

BrokerCheck Report

SLS SECURITIES COMPANY

CRD# 13332

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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.



SLS SECURITIES COMPANY

CRD# 13332

SEC# 8-28456

Main Office Location

405 FOREST STREET
SUITE 112
OCONOMOWOC, WI 53066

Mailing Address

405 FOREST STREET
SUITE 112
OCONOMOWOC, WI 53066

Business Telephone Number

(262) 567-2956

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 other types of legal formation.
This firm was formed in Illinois on 11/22/1982.
Its fiscal year ends in June.

Firm History

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

Firm Operations

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

Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	10
Arbitration	1

The number of disclosures from non-registered control affiliates is 10

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: 12/31/2003

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



Firm Profile

This firm is classified as a other types of legal formation.

This firm was formed in Illinois on 11/22/1982.

Its fiscal year ends in June.

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.

SLS SECURITIES LIMITED PARTNERSHIP

Doing business as SLS SECURITIES COMPANY

CRD# 13332

SEC# 8-28456

Main Office Location

405 FOREST STREET
SUITE 112
OCONOMOWOC, WI 53066

Mailing Address

405 FOREST STREET
SUITE 112
OCONOMOWOC, WI 53066

Business Telephone Number

(262) 567-2956



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): FRENCH AMERICAN SECURITIES, INC.

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

Position CLASS A LIMITED PARTNER

Position Start Date 10/1982

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): L. C. MANAGEMENT, INC.

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

Position GENERAL PARTNER

Position Start Date 04/1991

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): MORGAN, LOUIS JOHN II

2194485

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

Position CHIEF EXECUTIVE OFFICER, COMPLIANCE OFFICER, SROP/CROP

Position Start Date 04/2002

Percentage of Ownership Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

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

Is this a public reporting company? No



Firm Profile

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

Indirect Owners

Legal Name & CRD# (if any):	CASTY, LEE STUART 1479329
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	L.C. MANAGEMENT, INC.
Relationship to Direct Owner	SOLE SHAREHOLDER
Relationship Established	10/1982
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):	CASTY, LEE STUART 1479329
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	FRENCH-AMERICAN SECURITIES, INC.
Relationship to Direct Owner	SOLE SHAREHOLDER
Relationship Established	10/1982
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

Firm History

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

No information reported.



Firm Operations



Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

This firm is no longer registered.

The firm's registration was from 03/25/1983 to 03/05/2004.



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 7 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
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
Trading securities for own account
Other - BROKER OR DEALER EFFECTING TRANSACTION ON FOREIGN EXCHANGES ON BEHALF OF U.S. BASED INSTITUTIONAL CUSTOMERS

Other Types of Business

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

Non-Securities Business Description:

Firm Operations



Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

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

Firm Operations

Industry Arrangements



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

Name: ABN AMRO SAGE CORPORATION
CRD #: 44883
Business Address: 220 BUSH STREET
SUITE 660
SAN FRANCISCO, CA 94104-3508
Effective Date: 11/04/2002
Description: SLS HAS A JBO CLEARING ARRANGMENT WITH THE ABOVE

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

Name: ABN AMRO SAGE CORPORATION
CRD #: 44883
Business Address: 220 BUSH STREET
SUITE 660
SAN FRANCISCO, CA 94104-3508
Effective Date: 11/04/2002
Description: SLS HAS A JBO CLEARING ARRANGMENT WITH THE ABOVE

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.

FRENCH-AMERICAN SECURITIES, INC.. controls the firm.

Business Address: 707 SKOKIE BLVD.
SUITE 580
NORTHBROOK, IL 60062

Effective Date: 03/09/1993

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: LEE CASTY OWNS 100% OF THE COMMON STOCK OF FRENCH-AMERICAN SECURITIES, INC.(FORMERLY SHATKIN INVESTMENT CORP.), A CORPORATION. (FRENCH-AMERICAN), WHICH OWNS ALL OF THE CAPITAL OF AND IS THE SOLE CLASS A LIMITED PARTNER OF THE APPLICANT. MR. CASTY OWNS 100% OF THE COMMON STOCK OF L.C. MANAGEMENT, INC., A CORPORATION, WHICH IS A GENERAL PARTNER OF APPLICANT. FRENCH-AMERICAN SECURITIES, INC. AND L.C. MANAGEMENT HAVE THEIR OFFICES AT 707 SKOKIE BLVD., SUITE 508 NORTHBROOK, ILLINOIS 60062.

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	10	0
Arbitration	N/A	1	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 10

Reporting Source: Regulator

Current Status: Final



Allegations: NASD RULES 1031, 1120, 2110, 3010(B) AND 3370 - WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE RESPONDENT CONSENTED TO THE ENTRY OF FINDINGS THAT IT PERMITTED AN INDIVIDUAL TO ENGAGE IN THE INVESTMENT BANKING OR SECURITIES BUSINESS AND/OR FUNCTION AS A REPRESENTATIVE BY TRADING IN A PROPRIETARY ACCOUNT OF THE FIRM, PRIOR TO PROPERLY QUALIFYING AND/OR REGISTERING IN THE APPROPRIATE CAPACITY. RESPONDENT ALSO PERMITTED A REGISTERED REPRESENTATIVE TO PERFORM DUTIES AS A REGISTERED PERSON, BY TRADING IN A PROPRIETARY ACCOUNT OF THE FIRM, WHILE SUCH REGISTERED REPRESENTATIVE'S REGISTRATION STATUS WITH THE NASD WAS INACTIVE DUE TO THAT REGISTERED REPRESENTATIVE'S FAILURE TO TIMELY COMPLETE THE REGULATORY ELEMENT OF THE NASD'S CONTINUING EDUCATION RULE. RESPONDENT FAILED TO ENFORCE WRITTEN SUPERVISORY PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE IN THE CONTINUING EDUCATION-REGULATORY ELEMENT AND REGISTRATION. RESPONDENT ALSO EXECUTED ELEVEN (11) SHORT SALE TRANSACTIONS IN CERTAIN SECURITIES AND FAILED TO DEMONSTRATE THAT AFFIRMATIVE DETERMINATION WAS ANNOTATED FOR EACH OF THESE TRANSACTIONS.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 10/18/2001

Docket/Case Number: C9B010086

Principal Product Type: Other

Other Product Type(s): UNKNOWN TYPE OF SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/18/2001

Sanctions Ordered: Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered:

Sanction Details: A CENSURE; A FINE OF \$12,000, TO BE PAID JOINTLY AND SEVERALLY; AND A FINE OF \$3,000.

Reporting Source: Firm



Current Status: Final

Allegations: NASD RULES 1031,1120, 2110 AND 3010(B)-WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE RESPONDENT CONSENTED TO THE ENTRY OF FINDINGS THAT HE PERMITTED AN INDIVIDUAL TO ENGAGE IN THE INVESTMENT BANKING OR SECURITIES BUSINESS AND/OR FUNCTION AS A REPRESENTATIVE BY TRADING IN A PROPRIETARY ACCOUNT OF THE FIRM,PRIOR TO PROPERLY QUALIFYING AND/OR REGISTERING IN THE APPROPRIATE CAPACITY. RESPONDENT ALSO PERMITTED A REGISTERED REPRESENTATIVE TO PERFORM DUTIES AS A REGISTERED PERSON, BY TRADING IN A PROPRIETARY ACCOUNT OF THE FIRM, WHILE SUCH REGISTERED REPRESENTATIVE'S REGISTRATION STATUS WITH THE NASD WAS INACTIVE DUE TO THAT REGISTERED REPRESENTATIVE'S FAILURE TO TIMELY COMPLETE THE REGULATORY ELEMENT OF THE NASD'S CONTINUING EDUCATION RULE. RESPONDENT FAILED TO ENFORCE WRITTEN SUPERVISORY PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE IN THE CONTINUING EDUCATION-REGULATORY ELEMENT REGISTRATION. RESPONDENT ALSO EXECUTED ELEVEN (11) SHORT SALE TRANSACTIONS IN CERTAIN SECURITIES AND FAILED TO DEMONSTRATE THAT AFFIRMATIVE DETERMINATION WAS ANNOTATED FOR EACH OF THESE TRANSACTIONS.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 10/18/2001

Docket/Case Number: C9B010086

Principal Product Type: Other

Other Product Type(s): UNKNOWN TYPE OF SECURITIES

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/18/2001

Sanctions Ordered: Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered:

Sanction Details: A CENSURE; A FINE OF \$12,000, TO BE PAID JOINTLY AND SEVERALLY; AND A FINE OF \$3,000. ON NOVEMBER 12, 2001 THE FIRM HAS PAID THE FINE OF \$15,000 (CHECK #100752).



Disclosure 2 of 10

Reporting Source:	Firm
Current Status:	Final
Allegations:	THE NEW YORK STOCK EXCHANGE ALLEGED THAT SHATKIN-LEE SECURITIES CO., NOW SLS SECURITIES LIMITED PARTNERSHIP COMMITTED A MINOR VIOLATION OF NYSE RULE 132, WHICH REQUIRES THAT ALL MEMBERS AND MEMBER ORGANIZATIONS PROVIDE AUDIT TRAIL DATA FOR ALL TRANSACTIONS EFFECTED ON THE FLOOR OF THE EXCHANGE.
Initiated By:	NEW YORK STOCK EXCHANGE
Date Initiated:	01/01/1987
Docket/Case Number:	
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Settled
Resolution Date:	02/17/1987
Sanctions Ordered:	Monetary/Fine \$2,500.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN-LEE SECURITIES CO., NOW SLS SECURITIES LIMITED PARTNERSHIP CONSENTED TO A FINE IN THE AMOUNT OF \$2,500.

Disclosure 3 of 10

Reporting Source:	Firm
Current Status:	Final
Allegations:	THE NYSE ALLEGED THAT THE APPLICANT VIOLATED 1.NYSE RULE 440 BY FAILING TO MAKE & PRESERVE CERTAIN BOOKS & RECORDS AS REQUIRED BY RULES 17A-3 & 17A-4, & BY FAILING TO MAKE CERTAIN REQUIRED QUARTERLY SECURITY COUNTS REQUIRED BY RULE 17A-13;



2.NYSE RULE 440.20 BY FAILING TO IDENTIFY SUSPENSE ACCOUNTS & ASSIGNMENT OF RESPONSIBILITY FOR GENERAL LEDGER ACCOUNTS;
 3.RULE 17A-3(A)(11) BY FAILING TO ACCURATELY COMPUTE ITS NET CAPITAL IN ACCORDANCE WITH RULE 15C3-1; 4.NYSE RULE 342(A) BY FAILING TO CONTROL ITS BUSINESS ACTIVITIES RE CERTAIN FINANCIAL & OPERATIONAL REQUIREMENTS; 5.RULE 15C3-3(A) & (E) BY FAILING TO MAINTAIN ITS RESERVE BANK ACCOUNT AT LEVEL REQUIRED; 6.RULE 15C3-3(B) & (D) BY FAILING TO OBTAIN POSSESSION OR CONTROL OF CUSTOMERS' FULLY PAID & EXCESS MARGIN SECURITIES; 7. RULE 15C3-1 BY FAILING TO MAINTAIN ITS MINIMUM NET CAPITAL REQUIREMENT.

Initiated By: NEW YORK STOCK EXCHANGE

Date Initiated: 08/19/1992

Docket/Case Number:

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 12/31/1992

Sanctions Ordered: Censure
Monetary/Fine \$40,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALELGATIONS, SHATKIN PAID A FINE IN THE AMOUNT OF \$40,000 AND THE NYSE IMPOSED THE PENALTY OF A CENSURE.

Disclosure 4 of 10

Reporting Source: Firm

Current Status: Final

Allegations: THE BUSINESS CONDUCT COMMITTEE OF THE NASD, FOR DISTRICT NO. 8, ALLEGED THAT SHATKIN VIOLATED CERTAIN NASD AND SEC RULES WITH RESPECT TO PREPARING AND MAINTAINING BOOKS AND RECORDS.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS



Date Initiated: 07/31/1975

Docket/Case Number: CHI NO. 547

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 04/15/1976

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

Other Sanctions Ordered: TEN DAY TRADING RESTRICTION

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A CENSURE, A FINE IN THE AMOUNT OF \$10,000 AND A TEN-DAY TRADING RESTRICTION.

Disclosure 5 of 10

Reporting Source: Firm

Current Status: Final

Allegations: THE BUSINESS CONDUCT COMMITTEE OF THE CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN VIOLATED CBOE RULE 4.2, SECTIONS 15(C) AND 8(C) OF THE SECURITIES EXCHANGE ACT OF 1934 ("ACT") & RULES 15C-3 & 8C-1 THEREUNDER AND CBOE RULE 4.2 BY FAILING TO PROPERLY CALCULATE ITS RESERVE ACCOUNT CALCULATIONS AS A RESULT OF FAILURE TO ADEQUATELY DESIGNATE AMONG CUSTOMER & PROPRIETARY SECURITIES AT VARIOUS CLEARING CORPORATIONS WHICH WERE SUBJECT TO LIENS OF THE COMPANY.

Initiated By: CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE

Date Initiated: 02/18/1988

Docket/Case Number: 87-0140

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

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:	12/31/1988
Sanctions Ordered:	Monetary/Fine \$3,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A FINE IN THE AMOUNT OF \$3,000.

Disclosure 6 of 10

Reporting Source:	Firm
Current Status:	Final
Allegations:	THE NASD ALLEGED THAT SHATKIN, THROUGH ITS FORMER SUBSIDIARY, NASH WEISS & CO. & RONALD NASH, RONALD WEISS, BOHDAN TURYSKY, ALAN ECKMAN & EUGENE COSTA VIOLATED NASD'S RULES WITH RESPECT TO SOES INCLUDING: 1.DIVIDING AGENCY PURCHASE ORDERS IN EXCESS OF LIMITED SIZE REQUIREMENTS FOR SOES; 2.ENTERING NON-AGENCY ORDERS INTO SOES; AND 3.FAILING TO MAINTAIN WRITTEN SUPERVISORY PROCEDURES WHICH WOULD HAVE PREVENTED THE FOREGOING ALLEGED VIOLATIONS.
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS
Date Initiated:	01/14/1987
Docket/Case Number:	MS-463
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Settled
Resolution Date:	05/04/1987



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

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN WAS CENSURED, FINED IN THE AMOUNT OF \$10,000 AND SUSPENDED FOR 90 DAYS FROM ACTING AS A SOES ORDER ENTRY FIRM. NASH, WEISS, TURYSKY, ECKMAN AND COSTA WERE CENSURED AND SUBJECTED TO INDIVIDUAL FINES RANGING FROM \$2,500 TO \$7,500.

Disclosure 7 of 10

Reporting Source: Firm

Current Status: Final

Allegations: THE BUSINESS CONDUCT OF THE COMMITTEE OF THE NASD OF THE DISTRICT NO. 8 ALLEGED THAT SHATKIN VIOLATED CERTAIN SEC AND NASD RULES WITH RESPECT TO PREPARING AND MAINTAINING BOOKS AND RECORDS.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 04/16/1974

Docket/Case Number: CHI NO. 510

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 12/13/1974

Sanctions Ordered: Censure
Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN RECEIVED A CENSURE AND A FINE IN THE AMOUNT OF \$5,000.

Disclosure 8 of 10



Reporting Source: Firm

Current Status: Final

Allegations: THE NASD ALLEGED THAT SHATKIN & MARK WOLTZ (A TRADER AT SHATKIN) VIOLATED VARIOUS SECTIONS OF NASD'S RULES OF FAIR PRACTICE & BY-LAWS WITH RESPECT TO QUOTATION ACTIVITY & THE MAINTENANCE OF SUPERVISORY PROCEDURES RELATING THERETO & THAT WOLTZ ENGAGED IN MANIPULATIVE & DECEPTIVE PRACTICES BY "MARKING THE CLOSE OF THE MARKET" IN A NASDAQ SECURITY & ENTERING NON-BONA FIDE QUOTE FOR THE SECURITY INTO THE NASDAQ SYSTEM & THAT SHATKIN FAILED TO ESTABLISH WRITTEN PROCEDURES TO PREVENT SUCH ACTIVITY.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 03/17/1987

Docket/Case Number: MS-358

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

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: 12/31/1987

Sanctions Ordered: Censure
Monetary/Fine \$5,000.00
Suspension

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A CENSURE AND A FINE IN THE AMOUNT OF \$5,000. WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, WOLTZ CONSENTED TO A CENSURE, A FINE IN THE AMOUNT OF \$5,000 AND 20-DAY SUSPENSION.

Disclosure 9 of 10

Reporting Source: Firm

Current Status: Final



Allegations:	CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN VIOLATED VARIOUS EXCHANGE RULES, VARIOUS SECTIONS OF THE SECURITIES EXCHANGE ACT OF 1934 & RULES THEREUNDER WITH RESPECT TO MARGIN CALL, MARGIN PAYMENTS & PROCEDURES FOR HANDLING MARGIN REQUIREMENTS AND RECORDS, FAILURE TO CONTROL CERTAIN CUSTOMER FULLY PAID & EXCESS MARGIN SECURITIES RESULTING IN, AMONG OTHER THINGS, INCORRECT COMPUTATION OF CUSTOMER RESERVES UNDER RULE 15C3-3, & FAILURE TO MAKE DEPOSITS UNDER SAID RULE, AND OVERSTATEMENT OF EXCESS NET CAPITAL.
Initiated By:	CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE
Date Initiated:	04/21/1987
Docket/Case Number:	87-0012
Principal Product Type:	Equity Listed (Common & Preferred Stock)
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:	12/31/1987
Sanctions Ordered:	Monetary/Fine \$10,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A FINE IN THE AMOUNT OF \$10,000.

Disclosure 10 of 10

Reporting Source:	Firm
Current Status:	Final
Allegations:	THE NEW YORK STOCK EXCHANGE ALLEGED THAT SHATKIN-LEE SECURITIES CO., NOW SLS SECURITIES LIMITED PARTNERSHIP COMMITTED A MINOR VIOLATION OF NYSE RULE 132, WHICH REQUIRES THAT ALL MEMBERS AND MEMBER ORGANIZATIONS PROVIDE AUDIT TRAIL DATA FOR ALL TRANSACTIONS EFFECTED ON THE FLOOR OF THE EXCHANGE.



Initiated By: NEW YORK STOCK EXCHANGE

Date Initiated: 01/01/1986

Docket/Case Number:

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 09/05/1986

Sanctions Ordered: Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN-LEE SECURITIES CO., NOW SLS SECURITIES LIMITED PARTNERSHIP CONSENTED TO A FINE IN THE AMOUNT OF \$1,000.



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.

Disclosure 1 of 1

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-UNAUTHORIZED TRADING; NO OTHER CONTROVERSY INVOLVED
Arbitration Forum:	NASD
Case Initiated:	
Case Number:	87-00572
Disputed Product Type:	NO OTHER TYPE OF SEC INVOLVE; WARRANTS/RIGHTS
Sum of All Relief Requested:	\$2,690,400.00
Disposition:	AWARD AGAINST PARTY
Disposition Date:	01/10/1990
Sum of All Relief Awarded:	\$40,000.00

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

Disclosure Events for Non-Registered Control Affiliates



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	10	0



Disclosure Event Details

Regulatory - Final

Disclosure 1 of 10

Reporting Source:	Firm
Affiliate:	FRENCH-AMERICAN SECURITIES, INC.
Current Status:	Final
Allegations:	THE BUSINESS CONDUCT COMMITTEE OF THE CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN VIOLATED CBOE RULE 11.1 BY FAILING TO TIME STAMP UPON RECEIPT, NOTICES TO EXERCISE OEX OPTION CONTRACTS SUBMITTED BY CBOE MEMBERS WHO CLEAR OPTIONS TRANSACTIONS THROUGH SHATKIN.
Initiated By:	CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE
Date Initiated:	01/01/1987
Docket/Case Number:	87-0133
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Settled
Resolution Date:	03/31/1988
Sanctions Ordered:	Monetary/Fine \$1,500.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A FINE IN THE AMOUNT OF \$1,500.

Disclosure 2 of 10

Reporting Source:	Firm
Affiliate:	FRENCH-AMERICAN SECURITIES, INC.
Current Status:	Final



Allegations: THE BUSINESS CONDUCT COMMITTEE OF THE CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN VIOLATED CBOE RULES AND REGULATION T WITH RESPECT TO MARGIN CALLS, EQUITY REQUIREMENTS AND CUSTOMER CREDIT.

Initiated By: CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE

Date Initiated: 01/01/1986

Docket/Case Number: 86-0026

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 07/11/1986

Sanctions Ordered: Censure
Monetary/Fine \$500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A CENSURE AND A FINE IN THE AMOUNT OF \$500.

Disclosure 3 of 10

Reporting Source: Firm

Affiliate: FRENCH-AMERICAN SECURITIES, INC.

Current Status: Final

Allegations: THE BUSINESS CONDUCT COMMITTEE OF THE CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN VIOLATED CBOE RULE 11.1 BY FAILING TO TIME STAMP UPON RECEIPT, NOTICES TO EXERCISE STANDARD AND POOR'S 100 STOCK INDEX OPTION CONTRACTS.

Initiated By: CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE

Date Initiated: 01/01/1988



Docket/Case Number: 88-0123

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 12/05/1988

Sanctions Ordered: Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A FINE IN THE AMOUNT OF \$1,000.

Disclosure 4 of 10

Reporting Source: Firm

Affiliate: FRENCH-AMERICAN SECURITIES, INC.

Current Status: Final

Allegations: THE BUSINESS CONDUCT COMMITTEE OF THE CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN AND ITS NOMINEE ANDREW J. REDLEAF VIOLATED CBOE RULE 4.11 WITH RESPECT TO POSITIONS LIMITS.

Initiated By: CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE

Date Initiated: 01/01/1982

Docket/Case Number: 82-0084

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:



Resolution: Settled

Resolution Date: 11/12/1982

Sanctions Ordered: Monetary/Fine \$1,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, REDLEAF CONSENTED TO A FINE IN THE AMOUNT OF \$1,500.

Disclosure 5 of 10

Reporting Source: Firm

Affiliate: FRENCH-AMERICAN SECURITIES, INC.

Current Status: Final

Allegations: THE BUSINESS CONDUCT COMMITTEE OF THE CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN VIOLATED CBOE RULE 4.11 WITH RESPECT TO POSITION LIMITS.

Initiated By: CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE

Date Initiated: 01/01/1982

Docket/Case Number: 82-0108 AND 82-0078

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 12/13/1982

Sanctions Ordered: Monetary/Fine \$2,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A FINE IN THE AMOUNT OF \$2,500.

Disclosure 6 of 10



Reporting Source: Firm

Affiliate: FRENCH-AMERICAN SECURITIES, INC.

Current Status: Final

Allegations: THE BUSINESS CONDUCT COMMITTEE OF THE CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN VIOLATED VARIOUS CBOE RULES, VARIOUS SECTIONS OF THE SECURITIES EXCHANGE ACT OF 1934 (AND RULES PROMULGATED THEREUNDER) AND REGULATION T WITH RESPECT TO CUSTOMER RECORD KEEPING AND CUSTOMER CREDIT.

Initiated By: CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE

Date Initiated: 01/01/1983

Docket/Case Number: 83-0131

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 12/31/1983

Sanctions Ordered: Monetary/Fine \$2,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A FINE IN THE AMOUNT OF \$2,500.

Disclosure 7 of 10

Reporting Source: Firm

Affiliate: FRENCH-AMERICAN SECURITIES, INC.

Current Status: Final

Allegations: THE BUSINESS CONDUCT COMMITTEE OF THE CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN VIOLATED CBOE RULE 11.1 WITH RESPECT TO PROCEDURES FOR EXERCISING INDEX OPTIONS CONTRACTS.



Initiated By: CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE

Date Initiated: 01/01/1984

Docket/Case Number: 84-0003

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 12/16/1984

Sanctions Ordered: Monetary/Fine \$1,336.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A FINE IN THE AMOUNT OF \$1,336.

Disclosure 8 of 10

Reporting Source: Firm

Affiliate: FRENCH-AMERICAN SECURITIES, INC.

Current Status: Final

Allegations: THE BUSINESS CONDUCT COMMITTEE OF THE CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN VIOLATED RULE 11.1 WITH RESPECT TO PROCEDURES FOR EXERCISING INDEX OPTIONS CONTRACT.

Initiated By: CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE

Date Initiated: 01/01/1984

Docket/Case Number: 84-0118

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)


Other Sanction(s)/Relief Sought:

Resolution: Settled
Resolution Date: 02/14/1985
Sanctions Ordered: Monetary/Fine \$1,234.00
Other Sanctions Ordered:
Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A FINE IN THE AMOUNT OF \$1,234.

Disclosure 9 of 10

Reporting Source: Firm
Affiliate: FRENCH-AMERICAN SECURITIES
Current Status: Final
Allegations: THE BUSINESS CONDUCT COMMITTEE OF THE CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN VIOLATED CBOE RULES AND SECTION 15(C)(3) OF THE SECURITIES EXCHANGE ACT OF 1934, AND RULES PROMULGATED THEREUNDER WITH RESPECT TO MAINTAINING MARGIN RECORDS, CONTROLLING CERTAIN MARGIN SECURITIES, COMPUTING CUSTOMER RESERVES UNDER RULE 15C3-3 AND MAKING DEPOSITS UNDER SAID RULE.
Initiated By: CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE
Date Initiated: 01/01/1985
Docket/Case Number: 85-0004
Principal Product Type: Equity Listed (Common & Preferred Stock)
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:
Resolution: Settled
Resolution Date: 05/29/1985
Sanctions Ordered: Monetary/Fine \$1,000.00

**Other Sanctions Ordered:**

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO A LIMITATION OF ITS CUSTOMER BUSINESS AND A FINE IN THE AMOUNT OF \$1,000.

Disclosure 10 of 10

Reporting Source: Firm

Affiliate: FRENCH-AMERICAN SECURITIES, INC.

Current Status: Final

Allegations: THE BUSINESS CONDUCT COMMITTEE OF THE CHICAGO BOARD OF OPTIONS EXCHANGE ALLEGED THAT SHATKIN VIOLATED CBOE RULE 11.1 WITH RESPECT TO PROCEDURES FOR EXERCISING INDEX OPTIONS CONTRACTS.

Initiated By: CHICAGO BOARD OF OPTIONS EXCHANGE BUSINESS CONDUCT COMMITTEE

Date Initiated: 01/01/1984

Docket/Case Number: 84-0099

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

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: 11/18/1984

Sanctions Ordered:

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, SHATKIN CONSENTED TO AN ADMONISHMENT.

End of Report



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