcel Jenkins (CRD #6596321)

Charlotte, North Carolina
(April 24, 2017)
FINRA Case #2016051820601

Richard Michael Jones (CRD #6094977)

Pilot Mound, Iowa
(April 13, 2017)
FINRA Case #2016052252801

Tika Justice (CRD #5979606)

Trenton, New Jersey
(April 10, 2017)
FINRA Case #2016051288701

Leslie Ann Kaplan (CRD #4902392)

Sherman Oaks, California
(April 10, 2017 – May 4, 2017)
FINRA Case #2016051347301

Sean David Kaplan (CRD #6126137)

Bradenton, Florida
(April 24, 2017)
FINRA Case #2016051887501

Jeffrey Timothy Kluge (CRD #2187964)

Lake Elmo, Minnesota
(April 10, 2017)
FINRA Case #2016052377201

John Bradford Leonard (CRD #2113842)

Perrysburg, Ohio
(April 14, 2017)
FINRA Case #2016050686801

Jonathan Ryan Levano (CRD #6126832)

Reseda, California
(April 10, 2017)
FINRA Case #2016051008101

Cameron Blake Lovitt (CRD #5741717)

Greenville, North Carolina
(April 24, 2017)
FINRA Case #2017052786801

**Christopher Russell McNamee
(CRD #4271195)**

Miami, Florida
(April 17, 2017)
FINRA Case #2013035303302

Melanie Ann Melton (CRD #4258504)

Rockwall, Texas
(January 13, 2017 – April 3, 2017)
FINRA Case #2016050951801

Nicholas Henry Millas (CRD #6511477)

Salt Lake City, Utah
(April 21, 2017)
FINRA Case #2016051096901

Rachel Marie Millyard (CRD #6128927)

Addison, Michigan
(April 10, 2017)
FINRA Case #2016052453501

Shayne Arlington Nelson (CRD #6130416)
 Monroe, New Jersey
 (April 14, 2017)
 FINRA Case #2016052157301

David Ng (CRD #6106757)
 Charlotte, North Carolina
 (April 17, 2017)
 FINRA Case #2016052555701

Darian Curtis Norris (CRD #6123770)
 Las Vegas, Nevada
 (April 14, 2017)
 FINRA Case #2016052023201

Patrick John O'Brien (CRD #2054041)
 Stockton, California
 (April 13, 2017)
 FINRA Case #2016052239501

Vivien Li Ching Ong (CRD #6183180)
 Irvine, California
 (April 10, 2017)
 FINRA Case #2016052176201

Robert A. Perconte (CRD #1812389)
 Port St. Lucie, Florida
 (April 20, 2017)
 FINRA Case #2016049632601

Edward Daniel Prudencio (CRD #6055919)
 Houston, Texas
 (April 3, 2017)
 FINRA Case #2016051964001

Raymond Jesus Rodriguez (ID #11061493)
 San Jose, California
 (April 17, 2017)
 FINRA Case #2016052305401

William Edward Roe (CRD #5771982)
 Fontana, California
 (April 10, 2017)
 FINRA Case #2016050937601

Donald John Saccomano (CRD #408673)
 Norwalk, Connecticut
 (April 24, 2017)
 FINRA Case #2015044109301

Nicholas Adel Somo (CRD #6593808)
 El Cajon, California
 (April 3, 2017)
 FINRA Case #2016052119001

Michael Allen Sparks (CRD #6140090)
 Lexington, Kentucky
 (April 3, 2017)
 FINRA Case #2016051183501

Jennifer Anne Spencer (CRD #3194534)
 Attica, Indiana
 (April 24, 2017)
 FINRA Case #2016052529901

Alec Michael Tracy (CRD #5703493)
 Hockley, Texas
 (April 10, 2017)
 FINRA Case #2016051908501

Justin Martin West (CRD #6236865)
 Berkeley, California
 (April 14, 2017)
 FINRA Case #2016052156201

Individuals Suspended for Failure to Comply with an Arbitration Award or Settlement Agreement Pursuant to FINRA Rule 9554

(The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

Kimberly Aylesworth (CRD #4086629)
 Atlanta, Georgia
 (April 24, 2017)
 FINRA Arbitration Case #16-00780

Roger Ericson Bell (CRD #1135830)
Vero Beach, Florida
(April 19, 2017)
FINRA Arbitration Case #16-02952

Reuven Blank (CRD #23199)
West Palm Beach, Florida
(April 6, 2017)
FINRA Arbitration Case #14-03740

Patrick Ryan Bray (CRD #3184746)
Bradenton, Florida
(April 3, 2017)
FINRA Arbitration Case #16-02387

Richard Lyndon Brown (CRD #3245291)
North Bellmore, New York
(April 3, 2017)
FINRA Arbitration Case #15-02488

**Brian Richardson Castillo
(CRD #2942269)**
Scottsdale, Arizona
(April 25, 2017)
FINRA Arbitration Case #16-02657

Saimir Collaku (CRD #5969154)
Budd Lake, New Jersey
(April 24, 2017)
FINRA Arbitration Case #16-00276

Daniel Harry Curkan (CRD #2360082)
St. Petersburg, Florida
(April 25, 2017)
FINRA Arbitration Case #14-02221

Donald Gene Dewaay Jr. (CRD #1297174)
West Des Moines, Iowa
(April 19, 2017)
FINRA Arbitration Case #16-00542

Andrew Goodman (CRD #5650602)
Spring Hill, Tennessee
(April 6, 2017)
FINRA Arbitration Case #16-00340

**Christopher Randall Johnson
(CRD #2599729)**
Eden Prairie, Minnesota
(April 10, 2017)
FINRA Arbitration Case #13-02892

Jose A. Landin Jr. (CRD #4685791)
New Braunfels, Texas
(April 20, 2017)
FINRA Case #2017053489501/ARB170014

Adam Benjamin Mayfield (CRD #5305180)
Tampa, Florida
(April 6, 2017)
FINRA Arbitration Case #16-00174

Jason Todd Meil (CRD #4711393)
Leesburg, Virginia
(April 20, 2017)
FINRA Arbitration Case #15-01466

Clifford Todd Morgan (CRD #2423102)
Dix Hills, New York
(April 18, 2013 – April 7, 2017)
FINRA Arbitration Case #10-00329

Manuel Tomas Paredes (CRD #4733530)
Maspeth, New York
(April 3, 2017)
FINRA Case #20170534890/ARB170013

Marc Harold Pearl (CRD #4242478)
El Dorado Hills, California
(April 20, 2017)
FINRA Arbitration Case #16-00848

Casey Thomas Rodriguez (CRD #4870499)
Huntington, New York
(April 3, 2017)
FINRA Arbitration Case #15-02488

David Aaron Seigerman (CRD #2200011)
Morristown, New Jersey
(April 19, 2017)
FINRA Arbitration Case #16-01556

Jeffrey Hunter Smith (CRD #4505078)

Ordinary, Virginia

(April 20, 2017)

FINRA Arbitration Case #15-00777

Labron Manosa Toles (CRD #2676024)

Bronx, New York

(April 13, 2017)

FINRA Arbitration Case #16-00666

Steven Michael Wisniewski

(CRD #2068119)

Phoenixville, Pennsylvania

(April 13, 2017)

FINRA Arbitration Case #16-02282