

BrokerCheck Report
VLS SECURITIES LLC
 CRD# 151145

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.
 Please contact FINRA with any concerns.

About BrokerCheck®



BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

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Thank you for using FINRA BrokerCheck.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at brokercheck.finra.org



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



VLS SECURITIES LLC

CRD# 151145

SEC# 8-68343

Main Office Location

19 OLD KINGS HIGHWAY SOUTH
SUITE 120
DARIEN, CT 06820

Mailing Address

19 OLD KINGS HIGHWAY SOUTH
SUITE 120
DARIEN, CT 06820

Business Telephone Number

203 992-4301

Report Summary for this Firm

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

Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Delaware on 05/04/2009.

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

The number of disclosures from non-registered control affiliates is 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: 10/31/2015

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 Delaware on 05/04/2009.
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.

VLS SECURITIES LLC
Doing business as VLS SECURITIES LLC
CRD# 151145
SEC# 8-68343

Main Office Location
19 OLD KINGS HIGHWAY SOUTH
SUITE 120
DARIEN, CT 06820

Mailing Address
19 OLD KINGS HIGHWAY SOUTH
SUITE 120
DARIEN, CT 06820

Business Telephone Number
203 992-4301

Other Names of this Firm

Name	Where is it used
VELOCITYSHARES	AK, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NJ, NM, NV, NY, OH, OK, OR, PA, PR, RI, SC, SD, TN, TX, UT, VA, VI, VT, WA,

WI, WV, WY



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):	JANUS INDEX & CALCULATION SERVICES LLC (FKA VELOCITYSHARES LLC)
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	OWNER
Position Start Date	05/2009
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):	HOGE, RICHARD CHARLES 4790638
Is this a domestic or foreign entity or an individual?	Individual
Position	HEAD OF OPERATIONS, CHIEF COMPLIANCE OFFICER
Position Start Date	12/2014
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):	HUGHES, BRENNAN A 4934194
Is this a domestic or foreign entity or an individual?	Individual
Position	FINOP
Position Start Date	01/2015

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
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Legal Name & CRD# (if any):	QUINN, STEVEN PAUL 4254443
Is this a domestic or foreign entity or an individual?	Individual
Position	HEAD OF ETP DISTRIBUTION
Position Start Date	12/2014
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
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Firm Profile

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

Indirect Owners

Legal Name & CRD# (if any):	JANUS CAPITAL GROUP INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	VS HOLDINGS INC.
Relationship to Direct Owner	OWNER
Relationship Established	12/2014
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	Yes
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Legal Name & CRD# (if any):	VS HOLDINGS INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	JANUS INDEX & CALCULATION SERVICES LLC (FKA VELOCITYSHARES LLC)
Relationship to Direct Owner	OWNER
Relationship Established	11/2010
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 04/12/2010 to 01/08/2016.



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

Other - APPLICANT WILL ADVISE CORPORATE WKSIS AND BROKER DEALERS ON ISSUING AND UNDERWRITING NYSE LISTED EXCHANGE TRADED NOTES ("ETNS") BASED ON THE VELOCITY SHARE INDEX, A PROPRIETARY INDEX DEVELOPED BY APPLICANT'S PARENT COMPANY VELOCITY SHARES LLC.

Other Types of Business

This firm does not 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 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.**

JANUS controls the firm.

CRD #:	104652
Business Address:	151 DETROIT STREET DENVER, CO 80206
Effective Date:	01/01/2015
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	VLS SECURITIES LLC IS WHOLLY OWNED BY VELOCITYSHARES LLC, WHICH IS WHOLLY OWNED BY VS HOLDINGS INC., WHICH IS OWNED BY JANUS CAPITAL MANAGEMENT LLC AND ITS PARENT, JANUS CAPITAL GROUP INC.

PERKINS INVESTMENT MANAGEMENT LLC is under common control with the firm.

CRD #:	126925
Business Address:	311 S. WACKER DRIVE, SUITE 6000 CHICAGO, IL 60606
Effective Date:	01/01/2015
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	Yes

Firm Operations



Organization Affiliates (continued)

Description: PERKINS INVESTMENT MANAGEMENT, LLC IS 100% OWNED BY JANUS CAPITAL MANAGEMENT LLC, WHICH IS 95% OWNED BY JANUS CAPITAL GROUP INC.

VLS SECURITIES LLC IS WHOLLY OWNED BY VELOCITYSHARES LLC, WHICH IS WHOLLY OWNED BY VS HOLDINGS INC., WHICH IS WHOLLY OWNED BY JANUS CAPITAL GROUP INC.

INTECH is under common control with the firm.

CRD #: 119232

Business Address: 2401 PGA BLVD. #100
PALM BEACH GARDENS, FL 33410

Effective Date: 01/01/2015

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: INTECH INVESTMENT MANAGEMENT LLC IS 100% OWNED BY JANUS CAPITAL MANAGEMENT LLC, WHICH IS 95% OWNED BY JANUS CAPITAL GROUP INC.

VLS SECURITIES LLC IS WHOLLY OWNED BY VELOCITYSHARES LLC, WHICH IS WHOLLY OWNED BY VS HOLDINGS INC., WHICH IS WHOLLY OWNED BY JANUS CAPITAL GROUP INC.

JANUS DISTRIBUTORS LLC is under common control with the firm.

CRD #: 28832

Business Address: 151 DETROIT STREET
DENVER, CO 80206-4923

Effective Date: 01/01/2015

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Firm Operations



Organization Affiliates (continued)

Description: JANUS DISTRIBUTORS LLC IS OWNED BY JANUS CAPITAL MANAGEMENT LLC, WHICH IS WHICH IS 95% OWNED BY JANUS CAPITAL GROUP INC.

VLS SECURITIES LLC IS WHOLLY OWNED BY VELOCITYSHARES LLC, WHICH IS WHOLLY OWNED BY VS HOLDINGS INC., WHICH IS WHOLLY OWNED BY JANUS CAPITAL GROUP INC.

JANUS CAPITAL GROUP INC. controls the firm.

Business Address: 151 DETROIT STREET
DENVER, CO 80206

Effective Date: 12/01/2014

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: JANUS CAPITAL GROUP INC. IS THE OWNER OF VS HOLDINGS INC., WHICH IS THE OWNER OF VELOCITYSHARES LLC, THE DIRECT OWNER OF VLS SECURITIES LLC.

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: Firm

Current Status: Final



Allegations:	PRIOR TO 2005 THE STATE OF NEW JERSEY ("NJ") DID NOT REQUIRE ATTORNEYS WHO DID NOT PRACTICE LAW IN NJ TO PAY ANNUAL DUES. IF THE ATTORNEY LATER WISHED TO PRACTICE IN NJ THEY COULD PAY BACK DUES AND AN ADMINISTRATIVE FEE. IN 2005 THE NJ SUPREME COURT CHANGED THIS POLICY AND ORDERED THAT ANY ATTORNEY THAT HAS NOT PRACTICED LAW IN NJ AND HAS NOT PAID DUES FOR SEVEN YEARS BE REMOVED BY COURT ORDER. THIS WAS AN ADMINISTRATIVE PROCEEDING AND WAS NOT A DISCIPLINARY PROCEEDING. AS RICHARD HOGE HAD NOT PRACTICED LAW IN NJ NOR PAID DUES FOR THE PRIOR SEVEN YEARS HE WAS SUBJECT TO THIS RULE CHANGE. THIS RULE CHANGE AFFECTED NUMEROUS ATTORNEYS. IT WAS IN THE NATURE OF RULE CHANGE, AND NOT A DISCIPLINARY ACTION OF ANY KIND.
Initiated By:	STATE OF NEW JERSEY
Date Initiated:	09/19/2005
Docket/Case Number:	
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	ADMINISTRATIVE PROCEEDING WITH NO DISCIPLINARY ACTION.
Resolution:	Order
Resolution Date:	09/19/2005
Sanctions Ordered:	Revocation/Expulsion/Denial
Other Sanctions Ordered:	
Sanction Details:	RICHARD HOGE IS NO LONGER A MEMBER OF THE NJ BAR. SHOULD HE WISH TO PRACTICE LAW IN NJ HE MUST REAPPLY. HE MAY REAPPLY AT ANYTIME WITHOUT PREJUDICE. HE IS A MEMBER IN GOOD STANDING OF THE NY AND DISTRICT OF COLUMBIA BARS.
Firm Statement	THE NJ SUPREME COURT CONCLUDED THAT IT WAS ADMINISTRATIVELY BURDENSOME TO CARRY ATTORNEYS ON THE ROLLS WHO HAD NOT PRACTICED LAW IN NJ NOR PAID DUES FOR SEVEN YEARS. ACCORDINGLY, IN 2005 THEY COMMENCED AN ADMINISTRATIVE PROCEEDING TO REMOVE ANY ATTORNEY WHO HAD NEITHER PRACTICED LAW NOR PAID BAR DUES FOR THE PRIOR SEVEN YEARS. THIS RULE CHANGE AFFECTED NUMEROUS ATTORNEYS. IT WAS IN THE NATURE OF RULE CHANGE, AND NOT A DISCIPLINARY ACTION OF ANY KIND.

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	1	0



Disclosure Event Details

Regulatory - Final

Disclosure 1 of 1

Reporting Source:	Firm
Affiliate:	JANUS CAPITAL GROUP INC.
Current Status:	Final
Allegations:	THE FDF ALLEGED THAT JANUS CAPITAL GROUP INC. MADE A LATE DISCLOSURE FILING OF ITS OWNERSHIP OF SECURITIES OF A SWISS ISSUER AFTER THE OWNERSHIP LEVELS FELL BELOW CERTAIN THRESHOLDS.
Initiated By:	FEDERAL DEPARTMENT OF FINANCE-SWITZERLAND ("FDF")
Date Initiated:	05/15/2012
Docket/Case Number:	
Principal Product Type:	Other
Other Product Type(s):	INVESTMENT IN EQUITY SECURITIES OF A SWISS ISSUER
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Settled
Resolution Date:	11/26/2013
Sanctions Ordered:	Monetary/Fine \$22,093.00
Other Sanctions Ordered:	
Sanction Details:	FDF IMPOSED A FINE OF 20,000 CHF (APPROXIMATELY \$22,093.00)
Firm Statement	PLEASE SEE THE RESPONSE TO QUESTIONS #12.B. ABOVE.

End of Report



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