

BrokerCheck Report

SANCTUARY SECURITIES, INC.

CRD# 205

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

Please contact FINRA with any concerns.

About BrokerCheck®



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

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

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Thank you for using FINRA BrokerCheck.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

brokercheck.finra.org



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

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)



SANCTUARY SECURITIES, INC.

CRD# 205

SEC# 8-22752

Main Office Location

1450 BRICKELL AVENUE
SUITE 2610
MIAMI, FL 33131
Regulated by FINRA Florida Office

Mailing Address

1450 BRICKELL AVENUE
SUITE 2610
MIAMI, FL 33131

Business Telephone Number

317-975-7729

Report Summary for this Firm

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

Firm Profile

This firm is classified as a corporation.

This firm was formed in Illinois on 03/07/1978.

Its fiscal year ends in December.

Firm History

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

Firm Operations

This firm is registered with:

- the SEC
- 1 Self-Regulatory Organization
- 52 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 12 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm does not have referral or financial arrangements with other brokers or dealers.

Disclosure Events

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

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

The following types of disclosures have been reported:

Type	Count
Regulatory Event	21
Arbitration	9
Bond	1



Firm Profile

This firm is classified as a corporation.

This firm was formed in Illinois on 03/07/1978.

Its fiscal year ends in December.

Firm Names and Locations

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

SANCTUARY SECURITIES, INC.

Doing business as SANCTUARY SECURITIES, INC.

CRD# 205

SEC# 8-22752

Main Office Location

1450 BRICKELL AVENUE
SUITE 2610
MIAMI, FL 33131

Regulated by FINRA Florida Office

Mailing Address

1450 BRICKELL AVENUE
SUITE 2610
MIAMI, FL 33131

Business Telephone Number

317-975-7729

Other Names of this Firm

Name	Where is it used
1280 FINANCIAL PARTNERS	FL, OH, SC
18FORTY8 PRIVATE WEALTH	WI
401K PLAN ADVISOR	NC
6 DEGREES WEALTH	TX
ACORN ADVISORS GROUP	IN
ALFA ADVISORY	CO
ALLUVIAL PRIVATE WEALTH	OH

ARRAS WEALTH MANAGEMENT	KY
AURIC CAPITAL PARTNERS	CA, CO
AURIC PRIVATE WEALTH	CA, CO
AUSPERITY PRIVATE WEALTH	NJ
AZ APICE - CAPITAL MANAGEMENT	FL
AZIMUT GENESIS ADVISORS	FL
BAYLEY INVESTMENT GROUP	IN
BOWERSOCK CAPITAL PARTNERS	KS
BURNHAM HARBOR PRIVATE WEALTH	IL
CAPE ROCK PRIVATE WEALTH	MO
CARPION PRIVATE WEALTH	TX
CEDAR GAP WEALTH MANAGEMENT	TX
CENTERAS PRIVATE WEALTH	NH
CERULEAN PRIVATE WEALTH ADVISORS, LLC	IN
CHADWICK BAY INVESTMENTS	NC
CHAPA & SALINAS PRIVATE WEALTH GROUP	TX
CHAPPELL WEALTH MANAGEMENT	TX
CLAYBOURN FRAKES	TX
CONCENTURE WEALTH MANAGEMENT	TX
CONVERSANT WEALTH MANAGEMENT	CA
COOKE FINANCIAL GROUP LLC	IN
COPPERSKY WEALTH	OK
CREDO WEALTH MANAGEMENT	CA
CRESCENT HARBOR PRIVATE WEALTH	NJ
CRESCENT PINE FAMILY OFFICE GROUP	NJ
CROSSWATERS WEALTH MANAGEMENT	OR
DAVID A. NOYES & COMPANY	IL, IN
DC HILL WEALTH MANAGEMENT	TX
DIAGONAL INVESTMENT OFFICE	FL
DIAL SQUARE PRIVATE WEALTH	CA
ECLIPSE PRIVATE WEALTH MANAGEMENT	PA
ENSCONCE WEALTH PARTNERS	CA
EVANS MAY WEALTH	IN
EXCELSIS GLOBAL PRIVATE WEALTH	TX
FAMIGLIA WEALTH	MI
FUENTES HONDERMANN WEALTH MANAGEMENT	FL
G SQUARED PRIVATE WEALTH	TX
GLOMB PRIVATE WEALTH	CA

GRANITE ISLANDS PRIVATE WEALTH	CT
GREEN WEALTH MANAGEMENT GROUP	CT
GUERRERO PRIVATE WEALTH GROUP	TX
HEREDITAS WEALTH MANAGEMENT	IL
HILLGUARD WEALTH MANAGEMENT	FL
HOLDER LEGACY WEALTH PARTNERS	IN
INNOVISE FAMILY WEALTH ADVISORS, LLC	CA
ITERHIC WEALTH ADVISORS	OH
JACKSON HILL & FISH PRIVATE WEALTH ADVISORS	NC
JDK WEALTH	TX
LEBLANC FINANCIAL GROUP	NY
LIONS WEALTH PARTNERS	IN
LOPEZ PRIVATE WEALTH GROUP	TX
M&K LEGACY WEALTH	IN
MACKIE & WALLER WEALTH MANAGEMENT	MO
MARBLE WEALTH	AL
MERCER WEALTH MANAGEMENT	KY
MESA POINTE WEALTH	TX
MFORCE	TX
MFORCE CAPITAL - FOSSIL ROCK PRIVATE WEALTH	TX
MFORCE CAPITAL ARKANSAS, MARRIOTT WEALTH ADVISORS	AR
MONROE FINANCIAL GROUP	SC
MUIRWOOD PRIVATE WEALTH	CA
NAVASYNC PRIVATE WEALTH	NJ
NAVIS WEALTH MANAGEMENT	NY
NEWSPRING WEALTH MANAGEMENT	MN
NOBLE WEALTH ADVISORS	OH
NOBLEVEST PRIVATE WEALTH	MO
ORDORICA & DE LA GARZA PRIVATE WEALTH GROUP	TX
OTLEY PRIVATE WEALTH MANAGEMENT	IN
PEREZ PRIVATE WEALTH GROUP	TX
PRAETEGO PRIVATE WEALTH	FL
PRARIEFIRE WEALTH	IA
QUESTAR CAPITAL PARTNERS	NJ
QUORUM PRIVATE WEALTH	CA, NJ
RHA WEALTH	NC
RICEBARRETT FAMILY WEALTH	IN
ROCKET FINANCE	FL

SAIGE PRIVATE WEALTH	CA
SANCTUARY GLOBAL	FL
SANCTUARY SECURITIES	AK, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NJ, NM, NV, NY, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, VT, WA, WI, WV, WY
SANCTUARY WEALTH ADVISORS	TX
SANCTUARY WEALTH PARTNERS	IL, IN
SKYPATH PRIVATE WEALTH	NJ
SMITHBERG WEALTH	IL
SOUTHERN OAK WEALTH GROUP	TN
TENET WEALTH PARTNERS	IL
THE LONGO GROUP	LA
THE MANCUSI GROUP	IL
THEOREM WEALTH MANAGEMENT	TX
TOVA WEALTH	NC
UPLAND PRIVATE WEALTH	NE
VALOROUS PRIVATE WEALTH	TX
VELORUM WEALTH MANAGEMENT	IN
VINCITA INVESTMENT PARTNERS	NC
WIGAND INTEGRATED WEALTH	CO



Firm Profile

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

Direct Owners and Executive Officers

Legal Name & CRD# (if any): SANCTUARY WEALTH GROUP, LLC

Is this a domestic or foreign entity or an individual? Domestic Entity

Position SOLE SHAREHOLDER

Position Start Date 01/2015

Percentage of Ownership 75% or more

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): CHASE, KEVIN P

1626158

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF COMPLIANCE OFFICER

Position Start Date 04/2023

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): MILLER, KEVIN JOSEPH

4133001

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF LEGAL OFFICER AND BOARD MEMBER OF SANCTUARY SECURITIES INC.

Position Start Date 04/2023

Firm Profile



Direct Owners and Executive Officers (continued)

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): SMEAL, TIMOTHY D
4169869

Is this a domestic or foreign entity or an individual? Individual

Position DIRECTOR OF OPERATIONS

Position Start Date 10/2021

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): VAUGHAN, DAVID
2603399

Is this a domestic or foreign entity or an individual? Individual

Position FINANCIAL OPERATIONS PRINCIPAL- FINOP AND BOARD MEMBER OF SANCTUARY SECURITIES INC.

Position Start Date 03/2024

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Firm Profile



Direct Owners and Executive Officers (continued)

Legal Name & CRD# (if any):	WALTER, ROBERT ALAN 2507287
Is this a domestic or foreign entity or an individual?	Individual
Position	PRESIDENT AND CHAIRMAN OF THE BOARD FOR SANCTUARY SECURITIES INC.
Position Start Date	02/2023
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No



Firm Profile

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

Indirect Owners

Legal Name & CRD# (if any):	AZIMUT HOLDINGS S.P.A.
Is this a domestic or foreign entity or an individual?	Foreign Entity
Company through which indirect ownership is established	AZIMUT UK HOLDINGS LTD.
Relationship to Direct Owner	OWNER
Relationship Established	06/2022
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	AZIMUT UK HOLDINGS LTD.
Is this a domestic or foreign entity or an individual?	Foreign Entity
Company through which indirect ownership is established	AZ US HOLDINGS INC.
Relationship to Direct Owner	OWNER
Relationship Established	06/2022
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	AZ US HOLDINGS INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity

Firm Profile



Indirect Owners (continued)

Company through which indirect ownership is established	SANCTUARY WEALTH GROUP, LLC
Relationship to Direct Owner	MEMBER - CLASS A UNITS
Relationship Established	06/2022
Percentage of Ownership	25% but less than 50%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Firm History

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

No information reported.





Firm Operations

Registrations

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

This firm is currently registered with the SEC, 1 SRO and 52 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	06/16/1978

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: Yes

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	12/01/1939



Firm Operations

Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	08/25/1998
Alaska	Approved	07/18/1997
Arizona	Approved	08/04/1986
Arkansas	Approved	07/27/2007
California	Approved	01/15/1986
Colorado	Approved	02/01/1983
Connecticut	Approved	02/03/1997
Delaware	Approved	09/13/1996
District of Columbia	Approved	05/29/1992
Florida	Approved	04/27/1983
Georgia	Approved	11/09/1993
Hawaii	Approved	08/11/1997
Idaho	Approved	07/30/1997
Illinois	Approved	07/01/1942
Indiana	Approved	10/20/1981
Iowa	Approved	09/14/1992
Kansas	Approved	08/13/1986
Kentucky	Approved	03/22/1985
Louisiana	Approved	07/15/1997
Maine	Approved	02/12/2008
Maryland	Approved	05/06/1992
Massachusetts	Approved	05/15/1992
Michigan	Approved	06/23/1986
Minnesota	Approved	08/05/1986
Mississippi	Approved	10/15/1997
Missouri	Approved	07/19/1990
Montana	Approved	08/26/1997
Nebraska	Approved	02/08/2002
Nevada	Approved	10/15/1992
New Hampshire	Approved	09/08/1997
New Jersey	Approved	10/03/1988
New Mexico	Approved	03/08/2000
New York	Approved	02/01/1984

U.S. States & Territories	Status	Date Effective
North Carolina	Approved	05/11/1992
North Dakota	Approved	08/27/1997
Ohio	Approved	07/16/1982
Oklahoma	Approved	07/17/1982
Oregon	Approved	09/11/1996
Pennsylvania	Approved	03/11/1985
Puerto Rico	Approved	08/19/2022
Rhode Island	Approved	09/02/2004
South Carolina	Approved	11/08/1996
South Dakota	Approved	06/12/1997
Tennessee	Approved	02/02/1984
Texas	Approved	07/25/1983
Utah	Approved	07/07/1997
Vermont	Approved	10/19/2007
Virginia	Approved	05/31/1996
Washington	Approved	11/12/1996
West Virginia	Approved	07/01/1997
Wisconsin	Approved	10/19/1981
Wyoming	Approved	06/10/1997



Firm Operations

Types of Business

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

This firm currently conducts 12 types of businesses.

Types of Business

Exchange member engaged in exchange commission business other than floor activities

Broker or dealer retailing corporate equity securities over-the-counter

Broker or dealer selling corporate debt securities

Underwriter or selling group participant (corporate securities other than mutual funds)

Mutual fund retailer

U S. government securities broker

Municipal securities dealer

Municipal securities broker

Broker or dealer selling variable life insurance or annuities

Put and call broker or dealer or option writer

Trading securities for own account

Private placements of securities

Other Types of Business

This firm does effect transactions in commodities, commodity futures, or commodity options.

This firm does not engage in other non-securities business.

Non-Securities Business Description:

Firm Operations



Clearing Arrangements

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

Introducing Arrangements

This firm does not refer or introduce customers to other brokers and dealers.

Firm Operations

Industry Arrangements



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

Name: THETA LAKE
Business Address: 1221 CHAPALA ST
SUITE 6
SANTA BARBARA, CA 93101
Effective Date: 05/01/2022
Description: TEXT MESSAGE COMPLIANCE SOLUTION

Name: REGED
Business Address: 2100 GATEWAY CENTRE BLVD. STE. 200
MORRISVILLE, NC 27560
Effective Date: 06/01/2020
Description: COMPLIANCE REPORTING ARCHIVING

Name: RED OAK
Business Address: 1405 ARROW POINT DR
SUITE 901
CEDAR PARK, TX 78613
Effective Date: 06/24/2020
Description: SOCIAL MEDIA ARCHIVING
RED OAK ACQUIRED SITEQUEST OUR PREVIOUS VENDOR

Name: GLOBAL RELAY
Business Address: 286 MADISON AVENUE, 7TH FLOOR
SUITE #300
NEW YORK, NY 10017
Effective Date: 03/14/2012
Description: EMAIL RETENTION

Name: IRON MOUNTAIN
Business Address: 1 FEDERAL STREET
BOSTON, MA 02110
Effective Date: 01/01/2012
Description: OFF-SITE HOUSING OF DOCUMENTS

Firm Operations



Industry Arrangements (continued)

Name: DOCUPACE

Business Address: 11766 WILSHIRE BLVD, SUITE 1120
SUITE #300
LOS ANGELES, CA 90025

Effective Date: 01/04/2021

Description: CLIENT ACCOUNT DOCUMENT PROCESSING/RETENTION.

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

This firm does have customer accounts, funds, or securities maintained by a third party.

Name: PERSHING LLC

CRD #: 7560

Business Address: ONE PERSHING PLAZA
JERSEY CITY, NJ 07399

Effective Date: 11/13/2020

Description: FULLY DISCLOSED CLEARING ARRANGEMENT

Control Persons/Financing

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

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



Firm Operations

Organization Affiliates

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

This firm is, directly or indirectly:

- in control of
 - controlled by
 - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

TRU INDEPENDENCE ASSET MANAGEMENT, LLC is under common control with the firm.

CRD #:	168256
Business Address:	15350 SW SEQUOIA PARKWAY SUITE 250 PORTLAND, OR 97224
Effective Date:	04/30/2024
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	UNDER COMMON CONTROL BY SANCTUARY WEALTH GROUP LLC.

TRU INDEPENDENCE ASSET MANAGEMENT 2, LLC is under common control with the firm.

CRD #:	309098
Business Address:	15350 SW SEQUOIA PARKWAY SUITE 250 PORTLAND, OR 97224
Effective Date:	04/30/2024
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes

Firm Operations



Organization Affiliates (continued)

Description: UNDER COMMON CONTROL BY SANCTUARY WEALTH GROUP LLC.

SANCTUARY ADVISORS, LLC is under common control with the firm.

CRD #: 226606

Business Address: 3815 RIVER CROSSING PKWY
#200
INDIANAPOLIS, IN 46240

Effective Date: 12/04/2023

Foreign Entity: No

Country:

Securities Activities: Yes

**Investment Advisory
Activities:** Yes

Description: SANCTUARY ADVISORS LLC AND SANCTUARY SECURITIES, INC. ARE
UNDER COMMON OWNERSHIP OF SANCTUARY WEALTH GROUP LLC

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

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



Disclosure Events

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

	Pending	Final	On Appeal
Regulatory Event	0	21	0
Arbitration	N/A	9	N/A
Bond	N/A	1	N/A



Disclosure Event Details

What you should know about reported disclosure events:

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

Regulatory - Final

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

Disclosure 1 of 21

Reporting Source: Firm

Current Status: Final

**Allegations:**

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO DEVELOP AND IMPLEMENT AN ANTI-MONEY LAUNDERING (AML) PROGRAM REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REQUIREMENTS OF THE BANK SECRECY ACT (BSA) AND ITS IMPLEMENTING REGULATIONS. THE FINDINGS STATED THAT THE FIRM DID NOT TAKE REASONABLE STEPS TO DETECT AND CAUSE THE REPORTING OF SUSPICIOUS TRANSACTIONS. THE FIRM RECEIVED VARIOUS TYPES OF EXCEPTION REPORTS FROM ITS CLEARING FIRM BUT LACKED REASONABLE WRITTEN GUIDANCE CONCERNING HOW TO REVIEW THEM. THE FIRM CLEARED MANY TRANSACTIONS IDENTIFIED WITHOUT A REASONABLY DOCUMENTED EVALUATION OF WHETHER THEY RAISED RED FLAGS OF SUSPICIOUS ACTIVITY. IN ADDITION, THE FIRM DID NOT ESTABLISH AND IMPLEMENT APPROPRIATE RISK-BASED PROCEDURES FOR CONDUCTING ONGOING CUSTOMER DUE DILIGENCE, INCLUDING UNDERSTANDING THE NATURE AND PURPOSE OF CUSTOMER RELATIONSHIPS IN ORDER TO DEVELOP A CUSTOMER RISK PROFILE. THE FIRM FAILED TO ESTABLISH AND IMPLEMENT A REASONABLY DESIGNED CUSTOMER IDENTIFICATION PROGRAM (CIP). THE FIRM'S WSPS REQUIRED THE FIRM TO COLLECT CERTAIN ESSENTIAL FACTS ABOUT ITS CUSTOMERS AT ACCOUNT OPENING INCLUDING NAME, DATE OF BIRTH, AND ADDRESS. HOWEVER, THE WSPS DID NOT REQUIRE THE FIRM TO COLLECT AN IDENTIFICATION NUMBER FROM NEW CUSTOMERS, DID NOT PROVIDE REASONABLE PROCEDURES FOR THE VERIFICATION OF THE IDENTITIES OF ITS CUSTOMERS, AND DID NOT ADDRESS HOW THE FIRM WOULD RESPOND TO CIRCUMSTANCES WHERE IT COULD NOT FORM A REASONABLE BELIEF THAT IT KNEW THE TRUE IDENTITY OF A CUSTOMER. FURTHER, WHILE THE FIRM RETAINED AN OUTSIDE CONSULTANT TO CONDUCT AN INDEPENDENT TEST OF THE FIRM'S AML PROGRAM, THE TEST FAILED TO ADDRESS MATERIAL ASPECTS OF THE FIRM'S AML PROGRAM.

Initiated By:

FINRA

Date Initiated:

03/11/2025

Docket/Case Number:[2023077024501](#)**Principal Product Type:**

No Product

Other Product Type(s):**Principal Sanction(s)/Relief Sought:****Other Sanction(s)/Relief Sought:****Resolution:**

Acceptance, Waiver & Consent(AWC)



Resolution Date: 03/11/2025

Sanctions Ordered: Censure
Monetary/Fine \$150,000.00

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED, FINED \$150,000, AND REQUIRED TO CERTIFY THAT IT HAS REMEDIATED THE ISSUES IDENTIFIED IN THE AWC AND IMPLEMENTED A REASONABLY DESIGNED SUPERVISORY SYSTEM, INCLUDING WSPS.

Disclosure 2 of 21

Reporting Source: Regulator

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO DEVELOP AND IMPLEMENT AN ANTI-MONEY LAUNDERING (AML) PROGRAM REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REQUIREMENTS OF THE BANK SECRECY ACT (BSA) AND ITS IMPLEMENTING REGULATIONS. THE FINDINGS STATED THAT THE FIRM DID NOT TAKE REASONABLE STEPS TO DETECT AND CAUSE THE REPORTING OF SUSPICIOUS TRANSACTIONS. THE FIRM RECEIVED VARIOUS TYPES OF EXCEPTION REPORTS FROM ITS CLEARING FIRM BUT LACKED REASONABLE WRITTEN GUIDANCE CONCERNING HOW TO REVIEW THEM. THE FIRM CLEARED MANY TRANSACTIONS IDENTIFIED WITHOUT A REASONABLY DOCUMENTED EVALUATION OF WHETHER THEY RAISED RED FLAGS OF SUSPICIOUS ACTIVITY. IN ADDITION, THE FIRM DID NOT ESTABLISH AND IMPLEMENT APPROPRIATE RISK-BASED PROCEDURES FOR CONDUCTING ONGOING CUSTOMER DUE DILIGENCE, INCLUDING UNDERSTANDING THE NATURE AND PURPOSE OF CUSTOMER RELATIONSHIPS IN ORDER TO DEVELOP A CUSTOMER RISK PROFILE. THE FIRM FAILED TO ESTABLISH AND IMPLEMENT A REASONABLY DESIGNED CUSTOMER IDENTIFICATION PROGRAM (CIP). THE FIRM'S WSPS REQUIRED THE FIRM TO COLLECT CERTAIN ESSENTIAL FACTS ABOUT ITS CUSTOMERS AT ACCOUNT OPENING INCLUDING NAME, DATE OF BIRTH, AND ADDRESS. HOWEVER, THE WSPS DID NOT REQUIRE THE FIRM TO COLLECT AN IDENTIFICATION NUMBER FROM NEW CUSTOMERS, DID NOT PROVIDE REASONABLE PROCEDURES FOR THE VERIFICATION OF THE IDENTITIES OF ITS CUSTOMERS, AND DID NOT ADDRESS HOW THE FIRM WOULD RESPOND TO CIRCUMSTANCES WHERE IT COULD NOT FORM A REASONABLE BELIEF THAT IT KNEW THE TRUE IDENTITY OF A CUSTOMER. FURTHER, WHILE THE FIRM RETAINED AN OUTSIDE CONSULTANT TO CONDUCT AN INDEPENDENT TEST OF THE FIRM'S AML PROGRAM, THE



TEST FAILED TO ADDRESS MATERIAL ASPECTS OF THE FIRM'S AML PROGRAM.

Initiated By: FINRA

Date Initiated: 03/11/2025

Docket/Case Number: [2023077024501](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/11/2025

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$150,000.00

Other Sanctions Ordered: UNDERTAKINGS

Sanction Details: THE FIRM WAS CENSURED, FINED \$150,000, AND REQUIRED TO CERTIFY THAT IT HAS REMEDIATED THE ISSUES IDENTIFIED IN THE AWC AND IMPLEMENTED A REASONABLY DESIGNED SUPERVISORY SYSTEM, INCLUDING WSPS. FINE PAID IN FULL ON MARCH 24, 2025.

Disclosure 3 of 21

Reporting Source: Regulator

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT NEGLIGENTLY FAILED TO TELL INVESTORS IN TWO OFFERINGS RELATED TO AN ALTERNATIVE ASSET MANAGEMENT FIRM THAT THE ISSUERS FAILED TO TIMELY MAKE REQUIRED FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION (SEC). THE FINDINGS STATED THAT THE FIRM



SOLD LIMITED PARTNERSHIP INTERESTS IN TWO PRIVATE SECTOR COMPANIES AFTER BEING NOTIFIED THAT THE DELIVERY OF THE ISSUERS' AUDITED FINANCIAL STATEMENTS WOULD BE DELAYED PENDING THE COMPLETION OF A FORENSIC AUDIT. THE PRINCIPAL VALUE OF THE SALES TOTALED \$600,000 AND THE FIRM RECEIVED A TOTAL OF \$48,000 IN COMMISSIONS FROM THE SALES. IN CONNECTION WITH THESE SALES, HOWEVER, THE FIRM'S REPRESENTATIVES DID NOT INFORM THE CUSTOMERS THAT THE ISSUERS HAD NOT TIMELY FILED THEIR AUDITED FINANCIAL STATEMENTS WITH THE SEC OR THE REASONS FOR THE DELAY. THE DELAY IN FILING AUDITED FINANCIAL STATEMENTS WAS MATERIAL INFORMATION THAT SHOULD HAVE BEEN DISCLOSED. SUBSEQUENTLY, THE SEC FILED A COMPLAINT AGAINST THE ALTERNATIVE ASSET MANAGEMENT FIRM AND OTHER DEFENDANTS ALLEGING, AMONG OTHER THINGS, THAT THE DEFENDANTS ENGAGED IN SECURITIES FRAUD IN VIOLATION OF SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 10B-5 PROMULGATED THEREUNDER. THE UNITED STATES DEPARTMENT OF JUSTICE ALSO BROUGHT CRIMINAL CHARGES AGAINST THE ALTERNATIVE ASSET MANAGEMENT FIRM'S FOUNDER AND CHIEF EXECUTIVE OFFICER (CEO) AND TWO OTHER EXECUTIVES, CHARGING, AMONG OTHER THINGS, SECURITIES FRAUD, MAIL FRAUD AND WIRE FRAUD.

Initiated By: FINRA

Date Initiated: 09/02/2022

Docket/Case Number: [2019061213701](#)

Principal Product Type: Other

Other Product Type(s): LIMITED PARTNERSHIP INTERESTS

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/02/2022

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure



Monetary/Fine \$60,000.00
 Disgorgement/Restitution

Other Sanctions Ordered: INTEREST ON RESTITUTION

Sanction Details: THE FIRM WAS CENSURED, FINED \$60,000, AND ORDERED TO PAY \$48,000, PLUS INTEREST, IN PARTIAL RESTITUTION TO CUSTOMERS. THE AMOUNT OF PARTIAL RESTITUTION BEING PAID TO CUSTOMERS IS EQUAL TO THE COMMISSIONS THAT THE FIRM RECEIVED IN CONNECTION WITH THESE CUSTOMERS' INVESTMENTS. FINE PAID IN FULL ON SEPTEMBER 14, 2022.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT NEGLIGENTLY FAILED TO TELL INVESTORS IN TWO OFFERINGS RELATED TO AN ALTERNATIVE ASSET MANAGEMENT FIRM THAT THE ISSUERS FAILED TO TIMELY MAKE REQUIRED FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION (SEC). THE FINDINGS STATED THAT THE FIRM SOLD LIMITED PARTNERSHIP INTERESTS IN TWO PRIVATE SECTOR COMPANIES AFTER BEING NOTIFIED THAT THE DELIVERY OF THE ISSUERS' AUDITED FINANCIAL STATEMENTS WOULD BE DELAYED PENDING THE COMPLETION OF A FORENSIC AUDIT. THE PRINCIPAL VALUE OF THE SALES TOTALED \$600,000 AND THE FIRM RECEIVED A TOTAL OF \$48,000 IN COMMISSIONS FROM THE SALES. IN CONNECTION WITH THESE SALES, HOWEVER, THE FIRM'S REPRESENTATIVES DID NOT INFORM THE CUSTOMERS THAT THE ISSUERS HAD NOT TIMELY FILED THEIR AUDITED FINANCIAL STATEMENTS WITH THE SEC OR THE REASONS FOR THE DELAY. THE DELAY IN FILING AUDITED FINANCIAL STATEMENTS WAS MATERIAL INFORMATION THAT SHOULD HAVE BEEN DISCLOSED. SUBSEQUENTLY, THE SEC FILED A COMPLAINT AGAINST THE ALTERNATIVE ASSET MANAGEMENT FIRM AND OTHER DEFENDANTS ALLEGING, AMONG OTHER THINGS, THAT THE DEFENDANTS ENGAGED IN SECURITIES FRAUD IN VIOLATION OF SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 10B-5 PROMULGATED THEREUNDER. THE UNITED STATES DEPARTMENT OF JUSTICE ALSO BROUGHT CRIMINAL CHARGES AGAINST THE ALTERNATIVE ASSET MANAGEMENT FIRM'S FOUNDER AND CHIEF EXECUTIVE OFFICER (CEO) AND TWO OTHER EXECUTIVES, CHARGING, AMONG OTHER THINGS, SECURITIES FRAUD, MAIL FRAUD AND WIRE FRAUD.

Initiated By: FINRA

Date Initiated: 09/02/2022



Docket/Case Number: [2019061213701](#)

Principal Product Type: Other

Other Product Type(s): LIMITED PARTNERSHIP INTERESTS.

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: SANCTIONS/RELIEF SOUGHT.

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/02/2022

Sanctions Ordered: Censure
Monetary/Fine \$60,000.00
Disgorgement/Restitution

Other Sanctions Ordered: INTEREST ON RESTITUTION.

Sanction Details: THE FIRM WAS CENSURED, FINED \$60,000, AND ORDERED TO PAY \$48,000, PLUS INTEREST, IN PARTIAL RESTITUTION TO CUSTOMERS. THE AMOUNT OF PARTIAL RESTITUTION BEING PAID TO CUSTOMERS IS EQUAL TO THE COMMISSIONS THAT THE FIRM RECEIVED IN CONNECTION WITH THESE CUSTOMERS' INVESTMENTS.

Disclosure 4 of 21

Reporting Source: Regulator

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM, INCLUDING WRITTEN PROCEDURES, REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH FINRA RULE 2111 IN RELATION TO THE SOLICITED SALES OF INVERSE AND LEVERAGED EXCHANGE TRADED FUNDS (NT-ETFS) IN THAT THE FIRM'S SUPERVISORY SYSTEM WAS NOT SUFFICIENTLY TAILORED TO ADDRESS THE UNIQUE FEATURES AND RISKS OF THESE PRODUCTS. THE FINDINGS STATED THAT THE FIRM DID NOT HAVE A REASONABLE SUPERVISORY SYSTEM FOR REVIEWING REPRESENTATIVES' RECOMMENDATIONS TO PURCHASE NT-ETFS BASED ON A CUSTOMER'S AGE, INVESTMENT OBJECTIVE, RISK TOLERANCE OR FINANCIAL PROFILE, INCLUDING NET WORTH. WHILE THE FIRM REQUIRED REPRESENTATIVES TO COMPLETE PRODUCT-SPECIFIC TRAINING PRIOR TO RECOMMENDING NT-ETF TRANSACTIONS, NO SUCH TRAINING WAS EVER PROVIDED TO REPRESENTATIVES OR TO THE SUPERVISORS REVIEWING THEIR



CONDUCT. LIKEWISE, THE FIRM FAILED TO EDUCATE, THROUGH ITS WRITTEN PROCEDURES OR OTHERWISE, ITS REPRESENTATIVES AND SUPERVISORS REGARDING HOW TO DETERMINE WHETHER A NT-ETF WAS SUITABLE FOR CUSTOMERS GIVEN THE UNIQUE FEATURES AND RISKS OF THOSE PRODUCTS. MOREOVER, ALTHOUGH THE FIRM'S SUPERVISORY SYSTEM INCORPORATED EXCEPTION REPORTS AND ALERTS AS PART OF ITS ROUTINE ELECTRONIC TRADE REVIEW SYSTEM, NONE OF THOSE EXCEPTION REPORTS OR ALERTS WERE DESIGNED OR USED TO SURVEIL FOR THE UNIQUE RISKS POSED BY NT-ETFs. ADDITIONALLY, THE FIRM'S ELECTRONIC TRADE REVIEW SYSTEM WAS NOT DESIGNED TO IDENTIFY NT-ETF TRANSACTIONS HELD FOR LONGER PERIODS, NOR DID THE FIRM REQUIRE SUPERVISORS TO REVIEW NT-ETF TRANSACTIONS WITH THIS PARTICULAR RISK IN MIND. AS A RESULT, THE FIRM'S CUSTOMERS HELD POSITIONS IN NT-ETFs FOR EXTENDED PERIODS, SPANNING FROM WEEKS TO YEARS IN MANY INSTANCES, CAUSING SIGNIFICANT LOSSES. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO REVIEW AND EVALUATE THE OUTSIDE BUSINESS ACTIVITIES (OBAS) OF ITS REGISTERED REPRESENTATIVES. THE FIRM FAILED TO EVALUATE WHETHER THE REPRESENTATIVES' PROPOSED ACTIVITIES WOULD INTERFERE WITH EACH REPRESENTATIVE'S RESPONSIBILITIES TO THE FIRM, COULD BE VIEWED BY THE FIRM'S CUSTOMERS AS PART OF THE FIRM'S BUSINESS, OR WHETHER IT SHOULD BE TREATED AS OUTSIDE SECURITIES ACTIVITY. THE FINDINGS ALSO INCLUDED THAT THE FIRM DISTRIBUTED SALES MATERIALS IN CONNECTION WITH PRIVATE PLACEMENT OFFERINGS THAT CONTAINED PROHIBITED PERFORMANCE PROJECTIONS. THESE PROJECTIONS INCLUDED, BUT WERE NOT LIMITED TO, REFERENCES TO MULTIPLES ON INVESTMENT CAPITAL, INTERNAL RATE OF RETURN, AND AVERAGE CASH-ON-CASH PERCENTAGE RETURN OVER A FUTURE 15-YEAR PERIOD. ACCORDINGLY, THE COMMUNICATIONS MADE CONTAINED FORWARD-LOOKING PROJECTIONS OF INVESTOR AND INVESTMENT RETURNS, WHICH ARE PROHIBITED. FINRA FOUND THAT THE FIRM FAILED TO FILE OFFERING DOCUMENTS WITH FINRA RELATED TO EIGHT PRIVATE PLACEMENTS SOLD BY THE FIRM'S REGISTERED REPRESENTATIVES. THE FIRM BELATEDLY FILED WITH FINRA MATERIALS FOR FIVE PRIVATE OFFERINGS AND DID NOT FILE ANY REQUIRED MATERIALS FOR THE OTHER THREE OFFERINGS. FINRA ALSO FOUND THAT THE FIRM WILLFULLY VIOLATED EXCHANGE ACT RULE 10B-9 AND FINRA RULE 2010 BY FAILING TO TERMINATE AN OFFERING OF SECURITIES THAT DID NOT MEET A MINIMUM CONTINGENCY REQUIREMENT UNDER THE TERMS OF A PRIVATE PLACEMENT MEMORANDUM (PPM) AND RETURN FUNDS TO INVESTORS. BY THE DATE SPECIFIED IN THE PPM, THE FIRM HAD NOT RAISED INVESTOR FUNDS IN AN AMOUNT THAT SATISFIED THE MINIMUM CONTINGENCY REQUIRED BY THE PPM. THE FIRM DID NOT TERMINATE THE OFFERING AND RETURN INVESTOR FUNDS AT THAT TIME, HOWEVER, AS IT WAS REQUIRED TO DO PURSUANT TO THE TERMS OF



THE PPM. RATHER, THE FIRM CONTINUED TO SOLICIT INVESTMENTS IN THE OFFERING, UNDER A MODIFIED PPM THAT IMPROPERLY EXTENDED THE TERMINATION DATE AND REDUCED THE MINIMUM CONTINGENCY.

Initiated By: FINRA

Date Initiated: 07/01/2021

Docket/Case Number: [2019060694201](#)

Principal Product Type: Other

Other Product Type(s): NON-TRADITIONAL EXCHANGE TRADED FUNDS
PRIVATE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/01/2021

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? Yes

Sanctions Ordered: Censure
Monetary/Fine \$160,000.00
Disgorgement/Restitution

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED, FINED \$160,000, AND ORDERED TO PAY \$370,161.39, PLUS INTEREST, IN RESTITUTION TO CUSTOMERS. FINE PAID IN FULL ON JULY 19, 2021.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT (1) FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM, INCLUDING WRITTEN PROCEDURES, REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH FINRA RULE 2111 IN RELATION TO THE SOLICITED



SALES OF INVERSE AND LEVERAGED EXCHANGE-TRADED FUNDS (NON-TRADITIONAL ETFS) IN VIOLATION OF FINRA RULE 3110 AND ITS PREDECESSOR, NASD RULE 3010, AS WELL AS FINRA RULE 2010, (2) FAILED TO REVIEW AND EVALUATE THE OUTSIDE BUSINESS ACTIVITIES OF APPROXIMATELY 15 OF ITS REGISTERED REPRESENTATIVES, IN VIOLATION OF FINRA RULES 3270.01 AND 2010, (3) DISTRIBUTED SALES MATERIAL IN CONNECTION WITH THREE PRIVATE PLACEMENT OFFERINGS THAT CONTAINED PROHIBITED PERFORMANCE PROJECTIONS, IN VIOLATION OF FINRA RULES 2210(D)(1)(F) AND 2010, (4) FAILED TO FILE OFFERING DOCUMENTS WITH FINRA RELATED TO EIGHT PRIVATE PLACEMENTS SOLD BY THE FIRM'S REGISTERED REPRESENTATIVES, IN VIOLATION OF FINRA RULES 5123 AND 2010, AND (5) FAILED TO TERMINATE AN OFFERING OF SECURITIES THAT DID NOT MEET A MINIMUM CONTINGENCY REQUIREMENT UNDER THE TERMS OF A PRIVATE PLACEMENT MEMORANDUM AND RETURN FUNDS TO INVESTORS, IN WILLFUL VIOLATION OF SECURITIES EXCHANGE ACT OF 1934 RULE 10B-9 AND FINRA RULE 2010.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY

Date Initiated: 07/01/2021

Docket/Case Number: [2019060694201](#)

Principal Product Type: Other

Other Product Type(s): NON-TRADITIONAL ETFS, PRIVATE PLACEMENTS

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought: CENSURE
RESTITUTION

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/01/2021

Sanctions Ordered: Censure
Monetary/Fine \$160,000.00
Disgorgement/Restitution

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM WAS CENSURED, FINED \$160,000 AND REQUIRED TO PAY RESTITUTION IN THE AMOUNT OF \$370,161.39, PLUS INTEREST. THE FINE WAS PAID ON 07/07/2021.

Firm Statement WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM WAS CENSURED, FINED \$160,000 AND REQUIRED TO PAY RESTITUTION IN THE



AMOUNT OF \$370,161.39, PLUS INTEREST. THE FINE WAS PAID ON 07/07/2021.

Disclosure 5 of 21

Reporting Source:	Regulator
Current Status:	Final
Allegations:	MSRB RULES G-14, G-15, G-27 - DAVID A. NOYES & COMPANY FAILED TO REPORT THE YIELD FACTORING IN THE SALES CHARGE TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) IN MUNICIPAL SECURITIES TRANSACTION REPORTS AND FAILED TO REPORT THE CORRECT YIELD TO THE RTRS IN A FEW MUNICIPAL SECURITIES TRANSACTION REPORTS. THE FIRM FAILED TO DISCLOSE THE YIELD-TO-WORST FACTORING IN THE SALES CHARGE TO CUSTOMERS ON TRANSACTION CONFIRMATIONS IN MUNICIPAL SECURITIES AND FAILED TO DISCLOSE THE ACCURATE YIELD-TO-WORST TO CUSTOMERS ON THE CONFIRMATION IN SOME MUNICIPAL SECURITIES TRANSACTIONS. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND THE MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB) RULES CONCERNING THE CONFIRMATIONS OF TRANSACTIONS INVOLVING MUNICIPAL SECURITIES.
Initiated By:	FINRA
Date Initiated:	09/07/2012
Docket/Case Number:	2009020711801
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	09/07/2012



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?

No

Sanctions Ordered:

Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered:

Sanction Details:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$15,000 FOR MSRB RULE VIOLATIONS. FINE PAID IN FULL ON SEPTEMBER 26, 2012.

Reporting Source:

Firm

Current Status:

Final

Allegations:

FINRA ALLEGES THAT DURING THE REVIEW PERIOD , THE FIRM FAILED TO REPORT THE YIELD FACTORING IN THE SALES CHARGE TO THE RTRS AND FAILED TO REPORT THE YIELD-TO-WORST FACTORING IN THE SALES CHARGE TO CUSTOMERS.

Initiated By:

FINRA

Date Initiated:

12/10/2009

Docket/Case Number:

20090207118

Principal Product Type:

Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Censure

Other Sanction(s)/Relief Sought:

Resolution:

Acceptance, Waiver & Consent(AWC)

Resolution Date:

07/31/2012

Sanctions Ordered:

Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered:



Sanction Details: A CENTURE AND A FINE OF \$15,000.00

Disclosure 6 of 21

Reporting Source: Regulator

Current Status: Final

Allegations: SEC RULES 10B-10, 200(G) OF REGULATION SHO, NASD RULES 2110, 3010, 6130(D), 6955(A) - DAVID A. NOYES & COMPANY EXECUTED SHORT SALE TRANSACTIONS AND FAILED TO REPORT THEM TO THE FINRA/NASDAQ TRADE REPORTING FACILITY (TRF) WITH A SHORT SALE MODIFIER AND EXECUTED LONG SALE TRANSACTIONS AND INCORRECTLY REPORTED EACH OF THE TRANSACTIONS TO THE TRF AS SHORT. THE FIRM TRANSMITTED TO THE ORDER AUDIT TRAIL SYSTEM (OATS) REPORTS THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA; THE REPORTS CONTAINED INACCURATE OR OMITTED INDICATORS, DESTINATION SYMBOLS, ROUTE REPORTS, AND ORDER RECEIPT TIMES. THE FIRM FAILED TO PROVIDE WRITTEN NOTIFICATION DISCLOSING TO ITS CUSTOMERS THAT TRANSACTIONS WERE EXECUTED AT AN AVERAGE PRICE. THE FIRM FAILED WHEN IT ACTED AS PRINCIPAL FOR ITS OWN ACCOUNT TO PROVIDE WRITTEN NOTIFICATION DISCLOSING TO ITS CUSTOMERS THE CORRECT REPORTED TRADE PRICE. THE FIRM EXECUTED SHORT SALE ORDERS AND FAILED TO PROPERLY MARK THE ORDERS AS SHORT. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND FINRA RULES ADDRESSING QUALITY OF MARKET TOPICS. THE FIRM'S WRITTEN SUPERVISORY PROCEDURES FAILED TO PROVIDE FOR ONE OR MORE MINIMUM REQUIREMENTS FOR ADEQUATE WRITTEN SUPERVISORY PROCEDURES IN TRADE REPORTING; OATS REPORTING; LOCATE RULE; ORDER MARKING; BEST EXECUTION; AND BOOKS AND RECORDS.

Initiated By: FINRA

Date Initiated: 12/07/2009

Docket/Case Number: [2008012453701](#)

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:



Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/07/2009

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$27,500.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED, FINED \$27,500 AND REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING TRADE REPORTING; OATS REPORTING; LOCATE RULE; ORDER MARKING; BEST EXECUTION; AND BOOKS AND RECORDS WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.

Reporting Source: Firm

Current Status: Final

Allegations: SEC RULES 10B-10, 200(G) OF REGULATION SHO, NASD RULES 2110, 3010, 6130(D), 6955(A) - DAVID A. NOYES & COMPANY EXECUTED SHORT SALE TRANSACTIONS AND FAILED TO REPORT THEM TO THE FINRA/NASDAQ TRADE REPORTING FACILITY (TRF) WITH A SHORT SALE MODIFIER AND EXECUTED LONG SALE TRANSACTIONS AND INCORRECTLY REPORTED EACH OF THE TRANSACTIONS TO THE TRF AS SHORT. THE FIRM TRANSMITTED TO THE ORDER AUDIT TRAIL SYSTEM (OATS) REPORTS THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA; THE REPORTS CONTAINED INACCURATE OR OMITTED INDICATORS, DESTINATION SYMBOLS, ROUTE REPORTS, AND ORDER RECEIPT TIMES. THE FIRM FAILED TO PROVIDE WRITTEN NOTIFICATION DISCLOSING TO ITS CUSTOMERS THAT TRANSACTIONS WERE EXECUTED AT AN AVERAGE PRICE. THE FIRM FAILED WHEN IT ACTED AS PRINCIPAL FOR ITS OWN ACCOUNT TO PROVIDE WRITTEN NOTIFICATION DISCLOSING TO ITS CUSTOMERS THE CORRECT REPORTED TRADE PRICE. THE FIRM EXECUTED SHORT SALE ORDERS AND FAILED TO PROPERLY MARK THE ORDERS AS SHORT. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS,



REGULATIONS AND FINRA RULES ADDRESSING QUALITY OF MARKET TOPICS. THE FIRM'S WRITTEN SUPERVISORY PROCEDURES FAILED TO PROVIDE FOR ONE OR MORE MINIMUM REQUIREMENTS FOR ADEQUATE WRITTEN SUPERVISORY PROCEDURES IN TRADE REPORTING; OATS REPORTING; LOCATE RULE; ORDER MARKING; BEST EXECUTION; AND BOOKS AND RECORDS.

Initiated By: FINRA

Date Initiated: 12/07/2009

Docket/Case Number: 20080124537-01

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED SECURITIES

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/07/2009

Sanctions Ordered: Censure
Monetary/Fine \$27,500.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED, FINED \$27,500 AND REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING TRADE REPORTING; OATS REPORTING; LOCATE RULE; ORDER MARKING; BEST EXECUTION; AND BOOKS AND RECORDS WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.

Disclosure 7 of 21

Reporting Source: Regulator

Current Status: Final

Allegations: SEC RULES 17A-3, 17A-4, NASD RULES 3110, 6130, 6955(A) - DAVID A. NOYES & COMPANY FAILED TO REPORT TO THE NASD/NASDAQ TRADE REPORTING FACILITY OR THE OTC REPORTING FACILITY THE CORRECT SYMBOL INDICATING WHETHER THE FIRM EXECUTED TRANSACTIONS IN REPORTABLE SECURITIES IN A PRINCIPAL, RISKLESS PRINCIPAL OR



AGENCY CAPACITY. THE FIRM FAILED TO REPORT THE SHORT SALE OR SHORT EXEMPT INDICATOR FOR SHORT SALES. THE FIRM TRANSMITTED TO THE ORDER AUDIT TRAIL SYSTEM (OATS) REPORTS THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA IN THAT THE REPORTS CONTAINED INACCURATE TIMESTAMPS, INCORRECT ORDER-TYPE CODES AND INCORRECT INFORMATION FOR PROPRIETARY TRANSACTIONS IN A MARKET-MAKING SECURITY. THE FIRM FAILED TO PROVIDE ORDER MEMORANDUM AND FAILED TO MEMORIALIZE CORRECTLY ORDER INFORMATION, ORDER RECEIPT TIME OR THE ORDER TYPE CODE.

Initiated By: FINRA

Date Initiated: 02/25/2009

Docket/Case Number: [2007008322001](#)

Principal Product Type: Other

Other Product Type(s): REPORTABLE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 02/25/2009

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$12,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$12,500.

Reporting Source: Firm

Current Status: Final



Allegations: SEC RULE 17A-3, 17A-4, NASD RULES 3110, 6130, 6955(A) - DAVID A. NOYES & COMPANY FAILED TO REPORT TO THE NASD?NASDAQ TRADE REPORTING FACILITY OF THE OTC REPORTING FACILITY THE CORRECT SYMBOL INDICATING WHETHER THE FIRM EXECUTED TRANSACTIONS IN REPORTABLE SECURITIES IN A PRINCIPAL, RISKLESS PRINCIPAL OR AGENCY CAPACITY. THE FIRM FAILED TO REPORT THE SHORT SALE OR SHORT SALE EXEMPT INDICATOR FOR SHORT SALES. THE FIRM TRANSMITTED TO THE ORDER AUDIT TRAIL SYSTEM (OATS) REPORTS THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA IN THAT THE REPORTS CONTAINED INACCURATE TIMESTAMPS, INCORRECT ORDER-TYPE CODES AND INCORRECT INFORMATION FOR PROPRIETARY TRANSACTIONS IN A MARKET-MAKING SECURITY. THE FIRM FAILED TO PROVIDE ORDER MEMORANDUM AND FAILED TO MEMORIALIZE CORRECTLY ORDER INFORMATION, ORDER RECEIPT TIME OR ORDER TYPE CODE.

Initiated By: NASD

Date Initiated: 02/25/2009

Docket/Case Number: [2007008322001](#)

Principal Product Type: Other

Other Product Type(s): REPORTABLE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 02/25/2009

Sanctions Ordered: Censure
Monetary/Fine \$12,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$12,500.

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Reporting Source: Regulator

Current Status: Final



Allegations: SECTION 15(F) OF THE SECURITIES EXCHANGE ACT OF 1934, 15 USCS 78O(F), NASD RULES 2110, 3010 - DAVID A. NOYES & COMPANY FAILED TO ENFORCE WRITTEN SUPERVISORY PROCEDURES IN THAT IT FAILED TO MAINTAIN SEPARATION BETWEEN ITS SALES AND INVESTMENT BANKING DEPARTMENTS TO PREVENT COMMUNICATION OF MATERIAL, NON-PUBLIC INFORMATION CONCERNING INVESTMENT ACTIVITY TO ANYONE OUTSIDE THE INVESTMENT BANKING DEPARTMENT WITHOUT THE PRIOR APPROVAL OF DESIGNATED MANAGERS; ESTABLISH "GREY LIST" PROCEDURES TO BE IMPLEMENTED WHEN THE FIRM IS ABOUT TO OBTAIN, OR HAS OBTAINED MATERIAL, NON-PUBLIC INFORMATION CONCERNING A SECURITY; AND ESTABLISH A "RESTRICTED LIST" PROCEDURE DESIGNED TO PROHIBIT INSIDER TRADING VIOLATIONS AND APPEARANCES OF IMPROPRIETY. THE FIRM FAILED TO ENFORCE WRITTEN POLICIES AND PROCEDURES REASONABLY DESIGNED TO PREVENT THE MISUSE OF MATERIAL, NON-PUBLIC INFORMATION BY THE FIRM OR ANY PERSON ASSOCIATED WITH THE FIRM.

Initiated By: FINRA

Date Initiated: 12/03/2008

Docket/Case Number: [2005000219101](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/03/2008

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$22,500.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS;



THEREFORE, THE FIRM IS CENSURED, FINED \$22,500 AND REQUIRED TO REVISE ITS SUPERVISORY SYSTEM REGARDING SEPARATION BETWEEN ITS SALES AND INVESTMENT BANKING DEPARTMENTS, ESTABLISHING GREY AND RESTRICTED LISTS, AND MISUSE OF MATERIAL, NON-PUBLIC INFORMATION WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.

Reporting Source:	Firm
Current Status:	Final
Allegations:	SECTION 15(F) OF THE SECURITIES EXCHANGE ACT OF 1934, 15 USCS 780(F), NASD RULES 2110 AND 3010 - IT IS ALLEGED THAT DAVID A. NOYES AND COMPANY FAILED TO ENFORCE WRITTEN SUPERVISORY PROCEDURES IN THAT IT FAILED TO MAINTAIN SEPARATION BETWEEN ITS SALES AND INVESTMENT BANKING DEPARTMENTS TO PREVENT COMMUNICATION OF MATERIAL, NON-PUBLIC INFORMATION CONCERNING INVESTMENT ACTIVITY TO ANYONE OUTSIDE THE INVESTMENT BANKING DEPARTMENT WITHOUT THE PRIOR APPROVAL OF DESIGNATED MANAGERS
Initiated By:	FINRA
Date Initiated:	12/03/2008
Docket/Case Number:	2005000219101
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	12/03/2008
Sanctions Ordered:	Censure Monetary/Fine \$22,500.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED, FINED \$22,500.00 AND REQUIRED TO REVISE ITS SUPERVISORY SYSTEM REGARDING SEPARATION



BETWEEN ITS SALES AND INVESTMENT BANKING DEPARTMENTS,
ESTABLISHING GREY AND RESTRICTED LISTS, AND MISUSE OF MATERIAL,
NON-PUBLIC INFORMATION

Disclosure 9 of 21

Reporting Source:	Regulator
Current Status:	Final
Allegations:	MSRB RULE G-14 - DAVID A. NOYES & COMPANY 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 RULE G-14 RTRS PROCEDURES AND THE RTRS USERS MANUAL; THE FIRM FAILED TO REPORT INFORMATION ABOUT THE TRANSACTIONS WITHIN 15 MINUTES OF TIME OF TRADE TO AN RTRS PORTAL.
Initiated By:	FINRA
Date Initiated:	11/17/2008
Docket/Case Number:	2006005184801
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/17/2008
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Monetary/Fine \$5,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS FINED \$5,000.



Reporting Source:	Firm
Current Status:	Final
Allegations:	MSRB RULE G-14 - IT IS ALLEGED THAT DAVID A. NOYES & COMPANY FAILED TO REPORT INFORMATION REGARDING PURCHASE AND SALE TRANSACTIONS EFFECTED IN MUNICIPAL SECURITIES TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) WITHIN 15 MINUTE TIME FRAME
Initiated By:	FINRA
Date Initiated:	11/17/2008
Docket/Case Number:	2006005184801
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/17/2008
Sanctions Ordered:	Monetary/Fine \$5,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTION AND THE ENTRY OF FINDINGS.

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Reporting Source:	Regulator
Current Status:	Final
Allegations:	ALLEGED UNREGISTERED INVESTMENT ADVISER REPRESENTATIVES PROVIDING ADVISORY SERVICES IN INDIANA.
Initiated By:	INDIANA
Date Initiated:	07/24/2008
Docket/Case Number:	08-0848 CA

**URL for Regulatory Action:****Principal Product Type:** No Product**Other Product Type(s):****Principal Sanction(s)/Relief Sought:** Civil and Administrative Penalt(ies) /Fine(s)**Other Sanction(s)/Relief Sought:** COST OF INVESTIGATION**Resolution:** Acceptance, Waiver & Consent(AWC)**Resolution Date:** 07/24/2008**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?** No**Sanctions Ordered:** Monetary/Fine \$25,000.00**Other Sanctions Ordered:** \$5,000 COST OF INVESTIGATION**Sanction Details:** TOTAL \$30,000; PAID 7/24/2008. NO PORTION WAIVED.**Reporting Source:** Firm**Current Status:** Final**Allegations:** ALLEGED UNREGISTERED INVESTMENT ADVISER REPRESENTATIVES PROVIDING ADVISORY SERVICES**Initiated By:** INDIANA**Date Initiated:** 07/24/2008**Docket/Case Number:** 08-0848 CA**Principal Product Type:** No Product**Other Product Type(s):****Principal Sanction(s)/Relief Sought:** Civil and Administrative Penalt(ies) /Fine(s)**Other Sanction(s)/Relief Sought:** COST OF INVESTIGATION**Resolution:** Acceptance, Waiver & Consent(AWC)



Resolution Date: 07/24/2008

Sanctions Ordered: Monetary/Fine \$25,000.00

Other Sanctions Ordered: \$5,000 COST OF INVESTIGATION

Sanction Details: PAID \$30000.00 FINE ON 07/24/2008

Disclosure 11 of 21

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 3010 - DAVID A. NOYES & COMPANY'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND NASD RULES CONCERNING RECOMMENDATIONS TO CUSTOMERS IN OTC EQUITY SECURITIES, REVIEW OF ACTIVE ACCOUNTS, COMMUNICATIONS WITH THE PUBLIC, ADVERTISING, INSTITUTIONAL SALES MATERIAL, CUSTOMER CORRESPONDENCE, APPROVAL OF NEW ACCOUNTS, MEMORANDA OF BROKERAGE ORDERS, RECOMMENDATIONS OF SPECULATIVE, LOW-PRICED SECURITIES, REVIEWS AND SUPERVISION OF OUTGOING CORRESPONDENCE, OUTSIDE BUSINESS ACTIVITIES, DISCRETIONARY CUSTOMER ACCOUNTS, FEE-BASED ACCOUNTS, OPEN ORDERS AND THE ACTIVITIES OF THE BRANCH OFFICE MANAGER.

Initiated By: FINRA

Date Initiated: 06/30/2008

Docket/Case Number: [2005000029204](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/30/2008



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$40,000.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE THE FIRM IS CENSURED, FINED \$40,000 AND REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING RECOMMENDATIONS TO CUSTOMERS IN OTC EQUITY SECURITIES, REVIEW OF ACTIVE ACCOUNTS, COMMUNICATIONS WITH THE PUBLIC, ADVERTISING, INSTITUTIONAL SALES MATERIAL, CUSTOMER CORRESPONDENCE, APPROVAL OF NEW ACCOUNTS, MEMORANDA OF BROKERAGE ORDERS, RECOMMENDATIONS OF SPECULATIVE, LOW-PRICED SECURITIES, REVIEWS AND SUPERVISION OF OUTGOING CORRESPONDENCE, OUTSIDE BUSINESS ACTIVITIES, DISCRETIONARY CUSTOMER ACCOUNTS, FEE-BASED ACCOUNTS, OPEN ORDERS AND THE ACTIVITIES OF THE BRANCH OFFICE MANAGER WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.

Reporting Source: Firm

Current Status: Final

Allegations: NASD RULES 2110, 3010 - DAVID A. NOYES & COMPANY'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND NASD RULES CONCERNING RECOMMENDATIONS TO CUSTOMERS IN OTC EQUITY SECURITIES, REVIEW OF ACTIVE ACCOUNTS, COMMUNICATION WITH THE PUBLIC, ADVERTISING, INSTITUTIONAL SALES MATERIAL, CUSTOMER CORRESPONDENCE, APPROVAL OF NEW ACCOUNTS, MEMORANDA OF BROKERAGE ORDERS, RECOMMENDATIONS OF SPECULATIVE, LOW-PRICED SECURITIES, REVIEWS AND SUPERVISION OF OUTGOING CORRESPONDENCE, OUTSIDE BUSINESS ACTIVITIES, DISCRETIONARY CUSTOMER ACCOUNTS, FEE-BASED ACCOUNTS, OPEN ORDERS AND THE ACTIVITIES OF THE BRANCH OFFICE MANAGER

Initiated By: FINRA

Date Initiated: 06/30/2008



Docket/Case Number:	20050000292-04
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	06/30/2008
Sanctions Ordered:	Censure Monetary/Fine \$40,000.00 Suspension
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE THE FIRM IS CENSURED, FINED \$40,000.00 AND REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING RECOMMENDATIONS TO CUSTOMERS IN OTC EQUITY SECURITIES, REVIEW OF ACTIVE ACCOUNTS, COMMUNICATION WITH THE PUBLIC, ADVERTISING, INSTITUTIONAL SALES MATERIAL, CUSTOMER CORRESPONDENCE, APPROVAL OF NEW ACCOUNTS, MEMORANDA OF BROKERAGE ORDERS, RECOMMENDATIONS OF SPECULATIVE, LOW-PRICED SECURITIES, REVIEWS AND SUPERVISION OF OUTGOING CORRESPONDENCE, OUTSIDE BUSINESS ACTIVITIES, DISCRETIONARY CUSTOMER ACCOUNTS, FEE-BASED ACCOUNTS, OPEN ORDERS AND THE ACTIVITIES OF THE BRANCH MANAGER WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC. IN ADDITION RUSSELL BAUMAN WITHOUT ADMITTING OR DENYING THE FINDINGS,BAUMAN CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE HE IS FINED \$10,000, SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY PRINCIPAL CAPACITY FOR 75 DAYS AND REQUIRED TO COMPLETE 8 HOURS OF FINRA SPONSORED CONTINUING EDUCATION IN SUPERVISION. THE SUSPENSION IN ANY PRINCIPAL CAPACITY IS IN EFFECT FROM AUGUST 4, 2008 TO OCTOBER 17, 2008.
Firm Statement	INVESTIGATION INITIATED IN 2005 RESOLVED IN 2008

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Reporting Source: Regulator



Current Status: Final

Allegations: **6/27/05**STIPULATION AND CONSENT TO PENALTY FILED BY NYSE DIVISION OF ENFORCEMENT AND PENDING.CONSENTED TO FINDINGS WITHOUT ADMITTING OR DENYING GUILT: FINDINGS THAT DAVID A. NOYES & CO.1.ENGAGED IN CONDUCT INCONSISTENT WITH JUST AND EQUITABLE PRINCIPLES OF TRADE IN THAT IT RECOMMENDED AND SOLD VARIABLE ANNUITIES TO CUSTOMERS THAT WERE UNSUITABLE;
2.VIOLATED EXCHANGE RULES 405(1) BY FAILING TO USE DUE DILIGENCE TO LEARN ESSENTIAL FACTS RELATIVE TO CUSTOMERS IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES; 3.VIOLATED EXCHANGE RULE 405(2) BY FAILING TO DILIGENTLY SUPERVISE ACCOUNTS HANDLED BY REGISTERED REPRESENTATIVES IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES; AND
4.VIOLATED EXCHANGE RULE 342 IN THAT IT: (A) FAILED TO REASONABLY SUPERVISE AND CONTROL CERTAIN OF ITS BUSINESS ACTIVITIES CONCERNING THE SALE OF VARIABLE ANNUITIES; AND (B) FAILED TO REASONABLY SUPERVISE AND CONTROL THE ACTIVITIES OF A PRODUCING BRANCH OFFICE MANAGER IN CONNECTION WITH HIS ACTIVITIES AS A REGISTERED REPRESENTATIVE.STIPULATED SANCTION: CENSURE, A TOTAL PAYMENT TO THE EXCHANGE OF \$550,000 AND AN UNDERTAKING.SUCH PAYMENT IS TO BE MADE TO THE EXCHANGE WITHIN 15 DAYS OF THE EXCHANGE'S HEARING PANEL'S DECISION BECOMING FINAL IN THIS MATTER AND WILL BE APPORTIONED AS FOLLOWS:1.\$175,000, WHICH SHALL CONSTITUTE A FINE AND MAY BE USED, IN WHOLE OR PART, TO SUPPLEMENT THE FUNDS DESCRIBED IN PARAGRAPH 2 IMMEDIATELY BELOW AND,2.\$375,000, WHICH SHALL BE USED, IN WHOLE OR PART, TO COMPENSATE CUSTOMERS THAT HAVE BEEN INJURED BY THE FIRM'S VIOLATIVE CONDUCT IN THIS MATTER.

Initiated By: NEW YORK STOCK EXCHANGE DIVISION OF ENFORCEMENT

Date Initiated: 06/27/2005

Docket/Case Number: HPD#: 05-098

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 12/29/2005



Sanctions Ordered:	Censure Monetary/Fine \$550,000.00
Other Sanctions Ordered:	
Sanction Details:	<p>**11/9/05**DECISION HPD 05-98 ISSUED BY NYSE HEARING PANEL FINDINGS: RECOMMENDED AND SOLD VARIABLE ANNUITIES TO CUSTOMERS THAT WERE UNSUITABLE; VIOLATED EXCHANGE RULE 405(1) BY FAILING TO USE DUE DILIGENCE TO LEARN ESSENTIAL FACTS RELATIVE TO CUSTOMERS IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES; VIOLATED EXCHANGE RULE 405(2) BY FAILING TO DILIGENTLY SUPERVISE ACCOUNTS HANDLED BY REGISTERED REPRESENTATIVES IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES; AND VIOLATED EXCHANGE RULE 342 IN THAT IT: (A) FAILED TO REASONABLY SUPERVISE AND CONTROL CERTAIN OF ITS BUSINESS ACTIVITIES CONCERNING THE SALE OF VARIABLE ANNUITIES; AND (B) FAILED TO REASONABLY SUPERVISE AND CONTROL THE ACTIVITIES OF A PRODUCING BRANCH OFFICE MANAGER IN CONNECTION WITH HIS ACTIVITIES AS A REGISTERED REPRESENTATIVE. PENALTY: THE IMPOSITION BY THE EXCHANGE OF THE PENALTY OF A CENSURE, A TOTAL PAYMENT TO THE EXCHANGE OF \$550,000, AND AN UNDERTAKING AND CUSTOMER RESTITUTION PROCEDURES.</p>
Regulator Statement	<p>**12/29/05** THE DECISION IS NOW FINAL AND IS EFFECTIVE IMMEDIATELY. CONTACT PEGGY GERMINO 212-656-8450.</p>
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Reporting Source:	Firm
Current Status:	Final
Allegations:	VIOLATIONS OF NYSE RULE 342 AND 405 RELATED TO SUPERVISION OF VARIABLE ANNUITY SALES.
Initiated By:	NYSE
Date Initiated:	06/27/2005
Docket/Case Number:	HPD#: 05-098
Principal Product Type:	Annuity(ies) - Variable
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Restitution
Other Sanction(s)/Relief Sought:	CENSURE AND UNDERTAKING
Resolution:	Stipulation and Consent



Resolution Date:	12/29/2005
Sanctions Ordered:	Censure Monetary/Fine \$550,000.00 Disgorgement/Restitution
Other Sanctions Ordered:	
Sanction Details:	CENSURE, TOTAL PAYMENT TO THE EXCHANGE OF \$550,000, AN UNDERTAKING AND CUSTOMER RESTITUTION PROCEDURES. PAYMENT WILL BE MADE TO EXCHANGE WITHIN 15 DAYS OF HEARING PANEL'S DECISION BECOMING FINAL AND WILL BE APPORTIONED AS FOLLOWS: \$175,000 FINE AND \$375,000 RESTITUTION.
Firm Statement	FIRM NEITHER ADMITS NOR DENIES THE ALLEGATIONS.

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Reporting Source:	Regulator
Current Status:	Final
Allegations:	NASD CONDUCT RULES 2110, 2210(1), 2210(D)(1)(B), 2210(D)(1)(D), 2210(D)(2)(M), 3010- RESPONDENT FIRM CREATED AND DISTRIBUTED FORM LETTERS WHICH CONTAINED STATEMENTS THAT WERE MISLEADING, IN THAT THEY EXAGGERATED THE SAFETY OF THE PRODUCTS, AND FAILED TO REFLECT THE RISKS OF FLUCTUATING PRICES AND THE UNCERTAINTY OF RATES OF RETURN AND YIELD INHERENT IN ALL INVESTMENTS; FAILED TO DISCLOSE MATERIAL INFORMATION REGARDING THE RISKS OF THE PROPOSED INVESTMENTS; FAILED TO PROVIDE A SOUND BASIS FOR EVALUATING THE RECOMMENDATIONS CONTAINED IN THE LETTERS; FAILED TO ADEQUATELY AND PROPERLY SUPERVISE THE USE OF FORM LETTERS BY PERMITTING THE DISTRIBUTION OF THE IMPROPER FORM LETTERS; FAILED TO ESTABLISH AND MAINTAIN AND ENFORCE ADEQUATE WRITTEN PROCEDURES DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS AND REGULATIONS BY FAILING TO ESTABLISH ADEQUATE PROCEDURES FOR DETAILING HOW SALES LITERATURE AND ADVERTISEMENTS SHOULD BE REVIEWED BY THE MEMBER'S BRANCH OFFICE MANAGERS AND WHICH ITEMS WOULD BE REQUIRED TO BE SUBMITTED TO NASD ADVERTISING REGULATION FOR APPROVAL PRIOR TO USE.
Initiated By:	NASD
Date Initiated:	06/23/2005
Docket/Case Number:	C8A050058



Principal Product Type: Unit Investment Trust(s)

Other Product Type(s): EQUITY TRUSTS

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/23/2005

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$40,000.00

Other Sanctions Ordered: FILING REQUIREMENT

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, FIRM IS CENSURED AND FINED \$10,000. JOINTLY AND SEVERALLY, FINED AN ADDITIONAL SEPARATE \$30,000. FINE, AND A "PRE-USE FILING REQUIREMENT, THAT FOR ONE YEAR FROM THE ACCEPTANCE OF THIS AWC, THE MEMBER FIRM WILL OBTAIN AN NASD ADVERTISING REGULATION DEPARTMENT STAFF "NO OBJECTION" LETTER ON ANY PROPOSED SALES LITERATURE OR ADVERTISING PRIOR TO ITS USE DURING THIS TIME PERIOD.

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATED NASD RULE 2110, 2210 & 3010 WHEN FIRM CREATED AND DISTRIBUTED FORM LETTERS WHICH CONTAINED STATEMENTS THAT WERE MISLEADING; FAILED TO ESTABLISH, MAINTAIN AND ENFORCE ADEQUATE WRITTEN SUPERVISORY PROCEDURES RELATING TO THE REVIEW AND FILING OF THE FORM LETTERS.

Initiated By: NASD

Date Initiated: 06/23/2005

Docket/Case Number: [C8A050058](#)



Principal Product Type:	Unit Investment Trust(s)
Other Product Type(s):	EQUITY TRUSTS
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	CENSURE AND ONE YEAR REQUIREMENT TO PRE-FILE ADVERTISING AND SALES LITERATURE. 10 DAY SUSPENSION FOR QUIRINI.
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	06/23/2005
Sanctions Ordered:	Censure Monetary/Fine \$40,000.00 Suspension
Other Sanctions Ordered:	
Sanction Details:	FINE (\$30,000 LEVIED AGAINST APPLICANT, \$10,000 LEVIED AGAINST CONTROL AFFILIATE) WAS PAID ON 7/7/05. QUIRINI WAS SUSPENDED FOR 10 DAYS (AS A GENERAL SECURITIES REPRESENTATIVE AND SALES SUPERVISOR) FROM 7/18/05 THRU 7/29/05.
Firm Statement	THE FIRM NEITHER ADMITS NOR DENIES THE ALLEGATIONS.

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Reporting Source:	Regulator
Current Status:	Final
Allegations:	FAILURE TO SUPERVISE AGENTS
Initiated By:	KANSAS SECURITIES COMMISSIONER
Date Initiated:	04/14/1999
Docket/Case Number:	99E095/99-3735
URL for Regulatory Action:	
Principal Product Type:	Equity - OTC
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	NOTICE OF INTENT TO INVOKE SANCTIONS



Resolution: Consent

Resolution Date: 09/15/1999

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: RESPONDENT WAS FINED \$5,000.00.

Regulator Statement UNREGISTERED AGENT OF FIRM SOLD UNREGISTERED SECURITIES.
RESPONDENT FAILED TO SUPERVISE AGENT.

Reporting Source: Firm

Current Status: Final

Allegations: BLUE SKY VIOLATIONS INVOLVING UNREGISTERED SECURITIES AND AGENT

Initiated By: KANSAS SECURITIES COMMISSION

Date Initiated: 04/14/1999

Docket/Case Number: 99E 095/99-3735

Principal Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: 5000.00 FINE

Resolution: Consent

Resolution Date: 09/15/1999

Sanctions Ordered: Censure
Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: CENSURE AND \$5000.00 FINE 9/15/1999

Firm Statement KANSAS SECURITIES COMMISSION DATE INITIATED 4/14/99 ALLEGATIONS
BLUE SKY VIOLATIONS INVOLVING UNREGISTERED SECURITIES AND
AGENT MATTER RESOLVED 9/15/99 FINED \$ 5000.00 AND CENSURE



Reporting Source: Regulator

Current Status: Final

Allegations: **07/28/1999** STIPULATION AND CONSENT TO PENALTY FILED BY NYSE DIVISION OF ENFORCEMENT AND PENDING. CONSENTED TO FINDINGS: THAT THE FIRM FAILED TO PROVIDE FOR AND MAINTAIN APPROPRIATE SUPERVISORY PROCEDURES PERTAINING TO THE PURCHASE, SALE AND TRANSFER OF ANNUITY PRODUCTS BY ITS REGISTERED REPRESENTATIVES; FAILED TO PROVIDE FOR AND MAINTAIN APPROPRIATE SUPERVISORY CONTROL OVER THE HAND DELIVERY OF CHECKS TO CUSTOMERS; FAILED TO CONDUCT SUPERVISORY INSPECTIONS OF CERTAIN BRANCH OFFICES AT LEAST ANNUALLY; AND FAILED TO DESIGNATE AN INDIVIDUAL TO DIRECT COMPLIANCE ACTIVITY WHO HAD PASSED THE REQUISITE COMPLIANCE OFFICIAL QUALIFICATION EXAMINATION. THE FIRM FURTHER CONSENTED TO THE IMPOSITION BY THE EXCHANGE OF THE PENALTY OF A CENSURE, A FINE OF \$60,000, AND AN UNDERTAKING TO IMPLEMENT WRITTEN PROCEDURES TO ENSURE SUPERVISION OVER THE PROPER HAND DELIVERY OF CHECKS TO CUSTOMERS.

Initiated By: NYSE DIVISION OF ENFORCEMENT

Date Initiated: 07/28/1999

Docket/Case Number: HPD#99-132

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 11/02/1999

Sanctions Ordered: Censure
Monetary/Fine \$60,000.00

Other Sanctions Ordered:

Sanction Details: **09/22/1999** HEARING PANEL DECISION ISSUED HPD 99-132
HEARING PANEL DECISION: VIOLATED RULE 342 BY FAILING TO PROVIDE APPROPRIATE SUPERVISORY PROCEDURES RELATING TO ANNUITY PRODUCTS AND HAND DELIVERY OF CHECKS, BY FAILING TO CONDUCT SUPERVISORY INSPECTIONS AND BY FAILING TO DESIGNATE AN



INDIVIDUAL TO DIRECT COMPLIANCE ACTIVITY. CONSENT TO CENSURE,
\$60,000 FINE AND AN UNDERTAKING.

Regulator Statement

11/2/1999THE DECISION IS NOW FINAL AND EFFECTIVE IMMEDIATELY.
CONTACT: PEGGY GERMINO (212) 656-8450

Reporting Source: Firm

Current Status: Final

Allegations: RULE 342 SUPERVISORY PROCEDURES,BRANCH AUDIT,DESIGNATE COMPLIANCE OFFICIAL

Initiated By: NEW YORK STOCK EXCHANGE

Date Initiated: 05/15/1998

Docket/Case Number: 99-132

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: FINE

Resolution: Stipulation and Consent

Resolution Date: 09/22/1999

Sanctions Ordered: Censure
Monetary/Fine \$60,000.00

Other Sanctions Ordered:

Sanction Details: SEPTEMBER 22 1999 CENSURED AND FINED \$60000.00

Disclosure 16 of 21

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 08/21/1979



Docket/Case Number: Unknown

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision & Order of Offer of Settlement

Resolution Date: 08/21/1979

Sanctions Ordered: Censure
Suspension

Other Sanctions Ordered:

Sanction Details:

Regulator Statement ND-79-162 08/21/79 REL. 34-16102 OFFER OF SETTLEMENT WAS ACCEPTED: CONSENTED WITHOUT ADMITTING OR DENYING ALLEGATIONS.:
CENSURED: SUSPENDED FROM SOLICITING NEW CUSTOMER SECURITIES ACCOUNTS FOR A PERIOD OF 21 DAYS.

Reporting Source: Firm

Current Status: Final

Allegations: OPERATIONAL PROBLEMS

Initiated By: SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 01/15/1979

Docket/Case Number: # 34 ACT RELEASE 34-16102 FILE # 3-5801

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Consent



Resolution Date: 08/13/1979

Sanctions Ordered: Suspension

Other Sanctions Ordered:

Sanction Details: CENSURE AND 21 DAY SUSPENSION FROM OPENING NEW CUSTOMER ACCOUNTS

Disclosure 17 of 21

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 06/19/1963

Docket/Case Number: MV-23

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 06/25/1963

Sanctions Ordered: Censure
Monetary/Fine \$25.00

Other Sanctions Ordered:

Sanction Details:

Regulator Statement MV-23
FILED - 06/19/63
ACCEPTED 06/25/63
CENSURED & FINED \$25.00
FINAL - 07/25/63
FINE PAID



Reporting Source:	Firm
Current Status:	Final
Allegations:	VIOLATION SECTION 4(C) (2) REGULATION T.
Initiated By:	NASD
Date Initiated:	06/25/1963
Docket/Case Number:	COMPLAINT NO.MV 23
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINED
Resolution:	Other
Resolution Date:	06/25/1963
Sanctions Ordered:	Censure Monetary/Fine \$25.00
Other Sanctions Ordered:	
Sanction Details:	FINE PAID 07/25/1963
Firm Statement	REGULATION T VIOLATION

Disclosure 18 of 21

Reporting Source:	Regulator
Current Status:	Final
Allegations:	Not Provided
Initiated By:	CBOE
Date Initiated:	08/16/1990
Docket/Case Number:	90-0051
Principal Product Type:	
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	


Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 08/16/1990

Sanctions Ordered: Censure
Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: Censured and fined in the amount of \$5,000.

Regulator Statement Two Noyes BOM's who were designated the Options Principals were not registered as Options Principals with the Exchange; 2) Noyes failed adequately to conduct systematic reviews of customer option accounts to determine the compatibility of option transactions with investment objectives or with the types of option transactions for which the customer accounts were approved; and 3) numerous customer accounts of Noyes reviewed by the Exchange were not opened and approved in accordance with Exchange Rules. (CBOE Rules 9.2, 9.7, 9.8 and 9.15)

Reporting Source: Firm

Current Status: Final

Allegations: TWO BRANCH OFFICE MGRS WERE NOT REGISTERED AS OPTIONS PRINCIPALS WITH THE EXCHANGE. VIOLATIONS OF CBOE RULES 9.2, 9.7 AND 9.15. NOYES FAILED TO ADEQUATELY REVIEW OPTION ACCOUNTS TO DETERMINE COMPATABILITY OF OPTION TRANSACTIONS WITH INVESTMENT OBJECTIVES.

Initiated By: CHICAGO BOARD OPTIONS EXCHANGE

Date Initiated: 08/16/1990

Docket/Case Number: DOCKET NO. 90-0051

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINED



Resolution: Other
Resolution Date: 08/16/1990
Sanctions Ordered: Censure
Monetary/Fine \$5,000.00
Other Sanctions Ordered:
Sanction Details: CENSURED AND FINED \$5,000.00
Firm Statement FINE PAID 08/16/1990

Disclosure 19 of 21

Reporting Source: Regulator
Current Status: Final
Allegations: SEE RESULTS
Initiated By: NEW YORK STOCK EXCHANGE
Date Initiated: 05/13/1991
Docket/Case Number: 91-72

Principal Product Type:
Other Product Type(s):
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:

Resolution: Consent
Resolution Date: 05/13/1991
Sanctions Ordered: Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered:

Sanction Details: DAVID A. NOYES & COMPANY, A MEMBER ORGANIZATION,
VIOLATED EXCHANGE RULE 431(f)(1) BY FAILING TO ENSURE THAT
SECURITIES WHICH DID NOT HAVE AN ACTIVE MARKET ON A NATIONAL
SECURITIES EXCHANGE WERE VALUED CONSERVATIVELY AND AT AN
AMOUNT
WHICH COULD BE OBTAINED IF PROMPT LIQUIDATION WERE NECESSARY;
VIOLATED EXCHANGE RULE 401 BY DEVIATING FROM THE PRINCIPLES OF



GOOD BUSINESS PRACTICE BY CARRYING AN ACCOUNT WITH A DEBIT BALANCE SUPPORTED BY ILLIQUID SECURITIES IN AGGREGATE AMOUNTS EXCEEDING THE EXCESS NET CAPITAL OF THE FIRM -- CONSENT TO CENSURE AND \$20,000 FINE.

Regulator Statement SEE RESULTS

Reporting Source: Firm

Current Status: Final

Allegations: DAVID A NOYES & CO AND PAUL E MURIN RESPECTIVELY WERE THE SUBJECT OF NYSE DISCIPLINARY ACTIONS # 91-72 AND # 91-73 FOR ALLEGED FAILURE TO SUPERVISE FIRMS CARRYING CUSTOMER DEBIT BALANCES SUPPORTED BY ILLAQUID SECURITIES.NYSE ALLEGED ACTIVITY RULES 342(A);401 AND 431 (F) (1).SETTLED MAY 13 1991.COMPANY CONSENT TO CENSURE AND \$ 20,000 FINE;PAUL E MURIN CONSENT TO CENSURE AND \$ 10,000 FINE

Initiated By: NYSE

Date Initiated: 01/15/1991

Docket/Case Number: NYSE DISCIPLINARY ACTION #91-72 & 91-73

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINED

Resolution: Other

Resolution Date: 05/13/1991

Sanctions Ordered: Censure
Monetary/Fine \$30,000.00

Other Sanctions Ordered:

Sanction Details: DAVID A NOYES & CO CENSURE AND FINED \$ 20,000.00
PAUL E MURIN CENSURE AND FINED \$ 10,000.00

Firm Statement SETTLED MAY 13 1991



Reporting Source: Regulator
Current Status: Final
Allegations:
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 08/22/1973
Docket/Case Number: 492
Principal Product Type:
Other Product Type(s):
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Decision
Resolution Date: 03/29/1974
Sanctions Ordered: Monetary/Fine \$750.00
Other Sanctions Ordered:
Sanction Details:
Regulator Statement COMPLAINT #492 FILED 08/22/73
FINES & COSTS FC# 6153 J&S - PD \$750.00 - 05/19/75
FC# 6154 - PD. \$228.00 - 05/19/75

Reporting Source: Firm
Current Status: Final
Allegations: VIOLATION SECTION 1 AND 27 (A)OF ARTICLE 3 OF THE RULES OF FAIR PRACTICE FOR FAILURE TO ESTABLISH AND MAINTAIN SUPERVISORY PROCEDURES BEFORE NOVEMBER 1970.VIOLATION SECTION 4(C) (2)REGULATION T.-FROM APRIL TO JUNE 1972 FIRM FAILED TO CANCEL OR LIQUIDATE SERIES OF PURCHASES BY CUSTOMERS IN SPECIAL CASH ACCTS WHERE FULL PAYMENT WAS NOT RECD WITHIN 7 BUSINESS DAYS.
Initiated By: NASD
Date Initiated: 08/22/1973
Docket/Case Number: COMPLAINT NO CHI-492



Principal Product Type:	No Product
Other Product Type(s):	VIOLATION OF RULES OF FAIR PRACTICE AND REGULATION T VIOLATIONS
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINED
Resolution:	Other
Resolution Date:	03/29/1974
Sanctions Ordered:	Censure Monetary/Fine \$750.00
Other Sanctions Ordered:	
Sanction Details:	FINED \$750.00 AND CENSURED
Firm Statement	RESOLVED 03/29/1974

Disclosure 21 of 21

Reporting Source:	Regulator
Current Status:	Final
Allegations:	
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated:	06/15/1962
Docket/Case Number:	263
Principal Product Type:	
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Decision
Resolution Date:	11/16/1962
Sanctions Ordered:	Censure Monetary/Fine \$100.00

**Other Sanctions Ordered:****Sanction Details:****Regulator Statement**

COMPLAINT #263
FILED 06/15/62
CENSURED & FINED \$100.00
FINAL - 11/16/62
PAID 10/23/62

Reporting Source:

Firm

Current Status:

Final

Allegations:

FAILED TO MAKE A BONIFIDE PUBLIC OFFERING REPORT OF HOWARD JOHNSON STOCK.VIOLATION ARTICLE 3 SECTION 1.

Initiated By:

N.A.S.D.

Date Initiated:

06/15/1962

Docket/Case Number:

COMPLAINT NO.263

Principal Product Type:

Equity - OTC

Other Product Type(s):**Principal Sanction(s)/Relief Sought:**

Censure

Other Sanction(s)/Relief Sought:

FINE

Resolution:

Other

Resolution Date:

10/17/1962

Sanctions Ordered:

Censure
Monetary/Fine \$100.00

Other Sanctions Ordered:**Sanction Details:**

DATED PAID 11/16/1962

Firm Statement

CENSURED AND FINED \$100.00 FIND PAID 11/16/1962



Arbitration Award - Award / Judgment

Brokerage firms are not required to report arbitration claims filed against them by customers; however, BrokerCheck provides summary information regarding FINRA arbitration awards involving securities and commodities disputes between public customers and registered securities firms in this section of the report.

The full text of arbitration awards issued by FINRA is available at www.finra.org/awardsonline.

Disclosure 1 of 9

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-MANIPULATION; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; NO OTHER CONTROVERSY INVOLVED
Arbitration Forum:	NASD
Case Initiated:	04/20/2000
Case Number:	00-01568
Disputed Product Type:	NO OTHER TYPE OF SEC INVOLVE; UNKNOWN TYPE OF SECURITIES
Sum of All Relief Requested:	\$50,000.00
Disposition:	AWARD AGAINST PARTY
Disposition Date:	11/12/2001
Sum of All Relief Awarded:	\$45,322.00

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

Disclosure 2 of 9

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-FAILURE TO SUPERVISE; ACCOUNT RELATED-NEGLIGENCE
Arbitration Forum:	FINRA
Case Initiated:	10/05/2007
Case Number:	07-02804



Disputed Product Type: NO OTHER TYPE OF SEC INVOLVE; UNKNOWN TYPE OF SECURITIES

Sum of All Relief Requested: \$600,000.00

Disposition: AWARD AGAINST PARTY

Disposition Date: 10/31/2008

Sum of All Relief Awarded: \$174,731.00

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

Disclosure 3 of 9

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT ACTIVITY-FRAUD; ACCOUNT ACTIVITY-MISREPRESENTATION;
ACCOUNT ACTIVITY-OMISSION OF FACTS

Arbitration Forum: FINRA

Case Initiated: 02/12/2021

Case Number: [21-00369](#)

Disputed Product Type: GINNIE MAES

Sum of All Relief Requested: \$1,000,000.01

Disposition: AWARD AGAINST PARTY

Disposition Date: 12/28/2021

Sum of All Relief Awarded: \$40,788.66

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

Disclosure 4 of 9

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-
MISREPRESENTATION; ACCOUNT ACTIVITY-OTHER; NO OTHER
CONTROVERSY INVOLVED

Arbitration Forum: NASD



Case Initiated: 03/27/1991

Case Number: [90-03606](#)

Disputed Product Type: COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE; PREFERRED STOCK

Sum of All Relief Requested: \$580,000.00

Disposition: AWARD AGAINST PARTY

Disposition Date: 06/24/1992

Sum of All Relief Awarded: \$39,500.00

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

Disclosure 5 of 9

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-UNAUTHORIZED TRADING; NO OTHER CONTROVERSY INVOLVED

Arbitration Forum: NASD

Case Initiated: 07/13/1992

Case Number: [92-01516](#)

Disputed Product Type: COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE; LIMITED PARTNERSHIPS

Sum of All Relief Requested: \$259,113.84

Disposition: AWARD AGAINST PARTY

Disposition Date: 06/02/1994

Sum of All Relief Awarded: \$64,500.00

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

Disclosure 6 of 9

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-OMISSION



OF FACTS; ACCOUNT RELATED-NEGLIGENCE; NO OTHER CONTROVERSY INVOLVED

Arbitration Forum: NASD

Case Initiated: 12/10/1992

Case Number: [92-03158](#)

Disputed Product Type: COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE

Sum of All Relief Requested: \$4,100.00

Disposition: AWARD AGAINST PARTY

Disposition Date: 05/14/1993

Sum of All Relief Awarded: \$737.00

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

Disclosure 7 of 9

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-OMISSION OF FACTS; ACCOUNT RELATED-FAILURE TO SUPERVISE

Arbitration Forum: NASD

Case Initiated: 01/07/1993

Case Number: [92-04328](#)

Disputed Product Type: COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE; PREFERRED STOCK

Sum of All Relief Requested: \$3,978,000.00

Disposition: AWARD AGAINST PARTY

Disposition Date: 03/09/1994

Sum of All Relief Awarded: \$355,000.00

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

Disclosure 8 of 9

Reporting Source: Regulator



Type of Event: ARBITRATION

Allegations: ACCOUNT ACTIVITY-CHURNING; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT RELATED-NEGLIGENCE

Arbitration Forum: NASD

Case Initiated: 03/06/1995

Case Number: [95-01059](#)

Disputed Product Type: COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE

Sum of All Relief Requested: \$209,764.00

Disposition: AWARD AGAINST PARTY

Disposition Date: 01/15/1996

Sum of All Relief Awarded: \$9,000.00

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

Disclosure 9 of 9

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT RELATED-NEGLIGENCE

Arbitration Forum: NASD

Case Initiated: 04/14/1999

Case Number: [99-01194](#)

Disputed Product Type: COMMON STOCK; FANNIE MAE; MUNICIPAL BOND FUNDS; REAL ESTATE INVESTMENT TRUST

Sum of All Relief Requested: \$665,000.00

Disposition: AWARD AGAINST PARTY

Disposition Date: 03/23/2001

Sum of All Relief Awarded: \$68,716.72

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.



Civil Bond

This type of disclosure event involves a civil bond for the brokerage firm that has been denied, paid, or revoked by a bonding company.

Disclosure 1 of 1

Reporting Source:	Firm
Policy Holder:	DAVID A NOYES & COMPANY
Bonding Company Name:	FEDERAL INSURANCE CO
Disposition:	Payout
Disposition Date:	01/16/1996
Payout Details:	01/16/1996 - \$640000.00
Firm Statement	EMPLOYEE WAS GUILTY OF A SCHEME TO DEFRAUD A FINANCIAL INSTITUTION HE USED THE IDENTITY OF A DAVID A NOYES & CO CLIENT

End of Report



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