

BrokerCheck Report

ALLEN & COMPANY LLC

CRD# 1042

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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)



ALLEN & COMPANY LLC

CRD# 1042

SEC# 8-12123

Main Office Location

711 FIFTH AVENUE
NEW YORK, NY 10022
Regulated by FINRA New York Office

Mailing Address

711 FIFTH AVENUE
NEW YORK, NY 10022

Business Telephone Number

212-832-8000

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 limited liability company.

This firm was formed in New York on 08/03/2001.

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
- 3 Self-Regulatory Organizations
- 52 U.S. states and territories

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

This firm conducts 6 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm has 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	14



Firm Profile

This firm is classified as a limited liability company.

This firm was formed in New York on 08/03/2001.

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.

ALLEN & COMPANY LLC

Doing business as ALLEN & COMPANY LLC

CRD# 1042

SEC# 8-12123

Main Office Location

711 FIFTH AVENUE
NEW YORK, NY 10022

Regulated by FINRA New York Office

Mailing Address

711 FIFTH AVENUE
NEW YORK, NY 10022

Business Telephone Number

212-832-8000



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): ALLEN OPERATIONS LLC

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

Position PARENT COMPANY

Position Start Date 09/2002

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): ALLEN, HERBERT, III ANTHONY

1532662

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

Position MANAGING DIRECTOR & PRESIDENT

Position Start Date 09/2002

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): DIORIO, PETER

5309583

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

Position GENERAL COUNSEL

Position Start Date 03/2007



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): GOLINSKY, JODI
7671190

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

Position CHIEF COMPLIANCE OFFICER AND DEPUTY GENERAL COUNSEL

Position Start Date 01/2024

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

Legal Name & CRD# (if any): MOORE, THOMAS MICHAEL
6046204

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

Position VICE PRESIDENT - OPERATIONS (CHIEF OPERATIONS OFFICER)

Position Start Date 01/2022

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): VAHABZADEH, SALIMA

Firm Profile



Direct Owners and Executive Officers (continued)

3093372

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

Position MANAGING DIRECTOR, CHIEF FINANCIAL OFFICER, FINANCIAL OPERATIONS PRINCIPAL

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



Firm Profile

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

Indirect Owners

Legal Name & CRD# (if any):	ALLEN, HERBERT, III ANTHONY 1532662
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	ALLEN OPERATIONS LLC
Relationship to Direct Owner	INDIVIDUAL MEMBER
Relationship Established	09/2002
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, 3 SROs and 52 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	10/14/1964

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: No

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	11/09/1964
Investors' Exchange LLC	Approved	08/09/2016
Nasdaq Stock Market	Approved	07/12/2006



Firm Operations

Registrations (continued)

U.S. States & Territories	Status	Date Effective	U.S. States & Territories	Status	Date Effective
Alabama	Approved	10/22/1981	North Carolina	Approved	07/15/1982
Alaska	Approved	02/04/2000	North Dakota	Approved	06/26/2001
Arizona	Approved	09/15/1970	Ohio	Approved	01/12/1994
Arkansas	Approved	06/27/2001	Oklahoma	Approved	07/17/1982
California	Approved	09/18/2002	Oregon	Approved	10/24/1981
Colorado	Approved	02/01/1983	Pennsylvania	Approved	10/26/1981
Connecticut	Approved	07/28/1965	Puerto Rico	Approved	07/11/2001
Delaware	Approved	10/06/1981	Rhode Island	Approved	02/01/1983
District of Columbia	Approved	04/21/1983	South Carolina	Approved	10/28/1981
Florida	Approved	04/27/1983	South Dakota	Approved	11/30/1995
Georgia	Approved	09/21/1981	Tennessee	Approved	06/30/1984
Hawaii	Approved	02/01/2000	Texas	Approved	07/22/1983
Idaho	Approved	01/01/1970	Utah	Approved	12/17/1999
Illinois	Approved	08/02/1966	Vermont	Approved	02/13/1984
Indiana	Approved	03/01/1973	Virginia	Approved	04/26/2001
Iowa	Approved	03/22/2000	Washington	Approved	04/20/1983
Kansas	Approved	03/22/2000	West Virginia	Approved	12/01/1968
Kentucky	Approved	05/24/2001	Wisconsin	Approved	08/17/1966
Louisiana	Approved	04/20/1983	Wyoming	Approved	06/04/2001
Maine	Approved	02/08/1984			
Maryland	Approved	10/05/1981			
Massachusetts	Approved	08/01/1966			
Michigan	Approved	02/02/1983			
Minnesota	Approved	07/15/1982			
Mississippi	Approved	05/07/2001			
Missouri	Approved	07/15/1983			
Montana	Approved	08/02/2001			
Nebraska	Approved	10/08/1981			
Nevada	Approved	07/13/1983			
New Hampshire	Approved	12/02/1983			
New Jersey	Approved	08/24/1966			
New Mexico	Approved	10/04/2001			
New York	Approved	03/08/1984			



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 6 types of businesses.

Types of Business

Exchange member engaged in exchange commission business other than floor activities

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

Non-exchange member arranging for transactions in listed securities by exchange member

Trading securities for own account

Private placements of securities

Other - 12Z THE COMPANY'S OTHER BUSINESS INCLUDES: (I) PURCHASING AND SELLING OF SECURITIES FOR ITS OWN INVESTMENT ACCOUNT; (II) ACTING AS AN INVESTMENT BANKER IN TRANSACTIONS SUCH AS MERGERS AND ACQUISITIONS; (III) ACTING AS A FINANCIAL CONSULTANT; AND (IV) INVESTING IN SECURITIES, REAL ESTATE PARTNERSHIP, AND PROVIDING NEW GROWING COMPANIES WITH VENTURE CAPITAL.

Other Types of Business

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

Name: PERSHING LLC

CRD #: 7560

Business Address: ONE PERSHING PLAZA
JERSEY CITY, NJ 07399

Effective Date: 09/03/2008

Description: ALLEN & COMPANY LLC ENTERED INTO A CLEARING AGREEMENT WITH PERSHING LLC IN WHICH IT INTRODUCES ITS CUSTOMER AS WELL AS PROPRIETARY ACCOUNTS ON A FULLY DISCLOSED BASIS.

Firm Operations

Industry Arrangements



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

Name:	M-FILES CORP.
Business Address:	500 W 2ND STREET 19TH FLOOR AUSTIN, TX 78701
Effective Date:	03/12/2018
Description:	M-FILES CORP. ELECTRONICALLY ARCHIVES SOME OR ALL OF THE FIRM'S ACCOUNTING RECORDS AS REQUIRED BY SEC RULES 17-A-3 AND/OR 17A-4.
Name:	VERITAS TECHNOLOGIES LLC.
Business Address:	2625 AUGUSTINE DRIVE SANTA CLARA, CA 95054
Effective Date:	12/06/2017
Description:	VERITAS TECHNOLOGIES LLC. ELECTRONICALLY ARCHIVES SOME OR ALL OF THE FIRM'S ELECTRONIC COMMUNICATIONS AS REQUIRED BY SEC RULES 17A-3 AND/OR 17A-4.
Name:	SMARSH INC.
Business Address:	851 SW 6TH AVE PORTLAND, OR 97204
Effective Date:	04/12/2017
Description:	SMARSH INC. ELECTRONICALLY ARCHIVES SOME OR ALL OF THE FIRM'S ELECTRONIC COMMUNICATIONS AS REQUIRED BY SEC RULES 17-A-3 AND/OR 17A-4.
Name:	PERSHING LLC
CRD #:	7560
Business Address:	ONE PERSHING PLAZA JERSEY CITY, NJ 07399
Effective Date:	09/03/2008
Description:	AS DETAILED IN THE CLEARING AGREEMENT, ALLEN & COMPANY LLC RELIES ON CERTAIN SYSTEMS AND RECORDS OF PERSHING LLC WHICH WHILE ALSO MAINTAINED BY ALLEN & COMPANY LLC ARE GENERATED BY THE PERSHING SYSTEMS.

Firm Operations



Industry Arrangements (continued)

This firm does have 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: 09/03/2008
Description: ALLEN & COMPANY LLC INTRODUCES ITS FIRM OPERATING AS WELL AS ITS PROPRIETARY TRADING AND POSITIONS ON A FULLY DISCLOSED BASIS TO PERSHING LLC.

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: 09/03/2008
Description: ALLEN & COMPANY LLC INTRODUCES ITS CUSTOMER ACCOUNTS TO PERSHING LLC ON A FULLY DISCLOSED BASIS.

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.

ALLEN INVESTMENT MANAGEMENT, LLC is under common control with the firm.

CRD #:	124454
Business Address:	711 FIFTH AVENUE NEW YORK, NY 10022
Effective Date:	11/18/2002
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	ALLEN OPERATIONS LLC, WHICH HOLDS A 100% INTEREST OF THE APPLICANT, HAS A 100% INTEREST IN ALLEN INVESTMENT MANAGEMENT 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	14	0



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 14

Reporting Source: Regulator

Current Status: Final



Allegations: NASD RULE 6955(A) - ALLEN & COMPANY LLC TRANSMITTED REPORTS TO THE ORDER AUDIT TRAIL SYSTEM (OATS) THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA; THE FIRM SUBMITTED NUMEROUS EXECUTION REPORTS THAT HAD BEEN ROUTED AWAY FROM THE FIRM FOR EXECUTION. THE FIRM TRANSMITTED ROUTE OR COMBINED ORDER/ROUTE REPORTS TO OATS THAT THE OATS SYSTEM WAS UNABLE TO LINK TO THE RELATED ORDER ROUTED TO NASDAQ DUE TO INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA.

Initiated By: FINRA

Date Initiated: 09/20/2011

Docket/Case Number: [2008013446801](#)

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: 09/20/2011

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 \$16,000.00

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 \$16,000.

Reporting Source: Firm

Current Status: Final

Allegations: THE FIRM TRANSMITTED REPORTS TO THE ORDER AUDIT TRAIL SYSTEM (OATS) THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY



FORMATTED DATA. THE FIRM SUBMITTED NUMEROUS EXECUTION REPORTS THAT HAD BEEN ROUTED AWAY FROM THE FIRM FOR EXECUTION. THE FIRM TRANSMITTED ROUTE OR COMBINED ORDER/ROUTE REPORTS TO OATS THAT THE OATS SYSTEM WAS UNABLE TO LINK TO THE RELATED ORDER ROUTED TO NASDAQ DUE TO INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA.

Initiated By: THE FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA)

Date Initiated: 09/20/2011

Docket/Case Number: [2008013446801](#)

Principal Product Type: Equity - OTC

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: A CENSURE AND A FINE OF \$16,000

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/20/2011

Sanctions Ordered: Censure
Monetary/Fine \$16,000.00

Other Sanctions Ordered:

Sanction Details: THE APPLICANT AGREED TO A (I) A CENSURE AND (II) A FINE OF \$16,000.

Firm Statement ALLEN & COMPANY LLC SETTLED CHARGES BY ACCEPTING A LETTER OF ACCEPTANCE, WAIVER AND CONSENT THAT IT TRANSMITTED TO OATS REPORTS THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA AND REPORTS THAT THE OATS SYSTEM WAS UNABLE TO PROPERLY LINK TO NASDAQ.

Disclosure 2 of 14

Reporting Source: Regulator

Current Status: Final

Allegations: SEC RULE 11AC1-6(B); NASD CONDUCT RULES 2110, 2320, 3010; NASD MARKETPLACE RULE 6130(D)- RESPONDENT FIRM FAILED TO EXECUTE ORDERS PROMPTLY. NASD FOUND THAT 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 WAS AS FAVORABLE AS POSSIBLE UNDER PREVAILING



MARKET CONDITIONS. THE FINDINGS STATED THAT THE FIRM FAILED TO EXECUTE MARKET ORDERS. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO REPORT TO ACT THE CORRECT SYMBOL INDICATING WHETHER THE FIRM EXECUTED TRANSACTIONS IN ELIGIBLE SECURITIES IN A PRINCIPAL OR AGENCY CAPACITY. 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 THE RULES OF NASD, CONCERNING LOCKED AND CROSSED MARKETS, ACT REPORTING AND TRADE REPORTING. NASD FOUND THAT THE FIRM MADE AVAILABLE A REPORT ROUTING OF NON-DIRECTED ORDERS FOR EACH QUARTER THAT INCLUDED INCOMPLETE INFORMATION AS TO THE VENUES TO WHICH ORDERS WERE ROUTED. SPECIFICALLY, THE FIRM FAILED TO DISCLOSE THE IDENTITY OF ALL OF THE VENUES TO WHICH THE LARGEST NUMBER OF TOTAL NON-DIRECTED ORDERS WERE ROUTED, AND IDENTIFIED THOSE VENUES AS "UNSPECIFIED ROUTE VENUE". 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 THE RULES OF NASD, CONCERNING ACT REPORTING, ACT REPORTING OF SHORT SALE INDICATORS AND SEC RULE 11AC1-6.

Initiated By: NASD

Date Initiated: 10/31/2005

Docket/Case Number: [2004200007101](#)

Principal Product Type: Other

Other Product Type(s): MARKET ORDERS, UNSPECIFIED SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/31/2005

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 \$35,000.00
 Disgorgement/Restitution

Other Sanctions Ordered: UNDERTAKING

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 \$35,000. THE FIRM MUST ALSO PROVIDE RESTITUTION IN THE AMOUNT OF \$119.00 PLUS INTEREST AND AN UNDERTAKING TO REVISE THE FIRM'S SUPERVISORY PROCEDURES.

Reporting Source: Firm

Current Status: Final

Allegations: ALLEGED VIOLATIONS OF NASD CONDUCT RULES 2110, 2320 AND 3010, NASD MARKET PLACE RULE 6130(D)AND SEC RULE 11AC1-6(B).

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS ("NASD")

Date Initiated: 01/03/2005

Docket/Case Number: 20042000071-01

Principal Product Type: Equity - OTC

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: A CENSURE, A FINE OF \$35,000 AND RESTITUTION OF \$119.

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/31/2005

Sanctions Ordered: Censure
 Monetary/Fine \$35,000.00
 Disgorgement/Restitution

Other Sanctions Ordered:

Sanction Details: THE APPLICANT AGREED TO (I) A CENSURE, (II) A FINE OF \$35,000 AND (III) PAYMENT OF \$119 IN RESTITUTION.

Firm Statement ALLEN & COMPANY SETTLED CHARGES BY ACCEPTING A LETTER OF ACCEPTANCE, WAIVER AND CONSENT ("AWC") THAT IN 2003, IT FAILED TO EXECUTE ORDERS PROMPTLY AND FULLY AND THAT IT FAILED TO



PROPERLY REPORT ITS CAPACITY TO ACT AND IN 2004, IT FAILED TO POST INFORMATION REGARDING USE OF ELECTRONIC TRADING SYSTEMS AS PART OF ITS ORDER ROUTING DISCLOSURE REQUIREMENTS. AS PART OF THE AWC, ALLEN DID NOT ADMIT OR DENY THE ALLEGATIONS, BUT AGREED TO A CENSURE, A FINE OF \$35,000 AND TO PAY RESTITUTION OF \$119.

Disclosure 3 of 14

Reporting Source:	Regulator
Current Status:	Final
Allegations:	NASD MEMBERSHIP AND REGISTRATION RULE 1120(B)(2) AND (3), CONDUCT RULE 2110; MSRB RULE G-8 AND G-14; ALLEN FAILED TO DEVELOP WRITTEN TRAINING PLANS FOR ITS CONTINUING EDUCATION PROGRAM AND FAILED TO INSURE PARTICIPATION IN SUCH PROGRAMS BY ALL COVERED REGISTERED PERSONS; THE ORDER MEMORANDA FOR SAMPLED TRANSACTIONS DID NOT SHOW TIME OF RECEIPT AND TIME OF EXECUTION; ALLEN FAILED TO TIMELY AND/OR ACCURATELY REPORT MUNICIPAL BOND TRANSACTIONS TO THE MSRB.
Initiated By:	NASD
Date Initiated:	09/15/2005
Docket/Case Number:	E1020040024-01
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:	09/15/2005
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 \$7,500.00

**Other Sanctions Ordered:**

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 \$7,500.

Reporting Source: Firm

Current Status: Final

Allegations: ALLEGED VIOLATIONS OF NASD MEMBERSHIP AND REGISTRATION RULE 1120 (B)(2) AND (3) AND CONDUCT RULE 2110, MSRB RULE G-8 AND MSRB RULE G-14.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD)

Date Initiated: 08/01/2005

Docket/Case Number: E1020040024-01

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: A CENSURE AND A FINE OF \$7,500

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/15/2005

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

Other Sanctions Ordered:

Sanction Details: THE APPLICANT AGREED TO A (I) A CENSURE AND (II) A FINE OF \$7,500.

Firm Statement ALLEN & COMPANY LLC SETTLED CHARGES BY ACCEPTING A LETTER OF ACCEPTANCE, WAIVER AND CONSENT ("AWC"), THAT IT FAILED TO HAVE AN ADEQUATE CONTINUING EDUCATION PLAN AND HAD COMMITTED CERTAIN TRADE REPORTING AND RECORD KEEPING ERRORS IN CONNECTION WITH SEVERAL MUNICIPAL BOND TRADES. AS PART OF THE AWC, ALLEN DID NOT ADMIT OR DENY THE ALLEGATIONS, BUT AGREED TO A CENSURE AND FINE OF \$7,500 WHICH WAS PAID ON OCT 5, 2005.



Reporting Source: Regulator

Current Status: Final

Allegations: SECTION 7(C) OF THE SECURITIES EXCHANGE ACT OF 1934, SECTION 220.8(B) OF REGULATION T, NASD RULES 2110, 2520, 3010 - WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE RESPONDENT MEMBER CONSENTED TO THE ENTRY OF FINDINGS THAT IT FAILED TO OBTAIN FULL CASH PAYMENT BY THE APPLICABLE SETTLEMENT DATE FOR SECURITIES PURCHASES EFFECTED IN CASH ACCOUNTS MAINTAINED BY CUSTOMERS OF THE FIRM; PERMITTED THE COST OF SECURITIES PURCHASES EFFECTED IN CASH ACCOUNTS TO BE MET BY THE SALE OF THE SAME SECURITIES; AND FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE A SUPERVISORY SYSTEM REASONABLY DESIGNED TO ENSURE COMPLIANCE WITH REGULATION T AND NASD RULE 2520.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 10/16/2002

Docket/Case Number: C10020103

Principal Product Type: Other

Other Product Type(s): UNKNOWN TYPE OF SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/16/2002

Sanctions Ordered: Censure
Monetary/Fine \$9,000.00

Other Sanctions Ordered:

Sanction Details: CENSURED AND FINED \$9,000

Reporting Source: Firm

Current Status: Final

Allegations: THE NASD ALLEGED THAT ALLEN & COMPANY INCORPORATED (THE APPLICANT'S PREDECESSOR COMPANY), VIOLATED REGULATION T BY ALLOWING ITS CUSTOMERS TO PAY FOR CERTAIN SECURITIES THEY HAD PURCHASED BY IMMEDIATELY SELLING THOSE SECURITIES AT A PROFIT



RATHER THAN FIRST REQUIRING THE CUSTOMERS TO PAY FOR THE SECURITIES, AND FURTHER THAT ALLEN DID NOT HAVE SUPERVISORY PROCEDURES ADEQUATE TO PROHIBIT AND PREVENT CUSTOMERS FROM PAYING FOR SECURITIES OUT OF THEIR PROFITS.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS INC.

Date Initiated: 02/09/2001

Docket/Case Number: E10004215

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/15/2002

Sanctions Ordered: Censure
Monetary/Fine \$9,000.00

Other Sanctions Ordered:

Sanction Details: ALLEN AGREED TO PAY A FINE OF \$9,000, WHICH FINE WAS PAID ON 10/30/02.

Firm Statement ALLEN & COMPANY LLC SETTLED CHARGES THAT ITS PREDECESSOR VIOLATED REGULATION T BY ALLOWING ITS CUSTOMERS TO PAY FOR CERTAIN SECURITIES THEY HAD PURCHASED BY IMMEDIATELY SELLING THOSE SECURITIES AT A PROFIT RATHER THAN FIRST REQUIRING THE CUSTOMERS TO PAY FOR THE SECURITIES, AND FURTHER THAT ALLEN DID NOT HAVE SUPERVISORY PROCEDURES ADEQUATE TO PROHIBIT AND PREVENT CUSTOMERS FROM PAYING FOR SECURITIES OUT OF THEIR PROFITS. ALLEN ACCEPTED A LETTER OF ACCEPTANCE, WAIVER AND CONSENT ON AUGUST 13, 2002, IN THE NAME OF ITS PREDECESSOR COMPANY, ALLEN & COMPANY INCORPORATED, WHICH AWC WAS APPROVED EFFECTIVE OCTOBER 1, 2002. AS PART OF THE AWC, ALLEN DID NOT ADMIT OR DENY THE ALLEGATIONS, BUT AGREED TO PAY A FINE OF \$9000.00, WHICH FINE WAS PAID ON 10/30/02.

Disclosure 5 of 14

Reporting Source: Regulator



Current Status: Final
Allegations: CRD REPORT REFLECT FIRM DID NOT HAVE AN AGENT REGISTERED IN MARYLAND IN VIOLATION OF THE ACT.
Initiated By: MARYLAND DIVISION OF SECURITIES
Date Initiated: 01/18/2001
Docket/Case Number: 2001-0099
URL for Regulatory Action:
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Censure
Other Sanction(s)/Relief Sought: FINE
Resolution: Consent
Resolution Date: 05/11/2001
Sanctions Ordered: Censure
 Monetary/Fine \$10,000.00
Other Sanctions Ordered: FIRM WAS ORDERED TO REFUND \$2,979.30 IN COMMISSIONS RECEIVED TO 3 MARYLAND CUSTOMERS.
Sanction Details: FIRM PAID FINE IN THE AMOUNT OF \$10,000.00.
Regulator Statement BASED ON INFORMATION SUBMITTED BY RESPONDENT, THE COMMISSIONER CONCLUDED THAT SECURITIES TRANSACTIONS WERE EFFECTED THRU UNREGISTERED AGENTS. THE FIRM HAD FAILED TO REGISTER AN AGENT AFTER THE MARYLAND REGISTERED AGENT RETIRED.

Reporting Source: Firm
Current Status: Final
Allegations: ALLEGED VIOLATION OF SECTION 11-401(A) OF THE MARYLAND SECURITIES ACT.
Initiated By: STATE OF MARYLAND OFFICE OF ATTORNEY GENERAL SECURITIES DIVISION
Date Initiated: 01/18/2001



Docket/Case Number: 2001-0099

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: FINE AND RESTITUTION VIA CONSENT ORDER

Resolution: Consent

Resolution Date: 05/11/2001

Sanctions Ordered: Monetary/Fine \$10,000.00
Disgorgement/Restitution

Other Sanctions Ordered:

Sanction Details: \$10,000 FINE AND \$2,979.30 COMMISSION RESTITUTION.

Firm Statement ALLEN & COMPANY INCORPORATED ("ALLEN") SETTLED A CHARGE THAT IT HAD VIOLATED SECTION 11-401(A) OF THE MARYLAND SECURITIES ACT. A FORM U-5 WAS FILED FOR AN INDIVIDUAL WHO WAS REGISTERED IN THE STATE OF MARYLAND, TERMINATING HIS EMPLOYMENT WITH ALLEN. PRIOR TO RECEIVING ANY COMMUNICATIONS FROM THE STATE OF MARYLAND, ALLEN REGISTERED 7 NEW AGENTS. AS A RESULT OF A CLERICAL ERROR, THERE WAS A BRIEF GAP DURING WHICH ALLEN HAD NO REGISTERED AGENT IN THE STATE OF MARYLAND. ALLEN MADE RESTITUTION TO CERTAIN CUSTOMERS AND PAID A FINE AS DIRECTED BY THE STATE OF MARYLAND. THIS DRP IS A DUPLICATE OF A OCC#1007757 AND SHOULD BE REMOVED FROM THE BD RECORD.

Disclosure 6 of 14

Reporting Source: Firm

Current Status: Final

Allegations: ALLEGED VIOLATIONS OF SEC RULE 11AC1-4, NASD CONDUCT RULE 2110 AND IM-2110-2, SEC RULE 10B-10 AND NASD RULES 2110 AND 3010.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD)

Date Initiated: 12/01/1997

Docket/Case Number: CMS 990021

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

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

A CENSURE AND A FINE OF \$8,000; A \$1,000 FINE FOR LIMIT ORDER VIOLATIONS, A \$1,000 FINE FOR THE DISPLAY RULE VIOLATIONS, A \$1,000 FINE FOR THE 10B-10 VIOLATIONS AND A \$5,000 FINE FOR THE SUPERVISION VIOLATION.

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 04/07/1999

Sanctions Ordered: Monetary/Fine \$8,000.00

Other Sanctions Ordered:

Sanction Details: THE APPLICANT AGREED TO (1)A CENSURE AND (11)A FINE OF \$8,000 WAS PAID ON 4/20/1999.

Firm Statement

THE NASD COMMENCED THE PROCEEDING ON 12/1/1997 AND THE PROCEEDING WAS RESOLVED BY THE ACCEPTANCE OF AN AWC BY THE NASD ON 02/25/1999. THE APPLICANT AGREED TO (I)CENSURE AND (II) A FINE OF \$8,000.ALLEN HAS INSTALLED THE BRASS 2.4 UPGRADE AND TOOLS OF THE TRADE SOFTWARE IN THE TRADING TERMINALS WHICH ALLEN HOPES WILL ELIMINATE LIMIT ORDER AND DISPLAY RULE VIOLATIONS.ALLEN CONTINUES TO AMEND ITS SUPERVISORY PROCEDURES TO COMPLY WITH THE SEC AND NASD COMPLIANCE STANDARDS.

Disclosure 7 of 14

Reporting Source: Regulator

Current Status: Final

Allegations: SEC RULES 11AC1-4 AND 10B-10 - WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE RESPONDENT CONSENTED TO THE ENTRY OF FINDINGS THAT IT FAILED TO DISPLAY IMMEDIATELY THE CUSTOMER LIMIT ORDERS IN NASDAQ SECURITIES IN ITS PUBLIC QUOTATION, WHEN EACH SUCH ORDER WAS AT A PRICE THAT WOULD HAVE IMPROVED THE FIRM'S BID OR OFFER IN EACH SUCH SECURITY; OR WHEN THE ORDER WAS PRICED EQUAL TO THE FIRM'S BID OR OFFER AND THE NATIONAL BEST BID OR OFFER IN SUCH SECURITY, AND THE SIZE OF THE ORDER REPRESENTED MORE THAN A DE MINIMIS CHANGE IN RELATION TO THE SIZE ASSOCIATED WITH ITS BID OR OFFER IN EACH SUCH SECURITY. THE RESPONDENT FIRM ALSO FAILED TO DISCLOSE THAT THE PRICES LISTED ON CUSTOMER CONFIRMATIONS WERE AVERAGE PRICES, AND FAILED TO



DISCLOSE ON CUSTOMER CONFIRMATIONS THAT THE FIRM WAS ACTING AS A PRINCIPAL FOR ITS OWN ACCOUNT. THE RESPONDENT FIRM, WHILE ACTING AS A PRINCIPAL FOR ITS OWN ACCOUNT AND AS A MARKET MAKER, FAILED TO DISCLOSE ON CUSTOMER CONFIRMATIONS: THE REPORTED PRICE; THE PRICE TO THE CUSTOMER IN THE TRANSACTION; AND THE DIFFERENCE, IF ANY, BETWEEN THE REPORTED TRADE PRICE AND THE PRICE TO THE CUSTOMER.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 05/30/2000

Docket/Case Number: CMS000103

Principal Product Type: Other

Other Product Type(s): UNKNOWN TYPE OF SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/30/2000

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

Other Sanctions Ordered:

Sanction Details: A CENSURE AND A FINE OF \$7,500 (\$5,000 FOR VIOLATIONS OF SEC RULE 11AC1-4 AND \$2,500 FOR VIOLATIONS OF SEC RULE 10B-10).

Reporting Source: Firm

Current Status: Final

Allegations: ALLEGED VIOLATION OF SEC RULE 11AC1-4 AND SEC RULE 10B-10.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD)

Date Initiated: 03/05/1998

Docket/Case Number: CMS000103AWC

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

**Sought:**

Other Sanction(s)/Relief Sought: A CENSURE AND A FINE OF \$5,000 FOR VIOLATIONS OF SEC RULE 11AC1-4 AND \$2,500 FOR VIOLATIONS OF SEC RULE 10B-10.

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/31/2000

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

Other Sanctions Ordered:

Sanction Details: THE APPLICANT AGREED TO (I)A CENSURE (II) A FINE OF \$7,500 WAS PAID ON 06/22/2000.

Firm Statement THE NASD COMMENCED THE PROCEEDING ON 03/05/1998 AND THE PROCEEDING WAS RESOLVED BY THE ACCEPTANCE OF AN AWC BY THE NASD ON 05/31/00. THE APPLICANT AGREED TO (I) A CENSURE AND (II) A FINE OF \$7,500. WITH RESPECT TO REPORTED VIOLATIONS OF SEC RULE 11AC1-4, ALLEN & COMPANY, INC. ("ALLEN")HAS BEEN IN CONTACT WITH REPRESENTATIVES OF BRASS, A THIRD PARTY SERVICE PROVIDER OF THE MECHANISM THROUGH WHICH ALLEN'S MARKET MAKING INFORMATION IS DISPLAYED. IN PART, AS RESULT OF THESE DISCUSSIONS, ALLEN UNDERSTANDS THAT IMPROVEMENTS HAVE BEEN MADE TO THE BRASS SYSTEM SUCH THAT UNINTENTIONAL DISPLAY VIOLATIONS OF THE TYPES REPORTED SHOULD BE FAR LESS LIKELY TO OCCUR IN THE FUTURE.

Disclosure 8 of 14

Reporting Source: Firm

Current Status: Final

Allegations: APPLICANT CONSENTED TO AN INJUNCTION WITHOUT ADMITTING ANY OF THE ALLEGATIONS OF THE COMPLAINT.

Initiated By: US SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 11/09/1970

Docket/Case Number:

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Injunction



Other Sanction(s)/Relief Sought:	CONSENT TO AN INJUNCTION WITHOUT ADMITTING ANY OF THE ALLEGATIONS OF THE COMPLAINT
Resolution:	Consent
Resolution Date:	11/09/1977
Sanctions Ordered:	
Other Sanctions Ordered:	THE APPLICANT CONSENTED TO AN INJUNCTION WITHOUT ADMITTING TO ANY OF THE ALLEGATIONS OF THE COMPLAINT.
Sanction Details:	THE APPLICANT CONSENTED TO AN INJUNCTION WITHOUT ADMITTING TO ANY OF THE ALLEGATIONS OF THE COMPLAINT. THE PROCEEDING CLOSED IN FINAL ON NOVEMBER 9, 1970.
Firm Statement	THE APPLICANT CONSENTED TO AN INJUNCTION WITHOUT ADMITTING TO ANY OF THE ALLEGATIONS OF THE COMPLAINT. THE PROCEEDING CLOSED IN FINAL ON NOVEMBER 9, 1970.

Disclosure 9 of 14

Reporting Source:	Firm
Current Status:	Final
Allegations:	THE APPLICANT CONSENTED TO AN INJUNCTION WITHOUT ADMITTING ANY OF THE ALLEGATIONS OF THE COMPLAINT.
Initiated By:	US SECURITIES AND EXCHANGER COMMISSION (SEC)
Date Initiated:	03/19/1975
Docket/Case Number:	
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Injunction
Other Sanction(s)/Relief Sought:	CONSENT TO AN INJUNCTION WITHOUT ADMITTING ANY OF THE ALLEGATIONS IN THE COMPLAINT
Resolution:	Consent
Resolution Date:	03/19/1975
Sanctions Ordered:	
Other Sanctions Ordered:	CONSENT TO AN INJUNCTION WITHOUT ADMITTING ANY OF THE ALLEGATIONS OF THE COMPLAINT.



Sanction Details:	CONSENT TO AN INJUNCTION WITHOUT ADMITTING ANY OF THE ALLEGATIONS OF THE COMPLAINT. THE PROCEEDING CLOSED IN FINAL ON MARCH 19, 1975.
Firm Statement	THE APPLICANT CONSENTED TO AN INJUNCTION WITHOUT ADMITTING ANY OF THE ALLEGATIONS OF THE COMPLAINT. THE PROCEEDING CLOSED IN FINAL ON MARCH 19, 1975.

Disclosure 10 of 14

Reporting Source:	Firm
Current Status:	Final
Allegations:	ALLEGED RECORD KEEPING VIOLATIONS BY THE APPLICANT AND RICHARD CROOKS, A DIRECTOR OF THE APPLICANT.
Initiated By:	US SECURITIES AND EXCHANGE COMMISSION (SEC)
Date Initiated:	05/05/1981
Docket/Case Number:	
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	RECORD KEEPING
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	
Resolution:	Other
Resolution Date:	05/05/1981
Sanctions Ordered:	Censure
Other Sanctions Ordered:	THE SECURITIES AND EXCHANGE COMMISSION CENSURED THE APPLICANT AND RICHARD M. CROOKS, A DIRECTOR OF THE APPLICANT FOR A RECORD KEEPING VIOLATION UNDER THE SECURITIES AND EXCHANGE ACT OF 1934. THE PROCEEDING WAS CLOSED IN FINAL ON MAY 5, 1981.
Sanction Details:	THE SECURITIES AND EXCHANGE COMMISSION CENSURED THE APPLICANT AND RICHARD M. CROOKS, A DIRECTOR OF THE APPLICANT FOR A RECORD KEEPING VIOLATION UNDER THE SECURITIES AND EXCHANGE ACT OF 1934. THE PROCEEDING WAS CLOSED IN FINAL ON MAY 5, 1981.
Firm Statement	THE DATE UPON WHICH THE SECURITIES AND EXCHANGE COMMISSON



COMMENCED ITS PROCEEDING IS UNCLEAR. THE APPLICANT AND THE SECURITIES AND EXCHANGE COMMISSION CLOSED THE PROCEEDING IN FINAL ON MAY 5, 1981. THE SECURITIES AND EXCHANGE COMMISSION CENSURED THE APPLICANT, AND RICHARD M. CROOKS, A DIRECTOR OF THE APPLICANT FOR A RECORD-KEEPING VIOLATION UNDER THE SECURITIES AND EXCHANGE ACT OF 1934.

Disclosure 11 of 14

Reporting Source:	Firm
Current Status:	Final
Allegations:	ALLEGED VIOLATIONS OF THE SECURITIES AND EXCHANGE ACT RULE 11AC1-1 AND NASD RULE 3320 AND 4613(B) (FIRM QUOTE RULES)
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD)
Date Initiated:	06/29/1998
Docket/Case Number:	CMS990020 AWC
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	A CENSURE, A FINE OF \$6000 AND AN UNDERTAKING BY THE RESPONDENT TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES RELATING TO FIRM QUOTE COMPLIANCE.
Resolution:	Other
Resolution Date:	04/07/1999
Sanctions Ordered:	Censure Monetary/Fine \$6,000.00
Other Sanctions Ordered:	AN UNDERTAKING BY THE APPLICANT TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES RELATING TO FIRM QUOTE COMPLIANCE.
Sanction Details:	THE APPLICANT AGREED TO AN (I) A CENSURE, (II) A FINE OF \$6000 (PAID IN APRIL OF 1999)AND (III) AN UNDERTAKING TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES RELATING TO FIRM QUOTE COMPLIANCE.
Firm Statement	THE NASD COMMENCED THE PROCEEDING ON JUNE 29, 1999 AND THE PROCEEDING WAS RESOLVE IN FINAL ON APRIL 7, 1999. THE APPLICANT AGREED TO AN (I) A CENSURE, (II) A FINE OF \$6000 AND (III) AN UNDERTAKING TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES RELATING TO FIRM QUOTE COMPLIANCE.



IT HAS BEEN THE RESPONDENT'S POLICY TO COMPLY WITH APPLICABLE REGULATIONS BY PROMPTLY FILING SELECTNET ORDERS AT INDICATED PRICES. DURING THE PERIOD IN QUESTION, THE RESPONDENT WAS UPGRADING IOTS SOFTWARE SYSTEM FOR, AMONG OTHER THINGS, MONITRING SELECTNET ORDERS. ACCORDINGLY, DURING THE TIME IN QUESTION, INCERTAIN STOCKS IN WHICH THE RESPONDENT MAKES A MARKET, ALLEN DID NOT RESPOND TO A LIMITED NUMBER OF SELECTNET LIABILITY ORDERS UPON PRESENTMENT. ALENN DID LATER FILL ALL OF SUCH UNFILLED ORDRES AFTER THEY WERE "TIMED OUT" IF SUCH ORDERS WERE THEREAFTER BROUGHT TO THE RESPONDENT'S ATTENTION. THE RESPONDENT HAS AGREED WITH THIS AWC ON THE GROUNDS THAT DURING THE REVIEW PERIOD AND PENDING COMPLETION OF ITS SOFTWARE UPGRADE, IT INADVERTENTLY MISSED OR EXECUTED LATE CERTAIN SELECTNET ORDERS AND, AS SUCH, IT WAS NOT IN COMPLIANCE WITH SEC RULE 11AC1-1.



Disclosure 12 of 14

Reporting Source: Regulator

Current Status: Final

Allegations:



Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 04/23/1997
Docket/Case Number: CMS960192 AWC
Principal Product Type:
Other Product Type(s):
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 04/23/1997
Sanctions Ordered: Monetary/Fine \$1,000.00
Other Sanctions Ordered:
Sanction Details:
Regulator Statement LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. CMS960192 AWC.
 ON
 APRIL 23, 1997, ALLEN & COMPANY, INC. (ALLN) WAS NOTIFIED THAT
 THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT (AWC) IT
 SUBMITTED
 BECAME FINAL. ALLN IS ALLEGED TO HAVE VIOLATED SEC RULE 10B-6A
 IN THAT THE FIRM PURCHASED SHARES WHICH EXCEEDED THE HIGHEST
 INDEPENDENT BID. ALLN IS HEREBY FINED \$1,000.

 \$1,000.00 PAID ON 6/2/97, INVOICE #97-MS-425

Reporting Source: Firm
Current Status: Final
Allegations: ALLEGED VIOLATION OF SEC RULE 10B-6A IN THAT THE APPLICANT
 PURCHASED SHARES WHICH EXCEEDED THE HIGHEST BID
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD)
Date Initiated: 04/23/1997
Docket/Case Number: CMS960192AWC
Principal Product Type: Equity Listed (Common & Preferred Stock)

**Other Product Type(s):**

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: THE NASD ISSUED A FINE OF \$1000.OO AND THE APPLICANT PAID THE FINE IN MAY, 1997.

Resolution: Other

Resolution Date: 04/23/1997

Sanctions Ordered: Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details: THE NASD ISSUED A FINE OF \$1000.OO AND THE APPLICANT PAID THE FINE IN MAY, 1997.

Firm Statement

THE PROCEEDING WAS CLOSED ON APRIL 23, 1997. THE NASD ISSUED THE APPLICANT A \$1000.00 FINE AND THE APPLICANT PAID SUCH FINE IN MAY 1997. THE APPLICANT BELIEVES THAT THE ALLEGED VIOLATION REFERENCED HEREIN CONSTITUED A "MINOR RULE VIOLATION" UNDER A PLAN APPROVED BY THE SECURITIES AND EXCHANGE COMMISISON.

Disclosure 13 of 14

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 02/14/1990

Docket/Case Number: MS-856-AWC

Principal Product Type:**Other Product Type(s):**

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 02/14/1990



Sanctions Ordered: Monetary/Fine \$250.00

Other Sanctions Ordered:

Sanction Details:

Regulator Statement MARKET SURVEILLANCE COMMITTEE COMPLAINT #MS-856-AWC:

LETTER OF ACCEPTANCE, WAIVER AND CONSENT FILED DECEMBER 6, 1989
 AGAINST RESPONDENT ALLEN & COMPANY, INC. ALLEGING VIOLATIONS OF PART VI, SECTION 4(a) OF SCHEDULE D IN THAT RESPONDENTS FAILED TO REPORT THEIR NASDAQ VOLUME.

THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT WAS ACCEPTED BY THE MARKET SURVEILLANCE COMMITTEE ON JANUARY 17, 1990 AND BY THE NATIONAL BUSINESS CONDUCT COMMITTEE ON FEBRUARY 14, 1990. \$250 FINE.
 \$250.00 PAID ON 4/10/90 INVOICE #90-MS-265

Reporting Source: Firm

Current Status: Final

Allegations: ALLEGED VIOLATIONS BY ALLEN & COMPANY INCORPORATED OF PART VI, SECTION 4(A) OF SCHEDULE D IN THAT APPLICANT FAILED TO REPORT ITS NASDAQ VOLUME I

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD)

Date Initiated: 12/06/1989

Docket/Case Number: MS-856-AWC

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: A FINE OF \$250.00 WAS ISSUED BY THE NASD - MARKET SURVEILLANCE COMMITTEE AND THE APPLICANT PAID THE FINE ON APRIL 10, 1990.

Resolution: Other

Resolution Date: 02/14/1999

Sanctions Ordered: Monetary/Fine \$250.00



Other Sanctions Ordered: A FINE OF \$250.00 WAS ISSUED BY THE NASD - MARKET SURVEILANCE COMMITTEE AND THE RESPONDENT PAID THE FINE ON APRIL 10, 1990.

Sanction Details: A FINE OF \$250.00 WAS ISSUED BY THE NASD - MARKET SURVEILANCE COMMITTEE AND THE APPLICANT PAID THE FINE ON APRIL 10, 1990.

Firm Statement A FINE OF 250.00 WAS ISSUED BY THE NASD - MARKET SURVEILANCE COMMITTEE AND THE RESPONDENT PAID THE FINE ON APRIL 10, 1990. THE EVENT CLOSED ON FEBRUARY 14, 1990. THE APPLICANT BELIEVES VIOLATION REFERENCED HEREIN CONSTITUED A "MINOR RULE VIOLATION" UNDER A PLAN APPROVED BY THE SECURITIES AND EXCHANGE COMMISSION.

Disclosure 14 of 14

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 08/22/1991

Docket/Case Number: MS-1076-AWC (A)

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 08/22/1991

Sanctions Ordered: Monetary/Fine \$500.00

Other Sanctions Ordered:

Sanction Details:

Regulator Statement MARKET SURVEILLANCE COMMITTEE COMPLAINT #MS-1076-AWC (A) LETTER OF ACCEPTANCE, WAIVER AND CONSENT FILED JUNE 5, 1991 AGAINST RESPONDENT MEMBER ALLEN & COMPANY, INC. ALLEGING VIOLATIONS OF



PART XII, SECTION 2 OF SCHEDULE D OF THE ASSOCIATION'S BY-LAWS
RELATIVE TO NMS TRADE REPORTING EXAMINATIONS:

THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT WAS ACCEPTED BY
THE MARKET SURVEILLANCE COMMITTEE ON JULY 15, 1991 AND BY THE
NATIONAL BUSINESS CONDUCT COMMITTEE ON AUGUST 22, 1991. \$500.00
FINE.

\$500.00 PAID ON 9/13/91 INVOICE #91-MS-1023

Reporting Source: Firm

Current Status: Final

Allegations: ALLEDGED VIOLATION OF PART XII SECTION 2 OF ASSOCIATION'S BY-LAWS.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 06/05/1991

Docket/Case Number: MS-1076-AWC (A)

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: A FINE OF \$500.00 WAS ISSUED BY THE NASD - MARKET SURVEILLANCE COMMITTEE AND THE APPLICANT PAID THE FINE ON 9/5/91.

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 08/22/1991

Sanctions Ordered: Monetary/Fine \$500.00

Other Sanctions Ordered:

Sanction Details: APPLICANT AGREED TO A FINE OF \$500.000 WHICH WAS PAID ON 09/05/1991.

Firm Statement DURING THE MONTH OF JUNE 1990, ALLEN & COMPANY, INC. ("ACI") ENTERED, CAUSED TO BE ENTERED OR FAILED TO ENTER INTO THE NASDAQ SYSTEM REPORTS OF TRANSACITONS IN NASDAQ/NMS SECURITITES CONTRARY TO PROVISIONS OF SCHEDULE D OF THE ASSOCIATIONS' BY-LAWS. ACI CONSENTED TO IMPOSITION OF \$500 FINE, WHICH WAS PAID ON 9/5/1991.

End of Report



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