

BrokerCheck Report

CAPITAL SOLUTIONS DISTRIBUTORS, LLC

CRD# 132315

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Registration and Withdrawal	2
Firm Profile	3 - 6
Firm History	7
Firm Operations	8 - 12
Disclosure Events	13



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.



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 California on 02/02/2004.
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
Civil Event	1

CAPITAL SOLUTIONS
DISTRIBUTORS, LLC

CRD# 132315

SEC# 8-66585

Main Office Location

21 TAMAL VISTA BLVD
SUITE 230
CORTE MADERA, CA 94925

Mailing Address

21 TAMAL VISTA BLVD
SUITE 230
CORTE MADERA, CA 94925

Business Telephone Number

415-927-7302

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: 11/17/2009

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 California on 02/02/2004.

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.

CAPITAL SOLUTIONS DISTRIBUTORS, LLC

Doing business as CAPITAL SOLUTIONS DISTRIBUTORS, LLC

CRD# 132315

SEC# 8-66585

Main Office Location

21 TAMAL VISTA BLVD
SUITE 230
CORTE MADERA, CA 94925

Mailing Address

21 TAMAL VISTA BLVD
SUITE 230
CORTE MADERA, CA 94925

Business Telephone Number

415-927-7302



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):	CAPITAL SOLUTIONS MANAGEMENT, LP
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	OWNER
Position Start Date	01/2006
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	No
Is this a public reporting company?	No

Legal Name & CRD# (if any):	BOZORA, MICHAEL WILLIAM 28009
Is this a domestic or foreign entity or an individual?	Individual
Position	MANAGING DIRECTOR
Position Start Date	02/2004
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	JORAJURIA, MARIEANNE 4040713
Is this a domestic or foreign entity or an individual?	Individual
Position	FINOP - CFO
Position Start Date	07/2004

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? No

Is this a public reporting company? No

Legal Name & CRD# (if any): REDPATH, TIMOTHY ROBERTS
728164

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

Position PRESIDENT, CCO, AML, CEO

Position Start Date 02/2004

Percentage of Ownership Less than 5%

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

Is this a public reporting company? No

Legal Name & CRD# (if any): TRIPP, JASON LYNN
4656089

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

Position REGISTERED PRINCIPAL

Position Start Date 09/2007

Percentage of Ownership Less than 5%

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

Is this a public reporting company? No

Firm Profile

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

Indirect Owners

No information reported.



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 12/15/2004 to 09/09/2010.



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 1 type of business.

Types of Business

Private placements of securities

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: IN ADDITION TO PRIVATE PLACEMENTS, APPLICANT EXPECTS TO MARKET AND SELL MONEY MANAGEMENT SERVICES OF HEDGE FUNDS, PLUS STRUCTURED INVESTMENT PRODUCTS WHOSE RETURNS ARE BASED UPON CASH FLOWS FROM ALTERNATIVE ASSET INVESTMENTS.

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 not have customer accounts, funds, or securities maintained by a third party.

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.

CAPITAL SOLUTIONS MANAGEMENT, LP is under common control with the firm.

CRD #:	130022
Business Address:	45 SAN CLEMENT ST. B210 CORTE MADERA, CA 94925
Effective Date:	02/02/2004
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	MICHAEL BOZORA AND TIMOTHY REDPATH ARE PRINCIPALS IN BOTH ENTITIES. BOTH ENTITIES SHARE EXPENSES AND HAVE AN EXPENSE SHARING AGREEMENT.

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
Civil Event	0	1	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.**

Civil - Final

This type of disclosure event involves (1) an injunction issued by a foreign or domestic court within the last 10 years in connection with investment-related activity, (2) a finding by a court of a violation of any investment-related statute or regulation, or (3) an action dismissed by a court pursuant to a settlement agreement.

Disclosure 1 of 1

Reporting Source:	Regulator
Current Status:	Final
Allegations:	SEC LITIGATION RELEASE 21657; ACCOUNTING AND AUDITING ENFORCEMENT RELEASE 3187, SEPTEMBER 21, 2010: THE SECURITIES



AND EXCHANGE COMMISSION ("COMMISSION") FILED A CIVIL ACTION IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MINNESOTA AGAINST CAPITAL SOLUTIONS DISTRIBUTORS, LLC ("CSD"), THE DISTRIBUTOR OF AN UNREGISTERED INVESTMENT POOL FUND, ALLEGING THAT IT FAILED TO DISCLOSE THE DEFAULT AND FORECLOSURE OF THE FUND'S SOLE BUSINESS PARTNER IN THE CASE 10-CV-3995. THE COMMISSION ALLEGED THAT CSD VIOLATED SECTIONS 17(A)(1), (2) AND (3) OF THE SECURITIES ACT OF 1933 ("SECURITIES ACT") AND SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AND RULE 10B-5 THEREUNDER AND AIDED AND ABETTED THE VIOLATION OF SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5 THEREUNDER.

THE COMMISSION ALLEGED THAT AFTER THE DEFAULT BY THE FUND'S SOLE BORROWER, THE FUND FORECLOSED ON THE BORROWER'S REAL ESTATE PROJECTS. THE COMMISSION ALLEGED THAT THE FUND'S MANAGER RAISED MORE THAN \$21 MILLION FROM INVESTORS IN THE FUND AFTER THE DEFAULT AND THAT THE FUND HAD NO MEANINGFUL INCOME AND USED NEW INVESTOR FUNDS TO PAY EXISTING INVESTORS.

THE COMMISSION ALLEGED THAT IN LATE 2008 A NEW MANAGER BEGAN TO MANAGE THE FUND WHILE CSD CONTINUED TO BE THE FUND'S DISTRIBUTOR AND RAISED MONEY FROM NEW INVESTORS. THE COMMISSION ALLEGED THAT THE FUND MANAGER AND CSD FAILED TO DISCLOSE THE DEFAULT AND FORECLOSURE TO INVESTORS FOR SEVERAL MONTHS. THE COMMISSION ALLEGED THAT THE FUND MANAGER AND CSD EVENTUALLY MADE SOME DISCLOSURE OF THE DEFAULT AND FORECLOSURE, BUT THEY MINIMIZED THE IMPACT OF THESE EVENTS AND MISLEADINGLY PROMOTED THE FUND'S ABILITY TO MAKE NEW LOANS.

Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Court Details:	UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MINNESOTA; MINNEAPOLIS, MN; 10-CV-3995
Date Court Action Filed:	09/21/2010
Principal Product Type:	Other
Other Product Types:	REAL ESTATE SECURITY
Relief Sought:	Injunction
Other Relief Sought:	CIVIL PENALTY, DISGORGEMENT AND PREJUDGMENT INTEREST
Resolution:	Judgment Rendered
Resolution Date:	04/15/2013
Sanctions Ordered or Relief	Monetary/Fine \$130,000.00



Granted:	Disgorgement/Restitution Cease and Desist/Injunction
Other Sanctions:	PREJUDGMENT INTEREST
Sanction Details:	<p>THE FINAL JUDGMENT AGAINST CSD IMPOSED A PERMANENT INJUNCTION PROHIBITING THE DEFENDANT FROM VIOLATING SECTIONS 17(A)(2) AND (3) OF THE SECURITIES ACT OF 1933.</p> <p>THE FINAL JUDGMENT ALSO ORDERED CSD TO PAY DISGORGEMENT OF \$2,819,015 AND PREJUDGMENT INTEREST OF \$408,585, AND A \$130,000 CIVIL PENALTY.</p>
Regulator Statement	<p>SEC LITIGATION RELEASE 22675, APRIL 16, 2013: THE SECURITIES AND EXCHANGE COMMISSION ANNOUNCED THAT ON APRIL 15, 2013, A MINNESOTA FEDERAL COURT ENTERED A FINAL JUDGMENT BY CONSENT AGAINST CAPITAL SOLUTIONS DISTRIBUTORS, LLC (CSD), IN A CIVIL INJUNCTIVE ACTION FILED BY THE COMMISSION ON SEPTEMBER 21, 2010. AMONG OTHER THINGS, THE JUDGMENT ORDERS CSD TO PAY OVER \$2.8 MILLION OF ILL-GOTTEN GAINS.</p> <p>THE COMMISSION'S COMPLAINT ALLEGED THAT THE INDIVIDUAL DEFENDANTS, WHO OWNED AND CONTROLLED CSD, THE DISTRIBUTOR OF A FUND, AND THE FUND'S INVESTMENT ADVISER, MADE SEVERAL WRITTEN AND ORAL REPRESENTATIONS TO FUND INVESTORS THAT WERE MATERIALLY MISLEADING BECAUSE THEY CLAIMED THE FUND WAS ENJOYING SUCCESS AND WEATHERING DISRUPTIONS IN THE CREDIT AND REAL ESTATE MARKETS. ACCORDING TO THE COMPLAINT, THE OWNERS FAILED TO MAKE ANY MEANINGFUL DISCLOSURE OF THE DEFAULT BY THE FUND'S SOLE BORROWER, THE FUND'S SUBSEQUENT FORECLOSURE ON THE BORROWER'S ASSETS, AND THE RESULTING LOSS OF ANY SIGNIFICANT INVESTMENT INCOME TO THE FUND.</p>

End of Report



This page is intentionally left blank.