

BrokerCheck Report

CSSC BROKERAGE SERVICES, INC.

CRD# 141630

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Registration and Withdrawal	2
Firm Profile	3 - 5
Firm History	6
Firm Operations	7 - 11
Disclosure Events	12



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.



CSSC BROKERAGE SERVICES, INC.

CRD# 141630

SEC# 8-67401

Main Office Location

755 WEST BIG BEAVER ROAD
SUITE 2000
TROY, MI 48084

Mailing Address

755 WEST BIG BEAVER ROAD
SUITE 2000
TROY, MI 48084

Business Telephone Number

248-244-7980

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 Michigan on 02/28/2001.

Its fiscal year ends in December.

Firm History

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

Firm Operations

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

Disclosure Events

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

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

The following types of disclosures have been reported:

Type	Count
Regulatory Event	1

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: 06/13/2018

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



Firm Profile

This firm is classified as a corporation.

This firm was formed in Michigan on 02/28/2001.

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.

CSSC BROKERAGE SERVICES, INC.

Doing business as CSSC BROKERAGE SERVICES, INC.

CRD# 141630

SEC# 8-67401

Main Office Location

755 WEST BIG BEAVER ROAD
SUITE 2000
TROY, MI 48084

Mailing Address

755 WEST BIG BEAVER ROAD
SUITE 2000
TROY, MI 48084

Business Telephone Number

248-244-7980



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):	CSSC SERVICES AND SOLUTIONS, INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	OWNER
Position Start Date	08/2015
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):	RICH, GREGORY ROBERT 1316406
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF COMPLIANCE OFFICER
Position Start Date	04/2018
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

Legal Name & CRD# (if any):	CONSULTING SERVICES SUPPPORT CORPORATION
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	CSSC SERVICES AND SOLUTIONS INC
Relationship to Direct Owner	OWNER
Relationship Established	08/2015
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):	SMITH, ERIC STEVEN
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	CONSULTING SERVICES SUPPORT CORPORATION
Relationship to Direct Owner	MAJORITY SHAREHOLDER, DIRECTOR & CEO
Relationship Established	02/2001
Percentage of Ownership	50% but less than 75%
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 12/20/2006 to 08/13/2018.

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 9 types of businesses.

Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Mutual fund retailer
U S. government securities broker
Municipal securities broker
Broker or dealer selling variable life insurance or annuities
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 refer or introduce customers to other brokers and dealers.

Name:	PERSHING LLC
CRD #:	7560
Business Address:	ONE PERSHING PLAZA JERSEY CITY, NJ 07399
Effective Date:	08/04/2006
Description:	THE FIRM HAS A LETTER OF INTENT AND WILL BE ENTERING INTO A FULLY-DISCLOSED CLEARING ARRANGEMENT WITH PERSHING, LLC., WHICH WILL BE EFFECTIVE ONCE CSSC BROKERAGE SERVICES, INC. RECEIVES NASD APPROVAL.

Firm Operations

Industry Arrangements



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

Name: CONSULTING SERVICES SUPPORT CORPORATION

Business Address: 755 W. BIG BEAVER ROAD
SUITE 2000
TROY, MI 48084

Effective Date: 02/28/2001

Description: CONSULTING SERVICES SUPPORT CORPORATION IS THE PARENT COMPANY OF THE BROKER-DEALER AND WILL MAINTAIN ITS BOOKS AND RECORDS.

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: 08/04/2006

Description: THE FIRM HAS A LETTER OF INTENT AND WILL BE ENTERING INTO A FULLY-DISCLOSED CLEARING ARRANGEMENT WITH PERSHING, LLC., WHICH WILL BE EFFECTIVE ONCE CSSC BROKERAGE SERVICES, INC. RECEIVES NASD APPROVAL.

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.

CSSC INVESTMENT ADVISORY SERVICES, INC. is under common control with the firm.

CRD #:	108249
Business Address:	755 WEST BIG BEAVER ROAD SUITE 2000 TROY, MI 48084
Effective Date:	02/28/2001
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	CSSC INVESTMENT ADVISORY SERVICES, INC. IS A WHOLLY OWNED SUBSIDIARY OF CONSULTING SERVICES SUPPORT CORPORATION (THE PARENT COMPANY OF THE APPLICANT).

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	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.**

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 1

Reporting Source: Regulator

Current Status: Final

**Allegations:**

THE FIRM WAS NAMED A RESPONDENT IN A FINRA COMPLAINT ALLEGING THAT IT, WITH ITS OWNER, DEFRAUDED INVESTORS BY OFFERING AND SELLING SECURITIES THROUGH A BRIDGE LOAN OFFERING DESIGNED TO KEEP THEIR FLOUNDERING PARENT COMPANY AFLOAT AFTER MORE THAN THREE YEARS OF FAILED DEALS, SIGNIFICANT BUSINESS LOSSES AND MOUNTING DEBTS THAT THE PARENT COMPANY COULD NOT PAY. THE COMPLAINT ALLEGES THAT THE OWNER, WHO IS ALSO THE CEO OF THE PARENT COMPANY AND THE INDIVIDUAL THAT CONTROLLED THE FIRM AND ITS AFFILIATES, KNEW OF THE PARENT COMPANY'S PRECARIOUS FINANCIAL CONDITION, YET MISREPRESENTED AND FAILED TO DISCLOSE MATERIAL INFORMATION TO POTENTIAL AND ACTUAL INVESTORS IN THE BRIDGE LOAN OFFERING. IN CONNECTION WITH THE BRIDGE LOAN OFFERING, THE FIRM AND ITS OWNER MADE MISREPRESENTATIONS AND OMISSIONS OF MATERIAL FACTS TO PROSPECTIVE INVESTORS. THE FIRM AND ITS OWNER DID THIS BY INTENTIONALLY: FAILING TO DISCLOSE THAT THE PARENT COMPANY COULD NOT MAKE INTEREST PAYMENTS TO EXISTING BONDHOLDERS AND INVESTORS WITHOUT RAISING ADDITIONAL CAPITAL; FAILING TO DISCLOSE THAT THE PARENT COMPANY WAS IN DEFAULT TO EXISTING BONDHOLDERS AND INVESTORS AND WAS UNABLE TO REPAY MORE THAN \$3 MILLION THAT WOULD EVENTUALLY BECOME DUE; MISREPRESENTING THAT THE PARENT COMPANY HAD EARNED, WAS RECEIVING AND WOULD CONTINUE TO RECEIVE MILLIONS OF DOLLARS IN REVENUE FROM ITS DEVELOPMENT OF A "SPECIAL PURPOSE BANK" THAT ULTIMATELY FAILED TO MATERIALIZE AND GENERATE ANY REVENUE; TOUTING A SIGNIFICANT "REVENUE EVENT" RESULTING FROM THE PARENT COMPANY'S PURPORTED ASSOCIATION WITH A TRUST COMPANY, WHEN NO SUCH RELATIONSHIP EXISTED OR EVER OCCURRED; AND MISREPRESENTING THE FIRM AND ITS OWNER'S RELATIONSHIP WITH THE CITY OF JACKSONVILLE, FLORIDA, INCLUDING THAT THAT RELATIONSHIP WOULD INCREASE THE FIRM'S ASSETS UNDER MANAGEMENT BY NEARLY \$1 BILLION, AND GENERATE "SIGNIFICANT REVENUE," WHEN THERE WAS NO BASIS IN FACT TO MAKE ANY SUCH CLAIMS. EACH OF THE FIRM AND OWNER'S STATEMENTS AND REPRESENTATIONS WERE MATERIAL, FALSE AND MISLEADING, AND THEY KNEW THEY WERE FALSE AND MISLEADING AT THE TIME THAT THEY PREPARED AND DISTRIBUTED THE OFFERING DOCUMENTS TO INVESTORS. AS A RESULT OF THE FIRM'S CONDUCT, IT WILLFULLY VIOLATED SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 10B-5, AND VIOLATED FINRA RULE 2020. IN THE ALTERNATIVE, THE FIRM VIOLATED FINRA RULE 2010 BY CONTRAVENING SECTION 17 (A)(2) AND (A)(3) OF THE SECURITIES ACT OF 1933. THE COMPLAINT ALSO ALLEGES THAT THE FIRM AND ITS OWNER ENGAGED IN UNETHICAL CONDUCT BY OBTAINING MONEY FROM THE PUBLIC FOR FOUR DIFFERENT INVESTMENTS AND THE BRIDGE LOAN OFFERING, BY MAKING MATERIAL MISREPRESENTATIONS AND OMISSIONS OF FACT REGARDING THOSE INVESTMENTS WHILE REGISTERED WITH FINRA. THE



COMPLAINT FURTHER ALLEGES THAT THE OWNER, AND THE FIRM THROUGH THE OWNER, KNEW THAT THE OWNER WAS NOT REGISTERED AS A REPRESENTATIVE OR PRINCIPAL DURING THE TIME PERIOD MAY 2010 THROUGH DECEMBER 2015. BY AND THROUGH THE OWNER'S CONDUCT, HOWEVER, HE WAS ACTING IN CAPACITIES THAT REQUIRED HIS REGISTRATION AS A REPRESENTATIVE, INCLUDING THE SOLICITATION OF FIRM CUSTOMERS TO INVEST IN PRIVATE PLACEMENT OFFERINGS IN THE PARENT COMPANY. IN ADDITION, BY AND THROUGH THE OWNER'S CONDUCT, CONTROL AND OWNERSHIP IN CONNECTION WITH THE FIRM, THE OWNER WAS ACTING IN CAPACITIES THAT REQUIRED HIS REGISTRATION AS A PRINCIPAL. HE WAS INTIMATELY ENGAGED IN FIRM OPERATIONS AND ITS SECURITIES BUSINESS, INCLUDING THE HIRING AND RETAINING OF REGISTERED REPRESENTATIVES, AND THE MANAGEMENT OF ALL FIRM SUBSIDIARIES' FINANCES. THE FIRM AND ITS OWNER KNEW OR SHOULD HAVE KNOWN THAT HE WAS ENGAGED IN THIS CONDUCT, CONTROL AND OWNERSHIP OF THE FIRM, DESPITE THE FACT THAT HE WAS NOT REGISTERED IN ANY CAPACITY WITH THE FIRM.

Initiated By:	FINRA
Date Initiated:	08/04/2017
Docket/Case Number:	2015043646501
Principal Product Type:	Other
Other Product Type(s):	BRIDGE LOAN OFFERING
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Decision
Resolution Date:	02/19/2019
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	Yes
Sanctions Ordered:	Monetary/Fine \$120,000.00 Disgorgement/Restitution Suspension
Other Sanctions Ordered:	COSTS

**Sanction Details:**

THE FIRM WAS FINED \$120,000, SUSPENDED FROM PARTICIPATING IN PRIVATE SECURITIES OFFERINGS IN ALL CAPACITIES FOR ONE YEAR, AND ORDERED TO PAY \$130,000, PLUS INTEREST, JOINTLY AND SEVERALLY, IN RESTITUTION. THE FIRM IS ALSO ORDERED, JOINTLY AND SEVERALLY, TO PAY \$12,107.09 FOR THE COSTS OF THE PROCEEDING.

Regulator Statement

EXTENDED HEARING PANEL DECISION RENDERED JANUARY 2, 2019. THE SANCTIONS WERE BASED ON FINDINGS THAT THE FIRM WILLFULLY VIOLATED SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5 AND VIOLATED FINRA RULE 2020 BY DEFRAUDING INVESTORS BY OFFERING AND SELLING SECURITIES THROUGH A BRIDGE LOAN OFFERING DESIGNED TO KEEP ITS FLOUNDERING PARENT COMPANY AFLOAT AFTER MORE THAN THREE YEARS OF FAILED DEALS, SIGNIFICANT BUSINESS LOSSES AND MOUNTING DEBTS THAT THE PARENT COMPANY COULD NOT PAY. THE FINDINGS STATED THAT AN INDIVIDUAL THAT CONTROLLED THE FIRM AND ITS AFFILIATES, AND WAS ALSO CEO OF THE PARENT COMPANY, KNEW OF THE PARENT COMPANY'S PRECARIOUS FINANCIAL CONDITION, YET MISREPRESENTED AND FAILED TO DISCLOSE MATERIAL INFORMATION TO POTENTIAL AND ACTUAL INVESTORS IN THE BRIDGE LOAN OFFERING. IN CONNECTION WITH THE BRIDGE LOAN OFFERING, THE FIRM MADE MISREPRESENTATIONS AND OMISSIONS OF MATERIAL FACTS TO PROSPECTIVE INVESTORS. THE FIRM DID THIS BY INTENTIONALLY: FAILING TO DISCLOSE THAT THE PARENT COMPANY COULD NOT MAKE INTEREST PAYMENTS TO EXISTING BONDHOLDERS AND INVESTORS WITHOUT RAISING ADDITIONAL CAPITAL; FAILING TO DISCLOSE THAT THE PARENT COMPANY WAS IN DEFAULT TO EXISTING BONDHOLDERS AND INVESTORS AND WAS UNABLE TO REPAY MORE THAN \$3 MILLION THAT WOULD EVENTUALLY BECOME DUE; MISREPRESENTING THAT THE PARENT COMPANY HAD EARNED, WAS RECEIVING AND WOULD CONTINUE TO RECEIVE MILLIONS OF DOLLARS IN REVENUE FROM ITS DEVELOPMENT OF A SPECIAL PURPOSE BANK THAT ULTIMATELY FAILED TO MATERIALIZE AND GENERATE ANY REVENUE; TOUTING A SIGNIFICANT REVENUE EVENT RESULTING FROM THE PARENT COMPANY'S PURPORTED ASSOCIATION WITH A TRUST COMPANY, WHEN NO SUCH RELATIONSHIP EXISTED OR EVER OCCURRED; AND MISREPRESENTING THE FIRM AND ITS OWNER'S RELATIONSHIP WITH THE CITY OF JACKSONVILLE, FLORIDA, INCLUDING THAT THAT RELATIONSHIP WOULD INCREASE THE FIRM'S ASSETS UNDER MANAGEMENT BY NEARLY \$1 BILLION, AND GENERATE SIGNIFICANT REVENUE, WHEN THERE WAS NO BASIS IN FACT TO MAKE ANY SUCH CLAIMS. THE FINDINGS ALSO STATED THAT THE FIRM ENGAGED IN UNETHICAL CONDUCT BY OBTAINING MONEY FROM THE PUBLIC FOR FOUR DIFFERENT INVESTMENTS AND THE BRIDGE LOAN OFFERING BY MAKING MATERIAL MISREPRESENTATIONS AND OMISSIONS OF FACT REGARDING THOSE INVESTMENTS WHILE REGISTERED WITH FINRA. THE FINDINGS ALSO INCLUDED THAT THE FIRM THROUGH THE INDIVIDUAL KNEW THAT HE WAS NOT REGISTERED AS A



REPRESENTATIVE OR PRINCIPAL FROM MAY 2010 THROUGH DECEMBER 2015. HOWEVER, THE INDIVIDUAL WAS ACTING IN CAPACITIES THAT REQUIRED HIS REGISTRATION AS A REPRESENTATIVE, INCLUDING THE SOLICITATION OF FIRM CUSTOMERS TO INVEST IN PRIVATE PLACEMENT OFFERINGS IN THE PARENT COMPANY. THE FIRM KNEW OR SHOULD HAVE KNOWN THAT THE INDIVIDUAL WAS ENGAGED IN THIS CONDUCT, DESPITE THE FACT HE WAS NOT REGISTERED IN ANY CAPACITY WITH THE FIRM. IN ADDITION, BY AND THROUGH THE INDIVIDUAL'S CONDUCT, CONTROL AND OWNERSHIP IN CONNECTION WITH THE FIRM, HE WAS ACTING IN CAPACITIES THAT REQUIRED HIS REGISTRATION AS A PRINCIPAL. THE INDIVIDUAL WAS INTIMATELY ENGAGED IN FIRM OPERATIONS AND ITS SECURITIES BUSINESS, INCLUDING THE HIRING AND RETAINING OF REGISTERED REPRESENTATIVES, AND THE MANAGEMENT OF ALL FIRM SUBSIDIARIES' FINANCES. THE FIRM KNEW OR SHOULD HAVE KNOWN THAT THE INDIVIDUAL WAS ENGAGED IN THIS CONDUCT, CONTROL AND OWNERSHIP OF THE FIRM, DESPITE THE FACT THAT HE WAS NOT REGISTERED IN ANY CAPACITY WITH THE FIRM. THE DECISION BECAME FINAL ON FEBRUARY 19, 2019. THE SUSPENSION SHALL BECOME EFFECTIVE WITH THE OPENING OF BUSINESS ON MONDAY, MARCH 4, 2019, AND END AT THE CLOSE OF BUSINESS ON MARCH 3, 2020.

Reporting Source:	Firm
Current Status:	Pending
Allegations:	ALLEGED VIOLATIONS OF NASD RULE 1031 AND 1021, FINRA RULE 2010, 2020, 2210(D)(1)(A-B), SEC EXCHANGE ACT RULE 10B-5 AND SEC SECTION 17(A)(2)-(3). IT IS ALLEGED THAT THE BROKER-DEALER WAS INVOLVED WITH A BRIDGE LOAN OFFERING BEING CONDUCTED BY ITS PARENT COMPANY. THE ALLEGATIONS INCLUDE MISREPRESENTATIONS AND FAILURE TO DISCLOSE MATERIAL INFORMATION, ALONG WITH FAILING TO REGISTER THE CEO OF THE PARENT COMPANY.
Initiated By:	FINANCIAL INDUSTRY REGULATORY AUTHORITY
Date Initiated:	08/04/2017
Docket/Case Number:	2015043646501
Principal Product Type:	Other
Other Product Type(s):	BRIDGE LOAN OFFERING
Principal Sanction(s)/Relief Sought:	Other



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

N/A

Firm Statement

THE BROKER-DEALER DENIES ALL ALLEGATIONS AND ASSERTIONS MADE IN THE COMPLAINT. THE BROKER-DEALER HAD NO INVOLVEMENT IN THE BRIDGE LOAN OFFERING AT ISSUE IN THE CASE. THE BROKER-DEALER WILL BE FILING A RESPONSE AND CONTESTING ALL CHARGES.

End of Report



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