

**BrokerCheck Report**  
**TRANSCEND CAPITAL**  
 CRD# 104483

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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.

• **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](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://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).



**TRANSCEND CAPITAL**

CRD# 104483

SEC# 8-52946

**Main Office Location**

6500 RIVER PLACE BLVD.  
BLDG 1, SUITE 200  
AUSTIN, TX 78730

**Mailing Address**

6500 RIVER PLACE BLVD.  
BLDG 1, SUITE 200  
AUSTIN, TX 78730

**Business Telephone Number**

512-623-7774

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 Texas on 04/13/2010.

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 brokerage firm is no longer registered with FINRA or a national securities exchange.

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	4

## Registration Withdrawal Information

This section provides information relating to the date the brokerage firm ceased doing business and the firm's financial obligations to customers or other brokerage firms.



**Date firm ceased business:** 08/01/2016

**Does this brokerage firm owe any money or securities to any customer or brokerage firm?** No



## Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Texas on 04/13/2010.

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.

### TRANSCEND CAPITAL, LLC

#### Doing business as TRANSCEND CAPITAL

**CRD#** 104483

**SEC#** 8-52946

### Main Office Location

6500 RIVER PLACE BLVD.  
BLDG 1, SUITE 200  
AUSTIN, TX 78730

### Mailing Address

6500 RIVER PLACE BLVD.  
BLDG 1, SUITE 200  
AUSTIN, TX 78730

### Business Telephone Number

512-623-7774



## Firm Profile

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

### Direct Owners and Executive Officers

<b>Legal Name &amp; CRD# (if any):</b>	TRANSCEND CAPITAL MANAGEMENT, LLC
<b>Is this a domestic or foreign entity or an individual?</b>	Domestic Entity
<b>Position</b>	MANAGING MEMBER
<b>Position Start Date</b>	01/2003
<b>Percentage of Ownership</b>	75% or more
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No

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<b>Legal Name &amp; CRD# (if any):</b>	DENIO, MICHAEL EDWIN 4167298
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	PRESIDENT / CCO
<b>Position Start Date</b>	04/2005
<b>Percentage of Ownership</b>	Less than 5%
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No

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<b>Legal Name &amp; CRD# (if any):</b>	GOODIN, DIANE MARIE 3117840
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	FINOP / CFO
<b>Position Start Date</b>	02/2014

## 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

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**Legal Name & CRD# (if any):** JONES, VERNON HUGH JR.  
4316356

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

**Position** CEO

**Position Start Date** 05/2011

**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

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**Legal Name & CRD# (if any):** SWEARINGEN, BRADLEY JACOB  
4633976

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

**Position** CHIEF TECHNICAL OFFICER/CHIEF INFORMATION OFFICER

**Position Start Date** 05/2011

**Percentage of Ownership** Less than 5%

**Does this owner direct the management or policies of the firm?** No

**Is this a public reporting company?** No

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## Firm Profile

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

### Indirect Owners

<b>Legal Name &amp; CRD# (if any):</b>	DENIO, MICHAEL EDWIN 4167298
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Company through which indirect ownership is established</b>	TRANSCEND CAPITAL MANAGEMENT, LLC
<b>Relationship to Direct Owner</b>	MEMBER
<b>Relationship Established</b>	04/2005
<b>Percentage of Ownership</b>	25% but less than 50%
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No
<hr/>	
<b>Legal Name &amp; CRD# (if any):</b>	JONES, VERNON HUGH JR. 4316356
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Company through which indirect ownership is established</b>	TRANSCEND CAPITAL MANAGEMENT, LLC
<b>Relationship to Direct Owner</b>	MEMBER
<b>Relationship Established</b>	10/2010
<b>Percentage of Ownership</b>	25% but less than 50%
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No

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**Legal Name & CRD# (if any):** SWEARINGEN, BRADLEY JACOB



Firm Profile



Indirect Owners (continued)

	4633976
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	TRANSCEND CAPITAL MANAGEMENT, LLC
Relationship to Direct Owner	MEMBER
Relationship Established	10/2010
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

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## 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 no longer registered.**

**The firm's registration was from 03/26/2001 to 10/04/2016.**



**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 8 types of businesses.**

**Types of Business**

Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Mutual fund retailer
U S. government securities broker
Municipal securities broker
Solicitor of time deposits in a financial institution
Put and call broker or dealer or option writer
Non-exchange member arranging for transactions in listed securities by exchange member

**Other Types of Business**

This firm does not effect transactions in commodities, commodity futures, or commodity options.  
This firm does engage in other non-securities business.

Non-Securities Business Description: CERTIFICATES OF DEPOSIT (CDS)

## **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



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

**Name:** COR CLEARING LLC  
**CRD #:** 117176  
**Business Address:** 9300 UNDERWOOD AVE, STE. 400  
OMAHA, NE 68114  
**Effective Date:** 06/28/2013  
**Description:** THE FIRM WILL OPERATE PURSUANT TO THE (K)(2)(II) EXEMPTIVE  
PROVISION OF SEC RULE 15C3-3 AND WILL NOT HOLD CUSTOMER  
FUNDS OR SECURITIES.

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**Name:** COR CLEARING LLC  
**CRD #:** 117176  
**Business Address:** 9300 UNDERWOOD AVE, STE. 400  
OMAHA, NE 68114  
**Effective Date:** 06/28/2013  
**Description:** THE FIRM WILL OPERATE PURSUANT TO THE (K)(2)(II) EXEMPTIVE  
PROVISION OF SEC RULE 15C3-3 AND WILL NOT HOLD CUSTOMER  
FUNDS OR SECURITIES.

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

**Name:** COR CLEARING LLC  
**CRD #:** 117176  
**Business Address:** 9300 UNDERWOOD AVE, STE. 400  
OMAHA, NE 68114  
**Effective Date:** 06/28/2013  
**Description:** THE FIRM WILL OPERATE PURSUANT TO THE (K)(2)(II) EXEMPTIVE  
PROVISION OF SEC RULE 15C3-3 AND WILL NOT HOLD CUSTOMER  
FUNDS OR SECURITIES.

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

**Name:** COR CLEARING LLC  
**CRD #:** 117176  
**Business Address:** 9300 UNDERWOOD AVE, STE. 400  
OMAHA, NE 68114

## Firm Operations



### Industry Arrangements (continued)

**Effective Date:** 06/28/2013

**Description:** THE FIRM WILL OPERATE PURSUANT TO THE (K)(2)(II) EXEMPTIVE PROVISION OF SEC RULE 15C3-3 AND WILL NOT HOLD CUSTOMER FUNDS OR SECURITIES.

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### 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.

**GX TRADER is controlled by the firm.**

<b>Business Address:</b>	6500 RIVER PLACE BLVD BLDG 1 SUITE 200 AUSTIN, TX 78730
<b>Effective Date:</b>	02/08/2011
<b>Foreign Entity:</b>	No
<b>Country:</b>	
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	No
<b>Description:</b>	TRANSCEND OWNS 50% OF GX TRADER.

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**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	4	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 4

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:**

SECTION 5 OF THE SECURITIES ACT OF 1933, SEC RULE 15C3-5, FINRA RULES 2010, 3310(A), NASD RULES 3010(A), 3010(B): THE FIRM FAILED TO ADEQUATELY MONITOR, DETECT, AND INVESTIGATE SUSPICIOUS ACTIVITY OCCURRING IN DIRECT MARKET ACCESS (DMA) ACCOUNTS. THE FIRM'S ANTI-MONEY LAUNDERING (AML) PROCEDURES IDENTIFIED A LIST OF RED FLAGS BUT THE PROCEDURES NOTE, HOWEVER, THAT THE RED FLAGS LISTED ARE "NOT EXHAUSTIVE." ACCOUNTS AT THE FIRM EXHIBITED A VARIETY OF RED FLAGS THAT THE FIRM FAILED TO ADEQUATELY DETECT AND INVESTIGATE, AND REPORT ON A SUSPICIOUS ACTIVITY REPORT (SAR), WHERE APPROPRIATE. THE FIRM FAILED TO CONDUCT AN ADEQUATE "SEARCHING INQUIRY" ON UNREGISTERED SECURITIES THAT WERE SOLD THROUGH THE FIRM. THE FIRM RECEIVED, AND FACILITATED THE SALE OF, OVER ONE BILLION RESTRICTED SHARES, FROM CUSTOMERS, FOR FIVE LOW-PRICED SECURITIES. NO REGISTRATION STATEMENTS WERE IN EFFECT FOR THE SECURITIES AND NO EXEMPTIONS WERE AVAILABLE. THE FIRM RELIED ON ATTORNEY OPINION LETTERS THAT OPINED THAT THE UNREGISTERED SECURITIES COULD BE SOLD WITHOUT REGISTRATION PURSUANT TO AN EXEMPTION FROM REGISTRATION. THE FIRM'S RELIANCE ON THESE OPINIONS WAS UNREASONABLE AS THE ATTORNEYS WERE PROHIBITED FROM SUBMITTING OPINION LETTERS TO THE OVER-THE-COUNTER (OTC) MARKETS (FORMERLY, THE PINK SHEETS). ALTHOUGH OTC MARKETS PUBLISHED ITS "PROHIBITED ATTORNEY LIST" ON ITS WEBSITE, THE FIRM INQUIRY INTO THE SECURITIES FAILED TO DISCOVER THIS RED FLAG. THE FIRM FAILED TO IDENTIFY OTHER RED FLAGS WITH THESE SECURITIES. THE FIRM FAILED TO CONDUCT AN ADEQUATE "SEARCHING INQUIRY" INTO THE UNREGISTERED SECURITIES AND FAILED TO CONDUCT ADEQUATE DUE DILIGENCE ON THE PENNY STOCK TRANSACTIONS, GIVEN THE PRESENCE OF VARIOUS RED FLAGS. THE FIRM'S SUPERVISORY SYSTEMS AND PROCEDURES WERE NOT TAILORED TO ITS BUSINESS, WHICH INCLUDED PROVIDING HIGH-FREQUENCY TRADERS WITH DMA. THE FIRM ALSO FAILED TO IMPLEMENT ADEQUATE WRITTEN SUPERVISORY PROCEDURES (WSPS) RELATING TO ITS PENNY STOCK BUSINESS AND ITS WSPS FAILED TO ADDRESS THE "SEARCHING INQUIRY" THE FIRM NEEDED TO UNDERTAKE TO DETERMINE WHETHER THE SHARES WERE REGISTERED OR SUBJECT TO AN EXEMPTION FROM REGISTRATION.

**Initiated By:**

FINRA

**Date Initiated:**

12/17/2013

**Docket/Case Number:**[2011029039801](#)**Principal Product Type:**

Penny Stock(s)

**Other Product Type(s):**



**Principal Sanction(s)/Relief Sought:**

**Other Sanction(s)/Relief Sought:**

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 12/17/2013

**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 \$200,000.00

**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 IT IS CENSURED AND FINED \$200,000. FINES PAID IN FULL ON 12/22/16.

**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** SECTION 5 OF THE SECURITIES ACT OF 1933, SEC RULE 15C3-5, FINRA RULES 2010, 3310(A), NASD RULES 3010(A), 3010(B): THE FIRM FAILED TO ADEQUATELY MONITOR, DETECT, AND INVESTIGATE SUSPICIOUS ACTIVITY OCCURRING IN DIRECT MARKET ACCESS (DMA) ACCOUNTS. THE FIRM'S ANTI-MONEY LAUNDERING (AML) PROCEDURES IDENTIFIED A LIST OF RED FLAGS BUT THE PROCEDURES NOTE, HOWEVER, THAT THE RED FLAGS LISTED ARE "NOT EXHAUSTIVE." ACCOUNTS AT THE FIRM EXHIBITED A VARIETY OF RED FLAGS THAT THE FIRM FAILED TO ADEQUATELY DETECT AND INVESTIGATE, AND REPORT ON A SUSPICIOUS ACTIVITY REPORT (SAR), WHERE APPROPRIATE. THE FIRM FAILED TO CONDUCT AN ADEQUATE "SEARCHING INQUIRY" ON UNREGISTERED SECURITIES THAT WERE SOLD THROUGH THE FIRM. THE FIRM RECEIVED, AND FACILITATED THE SALE OF, OVER ONE BILLION RESTRICTED SHARES, FROM CUSTOMERS, FOR FIVE LOW-PRICED SECURITIES. NO REGISTRATION STATEMENTS WERE IN EFFECT FOR THE SECURITIES AND NO EXEMPTIONS WERE AVAILABLE. THE FIRM RELIED ON ATTORNEY OPINION LETTERS THAT OPINED THAT THE UNREGISTERED SECURITIES COULD BE



SOLD WITHOUT REGISTRATION PURSUANT TO AN EXEMPTION FROM REGISTRATION. THE FIRM'S RELIANCE ON THESE OPINIONS WAS UNREASONABLE AS THE ATTORNEYS WERE PROHIBITED FROM SUBMITTING OPINION LETTERS TO THE OVER-THE-COUNTER (OTC) MARKETS (FORMERLY, THE PINK SHEETS). ALTHOUGH OTC MARKETS PUBLISHED ITS "PROHIBITED ATTORNEY LIST" ON ITS WEBSITE, THE FIRM INQUIRY INTO THE SECURITIES FAILED TO DISCOVER THIS RED FLAG. THE FIRM FAILED TO IDENTIFY OTHER RED FLAGS WITH THESE SECURITIES. THE FIRM FAILED TO CONDUCT AN ADEQUATE "SEARCHING INQUIRY" INTO THE UNREGISTERED SECURITIES AND FAILED TO CONDUCT ADEQUATE DUE DILIGENCE ON THE PENNY STOCK TRANSACTIONS, GIVEN THE PRESENCE OF VARIOUS RED FLAGS. THE FIRM'S SUPERVISORY SYSTEMS AND PROCEDURES WERE NOT TAILORED TO ITS BUSINESS, WHICH INCLUDED PROVIDING HIGH-FREQUENCY TRADERS WITH DMA. THE FIRM ALSO FAILED TO IMPLEMENT ADEQUATE WRITTEN SUPERVISORY PROCEDURES (WSPS) RELATING TO ITS PENNY STOCK BUSINESS AND ITS WSPS FAILED TO ADDRESS THE "SEARCHING INQUIRY" THE FIRM NEEDED TO UNDERTAKE TO DETERMINE WHETHER THE SHARES WERE REGISTERED OR SUBJECT TO AN EXEMPTION FROM REGISTRATION.

**Initiated By:** FINRA

**Date Initiated:** 12/17/2013

**Docket/Case Number:** [2011029039801](#)

**Principal Product Type:** Penny Stock(s)

**Other Product Type(s):**

**Principal Sanction(s)/Relief Sought:**

**Other Sanction(s)/Relief Sought:**

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 12/17/2013

**Sanctions Ordered:** Censure  
Monetary/Fine \$200,000.00

**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 IT IS CENSURED AND FINED \$200,000.



## Disclosure 2 of 4

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	<p>NFA COMPLIANCE RULES 2-36(D), 2-39(A) AND 2-36(E): HAVING REVIEWED THE INVESTIGATIVE REPORT SUBMITTED BY THE COMPLIANCE DEPARTMENT OF NATIONAL FUTURES ASSOCIATION ("NFA"), AND HAVING FOUND REASON TO BELIEVE THAT NFA COMPLIANCE RULES ("NFA REQUIREMENTS") ARE BEING, HAVE BEEN, OR ARE ABOUT TO BE VIOLATED AND THAT THE MATTER SHOULD BE ADJUDICATED, NFA'S BUSINESS CONDUCT COMMITTEE ISSUED THE COMPLAINT AGAINST TRANSCEND CAPITAL LLC ("TRANSCEND").</p> <p>THE COMPLAINT ALLEGED THAT NFA COMMENCED AN AUDIT OF TRANSCEND IN APRIL 2012. DURING THE COURSE OF THE AUDIT, NFA FOUND THAT TRANSCEND CONDUCTED BUSINESS WITH AN UNREGULATED COUNTERPARTY FOR FOREX TRANSACTIONS AND FAILED TO ADEQUATELY SUPERVISE THE OPERATIONS OF TRANSCEND'S OREM, UTAH BRANCH OFFICE AND THE ACTIVITIES OF ITS BRANCH MANAGER.</p>
<b>Initiated By:</b>	NATIONAL FUTURES ASSOCIATION
<b>Date Initiated:</b>	11/13/2012
<b>Docket/Case Number:</b>	12-BCC-037
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Decision
<b>Resolution Date:</b>	04/09/2013
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Sanctions Ordered:</b>	Monetary/Fine \$10,000.00
<b>Other Sanctions Ordered:</b>	WITHDRAWAL OF MEMBERSHIP



**Sanction Details:** THE HEARING PANEL ORDERED TRANSCEND TO WITHDRAW FROM NFA MEMBERSHIP EFFECTIVE ON THE DATE OF THE DECISION. FURTHER, SHOULD TRANSCEND REAPPLY IN THE FUTURE FOR NFA MEMBERSHIP OR PRINCIPAL STATUS WITH ANY NFA MEMBER, TRANSCEND SHALL PAY A FINE OF \$10,000 TO NFA, DUE AND PAYABLE IN FULL ON OR BEFORE THE DATE OF ANY SUCH APPLICATION.

**Regulator Statement** TRANSCEND SUBMITTED AN OFFER TO THE HEARING PANEL IN WHICH, WITHOUT ADMITTING OR DENYING THE ALLEGATIONS OF THE COMPLAINT, IT AGREED TO WITHDRAW FROM NFA MEMBERSHIP EFFECTIVE ON THE DATE OF THE DECISION. TRANSCEND ALSO AGREED THAT IF AND WHEN IF REAPPLIES FOR NFA MEMBERSHIP OR PRINCIPAL STATUS WITH ANY NFA MEMBER, IT SHALL PAY A FINE OF \$10,000 TO NFA, DUE AND PAYABLE IN FULL ON OR BEFORE THE DATE OF ANY SUCH APPLICATION.

HAVING REVIEWED THE COMPLAINT ISSUED BY THE BUSINESS CONDUCT COMMITTEE OF NFA, AND HAVING CONSIDERED THE OFFER OF SETTLEMENT SUBMITTED BY TRANSCEND CAPITAL LLC AND HAVING ACCEPTED THE OFFER, THE HEARING PANEL ISSUED THE DECISION AS TO TRANSCEND.

**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** THE NFA ALLEGED THAT TRANSCEND DID BUSINESS WITH AN UNREGISTERED FOREX COUNTERPARTY AND FAILED TO SUPERVISE THE ACTIVITIES OF ONE OF ITS BRANCH OFFICES, IN VIOLATION OF NFA COMPLIANCE RULES 2-36(D) AND 2-36(E).

**Initiated By:** NATIONAL FUTURES ASSOCIATION

**Date Initiated:** 11/13/2012

**Docket/Case Number:** NFA CASE NO. 12-BCC-037

**Principal Product Type:** Other

**Other Product Type(s):** NO PRODUCT

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

**Other Sanction(s)/Relief Sought:** THE HEARING PANEL AGREED TO TRANSCEND'S OFFER TO VOLUNTARILY WITHDRAW ITS NFA MEMBERSHIP. TRANSCEND ALSO AGREED THAT SHOULD IT REAPPLY FOR NFA MEMBERSHIP THAT IT WOULD PAY A FINE OF \$10,000.

**Resolution:** Decision & Order of Offer of Settlement



<b>Resolution Date:</b>	04/09/2013
<b>Sanctions Ordered:</b>	Revocation/Expulsion/Denial
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	TRANSCEND SUBMITTED AN OFFER TO THE NFA HEARING PANEL IN WHICH, WITHOUT ADMITTING OR DENYING THE ALLEGATIONS OF THE NFA'S COMPLIANCE, IT AGREED TO WITHDRAW FROM NFA MEMBERSHIP EFFECTIVE 4/9/2013. TRANSCEND ALSO AGREED THAT IF AND WHEN IT REAPPLIES FOR NFA MEMBERSHIP OR PRINCIPAL STATUS WITH ANY NFA MEMBER, IT SHALL PAY A FINE OF \$10,000 TO THE NFA, DUE AND PAYABLE IN FULL ON OR BEFORE THE DATE OF ANY SUCH APPLICATION.
<b>Firm Statement</b>	EFFECTIVE 4/9/2013, TRANSCEND VOLUNTARILY WITHDREW ITS NFA MEMBERSHIP TO SETTLE THE CHARGES MADE AGAINST THE FIRM.

#### Disclosure 3 of 4

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	NASD MARKETPLACE RULE 6955(A) AND NASD CONDUCT RULE 2110 - TRANSCEND CAPITAL, LP FAILED TO TIMELY REPORT TO ORDER AUDIT TRAIL SYSTEM ("OATS") 10,136 REPORTABLE ORDER EVENTS ("ROES"). THESE LATE ROES REPRESENTED 72 PERCENT OF ALL ROES TRANSCEND CAPITAL, LP SUBMITTED TO OATS DURING THE PERIOD MAY 29 THROUGH SEPTEMBER 30, 2002. IN ADDITION, TRANSCEND CAPITAL, LP FAILED TO SUBMIT REQUIRED INFORMATION TO OATS ON 29 BUSINESS DAYS.
<b>Initiated By:</b>	NASD
<b>Date Initiated:</b>	08/20/2004
<b>Docket/Case Number:</b>	CMS040133
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	08/20/2004
<b>Does the order constitute a</b>	No





**final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?**

**Sanctions Ordered:** Censure  
Monetary/Fine \$10,000.00

**Other Sanctions Ordered:**

**Sanction Details:** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, TRANSCEND CAPITAL, LP CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$10,000.

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**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** NASD MARKETPLACE RULE 6955(A) AND NASD CONDUCT RULE 2110 - FIRM FAILED TO TIMELY REPORT TO ORDER AUDIT TRAIL SYSTEM ("OATS") 10,136 REPORTABLE ORDER EVENTS("ROES"). THESE LATE TRADES REPRESENTED 72 PERCENT OF ALL ROES TRANSCEND CAPITAL, LP SUBMITTED TO OATS DURING THE PERIOD MAY 29 THROUGH SEPTEMBER 30, 2002.

**Initiated By:** NASD

**Date Initiated:** 08/20/2004

**Docket/Case Number:** CMS040133

**Principal Product Type:** No Product

**Other Product Type(s):**

**Principal Sanction(s)/Relief Sought:** Censure

**Other Sanction(s)/Relief Sought:** \$10,000 FINE

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 08/20/2004

**Sanctions Ordered:** Censure  
Monetary/Fine \$10,000.00

**Other Sanctions Ordered:**



**Sanction Details:** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, TRANSCEND CAPITAL, LP CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$10,000.

#### Disclosure 4 of 4

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:** AS PART OF THE APPLICATION FOR REGISTRATION PROCESS, THE COMMISSIONER REQUIRES THAT ALL APPLICANTS COMPLETE A FORM OF UNDERTAKING TO THE DIVISION, WHICH VERIFIES THAT NO TRANSACTIONS TOOK PLACE BEFORE REGISTRATION APPROVAL.

**Initiated By:** MARYLAND DIVISION OF SECURITIES

**Date Initiated:** 06/27/2001

**Docket/Case Number:** 2001-0287

**URL for Regulatory Action:**

**Principal Product Type:** No Product

**Other Product Type(s):**

**Principal Sanction(s)/Relief Sought:** Denial

**Other Sanction(s)/Relief Sought:**

**Resolution:** Order

**Resolution Date:** 05/27/2009

**Sanctions Ordered:** Monetary/Fine \$500.00

**Other Sanctions Ordered:**

**Sanction Details:** AN ORDER TO SHOW CAUSE AND ORDER OF SUMMARY POSTPONEMENT WAS ISSUED AFTER 2 UNDERTAKINGS WERE MAILED TO APPLICANT AND NOT RETURNED. THE ORDERS PROVIDE THAT FAILURE TO EITHER REQUEST A HEARING OR WITHDRAW THE APPLICATION WOULD RESULT IN THE APPLICATION BEING DENIED. NO RESPONSE WAS RECEIVED.

**Regulator Statement** A FINAL ORDER OF DENIAL OF BROKER-DEALER REGISTRATION ISSUED AUGUST 1, 2001. FINED \$500.00, DENIAL ORDER VACATED AND REGISTRATION APPROVED MAY 27, 2009.



<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Appealed To and Date Appeal Filed:</b>	N/A
<b>Allegations:</b>	AS PART OF THE APPLICATION FOR REGISTRATION PROCESS, THE COMMISSIONER REQUIRES THAT ALL APPLICANTS COMPLETE A FORM OF UNDERTAKING TO THE DIVISION, WHICH VERIFIES THAT NO TRANSACTIONS TOOK PLACE BEFORE REGISTRATION APPROVAL.
<b>Initiated By:</b>	MARYLAND DIVISION OF SECURITIES
<b>Date Initiated:</b>	06/27/2001
<b>Docket/Case Number:</b>	2001-0287
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Denial
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Order
<b>Resolution Date:</b>	05/27/2009
<b>Sanctions Ordered:</b>	Monetary/Fine \$500.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	ON AUGUST 1, 2001, A FINAL ORDER OF DENIAL OF BROKER-DEALER REGISTRATION WAS ISSUED BY THE STATE OF MARYLAND AS A RESULT OF PROTRADERS' FAILURE TO PROVIDE REQUESTED INFORMATION IN A TIMELY MANNER WHILE APPLYING FOR REGISTRATION IN THE STATE. FINED \$500. DENIAL ORDER VACATED AND REGISTRATION APPROVED MAY 27, 2009.
<b>Firm Statement</b>	A FINAL ORDER OF DENIAL OF BROKER-DEALER REGISTRATION ISSUED AUGUST 1, 2001. FINED \$500. DENIAL ORDER VACATED; REGISTRATION APPROVED MAY 27, 2009.

**End of Report**



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