

BrokerCheck Report

HALIFAX AMERICA LLC

CRD# 172567

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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.



HALIFAX AMERICA LLC

CRD# 172567

SEC# 8-69511

Main Office Location

5900 SEPULVEDA BLVD #304
SHERMAN OAKS, CA 91411
Regulated by FINRA Los Angeles Office

Mailing Address

5900 SEPULVEDA BLVD #304
SHERMAN OAKS, CA 91411

Business Telephone Number

888-240-7099

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 05/29/2012.
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 firm is registered with:

- the SEC
- 1 Self-Regulatory Organization
- 28 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 4 types of businesses.

This firm is not affiliated with any financial or investment institutions.

This firm has referral or financial arrangements with other brokers or dealers.

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	2



Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Delaware on 05/29/2012.

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.

HALIFAX AMERICA LLC

Doing business as HALIFAX AMERICA LLC

CRD# 172567

SEC# 8-69511

Main Office Location

5900 SEPULVEDA BLVD #304
SHERMAN OAKS, CA 91411

Regulated by FINRA Los Angeles Office

Mailing Address

5900 SEPULVEDA BLVD #304
SHERMAN OAKS, CA 91411

Business Telephone Number

888-240-7099



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):	BRADY, DEVIN DANIEL 3041139
Is this a domestic or foreign entity or an individual?	Individual
Position	CEO,CCO,AMLCO,FINOP
Position Start Date	05/2012
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):	VARTANIAN, JOSEPH NUBAR 4262139
Is this a domestic or foreign entity or an individual?	Individual
Position	EXECUTIVE OFFICER / OPERATION AND COMPLIANCE MANAGER
Position Start Date	11/2019
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

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 currently registered with the SEC, 1 SRO and 28 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	05/28/2015

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: No

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	05/28/2015

Firm Operations



Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	08/10/2016
Arizona	Approved	01/24/2017
Arkansas	Approved	09/04/2018
California	Approved	06/22/2015
Florida	Approved	07/17/2015
Georgia	Approved	07/22/2015
Idaho	Approved	07/21/2015
Illinois	Approved	08/20/2015
Indiana	Approved	10/06/2016
Kentucky	Approved	06/24/2015
Michigan	Approved	03/13/2017
Minnesota	Approved	07/21/2015
Mississippi	Approved	08/25/2015
Nevada	Approved	07/23/2015
New Jersey	Approved	10/21/2016
New Mexico	Approved	11/07/2016
New York	Approved	07/31/2015
North Carolina	Approved	07/31/2015
Ohio	Approved	07/14/2015
Oregon	Approved	01/11/2018
Pennsylvania	Approved	06/22/2015
Rhode Island	Approved	03/05/2020
South Carolina	Approved	10/19/2015
Tennessee	Approved	10/18/2016
Texas	Approved	08/06/2015
Virginia	Approved	08/07/2015
Washington	Approved	06/24/2015
Wisconsin	Approved	08/19/2015

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 4 types of businesses.

Types of Business

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

Mutual fund retailer

Put and call broker or dealer or option writer

Non-exchange member arranging for transactions in listed securities by exchange member

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:	INTERACTIVE BROKERS LLC
CRD #:	36418
Business Address:	8 GREENWICH OFFICE PARK GREENWICH, CT 06831
Effective Date:	08/11/2014
Description:	MEMBER OPERATES UNDER A FULLY-DISCLOSED CLEARING AGREEMENT WITH INTERACTIVE BROKERS LLC. PURSUANT TO THE (K)(2)(II) EXEMPTIVE PROVISIONS OF THE SEC RULE 15C3-3 AND WILL NOT HOLD CUSTOMER FUNDS OR SECURITIES. THE DATE ENTERED IN THE EFFECTIVE DATE FIELD IS NOT THE DATE THE CLEARING AGREEMENT WAS ENTERED INTO. INTERACTIVE BROKERS LLC WILL NOT SIGN THE AGREEMENT UNTIL THE FIRM IS APPROVED FOR MEMBERSHIP BY THE FINRA. THE ABOVE DATE REPRESENTS THE DATE THAT THE LOI WAS SIGNED.

Firm Operations

Industry Arrangements



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

Name: INTERACTIVE BROKERS LLC

CRD #: 36418

Business Address: 8 GREENWICH OFFICE PARK
GREENWICH, CT 06831

Effective Date: 08/11/2014

Description: MEMBER OPERATES UNDER A FULLY-DISCLOSED CLEARING AGREEMENT WITH INTERACTIVE BROKERS LLC. PURSUANT TO THE (K)(2)(II) EXEMPTIVE PROVISIONS OF THE SEC RULE 15C3-3 AND WILL NOT HOLD CUSTOMER FUNDS OR SECURITIES. THE DATE ENTERED IN THE EFFECTIVE DATE FIELD IS NOT THE DATE THE CLEARING AGREEMENT WAS ENTERED INTO. INTERACTIVE BROKERS LLC WILL NOT SIGN THE AGREEMENT UNTIL THE FIRM IS APPROVED FOR MEMBERSHIP BY THE FINRA. THE ABOVE DATE REPRESENTS THE DATE THAT THE LOI WAS SIGNED.

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

Name: INTERACTIVE BROKERS LLC

CRD #: 36418

Business Address: 8 GREENWICH OFFICE PARK
GREENWICH, CT 06831

Effective Date: 08/11/2014

Description: MEMBER OPERATES UNDER A FULLY-DISCLOSED CLEARING AGREEMENT WITH INTERACTIVE BROKERS LLC. PURSUANT TO THE (K)(2)(II) EXEMPTIVE PROVISIONS OF THE SEC RULE 15C3-3 AND WILL NOT HOLD CUSTOMER FUNDS OR SECURITIES. THE DATE ENTERED IN THE EFFECTIVE DATE FIELD IS NOT THE DATE THE CLEARING AGREEMENT WAS ENTERED INTO. INTERACTIVE BROKERS LLC WILL NOT SIGN THE AGREEMENT UNTIL THE FIRM IS APPROVED FOR MEMBERSHIP BY THE FINRA. THE ABOVE DATE REPRESENTS THE DATE THAT THE LOI WAS SIGNED.

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

Name: INTERACTIVE BROKERS LLC

CRD #: 36418

Business Address: 8 GREENWICH OFFICE PARK

Firm Operations



Industry Arrangements (continued)

GREENWICH, CT 06831

Effective Date:

08/11/2014

Description:

MEMBER OPERATES UNDER A FULLY-DISCLOSED CLEARING AGREEMENT WITH INTERACTIVE BROKERS LLC. PURSUANT TO THE (K)(2)(II) EXEMPTIVE PROVISIONS OF THE SEC RULE 15C3-3 AND WILL NOT HOLD CUSTOMER FUNDS OR SECURITIES. THE DATE ENTERED IN THE EFFECTIVE DATE FIELD IS NOT THE DATE THE CLEARING AGREEMENT WAS ENTERED INTO. INTERACTIVE BROKERS LLC WILL NOT SIGN THE AGREEMENT UNTIL THE FIRM IS APPROVED FOR MEMBERSHIP BY THE FINRA. THE ABOVE DATE REPRESENTS THE DATE THAT THE LOI WAS SIGNED.

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 not, 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.**

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	2	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 2

Reporting Source: Regulator

Current Status: Final



Allegations:	ON SEPTEMBER 27, 2021, THE NFA'S BUSINESS CONDUCT COMMITTEE (BCC) ISSUED A COMPLAINT AGAINST HALIFAX AMERICA LLC (HALIFAX), DEVIN D. BRADY AND HARMIK IRANOSSIAN. HAVING REVIEWED THE INVESTIGATIVE REPORT SUBMITTED BY THE COMPLIANCE DEPARTMENT OF NATIONAL FUTURES ASSOCIATION (NFA) AND HAVING FOUND REASON TO BELIEVE THAT NFA REQUIREMENTS ARE BEING, HAVE BEEN, OR ARE ABOUT TO BE VIOLATED AND THAT THE MATTER SHOULD BE ADJUDICATED, THIS COMMITTEE ISSUES THIS COMPLAINT AGAINST HALIFAX, DEVIN D. BRADY AND HARMIK IRANOSSIAN. THE COMPLAINT ALLEGES THAT THE FIRM FAILED TO UPHOLD JUST AND EQUITABLE PRINCIPLES OF TRADE AND CONDUCTED BUSINESS WITH A SUSPENDED ASSOCIATE IN VIOLATION OF NFA COMPLIANCE RULES 2-4 AND 2-6; AND FAILED TO ADEQUATELY SUPERVISE THE FIRM'S OPERATIONS AND EMPLOYEES IN VIOLATION OF NFA COMPLIANCE RULE 2-9(A).
Initiated By:	NATIONAL FUTURES ASSOCIATION
Date Initiated:	09/27/2021
Docket/Case Number:	21-BCC-012
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Decision
Resolution Date:	12/22/2021
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:	Bar
Other Sanctions Ordered:	
Sanction Details:	THE FIRM SHALL NOT REAPPLY FOR NFA MEMBERSHIP OR BE LISTED OR ACT AS A PRINCIPAL OF ANY NFA MEMBER AT ANY TIME IN THE FUTURE.
Regulator Statement	ON DECEMBER 7, 2021, NFA'S BUSINESS CONDUCT COMMITTEE ISSUED A DECISION ACCEPTING THE FIRM'S SETTLEMENT OFFER AND ORDERED THE FIRM TO NOT REAPPLY FOR NFA MEMBERSHIP OR BE LISTED OR ACT



AS A PRINCIPAL OF ANY NFA MEMBER AT ANY TIME IN THE FUTURE. THE DECISION BECAME FINAL ON DECEMBER 22, 2021.

Reporting Source:	Firm
Current Status:	Final
Allegations:	ON SEPTEMBER 27, 2021 THE NFA'S BUSINESS CONDUCT COMMITTEE ISSUED A COMPLAINT AGAINST HALIFAX AMERICA, DEVIN D. BRADY, AND HARMICK IRANOSSIAN. THE COMPLAINT ALLEGES THAT THE FIRM VIOLATED NFA COMPLIANCE RULES 2-4 AND 2-6, AND FAILED TO ADEQUATELY SUPERVISE THE FIRM'S OPERATIONS AND EMPLOYEES IN VIOLATION OF NFA COMPLIANCE RULE 2-9(A).
Initiated By:	NATIONAL FUTURES ASSOCIATION
Date Initiated:	09/27/2021
Docket/Case Number:	21-BCC-012
Principal Product Type:	Futures - Commodity
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	PENDING NFA COMPLIANT BY THE BUSINESS CONDUCT COMMITTEE.
Resolution:	Decision
Resolution Date:	12/22/2021
Sanctions Ordered:	Bar
Other Sanctions Ordered:	
Sanction Details:	THE FIRM SHALL NOT REAPPLY FOR NFA MEMBERSHIP OR BE LISTED OR ACT AS A PRINCIPAL OF ANY NFA MEMBER AT ANY TIME IN THE FUTURE.

Disclosure 2 of 2

Reporting Source:	Regulator
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT MADE MISLEADING STATEMENTS TO FINRA IN CONNECTION WITH ITS APPLICATION FOR REGISTRATION AS A NEW FINRA MEMBER. THE FINDING



STATED THAT DESPITE THE FIRM'S REPRESENTATION TO FINRA THAT IT DID NOT INTEND TO CONDUCT BUSINESS ACTIVITIES WITH ANY OF ITS AFFILIATES, THE FIRM KNEW THAT IT INTENDED TO RELY UPON, AND HAD MADE ARRANGEMENTS FOR, AN AFFILIATE ENTITY TO SOLICIT AND REFER PROSPECTIVE CUSTOMERS TO THE FIRM IN EXCHANGE FOR COMPENSATION. FURTHER, THE FIRM RELIED UPON THAT AFFILIATE ENTITY TO SOLICIT PROSPECTIVE CUSTOMERS. THE FINDINGS ALSO STATED THAT THE FIRM PERMITTED AN UNREGISTERED PERSON TO ENGAGE IN SECURITIES ACTIVITIES REQUIRING REGISTRATION. BASED ON AN ARRANGEMENT BETWEEN THE FIRM AND THE UNREGISTERED AFFILIATE ENTITY, IT AGREED TO PAY THE UNREGISTERED AFFILIATE ENTITY 90 PERCENT OF THE COMMISSIONS IT RECEIVED FROM ACCOUNTS OPENED THROUGH INTRODUCTIONS MADE BY THE UNREGISTERED INDIVIDUAL. IN ACCORDANCE WITH THAT ARRANGEMENT, THE FIRM MADE PAYMENTS TO THE UNREGISTERED AFFILIATE ENTITY TOTALING APPROXIMATELY \$4,460. THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE A SUPERVISORY SYSTEM, INCLUDING WSPS, REASONABLY DESIGNED TO REVIEW THE TRADING ACTIVITY IN CUSTOMER ACCOUNTS. THE FIRM DID NOT CONDUCT QUARTERLY REVIEWS OF TRANSACTIONS FOR SUITABILITY, EXCESSIVE TRADING, AND EXCESSIVE COMMISSIONS AS REQUIRED BY ITS WSPS. FINRA FOUND THAT THE FIRM FAILED TO ESTABLISH, DOCUMENT, AND MAINTAIN A REASONABLE CUSTOMER IDENTIFICATION PROGRAM (CIP). THE FIRM INTENDED TO RELY ON ITS CLEARING FIRM TO MAINTAIN A CIP ON ITS BEHALF. HOWEVER, IT WAS REQUIRED BY THE BANK SECRECY ACT'S IMPLEMENTING REGULATIONS TO RECEIVE AN ANNUAL CERTIFICATION FROM THE CLEARING FIRM THAT IT WOULD DO SO. THE FIRM DID NOT RECEIVE SUCH A CERTIFICATION AND, AS A RESULT, WAS REQUIRED TO ESTABLISH, DOCUMENT, AND MAINTAIN A CIP INDEPENDENTLY, HOWEVER IT FAILED TO DO SO. AS A RESULT, THE FIRM DID NOT CONDUCT REASONABLE VERIFICATION OF ITS CUSTOMERS' IDENTITIES.

Initiated By:	FINRA
Date Initiated:	03/06/2019
Docket/Case Number:	2015045780901
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A



Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/06/2019
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:	Censure Monetary/Fine \$60,000.00
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS CENSURED AND FINED \$60,000. FINE PAID IN FULL ON MARCH 29, 2022.
<hr/>	
Reporting Source:	Firm
Current Status:	Final
Allegations:	<p>WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT MADE MISLEADING STATEMENTS TO FINRA IN CONNECTION WITH ITS APPLICATION FOR REGISTRATION AS A NEW FINRA MEMBER. THE FINDING STATED THAT DESPITE THE FIRM'S REPRESENTATION TO FINRA THAT IT DID NOT INTEND TO CONDUCT BUSINESS ACTIVITIES WITH ANY OF ITS AFFILIATES, THE FIRM KNEW THAT IT INTENDED TO RELY UPON, AND HAD MADE ARRANGEMENTS FOR, AN AFFILIATE ENTITY TO SOLICIT AND REFER PROSPECTIVE CUSTOMERS TO THE FIRM IN EXCHANGE FOR COMPENSATION. FURTHER, THE FIRM RELIED UPON THAT AFFILIATE ENTITY TO SOLICIT PROSPECTIVE CUSTOMERS. THE FINDINGS ALSO STATED THAT THE FIRM PERMITTED AN UNREGISTERED PERSON TO ENGAGE IN SECURITIES ACTIVITIES REQUIRING REGISTRATION. BASED ON AN ARRANGEMENT BETWEEN THE FIRM AND THE UNREGISTERED AFFILIATE ENTITY, IT AGREED TO PAY THE UNREGISTERED AFFILIATE ENTITY 90 PERCENT OF THE COMMISSIONS IT RECEIVED FROM ACCOUNTS OPENED THROUGH INTRODUCTIONS MADE BY THE UNREGISTERED INDIVIDUAL. IN ACCORDANCE WITH THAT ARRANGEMENT, THE FIRM MADE PAYMENTS TO THE UNREGISTERED AFFILIATE ENTITY TOTALING APPROXIMATELY \$4,460. THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE A SUPERVISORY SYSTEM, INCLUDING WSPS, REASONABLY DESIGNED TO REVIEW THE TRADING ACTIVITY IN CUSTOMER ACCOUNTS. THE FIRM DID NOT</p>



CONDUCT QUARTERLY REVIEWS OF TRANSACTIONS FOR SUITABILITY, EXCESSIVE TRADING, AND EXCESSIVE COMMISSIONS AS REQUIRED BY ITS WSPS. FINRA FOUND THAT THE FIRM FAILED TO ESTABLISH, DOCUMENT, AND MAINTAIN A REASONABLE CUSTOMER IDENTIFICATION PROGRAM (CIP). THE FIRM INTENDED TO RELY ON ITS CLEARING FIRM TO MAINTAIN A CIP ON ITS BEHALF. HOWEVER, IT WAS REQUIRED BY THE BANK SECRECY ACT'S IMPLEMENTING REGULATIONS TO RECEIVE AN ANNUAL CERTIFICATION FROM THE CLEARING FIRM THAT IT WOULD DO SO. THE FIRM DID NOT RECEIVE SUCH A CERTIFICATION AND, AS A RESULT, WAS REQUIRED TO ESTABLISH, DOCUMENT, AND MAINTAIN A CIP INDEPENDENTLY, HOWEVER IT FAILED TO DO SO. AS A RESULT, THE FIRM DID NOT CONDUCT REASONABLE VERIFICATION OF ITS CUSTOMERS' IDENTITIES.

Initiated By:	FINRA
Date Initiated:	03/06/2019
Docket/Case Number:	2015045780901
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/06/2019
Sanctions Ordered:	Censure Monetary/Fine \$60,000.00
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS CENSURED AND FINED \$60,000.

End of Report



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