BrokerCheck Report

BRUCE A. LEFAVI SECURITIES, INC.

CRD# 10684

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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

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.

BRUCE A. LEFAVI SECURITIES, INC.

CRD# 10684

SEC# 8-26943

Main Office Location

2323 FOOTHILL DR., SUITE 100
SALT LAKE CITY, UT 84109
Regulated by FINRA Denver Office

Mailing Address

2323 FOOTHILL DR., SUITE 100
SALT LAKE CITY, UT 84109

Business Telephone Number

801-486-9000

Report Summary for this Firm

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

Firm Profile

This firm is classified as a corporation.

This firm was formed in Utah on 11/12/1980.

Its fiscal year ends in December.

Firm History

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

Firm Operations

This firm is registered with:

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

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

This firm conducts 4 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	2

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Firm Profile

This firm is classified as a corporation.

This firm was formed in Utah on 11/12/1980.

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.

BRUCE A. LEFAVI SECURITIES, INC.

Doing business as BRUCE A. LEFAVI SECURITIES, INC.

CRD# 10684

SEC# 8-26943

Main Office Location

2323 FOOTHILL DR., SUITE 100
SALT LAKE CITY, UT 84109

Regulated by FINRA Denver Office

Mailing Address

2323 FOOTHILL DR., SUITE 100
SALT LAKE CITY, UT 84109

Business Telephone Number

801-486-9000

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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):	ENTERLINE, STUART 6828729
Is this a domestic or foreign entity or an individual?	Individual
Position	PRESIDENT & CHIEF COMPLIANCE OFFICER
Position Start Date	05/2019
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):	GREENBURG, JAY VAN 6153353
Is this a domestic or foreign entity or an individual?	Individual
Position	DEPUTY COMPLIANCE OFFICER
Position Start Date	03/2021
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

No information reported.

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Firm History

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

No information reported.

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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, 1 SRO and 17 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	12/17/1981

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	08/30/1982

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Firm Operations

Registrations (continued)

U.S. States & Territories	Status	Date Effective
Arizona	Approved	04/02/1998
California	Approved	05/21/1993
Colorado	Approved	07/14/1983
Idaho	Approved	06/23/1995
Kentucky	Approved	04/21/2003
Maine	Approved	02/09/2005
Nevada	Approved	03/10/2004
New York	Approved	02/22/2005
Oregon	Approved	08/18/2008
Tennessee	Approved	09/21/2010
Texas	Approved	03/04/1997
Utah	Approved	04/21/1983
Virginia	Approved	04/29/2005
Washington	Approved	03/30/1994
West Virginia	Approved	06/23/2005
Wisconsin	Approved	01/22/2020
Wyoming	Approved	06/26/1992

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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 4 types of businesses.

Types of Business

Mutual fund retailer
Municipal securities broker
Broker or dealer selling variable life insurance or annuities
Private placements of securities

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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:	STONEX FINANCIAL INC.
CRD #:	45993
Business Address:	329 PARK AVENUE NORTH SUITE 350 WINTER PARK, FL 32789
Effective Date:	07/01/2017
Description:	BRUCE A LEFAVI SECURITIES INC. ENTERED INTO A CLEARING AGREEMENT WITH STONEX FINANCIAL INC., FORMERLY STERNE AGEE AND LEACH, INC (CRD # 791)

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Firm Operations

Industry Arrangements

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

Name: STONEX FINANCIAL INC.

CRD #: 45993

Business Address: 329 PARK AVENUE NORTH
SUITE 350
WINTER PARK, FL 32789

Effective Date: 07/01/2017

Description: BRUCE A LEFAVI SECURITIES INC. ENTERED INTO A CLEARING AGREEMENT WITH STONEX FINANCIAL INC., FORMERLY STERNE AGEE AND LEACH, INC (CRD # 791)

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

Name: STONEX FINANCIAL INC.

CRD #: 45993

Business Address: 329 PARK AVENUE NORTH
SUITE 350
WINTER PARK, FL 32789

Effective Date: 07/01/2017

Description: BRUCE A LEFAVI SECURITIES INC. ENTERED INTO A CLEARING AGREEMENT WITH STONEX FINANCIAL INC., FORMERLY STERNE AGEE AND LEACH, INC (CRD # 791)

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

Name: STONEX FINANCIAL INC.

CRD #: 45993

Business Address: 329 PARK AVENUE NORTH
SUITE 350
WINTER PARK, FL 32789

Effective Date: 07/01/2017

Description: BRUCE A LEFAVI SECURITIES INC. ENTERED INTO A CLEARING AGREEMENT WITH STONEX FINANCIAL INC., FORMERLY STERNE AGEE AND LEACH, INC (CRD # 791)

Control Persons/Financing

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

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Firm Operations

Industry Arrangements (continued)

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

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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.

LEFAVI WEALTH MANAGEMENT is under common control with the firm.

CRD #:	104961
Business Address:	2323 FOOTHILL DR., SUITE 100 SALT LAKE CITY, UT 84109
Effective Date:	07/02/1985
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	BRUCE LEFAVI IS THE MAJORITY OWNER OF BRUCE A. LEFAVI SECURITIES, INC. AND LEFAVI WEALTH MANAGEMENT, FORMERLY BRUCE A. LEFAVI ANNUITIES. STUART ENTERLINE ACTS AS CHIEF EXECUTIVE OFFICER AND CHIEF COMPLIANCE OFFICER FOR BOTH COMPANIES. STUART ALSO HOLDS A MINORITY STAKE IN BRUCE A. LEFAVI SECURITIES. LEFAVI WEALTH MANAGEMENT AND BRUCE A. LEFAVI SECURITIES, INC. HAVE ENTERED INTO AN EXPENSE SHARING AGREEMENT. BRUCE A. LEFAVI SECURITIES INC.

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**

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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	2	0

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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 2

Reporting Source:	Regulator
Current Status:	Final

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Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT FOUR RETAIL COMMUNICATIONS PREPARED AND DISSEMINATED BY THE FIRM TO NUMEROUS CUSTOMERS CONTAINED CONTENT THAT VIOLATED THE STANDARDS OF FINRA RULE 2210(D)(1). THE FINDINGS STATED THAT THESE RETAIL COMMUNICATIONS PERTAINED TO REITS AND/OR BUSINESS DEVELOPMENT COMPANIES (BDCS) AND FAILED COMPLETELY TO IDENTIFY THE RISKS ASSOCIATED WITH INVESTING IN REITS/BDCS, FAILED TO PROVIDE SUFFICIENT DETAIL TO ALLOW CUSTOMERS TO EVALUATE THE INVESTMENTS, AND, IN SOME INSTANCES OMITTED MATERIAL INFORMATION. ADDITIONALLY, ONE OF THE RETAIL COMMUNICATIONS COMPARED THE SUBJECT BDC TO BOND FUNDS WITHOUT IDENTIFYING AND EXPLAINING THE MATERIAL DIFFERENCES BETWEEN THE TWO PRODUCTS. THE FINDINGS ALSO STATED THAT APPROXIMATELY 99 PERCENT OF THE FIRM'S CUSTOMERS ALSO HAD ACCOUNTS WITH ITS AFFILIATED INVESTMENT ADVISOR. ALL OF THE FIRM'S CUSTOMERS' PURCHASES OF REITS AND BDCS WERE PROCESSED THROUGH THE FIRM, AND THE CUSTOMERS WERE CHARGED A COMMISSION. FOR CUSTOMERS WHO ALSO HAD ACCOUNTS WITH THE AFFILIATED INVESTMENT ADVISOR, THE REIT AND BDC SECURITIES WERE SUBSEQUENTLY TRANSFERRED TO THE CUSTOMERS' ACCOUNT AT THE AFFILIATED INVESTMENT ADVISOR. THE DOLLAR VALUE OF THE SECURITIES BECAME SUBJECT TO AN ANNUAL ASSET MANAGEMENT FEE. THE FINDINGS ALSO INCLUDED THAT THE FIRM DID NOT ESTABLISH AND MAINTAIN A REASONABLE SUPERVISORY SYSTEM AND WRITTEN SUPERVISORY PROCEDURES (WSPS) REGARDING THE APPROPRIATENESS OF FEE-BASED ACCOUNTS AND THE CHARGES ASSOCIATED WITH THOSE ACCOUNTS. SPECIFICALLY, THE FIRM HAD NO PROCEDURES THAT ADDRESSED WHETHER THE ADVISORY PRODUCTS AND SERVICES OFFERED TO ITS CUSTOMERS BY ITS AFFILIATED INVESTMENT ADVISOR AND CHARGES PAID BY ITS CUSTOMERS FOR THOSE ADVISORY SERVICES WERE REASONABLE AND APPROPRIATE.
Initiated By:	FINRA
Date Initiated:	11/10/2017
Docket/Case Number:	2015043353301
Principal Product Type:	Other
Other Product Type(s):	REAL ESTATE INVESTMENT TRUSTS (REITS)
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	

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Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/10/2017
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 $25,000.00
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS CENSURED AND FINED $25,000. FINES PAID IN FULL ON NOVEMBER 29, 2017.

Reporting Source:	Firm
Current Status:	Final
Allegations:	VIOLATIONS OF CONTENT STANDARDS OF FINRA RULE 2210 PERTAINING TO REITS AND BDCS. COMMUNICATIONS FAILED TO IDENTIFY THE RISKS ASSOCIATED WITH REITS AND BDCS, OMITTED MATERIAL FACTS, AND CONTAINED INACCURATE DESCRIPTIONS. VIOLATION OF FINRA RULE 3110(B) FAILURE TO ESTABLISH AND MAINTAIN A REASONABLE SUPERVISORY SYSTEM AND WRITTEN SUPERVISORY PROCEDURES REGARDING THE APPROPRIATENESS OF FEE-BASED ACCOUNTS.
Initiated By:	FINANCIAL REGULATORY AUTHORITY
Date Initiated:	02/02/2016
Docket/Case Number:	2015043353301
Principal Product Type:	Mutual Fund(s)
Other Product Type(s):	ALTERNATIVE INVESTMENTS
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINE OF $25,000
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/10/2017

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Sanctions Ordered:	Censure Monetary/Fine $25,000.00
Other Sanctions Ordered:	
Sanction Details:	FINED $25,000.00
Firm Statement	THE FIRM ENTERED INTO AN ACCEPTANCE WAIVER AND CONSENT REGARDING VIOLATIONS OF FINRA RULE 2210 AND FINRA RULE 3110 AND 2010. THE FIRM WAS CENSURED AND FINED $25,000.00.

Disclosure 2 of 2

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 AN INDIVIDUAL HOSTED A PRE-RECORDED RADIO SHOW, WHICH CONSTITUTED ADVERTISEMENTS AND RETAIL COMMUNICATIONS, AND WERE NOT APPROVED BY A REGISTERED PRINCIPAL PRIOR TO BROADCAST AND BEING POSTED TO THE FIRM'S WEBSITE. THE FINDINGS STATED THAT SOME OF THE SHOWS WERE NOT FILED WITH FINRA'S ADVERTISING DEPARTMENT AND SOME ADVERTISEMENTS FAILED TO PROMINENTLY DISCLOSE THE MEMBER NAME. ALL OF THE SHOWS REVIEWED BY FINRA CONTAINED EXAGGERATED, MISLEADING, PROMISSORY AND/OR UNWARRANTED STATEMENTS. SEVERAL SHOWS INCLUDED INCOMPLETE COMPARISONS IN THAT NOT ALL MATERIAL DIFFERENCES BETWEEN INVESTMENT OPTIONS WERE DISCLOSED. SOME OF THE SHOWS CONTAINED IMPROPER PERFORMANCE PROJECTIONS, AND SOME PROVIDED PERFORMANCE INFORMATION ABOUT SPECIFIC MUTUAL FUNDS AND NEEDED TO COMPLY WITH SEC RULE 482, BUT DID NOT. THE FINDINGS ALSO STATED THAT HANDOUTS WERE POSTED TO THE FIRM WEBSITE AND SENT TO INDIVIDUALS WHO CALLED INTO THE SHOW. SOME OF THE HANDOUTS WERE NOT SUBMITTED TO FINRA WITHIN 10 DAYS OF FIRST USE, SOME PROVIDED EXAGGERATED, MISLEADING, PROMISSORY AND/OR UNWARRANTED STATEMENTS AND CLAIMS/OMISSION OF MATERIAL INFORMATION, AND ONE FAILED TO PROVIDE A COMPLETE COMPARISON BETWEEN PUBLIC REITS AND NON-TRADED REITS. THE FINDINGS ALSO INCLUDED THAT THE FIRM WEBSITE CONTAINED STATEMENTS THAT VIOLATED APPLICABLE RULES AND HAD POSTINGS THAT WERE NOT FILED WITH FINRA. FINRA FOUND THAT CERTAIN ITEMS, SUCH AS CLIENT LETTERS, HANDOUTS/BROCHURES, WORKSHOP RELATED MATERIALS, AND MAILERS FAILED TO OBTAIN PRINCIPAL APPROVAL BEFORE USE AND OTHERS FAILED TO PROMINENTLY DISCLOSE THE MEMBER NAME, CONTAINED EXAGGERATED, MISLEADING,

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PROMISSORY AND/OR UNWARRANTED STATEMENTS AND A REIT LETTER FAILED TO DISCLOSE THE RISKS AND LIMITATIONS ASSOCIATED WITH THE REIT.FINRA ALSO FOUND THAT COPIES OF A BOOK WRITTEN BY THE INDIVIDUAL WERE GIVEN TO CLIENTS OR PROSPECTIVE CLIENTS, CALLERS TO THE SHOW, VISITORS TO HIS FACEBOOK PAGE, AND SOLD TO THE GENERAL PUBLIC. CERTAIN CHAPTERS OF THE BOOK CONCERN REGISTERED INVESTMENTS BOTH GENERALLY AND SPECIFICALLY, SO SHOULD HAVE BEEN FILED WITH FINRA. THE BOOK CONTAINED EXAGGERATED, MISLEADING, PROMISSORY AND/OR UNWARRANTED STATEMENTS AND CLAIMS, OMISSIONS OF MATERIAL INFORMATION, AND INCOMPLETE COMPARISONS. EVEN THOUGH SEVERAL SECTIONS IN THE BOOK IDENTIFIED SPECIFIC MUTUAL FUNDS, MUTUAL FUND FAMILIES AND PROVIDED PERFORMANCE INFORMATION ABOUT SPECIFIC MUTUAL FUNDS, THE BOOK FAILED TO ADHERE TO APPLICABLE REQUIREMENTS OF SEC RULE 482. IN ADDITION, FINRA DETERMINED THAT THE FACEBOOK PAGE UTILIZED BY THE FIRM WAS NOT APPROVED BEFORE USE AND ALL STATIC MATERIAL POSTED TO THE PAGE WERE NOT APPROVED BY A REGISTERED PRINCIPAL PRIOR TO USE. MOREOVER, FINRA FOUND THAT TWO BILLBOARDS UTILIZED BY THE FIRM FAILED TO DISCLOSE THE MEMBER NAME AND THE RELATIONSHIP BETWEEN THE MEMBER AND NON-MEMBER. ADDITIONALLY, BOTH BILLBOARDS USED FALSE, EXAGGERATED, UNWARRANTED AND/OR MISLEADING STATEMENTS AND CLAIMS. FURTHERMORE, FINRA FOUND THAT DURING ONE BROADCAST OF THE SHOW, THE INDIVIDUAL MADE A GENERAL SOLICITATION FOR THE PURCHASES OF EQUITY UNITS/INTERESTS IN A SELF-STORAGE OFFERING, WHICH WERE BEING SOLD BY, AMONG OTHERS, THE FIRM. THE STATEMENTS MADE BY THE INDIVIDUAL DURING THE SHOW WERE DESIGNED TO GENERATE INTEREST IN AND PROCURE ORDERS FOR THE OFFERING. THESE STATEMENTS WERE NOT MADE TO CUSTOMERS WITH WHOM THE FIRM OR THE INDIVIDUAL HAD A PRE-EXISTING AND SUBSTANTIVE RELATIONSHIP, BUT RATHER BROADCAST INDISCRIMINATELY TO THE GENERAL PUBLIC. AFTER MAKING THE STATEMENTS ON THE SHOW, THE FIRM AND THE INDIVIDUAL SOLD THE OFFERING TO CUSTOMERS. BECAUSE THE SECURITIES HAD LOST THEIR EXEMPTION FROM REGISTRATION UNDER REGULATION D AS A RESULT OF THE GENERAL SOLICITATION, THE FIRM AND THE INDIVIDUAL'S SALES WERE IMPERMISSIBLE SALES OF UNREGISTERED SECURITIES, IN CONTRAVENTION OF SECTION 5 OF THE SECURITIES ACT OF 1933.

Initiated By: FINRA

Date Initiated: 07/07/2014

Docket/Case Number: 2013034965201

Principal Product Type: Other

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Other Product Type(s):	UNSPECIFIED SECURITIES
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	07/07/2014
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 $75,000.00
Other Sanctions Ordered:	$15,000 OF THE FINE SHALL BE JOINT AND SEVERAL WITH THE FIRM'S PRESIDENT AND MAJORITY OWNER, BRUCE A. LEFAVI.
Sanction Details:	SEE ABOVE
Regulator Statement	FINE PAID IN FULL ON JULY 16, 2014.

Reporting Source:	Firm
Current Status:	Final
Allegations:	FINRA FOUND ADVERTISING TO CONTAIN OMISSIONS, EXAGGERATIONS, INCOMPLETE COMPARISONS, AND UNWARRANTED STATEMENTS. CERTAIN ADVERTISING WAS NOT SUBMITTED TO FINRA FOR APPROVAL. RADIO SHOW AND WEBSITE CONTENT WAS NOT APPROVED BY COMPLIANCE BEFORE USE. ADVERTISING OF REG. D PRODUCTS CAUSED THE SALE OF UNREGISTERED SECURITIES.
Initiated By:	FINRA
Date Initiated:	07/07/2014
Docket/Case Number:	2013034965201
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)

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Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	07/07/2014
Sanctions Ordered:	Censure Monetary/Fine $75,000.00 Suspension
Other Sanctions Ordered:	
Sanction Details:	BRUCE LEFAVI WAS SUSPENDED FROM ACTING AS PRINCIPAL FOR 10 DAYS, BEGINNING AUGUST 4, 2014 AND ENDING AUGUST 15, 2014. THE FIRM WAS FINED JOINTLY AND SEVERALLY WITH BRUCE LEFAVI FOR 75,000.00. 15,000.00 WAS PAID BY BRUCE LEFAVI.
Firm Statement	FINE WAS PAID IN FULL AT TIME OF APPROVAL OF AWC. THE CEO'S SUSPENSION WILL BE SERVED FROM AUGUST 4, 2014 TO AUGUST 15, 2014.

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End of Report

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