

## BrokerCheck Report

### T.R. WINSTON & COMPANY, LLC

CRD# 10571

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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](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)



## T.R. WINSTON & COMPANY, LLC

CRD# 10571

SEC# 8-27519

### Main Office Location

376 MAIN STREET  
BEDMINSTER, NJ 07921-2613  
Regulated by FINRA Woodbridge Office

### Mailing Address

P.O. BOX 74  
376 MAIN STREET  
BEDMINSTER, NJ 07921

### Business Telephone Number

(908) 234-0300

## 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 Delaware on 08/18/2003.

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
- 4 Self-Regulatory Organizations
- 51 U.S. states and territories

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

This firm conducts 8 types of businesses.

This firm is not affiliated with any 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	5
Arbitration	5



## Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Delaware on 08/18/2003.

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.

**T.R. WINSTON & COMPANY, LLC**

**Doing business as T.R. WINSTON & COMPANY, LLC**

**CRD#** 10571

**SEC#** 8-27519

### Main Office Location

376 MAIN STREET  
BEDMINSTER, NJ 07921-2613

**Regulated by FINRA Woodbridge Office**

### Mailing Address

P.O. BOX 74  
376 MAIN STREET  
BEDMINSTER, NJ 07921

### Business Telephone Number

(908) 234-0300



## 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):** RUNNELS, G TYLER

1415264

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

**Position** DIRECTOR, CHAIRMAN AND CEO

**Position Start Date** 11/2003

**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

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**Legal Name & CRD# (if any):** KANG, KAREN

4367718

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

**Position** EXECUTIVE VICE PRESIDENT AND ROSFP

**Position Start Date** 11/2003

**Percentage of Ownership** 5% but less than 10%

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

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

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**Legal Name & CRD# (if any):** CRISWELL, JEFFREY LENOX SR

2121440

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

**Position** VICE PRESIDENT, SECRETARY, CHIEF FINANCIAL OFFICER, CHIEF COMPLIANCE OFFICER

## Firm Profile



### Direct Owners and Executive Officers (continued)

<b>Position Start Date</b>	12/2000
<b>Percentage of Ownership</b>	Less than 5%
<b>Does this owner direct the management or policies of the firm?</b>	No
<b>Is this a public reporting company?</b>	No

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<b>Legal Name &amp; CRD# (if any):</b>	HEMEDES, STEPHEN NATHANIEL 6870830
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	MUNICIPAL PRINCIPAL AND HEAD TRADER
<b>Position Start Date</b>	04/2022
<b>Percentage of Ownership</b>	Less than 5%
<b>Does this owner direct the management or policies of the firm?</b>	No
<b>Is this a public reporting company?</b>	No

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<b>Legal Name &amp; CRD# (if any):</b>	SANCIO, GALE ANN 1121258
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	ASSISTANT SECRETARY, ROSFP
<b>Position Start Date</b>	06/1997
<b>Percentage of Ownership</b>	Less than 5%
<b>Does this owner direct the management or policies of the firm?</b>	No
<b>Is this a public reporting company?</b>	No

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## Firm Profile

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

## Indirect Owners

No information reported.





Firm History

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

<b>This firm was previously:</b>	T.R. WINSTON & COMPANY, INC.
<b>Date of Succession:</b>	09/19/2003
<b>Predecessor CRD#:</b>	10571
<b>Predecessor SEC#:</b>	8-27519
<b>Description</b>	T.R. WINSTON & COMPANY, INC. WAS MERGED WITH AND INTO T.R. WINSTON & COMPANY, LLC. THE SUCCESSOR FIRM IS ASSUMING SUBSTANTIAL ALL ASSETS AND LIABILITIES OF THE PREDECESSOR FIRM AND THERE IS NO SUBSTANTIAL CHANGE IN OWNERSHIP AND NO CHANGE IN CONTROL.

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<b>This firm was previously:</b>	T.R. WINSTON & COMPANY, INC.
<b>Date of Succession:</b>	09/19/2003
<b>Predecessor CRD#:</b>	10571
<b>Predecessor SEC#:</b>	8-27519
<b>Description</b>	T.R. WINSTON & COMPANY, INC. WAS MERGED WITH AND INTO T.R. WINSTON & COMPANY, LLC.

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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, 4 SROs and 51 U.S. states and territories.**

Federal Regulator	Status	Date Effective
SEC	Approved	04/30/1982

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	06/28/1982
NYSE American LLC	Approved	10/02/2025
Nasdaq Stock Market	Approved	07/12/2006
New York Stock Exchange	Approved	09/11/2025



## Firm Operations

### Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	01/26/1990
Alaska	Approved	06/27/2007
Arizona	Approved	10/03/1990
Arkansas	Approved	07/21/1992
California	Approved	04/06/1984
Colorado	Approved	03/26/1984
Connecticut	Approved	03/02/1989
Delaware	Approved	02/25/1992
District of Columbia	Approved	04/13/1991
Florida	Approved	08/13/1991
Georgia	Approved	01/01/1990
Hawaii	Approved	06/24/1993
Idaho	Approved	06/15/1992
Illinois	Approved	06/12/1990
Indiana	Approved	03/02/1992
Iowa	Approved	01/30/1990
Kansas	Approved	03/06/1992
Kentucky	Approved	08/08/1991
Louisiana	Approved	02/25/1992
Maine	Approved	03/23/1993
Maryland	Approved	03/17/1992
Massachusetts	Approved	08/01/1984
Michigan	Approved	10/30/1990
Minnesota	Approved	03/10/1992
Mississippi	Approved	03/02/1992
Missouri	Approved	06/18/1992
Montana	Approved	05/21/1992
Nebraska	Approved	03/23/1992
Nevada	Approved	01/29/1990
New Hampshire	Approved	06/20/1991
New Jersey	Approved	04/02/1986
New Mexico	Approved	04/23/1992
New York	Approved	06/28/1982

U.S. States & Territories	Status	Date Effective
North Carolina	Approved	07/26/1988
North Dakota	Approved	06/30/1992
Ohio	Approved	01/01/1991
Oklahoma	Approved	03/13/1992
Oregon	Approved	09/25/1990
Pennsylvania	Approved	06/16/1988
Rhode Island	Approved	03/25/1992
South Carolina	Approved	01/16/1990
South Dakota	Approved	03/23/1992
Tennessee	Approved	02/19/1992
Texas	Approved	06/02/1988
Utah	Approved	03/11/1992
Vermont	Approved	11/22/1988
Virginia	Approved	02/02/1989
Washington	Approved	01/27/1989
West Virginia	Approved	11/15/1990
Wisconsin	Approved	07/13/1990
Wyoming	Approved	03/30/1992



## 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 making inter-dealer markets in corporation securities over-the-counter

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

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

Mutual fund retailer

U S. government securities broker

Put and call broker or dealer or option writer

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

Private placements of securities

## **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 not have books or records maintained by a third party.**

**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:** 04/19/2006

**Description:** CLEARING FIRM

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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 not, 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.**

**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	5	0
Arbitration	N/A	5	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 5

**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 SUPERVISORY PROCEDURES (WSPS), THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RULE 101 OF REGULATION M OF THE SECURITIES EXCHANGE ACT OF 1934. THE FINDINGS STATED THAT ONE OF THE FIRM'S BUSINESS LINES INCLUDED ACTING AS A DISTRIBUTION PARTICIPANT IN PUBLIC OFFERINGS. THE FIRM USED A COMMITTEE COMPRISED OF SENIOR PERSONNEL TO DETERMINE WHETHER THE FIRM WOULD BECOME ENGAGED AS A DISTRIBUTION PARTICIPANT. IT WAS THE COMMITTEE'S RESPONSIBILITY TO NOTIFY THE COMPLIANCE DEPARTMENT AND RELEVANT SUPERVISORS ONCE IT APPROVED THE FIRM'S ENGAGEMENT AS A DISTRIBUTION PARTICIPANT. THE COMPLIANCE DEPARTMENT WAS THEN REQUIRED TO ADD THE SUBJECT SECURITY TO A RESTRICTED LIST, WHICH WAS POSTED ON A BULLETIN BOARD IN THE FIRM'S TRADING ROOM IN ITS HEADQUARTERS. A HARD COPY OF THE RESTRICTED LIST WAS ALSO RETAINED BY A SINGLE EMPLOYEE IN THE FIRM'S COMPLIANCE DEPARTMENT. THE FIRM'S PRACTICE OF POSTING THE RESTRICTED LIST ON A BULLETIN BOARD ONLY IN THE FIRM'S TRADING ROOM AT ITS HEADQUARTERS WAS NOT A REASONABLE METHOD TO NOTIFY ALL RELEVANT PERSONNEL. AMONG OTHER THINGS, THE FIRM'S BRANCH-OFFICE PERSONNEL DID NOT HAVE ACCESS TO THE BULLETIN BOARD AND THEREFORE MAY NOT HAVE BEEN AWARE OF THE RESTRICTED SECURITIES. IN ADDITION, THE FIRM'S WSPS FAILED TO IDENTIFY ANY SUPERVISOR OR SUPERVISORS RESPONSIBLE FOR ACHIEVING COMPLIANCE WITH RULE 101 AND FAILED TO SET FORTH HOW THE FIRM WOULD IDENTIFY ANY IMPROPER TRADING IN RESTRICTED SECURITIES. IN PRACTICE, NO FIRM SUPERVISOR DISTRIBUTED THE RESTRICTED LIST TO THE FIRM'S OTHER BRANCH OFFICES, REVIEWED TRADING ACTIVITY IN RESTRICTED SECURITIES AT ITS BRANCH OFFICES, AND THE FIRM HAD NO SURVEILLANCE SYSTEM OR OTHER METHOD TO IDENTIFY IMPROPER TRADING IN RESTRICTED SECURITIES AT ITS BRANCH OFFICES. IN AT LEAST ONE INSTANCE, A FIRM EMPLOYEE UNILATERALLY ASSESSED THE APPLICATION OF RULE 101 TO A RIGHTS OFFERING WITHOUT ANY INVOLVEMENT BY THE COMMITTEE OR SUPERVISORY OVERSIGHT. AS A RESULT, THE FIRM ACTED AS A DISTRIBUTION PARTICIPANT IN A RIGHTS OFFERING, THE COMPLIANCE DEPARTMENT AND RELEVANT SUPERVISORS WERE NOT NOTIFIED OF THE ENGAGEMENT, AND THE OFFERING SECURITY WAS NOT PLACED ON THE FIRM'S RESTRICTED LIST. IN ADDITION, THE FIRM DID NOT CONDUCT SUPERVISORY REVIEWS OF THE FIRM'S OR ITS EMPLOYEES' TRADING IN THE SUBJECT SECURITY. THE FIRM AND THE SAME EMPLOYEE EFFECTED TRANSACTIONS IN THE SECURITY, IMPROPERLY PROFITING \$50,000 EACH. THEREFORE, THE FIRM VIOLATED NASDAQ GENERAL 9, SECTIONS 1(A) AND 20(A), AND NASDAQ RULES 3010(A) AND 2010A.



**Initiated By:** NASDAQ STOCK MARKET  
**Date Initiated:** 06/29/2022  
**Docket/Case Number:** 2015047957002  
**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:** 06/29/2022  
**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 \$37,500.00  
Disgorgement/Restitution  
**Other Sanctions Ordered:** UNDERTAKING  
**Sanction Details:** THE FIRM WAS CENSURED, FINED A TOTAL OF \$75,000, OF WHICH \$37,500 IS PAYABLE TO NASDAQ, ORDERED TO PAY TOTAL DISGORGEMENT OF \$50,000, OF WHICH \$25,000 IS PAYABLE TO NASDAQ, AND REQUIRED TO REVIEW AND REVISE THE FIRM'S SUPERVISORY SYSTEM, INCLUDING ITS WSPS, WITH RESPECT TO THE DEFICIENCIES DESCRIBED IN THE AWC CONCERNING THE FIRM'S SUPERVISION FOR POTENTIAL VIOLATIONS OF RULE 101 WHILE ENGAGED AS A DISTRIBUTION PARTICIPANT. THE REMAINDER OF THE FINE AND REMAINDER OF DISGORGEMENT WILL BE PAID TO FINRA.

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**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 ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM, INCLUDING WRITTEN



SUPERVISORY PROCEDURES (WSPS), THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RULE 101 OF REGULATION M OF THE SECURITIES EXCHANGE ACT OF 1934. THE FINDINGS STATED THAT ONE OF THE FIRM'S BUSINESS LINES INCLUDED ACTING AS A DISTRIBUTION PARTICIPANT IN PUBLIC OFFERINGS. THE FIRM USED A COMMITTEE COMPRISED OF SENIOR PERSONNEL TO DETERMINE WHETHER THE FIRM WOULD BECOME ENGAGED AS A DISTRIBUTION PARTICIPANT. IT WAS THE COMMITTEE'S RESPONSIBILITY TO NOTIFY THE COMPLIANCE DEPARTMENT AND RELEVANT SUPERVISORS ONCE IT APPROVED THE FIRM'S ENGAGEMENT AS A DISTRIBUTION PARTICIPANT. THE COMPLIANCE DEPARTMENT WAS THEN REQUIRED TO ADD THE SUBJECT SECURITY TO A RESTRICTED LIST, WHICH WAS POSTED ON A BULLETIN BOARD IN THE FIRM'S TRADING ROOM IN ITS HEADQUARTERS. A HARD COPY OF THE RESTRICTED LIST WAS ALSO RETAINED BY A SINGLE EMPLOYEE IN THE FIRM'S COMPLIANCE DEPARTMENT. THE FIRM'S PRACTICE OF POSTING THE RESTRICTED LIST ON A BULLETIN BOARD ONLY IN THE FIRM'S TRADING ROOM AT ITS HEADQUARTERS WAS NOT A REASONABLE METHOD TO NOTIFY ALL RELEVANT PERSONNEL. AMONG OTHER THINGS, THE FIRM'S BRANCH-OFFICE PERSONNEL DID NOT HAVE ACCESS TO THE BULLETIN BOARD AND THEREFORE MAY NOT HAVE BEEN AWARE OF THE RESTRICTED SECURITIES. IN ADDITION, THE FIRM'S WSPS FAILED TO IDENTIFY ANY SUPERVISOR OR SUPERVISORS RESPONSIBLE FOR ACHIEVING COMPLIANCE WITH RULE 101 AND FAILED TO SET FORTH HOW THE FIRM WOULD IDENTIFY ANY IMPROPER TRADING IN RESTRICTED SECURITIES. IN PRACTICE, NO FIRM SUPERVISOR DISTRIBUTED THE RESTRICTED LIST TO THE FIRM'S OTHER BRANCH OFFICES, REVIEWED TRADING ACTIVITY IN RESTRICTED SECURITIES AT ITS BRANCH OFFICES, AND THE FIRM HAD NO SURVEILLANCE SYSTEM OR OTHER METHOD TO IDENTIFY IMPROPER TRADING IN RESTRICTED SECURITIES AT ITS BRANCH OFFICES. IN AT LEAST ONE INSTANCE, A FIRM EMPLOYEE UNILATERALLY ASSESSED THE APPLICATION OF RULE 101 TO A RIGHTS OFFERING WITHOUT ANY INVOLVEMENT BY THE COMMITTEE OR SUPERVISORY OVERSIGHT. AS A RESULT, THE FIRM ACTED AS A DISTRIBUTION PARTICIPANT IN A RIGHTS OFFERING, THE COMPLIANCE DEPARTMENT AND RELEVANT SUPERVISORS WERE NOT NOTIFIED OF THE ENGAGEMENT, AND THE OFFERING SECURITY WAS NOT PLACED ON THE FIRM'S RESTRICTED LIST. IN ADDITION, THE FIRM DID NOT CONDUCT SUPERVISORY REVIEWS OF THE FIRM'S OR ITS EMPLOYEES' TRADING IN THE SUBJECT SECURITY. THE FIRM AND THE SAME EMPLOYEE EFFECTED TRANSACTIONS IN THE SECURITY, IMPROPERLY PROFITING \$50,000 EACH. THEREFORE, THE FIRM VIOLATED NASDAQ GENERAL 9, SECTIONS 1(A) AND 20(A), AND NASDAQ RULES 3010(A) AND 2010A.

**Initiated By:** NASDAQ STOCK MARKET

**Date Initiated:** 06/29/2022



**Docket/Case Number:** 2015047957002

**Principal Product Type:** Other

**Other Product Type(s):** UNSPECIFIED SECURITIES

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

**Other Sanction(s)/Relief Sought:** MONETARY/FINE \$37,500.0  
DISGORGEMENT/RESTITUTION  
UNDERTAKING

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

**Resolution Date:** 06/29/2022

**Sanctions Ordered:** Censure  
Monetary/Fine \$37,500.00  
Disgorgement/Restitution

**Other Sanctions Ordered:** UNDERTAKING

**Sanction Details:** THE FIRM WAS CENSURED, FINED A TOTAL OF \$75,000, OF WHICH \$37,500 IS PAYABLE TO NASDAQ, ORDERED TO PAY TOTAL DISGORGEMENT OF \$50,000, OF WHICH \$25,000 IS PAYABLE TO NASDAQ, AND REQUIRED TO REVIEW AND REVISE THE FIRM'S SUPERVISORY SYSTEM, INCLUDING ITS WSPS, WITH RESPECT TO THE DEFICIENCIES DESCRIBED IN THE AWC CONCERNING THE FIRM'S SUPERVISION FOR POTENTIAL VIOLATIONS OF RULE 101 WHILE ENGAGED AS A DISTRIBUTION PARTICIPANT. THE REMAINDER OF THE FINE AND REMAINDER OF DISGORGEMENT WILL BE PAID TO FINRA.

#### Disclosure 2 of 5

**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 SUPERVISORY PROCEDURES (WSPS), THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RULE 101 OF REGULATION M OF THE SECURITIES EXCHANGE ACT OF 1934. THE FINDINGS STATED THAT ONE OF THE FIRM'S BUSINESS LINES INCLUDED ACTING AS A DISTRIBUTION PARTICIPANT IN PUBLIC OFFERINGS. THE FIRM USED A COMMITTEE COMPRISED OF SENIOR PERSONNEL TO DETERMINE WHETHER THE FIRM WOULD BECOME ENGAGED AS A DISTRIBUTION PARTICIPANT. IT WAS THE COMMITTEE'S RESPONSIBILITY TO NOTIFY THE COMPLIANCE



DEPARTMENT AND RELEVANT SUPERVISORS ONCE IT APPROVED THE FIRM'S ENGAGEMENT AS A DISTRIBUTION PARTICIPANT. THE COMPLIANCE DEPARTMENT WAS THEN REQUIRED TO ADD THE SUBJECT SECURITY TO A RESTRICTED LIST, WHICH WAS POSTED ON A BULLETIN BOARD IN THE FIRM'S TRADING ROOM IN ITS HEADQUARTERS. A HARD COPY OF THE RESTRICTED LIST WAS ALSO RETAINED BY A SINGLE EMPLOYEE IN THE FIRM'S COMPLIANCE DEPARTMENT. THE FIRM'S PRACTICE OF POSTING THE RESTRICTED LIST ON A BULLETIN BOARD ONLY IN THE FIRM'S TRADING ROOM AT ITS HEADQUARTERS WAS NOT A REASONABLE METHOD TO NOTIFY ALL RELEVANT PERSONNEL. AMONG OTHER THINGS, THE FIRM'S BRANCH-OFFICE PERSONNEL DID NOT HAVE ACCESS TO THE BULLETIN BOARD AND THEREFORE MAY NOT HAVE BEEN AWARE OF THE RESTRICTED SECURITIES. IN ADDITION, THE FIRM'S WSPS FAILED TO IDENTIFY ANY SUPERVISOR OR SUPERVISORS RESPONSIBLE FOR ACHIEVING COMPLIANCE WITH RULE 101 AND FAILED TO SET FORTH HOW THE FIRM WOULD IDENTIFY ANY IMPROPER TRADING IN RESTRICTED SECURITIES. IN PRACTICE, NO FIRM SUPERVISOR DISTRIBUTED THE RESTRICTED LIST TO THE FIRM'S OTHER BRANCH OFFICES, REVIEWED TRADING ACTIVITY IN RESTRICTED SECURITIES AT BRANCH OFFICES, AND THE FIRM HAD NO SURVEILLANCE SYSTEM OR OTHER METHOD TO IDENTIFY IMPROPER TRADING IN RESTRICTED SECURITIES AT ITS BRANCH OFFICES. IN AT LEAST ONE INSTANCE, A FIRM EMPLOYEE UNILATERALLY ASSESSED THE APPLICATION OF RULE 101 TO A RIGHTS OFFERING WITHOUT ANY INVOLVEMENT BY THE COMMITTEE OR SUPERVISORY OVERSIGHT. AS A RESULT, THE FIRM ACTED AS A DISTRIBUTION PARTICIPANT IN A RIGHTS OFFERING, THE COMPLIANCE DEPARTMENT AND RELEVANT SUPERVISORS WERE NOT NOTIFIED OF THE ENGAGEMENT, AND THE OFFERING SECURITY WAS NOT PLACED ON THE FIRM'S RESTRICTED LIST. IN ADDITION, THE FIRM DID NOT CONDUCT SUPERVISORY REVIEWS OF THE FIRM'S OR ITS EMPLOYEES' TRADING IN THE SUBJECT SECURITY. THE FIRM AND THE SAME EMPLOYEE EFFECTED TRANSACTIONS IN THE SECURITY, IMPROPERLY PROFITING \$50,000 EACH.

**Initiated By:** FINRA

**Date Initiated:** 06/29/2022

**Docket/Case Number:** [2015047957001](#)

**Principal Product Type:** Other

**Other Product Type(s):** UNSPECIFIED SECURITIES

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

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



<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	06/29/2022
<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>	Censure Monetary/Fine \$37,500.00 Disgorgement/Restitution
<b>Other Sanctions Ordered:</b>	UNDERTAKING
<b>Sanction Details:</b>	THE FIRM WAS CENSURED, FINED A TOTAL OF \$75,000, OF WHICH \$37,500 IS PAYABLE TO FINRA, ORDERED TO PAY TOTAL DISGORGEMENT OF \$50,000, OF WHICH \$25,000 IS PAYABLE TO FINRA, AND REQUIRED TO REVIEW AND REVISE THE FIRM'S SUPERVISORY SYSTEM, INCLUDING ITS WSPS, WITH RESPECT TO THE DEFICIENCIES DESCRIBED IN THE AWC CONCERNING THE FIRM'S SUPERVISION FOR POTENTIAL VIOLATIONS OF RULE 101 WHILE ENGAGED AS A DISTRIBUTION PARTICIPANT. FINE PAID IN FULL ON JULY 6, 2022.
<hr/>	
<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	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 SUPERVISORY PROCEDURES (WSPS), THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RULE 101 OF REGULATION M OF THE SECURITIES EXCHANGE ACT OF 1934. THE FINDINGS STATED THAT ONE OF THE FIRM'S BUSINESS LINES INCLUDED ACTING AS A DISTRIBUTION PARTICIPANT IN PUBLIC OFFERINGS. THE FIRM USED A COMMITTEE COMPRISED OF SENIOR PERSONNEL TO DETERMINE WHETHER THE FIRM WOULD BECOME ENGAGED AS A DISTRIBUTION PARTICIPANT. IT WAS THE COMMITTEE'S RESPONSIBILITY TO NOTIFY THE COMPLIANCE DEPARTMENT AND RELEVANT SUPERVISORS ONCE IT APPROVED THE FIRM'S ENGAGEMENT AS A DISTRIBUTION PARTICIPANT. THE COMPLIANCE DEPARTMENT WAS THEN REQUIRED TO ADD THE SUBJECT SECURITY TO A RESTRICTED LIST, WHICH WAS POSTED ON A BULLETIN BOARD IN THE FIRM'S TRADING ROOM IN ITS HEADQUARTERS. A HARD COPY OF THE RESTRICTED LIST WAS ALSO RETAINED BY A SINGLE EMPLOYEE IN THE



FIRM'S COMPLIANCE DEPARTMENT. THE FIRM'S PRACTICE OF POSTING THE RESTRICTED LIST ON A BULLETIN BOARD ONLY IN THE FIRM'S TRADING ROOM AT ITS HEADQUARTERS WAS NOT A REASONABLE METHOD TO NOTIFY ALL RELEVANT PERSONNEL. AMONG OTHER THINGS, THE FIRM'S BRANCH-OFFICE PERSONNEL DID NOT HAVE ACCESS TO THE BULLETIN BOARD AND THEREFORE MAY NOT HAVE BEEN AWARE OF THE RESTRICTED SECURITIES. IN ADDITION, THE FIRM'S WSPS FAILED TO IDENTIFY ANY SUPERVISOR OR SUPERVISORS RESPONSIBLE FOR ACHIEVING COMPLIANCE WITH RULE 101 AND FAILED TO SET FORTH HOW THE FIRM WOULD IDENTIFY ANY IMPROPER TRADING IN RESTRICTED SECURITIES. IN PRACTICE, NO FIRM SUPERVISOR DISTRIBUTED THE RESTRICTED LIST TO THE FIRM'S OTHER BRANCH OFFICES, REVIEWED TRADING ACTIVITY IN RESTRICTED SECURITIES AT BRANCH OFFICES, AND THE FIRM HAD NO SURVEILLANCE SYSTEM OR OTHER METHOD TO IDENTIFY IMPROPER TRADING IN RESTRICTED SECURITIES AT ITS BRANCH OFFICES. IN AT LEAST ONE INSTANCE, A FIRM EMPLOYEE UNILATERALLY ASSESSED THE APPLICATION OF RULE 101 TO A RIGHTS OFFERING WITHOUT ANY INVOLVEMENT BY THE COMMITTEE OR SUPERVISORY OVERSIGHT. AS A RESULT, THE FIRM ACTED AS A DISTRIBUTION PARTICIPANT IN A RIGHTS OFFERING, THE COMPLIANCE DEPARTMENT AND RELEVANT SUPERVISORS WERE NOT NOTIFIED OF THE ENGAGEMENT, AND THE OFFERING SECURITY WAS NOT PLACED ON THE FIRM'S RESTRICTED LIST. IN ADDITION, THE FIRM DID NOT CONDUCT SUPERVISORY REVIEWS OF THE FIRM'S OR ITS EMPLOYEES' TRADING IN THE SUBJECT SECURITY. THE FIRM AND THE SAME EMPLOYEE EFFECTED TRANSACTIONS IN THE SECURITY, IMPROPERLY PROFITING \$50,000 EACH.

<b>Initiated By:</b>	FINRA
<b>Date Initiated:</b>	06/29/2022
<b>Docket/Case Number:</b>	<a href="#">2015047957001</a>
<b>Principal Product Type:</b>	Other
<b>Other Product Type(s):</b>	UNSPECIFIED SECURITIES
<b>Principal Sanction(s)/Relief Sought:</b>	Censure
<b>Other Sanction(s)/Relief Sought:</b>	MONETARY/FINE \$37,500.00 DISGORGEMENT/RESTITUTION UNDERTAKING
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	06/29/2022
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$37,500.00





Disgorgement/Restitution

**Other Sanctions Ordered:**

UNDERTAKING

**Sanction Details:**

THE FIRM WAS CENSURED, FINED A TOTAL OF \$75,000, OF WHICH \$37,500 IS PAYABLE TO FINRA, ORDERED TO PAY TOTAL DISGORGEMENT OF \$50,000, OF WHICH \$25,000 IS PAYABLE TO FINRA, AND REQUIRED TO REVIEW AND REVISE THE FIRM'S SUPERVISORY SYSTEM, INCLUDING ITS WSPS, WITH RESPECT TO THE DEFICIENCIES DESCRIBED IN THE AWC CONCERNING THE FIRM'S SUPERVISION FOR POTENTIAL VIOLATIONS OF RULE 101 WHILE ENGAGED AS A DISTRIBUTION PARTICIPANT.

**Disclosure 3 of 5****Reporting Source:**

Firm

**Current Status:**

Final

**Allegations:**

FAILURE TO PROVIDE CUSTOMERS WITH A FEE SCHEDULE AND FAILURE TO KEEP A COMPLETE RECORD OF FIRM CUSTOMER AGREEMENTS.

**Initiated By:**

STATE OF NEW JERSEY BUREAU OF SECURITIES

**Date Initiated:**

10/22/2014

**Docket/Case Number:****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:****Resolution:**

Consent

**Resolution Date:**

10/22/2014

**Sanctions Ordered:**

Monetary/Fine \$7,500.00

**Other Sanctions Ordered:**

1. PAYMENT OF \$2,500 TO THE NEW JERSEY SECURITIES ENFORCEMENT FUND; AND 2. PAYMENT OF \$10,000 TO THE NEW JERSEY SECURITIES INVESTOR EDUCATION FUND.

**Sanction Details:**

MONETARY FINE OF \$7,500; PAYMENT OF \$2,500 TO THE NEW JERSEY SECURITIES ENFORCEMENT FUND; PAYMENT OF \$10,000 TO THE NEW JERSEY SECURITIES INVESTOR EDUCATION FUND PAID ON OCTOBER 22, 2014.

**Firm Statement**

WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, T.R. WINSTON &amp;





COMPANY, LLC CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS FINED \$7,500 AND DIRECTED TO PAY \$2,500 TO THE NEW JERSEY SECURITIES ENFORCEMENT FUND AND \$10,000 TO THE NEW JERSEY SECURITIES INVESTOR EDUCATION FUND.

#### Disclosure 4 of 5

##### Reporting Source:

Regulator

##### Current Status:

Final

##### Allegations:

SEC RULE 10B-10, NASD RULES 2110, 3010, 6130(D), 6955(A) - T.R. WINSTON & COMPANY, LLC EXECUTED SHORT SALE TRANSACTIONS AND FAILED TO INCLUDE THE SHORT SALE MODIFIER WHEN REPORTING THE TRANSACTIONS TO THE OTC REPORTING FACILITY (OTCRF) AND THE NASD/NASDAQ TRADE REPORTING FACILITY (NNTRF); INCORRECTLY APPENDED THE SHORT SALE MODIFIER TO REPORTS TO THE OTCRF AND NNTRF OF LONG SALE TRANSACTIONS; FAILED TO USE THE CORRECT SYMBOL INDICATING WHETHER IT ACTED IN A PRINCIPAL OR AGENCY CAPACITY IN TRANSACTIONS IN DESIGNATED SECURITIES REPORTED TO THE NNTRF AND TRANSACTIONS IN OTC EQUITY SECURITIES REPORTED TO THE OTCRF. THE FIRM INCORRECTLY MEDIA REPORTED TO THE OTCRF TRANSACTIONS IN OTC EQUITY SECURITIES AS "RISKLESS" PRINCIPAL TRANSACTIONS WHEN THE TRANSACTIONS SHOULD HAVE BEEN REPORTED AS PRINCIPAL TRANSACTIONS INSTEAD; INCORRECTLY REPORTED TO THE OTCRF A CLEARING-ONLY OR NON-TAPE, NON-CLEARING REPORT BY MISREPORTING THE EXISTENCE OF OFFSETTING "RISKLESS PORTIONS OF "RISKLESS" PRINCIPAL TRANSACTIONS WHEN NO SUCH ALLOCATION TO THE CUSTOMER HAD OCCURRED, AND INCORRECTLY REPORTING TRADES AS OFFSETTING "RISKLESS" PRINCIPAL TRANSACTIONS WHEN THEY SHOULD HAVE BEEN MEDIA REPORTED AS PRINCIPAL TRANSACTIONS INSTEAD. THE FIRM TRANSMITTED TO THE ORDER AUDIT TRAIL SYSTEM (OATS) REPORTS THAT OMITTED ASSOCIATED ROUTE REPORTS AND FAILED TO TRANSMIT TO OATS ANY REPORTABLE ORDERS EVENTS (ROES) ABOUT ORDERS THAT WERE SUBJECT TO OATS REPORTING. THE FIRM FAILED TO PROVIDE WRITTEN NOTIFICATION DISCLOSING TO ITS CUSTOMERS ITS CORRECT CAPACITY IN TRANSACTIONS. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND/OR NASD RULES ADDRESSING QUALITY OF MARKET TOPICS; THE FIRM'S WRITTEN SUPERVISORY PROCEDURES FAILED TO PROVIDE FOR MINIMUM REQUIREMENTS FOR ADEQUATE WRITTEN SUPERVISORY PROCEDURES IN SEC RULE 605 ORDER EXECUTION REPORTS; SEC RULE 606 ORDER ROUTING REPORTS; LIMIT ORDER



DISPLAY; SEC RULE 602 QUOTE DISSEMINATION REQUIREMENTS; LIMIT ORDER PROTECTION; MARKET ORDER PROTECTION; TRADE REPORTING; SEC RULE 203(B)(3); ORDER MARKING; TRADING HALTS; AND OATS. THE FIRM FAILED TO PROVIDE SUFFICIENT DOCUMENTARY EVIDENCE THAT IT PERFORMED THE SUPERVISORY REVIEWS SET FORTH IN ITS WRITTEN SUPERVISORY PROCEDURES CONCERNING SEC RULES 203(B)(3), 602, 605, 606, MARKET ORDER PROTECTION, AND TRADING HALTS.

**Initiated By:** FINRA

**Date Initiated:** 04/30/2010

**Docket/Case Number:** [2007009069401](#)

**Principal Product Type:** Equity - OTC

**Other Product Type(s):** DESIGNATED SECURITIES

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

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

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

**Resolution Date:** 04/30/2010

**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 WRITTEN SUPERVISORY PROCEDURES REGARDING SEC RULE 605 ORDER EXECUTION REPORTS; SEC RULE 606 ORDER ROUTING REPORTS; LIMIT ORDER DISPLAY; SEC RULE 602 QUOTE DISSEMINATION REQUIREMENTS; LIMIT ORDER PROTECTION; MARKET ORDER PROTECTION; TRADE REPORTING; SEC RULE 203(B)(3); ORDER MARKING; TRADING HALTS; AND OATS WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.



<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	<p>SEC RULE 10B-10, NASD RULES 2110, 3010, 6130(D), 6955(A) - T.R. WINSTON &amp; COMPANY, LLC EXECUTED SHORT SALE TRANSACTIONS AND FAILED TO INCLUDE THE SHORT SALE MODIFIER WHEN REPORTING THE TRANSACTIONS TO THE OTC REPORTING FACILITY (OTCRF) AND THE NASD/NASDAQ TRADE REPORTING FACILITY (NNTRF); INCORRECTLY APPENDED THE SHORT SALE MODIFIER TO REPORTS TO THE OTCRF AND NNTRF OF LONG SALE TRANSACTIONS; FAILED TO USE THE CORRECT SYMBOL INDICATING WHETHER IT ACTED IN A PRINCIPAL OR AGENCY CAPACITY IN TRANSACTIONS IN DESIGNATED SECURITIES REPORTED TO THE NNTRF AND TRANSACTIONS IN OTC EQUITY SECURITIES REPORTED TO THE OTCRF. THE FIRM INCORRECTLY MEDIA REPORTED TO THE OTCRF TRANSACTIONS IN OTC EQUITY SECURITIES AS "RISKLESS" PRINCIPAL TRANSACTIONS WHEN THE TRANSACTIONS SHOULD HAVE BEEN REPORTED AS PRINCIPAL TRANSACTIONS INSTEAD; INCORRECTLY REPORTED TO THE OTCRF A CLEARING-ONLY OR NON-TAPE, NON-CLEARING REPORT BY MISREPORTING THE EXISTENCE OF OFFSETTING "RISKLESS PORTIONS OF "RISKLESS" PRINCIPAL TRANSACTIONS WHEN NO SUCH ALLOCATION TO THE CUSTOMER HAD OCCURRED, AND INCORRECTLY REPORTING TRADES AS OFFSETTING "RISKLESS" PRINCIPAL TRANSACTIONS WHEN THEY SHOULD HAVE BEEN MEDIA REPORTED AS PRINCIPAL TRANSACTIONS INSTEAD. THE FIRM TRANSMITTED TO THE ORDER AUDIT TRAIL SYSTEM (OATS) REPORTS THAT OMITTED ASSOCIATED ROUTE REPORTS AND FAILED TO TRANSMIT TO OATS ANY REPORTABLE ORDERS EVENTS (ROES) ABOUT ORDERS THAT WERE SUBJECT TO OATS REPORTING. THE FIRM FAILED TO PROVIDE WRITTEN NOTIFICATION DISCLOSING TO ITS CUSTOMERS ITS CORRECT CAPACITY IN TRANSACTIONS. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND/OR NASD RULES ADDRESSING QUALITY OF MARKET TOPICS; THE FIRM'S WRITTEN SUPERVISORY PROCEDURES FAILED TO PROVIDE FOR MINIMUM REQUIREMENTS FOR ADEQUATE WRITTEN SUPERVISORY PROCEDURES IN SEC RULE 605 ORDER EXECUTION REPORTS; SEC RULE 606 ORDER ROUTING REPORTS; LIMIT ORDER DISPLAY; SEC RULE 602 QUOTE DISSEMINATION REQUIREMENTS; LIMIT ORDER PROTECTION; MARKET ORDER PROTECTION; TRADE REPORTING; SEC RULE 203(B)(3); ORDER MARKING; TRADING HALTS; AND OATS. THE FIRM FAILED TO PROVIDE SUFFICIENT DOCUMENTARY EVIDENCE THAT IT PERFORMED THE SUPERVISORY REVIEWS SET FORTH IN ITS WRITTEN SUPERVISORY PROCEDURES CONCERNING SEC RULES 203(B)(3), 602,</p>



605, 606, MARKET ORDER PROTECTION, AND TRADING HALTS.

<b>Initiated By:</b>	FINRA
<b>Date Initiated:</b>	04/30/2010
<b>Docket/Case Number:</b>	<a href="#">2007009069401</a>
<b>Principal Product Type:</b>	Equity - OTC
<b>Other Product Type(s):</b>	DESIGNATED SECURITIES
<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>	04/30/2010
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$22,500.00
<b>Other Sanctions Ordered:</b>	UNDERTAKING
<b>Sanction Details:</b>	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM HAS CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THE FIRM HAS BEEN CENSURED, FINED \$22,500 AND REQUIRED TO REVIEW THE WRITTEN SUPERVISORY PROCEDURES REGARDING SEC RULE 605 ORDER EXECUTION REPORTS; SEC RULE 606 ORDER ROUTING REPORTS; LIMIT ORDER DISPLAY; SEC RULE 602 QUOTE DISSEMINATION REQUIREMENTS; LIMIT ORDER PROTECTION; MARKET ORDER PROTECTION; TRADE REPORTING; SEC RULE 203(B)(3); ORDER MARKING; TRADING HALTS; AND OATS WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC.
<b>Firm Statement</b>	THE FIRM PROVIDED REVISIONS TO THE DEFICIENT WRITTEN SUPERVISORY PROCEDURES AT THE TIME OF THE AUDIT. ENHANCEMENTS TO THOSE REVISIONS WILL BE COMPLETED IN ORDER TO SATISFY THE REQUIREMENTS OF THE AWC.

#### Disclosure 5 of 5

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	02/06/01GS: NASD RULES 1032(F), 2110, 3010, 3110, 4632, 4642, AND 6130 - FAILED TO REPORT NASDAQ SMALLCAP AND NASDAQ NATIONAL MARKET(NNM) SECURITIES WITHIN 90 SECONDS AND FAILED TO ACCEPT



OR DECLINE ACT ELIGIBLE SECURITIES WITHIN 20 MINUTES AFTER EXECUTION. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO PREPARE AND MAINTAIN PURCHASE AND SALE MEMORANDA FOR PRINCIPAL TRANSACTIONS WHICH IDENTIFIED WHETHER THE SUBJECT TRANSACTIONS WERE MARKET OR LIMIT ORDERS AND FAILED TO ESTABLISH, MAINTAIN AND ENFORCE ADEQUATE WRITTEN SUPERVISORY PROCEDURES REGARDING ITS TRADING AND MARKET-MAKING OPERATIONS. IN ADDITION, THE NASD FOUND THAT THE FIRM ALLOWED AN INDIVIDUAL TO SUPERVISE ITS TRADING AND MARKET-MAKING OPERATIONS, WHILE NOT PROPERLY REGISTERED AS AN EQUITY TRADER.

**Initiated By:** NATIONAL ASSOCIATION OF SECURITIES DEALERS

**Date Initiated:** 01/29/2001

**Docket/Case Number:** C9B010005

**Principal Product Type:** Equity - OTC

**Other Product Type(s):**

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

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

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

**Resolution Date:** 01/29/2001

**Sanctions Ordered:** Censure  
Monetary/Fine \$20,000.00

**Other Sanctions Ordered:**

**Sanction Details:** 05-03-01, \$20,000 PAID 2/15/01

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**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** ALLEGED FAILURE TO REINFORCE WRITTEN SUPERVISORY PROCEDURES REGARDING TRADING AND MARKET MAKING, ALLEGED FAILURE TO HAVE A SUPERVISOR SERIES 55 REGISTERED, ALLEGED FAILURE TO REPORT, ACCEPT OR DECLINE CERTAIN TRADES WITHIN SPECIFIED TIME PERIODS AND ALLEGED FAILURE TO MAINTAIN RECORDS FOR CERTAIN PRINCIPAL TRANSACTIONS.



<b>Initiated By:</b>	NASD REGULATION, INC.
<b>Date Initiated:</b>	07/20/2000
<b>Docket/Case Number:</b>	C9B010005
<b>Principal Product Type:</b>	Equity - OTC
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	CENSURE
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	01/29/2001
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$20,000.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	MONETARY FINE OF \$20,000 PAID TO NASDR ON 2/15/2001
<b>Firm Statement</b>	NASDR ACCEPTED FROM T.R. WINSTON AN AWC ALLEGING VIOLATIONS WITH RESPECT TO WRITTEN SUPERVISORY PROCEDURES FOR TRADING AND MARKET MAKING, SERIES 55 REGISTRATION, TRADE REPORTING AND RECORD KEEPING. WHILE NEITHER ADMITTING NOR DENYING THE ALLEGATIONS, T.R. WINSTON CONSENTED TO THE AWC FINDINGS, A CENSURE AND PAID THE NASDR A FINE OF \$20,000.



## 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](http://www.finra.org/awardsonline).

### Disclosure 1 of 5

<b>Reporting Source:</b>	Regulator
<b>Type of Event:</b>	ARBITRATION
<b>Allegations:</b>	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT ACTIVITY-UNAUTHORIZED TRADING
<b>Arbitration Forum:</b>	NASD
<b>Case Initiated:</b>	10/09/2006
<b>Case Number:</b>	<a href="#">06-03931</a>
<b>Disputed Product Type:</b>	COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE; MUNICIPAL BOND FUNDS; OPTIONS
<b>Sum of All Relief Requested:</b>	\$1,400,707.38
<b>Disposition:</b>	AWARD AGAINST PARTY
<b>Disposition Date:</b>	02/06/2008
<b>Sum of All Relief Awarded:</b>	\$282,424.01

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 5

<b>Reporting Source:</b>	Regulator
<b>Type of Event:</b>	ARBITRATION
<b>Allegations:</b>	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-FRAUD; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT ACTIVITY-VIOLATE OF BLUE SKY LWS
<b>Arbitration Forum:</b>	FINRA
<b>Case Initiated:</b>	02/09/2018
<b>Case Number:</b>	<a href="#">18-00474</a>



**Disputed Product Type:** PRIVATE EQUITIES  
**Sum of All Relief Requested:** \$160,000.00  
**Disposition:** AWARD AGAINST PARTY  
**Disposition Date:** 05/14/2019  
**Sum of All Relief Awarded:** \$99,662.50

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

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#### Disclosure 3 of 5

**Reporting Source:** Regulator  
**Type of Event:** ARBITRATION  
**Allegations:** ACCOUNT ACTIVITY-CHURNING; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-SUITABILITY; NO OTHER CONTROVERSY INVOLVED  
**Arbitration Forum:** NASD  
**Case Initiated:** 03/13/1995  
**Case Number:** [95-01028](#)  
**Disputed Product Type:** COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE  
**Sum of All Relief Requested:** \$48,464.99  
**Disposition:** AWARD AGAINST PARTY  
**Disposition Date:** 01/30/1998  
**Sum of All Relief Awarded:** \$15,476.00

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

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#### Disclosure 4 of 5

**Reporting Source:** Regulator  
**Type of Event:** ARBITRATION  
**Allegations:** ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-CHURNING; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT ACTIVITY-UNAUTHORIZED TRADING  
**Arbitration Forum:** NASD





**Case Initiated:** 10/23/1995  
**Case Number:** [95-04921](#)  
**Disputed Product Type:** COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE  
**Sum of All Relief Requested:** \$300,000.00  
**Disposition:** AWARD AGAINST PARTY  
**Disposition Date:** 03/05/1997  
**Sum of All Relief Awarded:** \$35,000.00

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

#### Disclosure 5 of 5

**Reporting Source:** Regulator  
**Type of Event:** ARBITRATION  
**Allegations:** ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-CHURNING; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT RELATED-FAILURE TO SUPERVISE  
**Arbitration Forum:** NASD  
**Case Initiated:** 07/01/1999  
**Case Number:** [99-02777](#)  
**Disputed Product Type:** NO OTHER TYPE OF SEC INVOLVE; UNKNOWN TYPE OF SECURITIES  
**Sum of All Relief Requested:** \$19,775.00  
**Disposition:** AWARD AGAINST PARTY  
**Disposition Date:** 05/05/2000  
**Sum of All Relief Awarded:** \$0.00

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

**End of Report**



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