

## BrokerCheck Report

### AMERICAN BEACON PARTNERS, INC.

CRD# 15791

<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 - 14
Disclosure Events	15



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



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://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).



AMERICAN BEACON PARTNERS,  
INC.

CRD# 15791

SEC# 8-32709

Main Office Location

3603 N. HASTINGS WAY, STE 100  
EAU CLAIRE, WI 54703

Mailing Address

3603 N. HASTINGS WAY, STE 100  
EAU CLAIRE, WI 54703

Business Telephone Number

715-552-2741

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 Wisconsin on 08/22/1984.

Its fiscal year ends in August.

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	7
Arbitration	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:** 05/03/2011

**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 Wisconsin on 08/22/1984.

Its fiscal year ends in August.

## 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.

**AMERICAN BEACON PARTNERS, INC.**

**Doing business as AMERICAN BEACON PARTNERS, INC.**

**CRD#** 15791

**SEC#** 8-32709

### Main Office Location

3603 N. HASTINGS WAY, STE 100  
EAU CLAIRE, WI 54703

### Mailing Address

3603 N. HASTINGS WAY, STE 100  
EAU CLAIRE, WI 54703

### Business Telephone Number

715-552-2741



## 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):** BEACON ACQUISITION PARTNERS INC

**Is this a domestic or foreign entity or an individual?** Foreign Entity

**Position** SHAREHOLDER

**Position Start Date** 12/2009

**Percentage of Ownership** 75% or more

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

**Is this a public reporting company?**

---

**Legal Name & CRD# (if any):** HINTZ, JAMES ARNOLD

1916767

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

**Position** PRESIDENT/CEO/CCO/DIRECTOR

**Position Start Date** 12/2009

**Percentage of Ownership** Less than 5%

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

**Is this a public reporting company?**

---

**Legal Name & CRD# (if any):** MATHER, ROBERT PHILIP

1764918

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

**Position** CHAIRMAN/DIRECTOR/OPTIONS PRINCIPAL

**Position Start Date** 12/2009

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?	Yes
Is this a public reporting company?	
<hr/>	
Legal Name & CRD# (if any):	WATCHMAKER-SCHNEIDER, TRACY CARON 5741229
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF FINANCIAL OFFICER
Position Start Date	02/2010
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
<hr/>	

## 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 10/12/1984 to 06/16/2011.**



## 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 13 types of businesses.**

#### Types of Business

Broker or dealer retailing corporate equity securities over-the-counter

Broker or dealer selling corporate debt securities

Underwriter or selling group participant (corporate securities other than mutual funds)

Mutual fund retailer

U S. government securities broker

Municipal securities broker

Broker or dealer selling variable life insurance or annuities

Solicitor of time deposits in a financial institution

Real estate syndicator

Broker or dealer selling oil and gas interests

Broker or dealer selling tax shelters or limited partnerships in primary distributions

Broker or dealer selling tax shelters or limited partnerships in the secondary market

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.

<b>Name:</b>	MESIROW FINANCIAL, INC.
<b>CRD #:</b>	2764
<b>Business Address:</b>	350 NORTH CLARK ST CHICAGO, IL 60654
<b>Effective Date:</b>	09/29/2009
<b>Description:</b>	AMERICAN BEACON PARTNERS INTRODUCES CUSTOMERS TO MESIROW AND MESIROW WILL CUSTODY CUSTOMER SECURITIES AS OUR CLEARING FIRM

---

## Firm Operations

## Industry Arrangements



---

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

**Name:** MESIROW FINANCIAL, INC.

**CRD #:** 2764

**Business Address:** 350 NORTH CLARK ST  
CHICAGO, IL 60654

**Effective Date:** 09/29/2009

**Description:** AMERICAN BEACON PARTNERS INTRODUCES CUSTOMER ACCOUNTS, FUNDS, AND SECURITIES IN ORDER TO PROVIDE CLEARING, CUSTODY AND EXECUTION SERVICES AS A CLEARING BROKER FOR AMERICAN BEACON PARTNERS CLIENTS. AS SUCH, MESIROW WILL MAINTAIN CUSTODY OF BOOKS AND RECORDS OF AMERICAN BEACON PARTNERS CUSTOMERS.

---

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

**Name:** MESIROW FINANCIAL, INC.

**CRD #:** 2764

**Business Address:** 350 NORTH CLARK ST  
CHICAGO, IL 60654

**Effective Date:** 09/29/2009

**Description:** AMERICAN BEACON PARTNERS INTRODUCES CUSTOMER ACCOUNTS, FUNDS, AND SECURITIES IN ORDER TO PROVIDE CLEARING, CUSTODY AND EXECUTION SERVICES AS A CLEARING BROKER FOR AMERICAN BEACON PARTNERS CLIENTS. AS SUCH, MESIROW WILL MAINTAIN CUSTODY OF ALL FUNDS AND SECURITIES FOR ALL CUSTOMERS TRANSACTING AND SECURITIES BUSINESS INTRODUCED TO THEM BY AMERICAN BEACON PARTNERS.

---

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

**Name:** MESIROW FINANCIAL, INC.

**CRD #:** 2764

**Business Address:** 350 NORTH CLARK ST  
CHICAGO, IL 60654

**Effective Date:** 09/29/2009

**Description:** AMERICAN BEACON PARTNERS INTRODUCES CUSTOMER ACCOUNTS, FUNDS, AND SECURITIES IN ORDER TO PROVIDE CLEARING, CUSTODY

## Firm Operations



### Industry Arrangements (continued)

AND EXECUTION SERVICES AS A CLEARING BROKER FOR AMERICAN BEACON PARTNERS CLIENTS. AS SUCH, MESIROW WILL MAINTAIN CUSTODY OF ALL FUNDS AND SECURITIES FOR ALL CUSTOMERS TRANSACTING AND SECURITIES BUSINESS INTRODUCED TO THEM BY AMERICAN BEACON PARTNERS.

---

### 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.**

**ALLIED BEACON WEALTH MANAGEMENT, LLC is under common control with the firm.**

<b>CRD #:</b>	134922
<b>Business Address:</b>	7501 BOULDERS VIEW DR RICHMOND, VA 23225
<b>Effective Date:</b>	02/16/2011
<b>Foreign Entity:</b>	No
<b>Country:</b>	
<b>Securities Activities:</b>	No
<b>Investment Advisory Activities:</b>	Yes
<b>Description:</b>	AMERICAN BEACON PARTNERS, INC. AND ALLIED BEACON WEALTH MANAGEMENT, INC. ARE OWNED BY BEACON ACQUISITION PARTNERS, INC.

**ALLIED BEACON PARTNERS, INC. is under common control with the firm.**

<b>CRD #:</b>	46227
<b>Business Address:</b>	7501 BOULDERS VIEW DRIVE SUITE 601 RICHMOND, VA 23225
<b>Effective Date:</b>	02/18/2011
<b>Foreign Entity:</b>	No
<b>Country:</b>	
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	No

## Firm Operations



### Organization Affiliates (continued)

**Description:** OWNED BY SAME PARENT COMPANY

**AMERICAN BEACON WEALTH MANAGEMENT, INC. is under common control with the firm.**

**CRD #:** 152752

**Business Address:** 3603 NORTH HASTINGS WAY SUITE 100  
EAU CLAIRE, WI 54703

**Effective Date:** 07/13/2010

**Foreign Entity:** No

**Country:**

**Securities Activities:** Yes

**Investment Advisory  
Activities:** Yes

**Description:** AMERICAN BEACON PARTNERS AND AMERICAN BEACON WEALTH  
MANAGEMENT ARE UNDER COMMON CONTROL AND OWNERSHIP

**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	7	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 7

**Reporting Source:** Regulator

**Current Status:** Final



**Allegations:** RESPONDENT AMERICAN BEACON PARTNERS, INC. FAILED TO PAY ARBITRATION FEES ASSESSED IN FINRA ARBITRATION CASE 10-04504.

**Initiated By:** FINRA

**Date Initiated:** 05/23/2011

**Docket/Case Number:** 10-04504

**Principal Product Type:** No Product

**Other Product Type(s):**

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

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

**Resolution:** Other

**Resolution Date:** 06/19/2011

**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?** No

**Sanctions Ordered:** Suspension

**Other Sanctions Ordered:**

**Sanction Details:** PURSUANT TO FINRA RULE 9553, RESPONDENT AMERICAN BEACON PARTNERS' FINRA MEMBERSHIP IS SUSPENDED AS OF JUNE 19, 2011 FOR FAILURE TO PAY ARBITRATION FEES.

#### Disclosure 2 of 7

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:** RESPONDENT AMERICAN BEACON PARTNERS, INC. FAILED TO PAY FEES OF \$15,686.62 DUE TO FINRA AS A RESULT OF MEMBERSHIP REGULATION, CRD RELATED, AND ARBITRATION FEES.

**Initiated By:** FINRA

**Date Initiated:** 05/25/2011

**Docket/Case Number:** N/A



**Principal Product Type:** No Product

**Other Product Type(s):**

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

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

**Resolution:** Other

**Resolution Date:** 06/16/2011

**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?** No

**Sanctions Ordered:**

**Other Sanctions Ordered:** CANCELLED

**Sanction Details:** PURSUANT TO FINRA RULE 9553, RESPONDENT AMERICAN BEACON PARTNERS' MEMBERSHIP WITH FINRA IS CANCELLED AS OF JUNE 16, 2011 FOR FAILURE TO PAY OUTSTANDING FEES.

---

### Disclosure 3 of 7

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:** RESPONDENT OFFERED GWG LIFENOTES, SERIES I, SECURED NOTES, WHICH WERE NOT REGISTERED TO BE OFFERED OR SOLD IN OR FROM THE STATE OF NEVADA AND NO EXEMPTION WAS FILED ; AND ONE OF THE RESPONDENT'S SALES REPRESENTATIVES, WHO OFFERED THE GWG NOTES IN NEVADA, WAS NOT LICENSED OR EXEMPT FROM LICENSING AS A SALES REPRESENTATIVE WITH THE DIVISION WHEN HE SOLD \$50,000 OF THE GWG NOTES TO A NEVADA RESIDENT ON OR ABOUT MARCH 10, 2010

**Initiated By:** NEVADA

**Date Initiated:** 04/06/2011

**Docket/Case Number:** I10-185-BLM

**URL for Regulatory Action:**



<b>Principal Product Type:</b>	Other
<b>Other Product Type(s):</b>	VIATICAL SETTLEMENT INVESTMENTS ON BEHALF OF GWG LIFE SETTLEMENTS, LLC
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Consent
<b>Resolution Date:</b>	04/06/2011
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Sanctions Ordered:</b>	Monetary/Fine \$7,000.00
<b>Other Sanctions Ordered:</b>	FEE FOR INSPECTION OF RECORDS - \$1,000 RESPONDENT WILL FILE A FORM BDW WITH THE DIVISION WITHIN THIRTY (30) DAYS FROM THE ENTRY OF THIS ORDER, AND AT SUCH TIME WILL CEASE ANY AND ALL OPERATIONS IN THE STATE OF NEVADA. RESPONDENT WILL BE PROHIBITED FROM RE-APPLYING FOR LICENSING AS A BROKER-DEALER IN THE STATE OF NEVADA FOR A PERIOD OF TWO (2) YEARS FROM THE ENTRY OF THIS ORDER. FOR PURPOSES OF THIS SUBSECTION, RESPONDENT INCLUDES ANY CURRENT OR FUTURE BROKER-DEALER FIRM, IN WHICH THE CURRENT PARTNERS, OFFICERS, DIRECTORS, OR PERSONS OCCUPYING A SIMILAR STATUS OR DIRECTLY OR INDIRECTLY CONTROLLING THE RESPONDENT AT THE DATE OF THE ENTRY OF THIS ORDER, ARE ALSO IN A POSITION AS A PARTNER, OFFICER, DIRECTOR, OR PERSON OCCUPYING A SIMILAR STATUS OR DIRECTLY OR INDIRECTLY CONTROLLING THE BROKER-DEALER.
<b>Sanction Details:</b>	ALL FEES AND FINES PAID IN FULL; RESPONDENT HAS 30 DAYS TO FILE A FORM BDW WITH THE DIVISION; RESPONDENT WILL BE PROHIBITED FROM RE-APPLYING FOR LICENSING AS A BROKER-DEALER IN THE STATE OF NEVADA FOR A PERIOD OF TWO (2) YEARS FROM THE ENTRY OF THIS ORDER.
<b>Regulator Statement</b>	WITHOUT ADMITTING OR DENYING THE STATEMENT OF FACTS AND CONCLUSIONS OF LAW CONTAINED IN THIS ORDER, RESPONDENT CONSENTED TO THE ENTRY OF THIS ORDER. CONTACT THE DIVISION WITH ANY QUESTIONS



**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** THE FIRM OFFERED SECURED NOTES THAT WERE NOT REGISTERED TO BE OFFERED OR SOLD IN OR FROM THE STATE OF NEVADA AND NO EXEMPTION WAS FILED AND ONE THE FIRM'S SALES REPRESENTATIVES, WHO OFFERED THE NOTES IN NEVADA, WAS NOT LICENSED OR EXEMPT FROM LICENSING AS A SALES REPRESENTATIVE WITH THE NEVADA AT THE TIME THE OFFER WAS MADE, HE SOLD \$50,000 GWG NOTES TO A NEVADA RESIDENT OR ON ABOUT MARCH 10, 2010

**Initiated By:** NEVADA

**Date Initiated:** 04/06/2011

**Docket/Case Number:** I10-185-BLM

**Principal Product Type:** Direct Investment(s) - DPP & LP Interest(s)

**Other Product Type(s):** SECURED NOTES ON BEHALF OF GWG LIFE SETTLEMENTS, LLC

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

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

**Resolution:** Consent

**Resolution Date:** 04/06/2011

**Sanctions Ordered:** Monetary/Fine \$7,000.00

**Other Sanctions Ordered:** FIRM WILL FILE A FORM BDW WITH NEVADA WITHIN THIRTY(30) DAYS FROM THE ENTRY OF THIS ORDER, AND AT SUCH TIME WILL CEASE AMY AM ALL OPERATAIONS IN THE STATE OF NEVADA. FIRM WILL BE PROHIBITED FROM RE-APPLYING FOR LICENSING AS A BROKER-DEALER IN THE STATE OF NEVADA FOR A PERIOD OF TWO YEARS.

FOR PURPOSES OF THIS SUBSECTION, RESPONDENT INCLUDES ANY CURRENT OR FUTURE BROKER-DEALER FIRM, IN WHICH THE CURRENT PARTNERS, OFFICERS, DIRECTORS, OR PERSONS OCCUPYING A SIMILAR STATUS OR DIRECTLY OR INDIRECTLY CONTROLLING THE RESPONDENT AT THE DATE OF THE ENTRY OF THIS ORDER, ARE ALSO IN A POSITION AS A PARTNER, OFFICER, DIRECTOR, OR PERSON OCCUPYING A SIMILAR STATUS OR DIRECTLY OR INDIRECTLY CONTROLLING THE BROKER-DEALER.



FEE FOR INSPECTIONS OF RECORDS - \$1.000

**Sanction Details:**

ALL FEES HAVE BEEN PAID IN FULL. FIRM HAS 30 DAYS TO FILE FORM BDW WITH DIVISION; FIRM WILL BE PROHIBITED FROM RE-APPLYING FOR LICENSING AS A BROKER-DEALER IN THE STATE OF NEVADA FOR A PERIOD OF TWO YEARS.

**Disclosure 4 of 7**

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:** NASD RULES 1120 AND 2110 - RESPONDENT MEMBER PERMITTED INDIVIDUALS TO RECEIVE COMMISSION BASED COMPENSATION WHILE THEIR REGISTRATION STATUS WITH NASD WERE INACTIVE DUE TO THEIR FAILURE TO TIMELY COMPLETE THE REGULATORY ELEMENT OF NASD'S CONTINUING EDUCATION REQUIREMENT.

**Initiated By:** NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

**Date Initiated:** 10/14/2002

**Docket/Case Number:** C8A020076

**Principal Product Type:** No Product

**Other Product Type(s):**

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

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

**Resolution:** Decision & Order of Offer of Settlement

**Resolution Date:** 11/19/2002

**Sanctions Ordered:** Monetary/Fine \$2,500.00

**Other Sanctions Ordered:**

**Sanction Details:** IT IS ORDERED THAT RESPONDENT BE FINED \$2,500.

**Regulator Statement** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE RESPONDENT MEMBER CONSENTED TO THE DESCRIBED SANCTIONS AND FINDINGS.

**Reporting Source:** Firm

**Current Status:** Final



<b>Allegations:</b>	PERMITTING INDIVIDUALS TO RECEIVE COMMISSION BASED COMPENSATION WHILE THEIR REGISTRATIONS WERE CE INACTIVE FOR FAILING TO COMPLETE CONTINUING EDUCATION REQUIREMENT.
<b>Initiated By:</b>	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
<b>Date Initiated:</b>	10/14/2002
<b>Docket/Case Number:</b>	C8A020076
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Other
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Decision & Order of Offer of Settlement
<b>Resolution Date:</b>	11/19/2002
<b>Sanctions Ordered:</b>	Monetary/Fine \$2,500.00
<b>Other Sanctions Ordered:</b>	NONE
<b>Sanction Details:</b>	PAVEK INVESTMENTS, INC. PAID A FINE OF \$2,500.00.
<b>Firm Statement</b>	FOUR REGISTERED REPRESENTATIVES RECEIVED TRAILING COMMISSIONS FROM PRIOR MUTUAL FUND SALES WHILE THEY WERE CE INACTIVE. NO ADDITIONAL SECURITIES ACTIVITY OCCURED DURING THEIR CE INACTIVE TIMEFRAME.

#### Disclosure 5 of 7

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	ON OR ABOUT 5/18/88, A LICENSED AGENT, ON BEHALF OF RESPONDENT, OFFERED AND SOLD AN UNREGISTERED SECURITY IN WI TO ONE CUSTOMER IN WI.
<b>Initiated By:</b>	WI SEC
<b>Date Initiated:</b>	10/02/1990
<b>Docket/Case Number:</b>	X-90056(L)
<b>URL for Regulatory Action:</b>	





**Principal Product Type:**

**Other Product Type(s):**

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

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

**Resolution:** Consent

**Resolution Date:** 10/02/1990

**Sanctions Ordered:** Censure

**Other Sanctions Ordered:**

**Sanction Details:** CONSENT ORDER OF CENSURE

**Regulator Statement** SEE ALLEGATIONS

---

**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** ONE AGENT SOLD ONE UNREGISTERED SECURITIES TO ONE CLIENT ,AGENT NOT CITED ,FIRM WAS CITED FOR NOT CHECKING THAT SECURITY WITH THE STATE COMMISSIONERS OFC.

**Initiated By:** WISCONSIN COMMISSIONER OF SECURITIES

**Date Initiated:** 05/18/1988

**Docket/Case Number:** X-90056 [L]

**Principal Product Type:** Equity - OTC

**Other Product Type(s):**

**Principal Sanction(s)/Relief Sought:** Censure

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

**Resolution:** Consent

**Resolution Date:** 10/02/1990

**Sanctions Ordered:** Censure

**Other Sanctions Ordered:**



**Sanction Details:** WE ACCEPTED THE SENSURE. END OF STORY

---

#### Disclosure 6 of 7

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:** ALLEGATIONS ARE THAT RESPONDENT FAILED TO TIMELY FILE REQUIRED FINANCIAL DOCUMENTS WITH THE SECRETARY OF STATE.

**Initiated By:** ILLINOIS

**Date Initiated:** 03/20/1989

**Docket/Case Number:** H8900065

**URL for Regulatory Action:**

**Principal Product Type:** No Product

**Other Product Type(s):**

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

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

**Resolution:** Consent

**Resolution Date:** 07/14/1989

**Sanctions Ordered:** Monetary/Fine \$500.00

**Other Sanctions Ordered:**

**Sanction Details:** ILLINOIS HAS ISSUED A NOTICE OF HEARING TO DETERMINE WHETHER AN ORDER OF CENSURE SHOULD BE IMPOSED AGAINST RESPONDENT PAVEK INVESTMENTS, INC. HEARING DATE IS SET FOR MAY 17, 1989. DOCKET/CASE #H8900065, DATED MARCH 20, 1989. BY MEANS OF STIPULATION, ILLINOIS HAS ENTERED A CONSENT ORDER AGAINST RESPONDENT. FINDINGS OF FACT AND CONCLUSIONS OF LAW ARE THAT RESPONDENT FAILED TO TIMELY FILE A REQUIRED FINANCIAL DOCUMENT WITH THE SECRETARY OF STATE THEREBY VIOLATING SECTION 12.D OF THE ILLINOIS SECURITIES LAW OF 1953, AS AMENDED. AN ADMINISTRATIVE FINE OF \$500.00 HAS BEEN ASSESSED. DOCKET/CASE NO. H8900065, DATED 7/14/89.

---

**Reporting Source:** Firm



<b>Current Status:</b>	Final
<b>Allegations:</b>	LATE FILING OF YEAR END AUDITED REPORT
<b>Initiated By:</b>	SECURITIES DEPT STATE OF ILLINOIS
<b>Date Initiated:</b>	03/20/1989
<b>Docket/Case Number:</b>	H-890065
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Settled
<b>Resolution Date:</b>	07/14/1989
<b>Sanctions Ordered:</b>	Monetary/Fine \$500.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	FINE PAID IN FULL, END OF STORY

---

#### Disclosure 7 of 7

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	
<b>Initiated By:</b>	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
<b>Date Initiated:</b>	10/21/1988
<b>Docket/Case Number:</b>	CHI-1036-AWC
<b>Principal Product Type:</b>	
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	
<b>Other Sanction(s)/Relief Sought:</b>	



**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 10/21/1988

**Sanctions Ordered:** Monetary/Fine \$250.00

**Other Sanctions Ordered:**

**Sanction Details:**

**Regulator Statement** ON OCTOBER 21, 1988, THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. CHI-1036-AWC (DISTRICT NO. 8) SUBMITTED BY RESPONDENTS PAVEK INVESTMENTS, INC. AND DOUGLAS PAVEK WAS ACCEPTED; THEREFORE, THEY ARE FINED \$250.00, JOINTLY AND SEVERALLY (ARTICLE III, SECTION 1 OF THE RULES OF FAIR PRACTICE - FILED THE APRIL, 1988 MONTH-END FOCUS I REPORT SIX (6) CALENDAR DAYS LATE).

\$250 PAID J&S 3/23/89 - DEPOSIT #592

---

**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** SIX DAYS LATE FILING FOCUS REPORT FOR JULY 87 DUE TO DELAY IN MAIL DELIVERY

**Initiated By:** NASD

**Date Initiated:** 06/06/1988

**Docket/Case Number:** CHI-1036-AWC

**Principal Product Type:** No Product

**Other Product Type(s):**

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

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

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 06/09/1988

**Sanctions Ordered:** Monetary/Fine \$250.00

**Other Sanctions Ordered:**

**Sanction Details:** THE FIRM ACCEPTED THE AWC AND PAID A FINE OF \$250.00 ON 6/9/88.



**Firm Statement**

THE U S POST OFC DETERMINED THAT THIS REPORT WENT THRU THEIR MAILING 3 TIMES BEFORE IT WAS DELIVERED, BUT NOT BACK TO US.



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

Disclosure 1 of 1

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-OMISSION OF FACTS; ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-FAILURE TO SUPERVISE
Arbitration Forum:	FINRA
Case Initiated:	01/13/2009
Case Number:	<a href="#">08-04952</a>
Disputed Product Type:	NO OTHER TYPE OF SEC INVOLVE; OTHER TYPES OF SECURITIES
Sum of All Relief Requested:	\$2,200,000.00
Disposition:	AWARD AGAINST PARTY
Disposition Date:	10/01/2012
Sum of All Relief Awarded:	\$800,000.00

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

**End of Report**



**This page is intentionally left blank.**