

BrokerCheck Report
NBC SECURITIES, INC.
 CRD# 17870

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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.



NBC SECURITIES, INC.

CRD# 17870

SEC# 8-35870

Main Office Location

1927 1ST AVENUE NORTH
BIRMINGHAM, AL 35203-0686
Regulated by FINRA New Orleans Office

Mailing Address

1927 1ST AVENUE NORTH
BIRMINGHAM, AL 35203-0686

Business Telephone Number

800-521-9390

This firm is a brokerage firm and an investment adviser firm. For more information about investment adviser firms, visit the SEC's Investment Adviser Public Disclosure website at:

<https://www.adviserinfo.sec.gov>

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 Alabama on 03/13/1986.

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
- 51 U.S. states and territories

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

This firm conducts 12 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 | 6 |



Firm Profile

This firm is classified as a corporation.

This firm was formed in Alabama on 03/13/1986.

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.

NBC SECURITIES, INC.

Doing business as NBC SECURITIES, INC.

CRD# 17870

SEC# 8-35870

Main Office Location

1927 1ST AVENUE NORTH
BIRMINGHAM, AL 35203-0686

Regulated by FINRA New Orleans Office

Mailing Address

1927 1ST AVENUE NORTH
BIRMINGHAM, AL 35203-0686

Business Telephone Number

800-521-9390



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): NBCS HOLDINGS, L.P.

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

Position SHAREHOLDER

Position Start Date 06/2010

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

Legal Name & CRD# (if any): CONWAY, PAMELA KOHSER

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

Position VICE PRESIDENT

Position Start Date 08/1995

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): DOODY, JOHN ROBERT JR
1703990

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

Position PRESIDENT AND CEO

Position Start Date 04/2021

Percentage of Ownership Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

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

Is this a public reporting company? No

Legal Name & CRD# (if any): ELDER, DOUG JAMES
2358111

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

Position SVP - SALES MANAGER

Position Start Date 07/2010

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

Legal Name & CRD# (if any): FALKENBURG, FRANK BENNER
204097

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

Position MANAGING DIRECTOR

Position Start Date 06/2010

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

Legal Name & CRD# (if any): WILKINS, JEFFERY SCOTT
3154639

Firm Profile



Direct Owners and Executive Officers (continued)

| | |
|--|--|
| Is this a domestic or foreign entity or an individual? | Individual |
| Position | VICE PRESIDENT, CHIEF COMPLIANCE OFFICER |
| Position Start Date | 06/2004 |
| 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): | FALKENBURG, FRANK BENNER 204097 |
| Is this a domestic or foreign entity or an individual? | Individual |
| Company through which indirect ownership is established | NBCS HOLDINGS, L.P. |
| Relationship to Direct Owner | GENERAL PARTNER/LIMITED PARTNER |
| Relationship Established | 06/2010 |
| 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 currently registered with the SEC, 1 SRO and 51 U.S. states and territories.

| Federal Regulator | Status | Date Effective |
|-------------------|----------|----------------|
| SEC | Approved | 05/16/1986 |

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: Yes

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 | 06/16/1986 |



Firm Operations

Registrations (continued)

| U.S. States & Territories | Status | Date Effective |
|---------------------------|----------|----------------|
| Alabama | Approved | 05/26/1986 |
| Alaska | Approved | 08/23/2000 |
| Arizona | Approved | 05/19/2000 |
| Arkansas | Approved | 08/30/2000 |
| California | Approved | 07/12/1995 |
| Colorado | Approved | 10/06/1995 |
| Connecticut | Approved | 01/27/1999 |
| Delaware | Approved | 12/13/2000 |
| District of Columbia | Approved | 07/01/1995 |
| Florida | Approved | 07/24/1995 |
| Georgia | Approved | 07/07/1995 |
| Hawaii | Approved | 01/25/2001 |
| Idaho | Approved | 11/27/2000 |
| Illinois | Approved | 03/07/1997 |
| Indiana | Approved | 11/22/2000 |
| Iowa | Approved | 02/23/1999 |
| Kansas | Approved | 01/07/2001 |
| Kentucky | Approved | 07/20/1995 |
| Louisiana | Approved | 07/18/1995 |
| Maine | Approved | 11/13/2000 |
| Maryland | Approved | 03/10/2000 |
| Massachusetts | Approved | 04/07/2000 |
| Michigan | Approved | 01/09/1996 |
| Minnesota | Approved | 04/11/2000 |
| Mississippi | Approved | 08/17/1995 |
| Missouri | Approved | 03/09/2001 |
| Montana | Approved | 08/22/2000 |
| Nebraska | Approved | 08/25/2000 |
| Nevada | Approved | 07/10/1995 |
| New Hampshire | Approved | 06/17/1998 |
| New Jersey | Approved | 05/09/1997 |
| New Mexico | Approved | 04/20/2000 |
| New York | Approved | 04/21/1998 |

| U.S. States & Territories | Status | Date Effective |
|---------------------------|----------|----------------|
| North Carolina | Approved | 06/26/1995 |
| North Dakota | Approved | 12/13/2000 |
| Ohio | Approved | 06/01/1998 |
| Oklahoma | Approved | 08/18/2000 |
| Oregon | Approved | 07/13/2000 |
| Pennsylvania | Approved | 06/30/1995 |
| Rhode Island | Approved | 01/03/1996 |
| South Carolina | Approved | 07/07/1995 |
| South Dakota | Approved | 11/16/2000 |
| Tennessee | Approved | 07/14/1995 |
| Texas | Approved | 08/02/1995 |
| Utah | Approved | 11/16/2000 |
| Vermont | Approved | 02/23/2001 |
| Virginia | Approved | 08/14/1995 |
| Washington | Approved | 09/20/1995 |
| West Virginia | Approved | 12/02/1998 |
| Wisconsin | Approved | 04/15/1998 |
| Wyoming | Approved | 11/29/2000 |



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 12 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 |
| Solicitor of time deposits in a financial institution |
| Put and call broker or dealer or option writer |
| Investment advisory services |
| Broker or dealer selling tax shelters or limited partnerships in the secondary market |
| Private placements of securities |
| Broker or dealer involved in a networking, kiosk or similar arrangement with a: bank, savings bank or association, or credit union |

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: | RBC CAPITAL MARKETS, LLC |
| CRD #: | 31194 |
| Business Address: | 60 SOUTH 6TH STREET MINNEAPOLIS, MN 55402 |
| Effective Date: | 05/20/2009 |
| Description: | RBC CAPITAL MARKETS, LLC SERVES AS CLEARING BROKER FOR NBC SECURITIES, INC. |

Firm Operations

Industry Arrangements



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

Name: RBC CAPITAL MARKETS, LLC
CRD #: 31194
Business Address: 60 SOUTH 6TH STREET
MINNEAPOLIS, MN 55402
Effective Date: 05/20/2009
Description: RBC CAPITAL MARKETS, LLC SERVES AS CLEARING BROKER FOR NBC SECURITIES, INC.

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

Name: RBC CAPITAL MARKETS, LLC
CRD #: 31194
Business Address: 60 SOUTH 6TH STREET
MINNEAPOLIS, MN 55402
Effective Date: 05/20/2009
Description: RBC CAPITAL MARKETS, LLC SERVES AS CLEARING BROKER FOR NBC SECURITIES, INC.

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

Name: RBC CAPITAL MARKETS, LLC
CRD #: 31194
Business Address: 60 SIXTH STREET
MINNEAPOLIS, MN 55402
Effective Date: 05/20/2009
Description: RBC CAPITAL MARKETS, LLC SERVES AS CLEARING BROKER FOR NBC SECURITIES, INC.

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 | 6 | 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 6

Reporting Source: Regulator

Current Status: Final



| | |
|---|---|
| Allegations: | IA RELEASE 5172, MARCH 11, 2019: THE SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE INSTITUTED AGAINST NBC SECURITIES, INC. ("RESPONDENT"). ON THE BASIS OF THIS ORDER AND RESPONDENT'S OFFER, THE COMMISSION FINDS THAT THESE PROCEEDINGS ARISE OUT OF BREACHES OF FIDUCIARY DUTY AND INADEQUATE DISCLOSURES BY THE RESPONDENT IN CONNECTION WITH ITS MUTUAL FUND SHARE CLASS SELECTION PRACTICES AND THE FEES IT RECEIVED. AT TIMES DURING THE RELEVANT PERIOD, RESPONDENT PURCHASED, RECOMMENDED, OR HELD FOR ADVISORY CLIENTS MUTUAL FUND SHARE CLASSES THAT CHARGED 12B-1 FEES INSTEAD OF LOWER-COST SHARE CLASSES OF THE SAME FUNDS FOR WHICH THE CLIENTS WERE ELIGIBLE. RESPONDENT RECEIVED 12B-1 FEES IN CONNECTION WITH THESE INVESTMENTS. RESPONDENT FAILED TO DISCLOSE IN ITS FORM ADV OR OTHERWISE THE CONFLICTS OF INTEREST RELATED TO (A) ITS RECEIPT OF 12B-1 FEES, AND/OR (B) ITS SELECTION OF MUTUAL FUND SHARE CLASSES THAT PAY SUCH FEES. DURING THE RELEVANT PERIOD, RESPONDENT RECEIVED 12B-1 FEES FOR ADVISING CLIENTS TO INVEST IN OR HOLD SUCH MUTUAL FUND SHARE CLASSES. AS A RESULT OF THE CONDUCT, RESPONDENT WILLFULLY VIOLATED SECTIONS 206(2) AND 207 OF THE ADVISERS ACT. |
| Initiated By: | UNITED STATES SECURITIES AND EXCHANGE COMMISSION |
| Date Initiated: | 03/11/2019 |
| Docket/Case Number: | 3-19075 |
| Principal Product Type: | Mutual Fund(s) |
| Other Product Type(s): | |
| Principal Sanction(s)/Relief Sought: | |
| Other Sanction(s)/Relief Sought: | N/A |
| Resolution: | Order |
| Resolution Date: | 03/11/2019 |
| 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: | Censure |



Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions Ordered:

UNDERTAKINGS AND PREJUDGMENT INTEREST

Sanction Details:

THE RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTIONS 206(2) AND 207 OF THE ADVISERS ACT. RESPONDENT IS CENSURED, SHALL PAY DISGORGEMENT OF \$393,491.51 AND PREJUDGMENT INTEREST OF \$32,628.32, AND SHALL COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT.

Regulator Statement

RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. IN VIEW OF THE FOREGOING, THE COMMISSION DEEMS IT APPROPRIATE IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN THE RESPONDENT'S OFFER. RESPONDENT SELF-REPORTED TO THE COMMISSION THE VIOLATIONS DISCUSSED IN THIS ORDER PURSUANT TO THE DIVISION OF ENFORCEMENT'S SHARE CLASS SELECTION DISCLOSURE INITIATIVE ("SCSD INITIATIVE"). ACCORDINGLY, THIS ORDER AND RESPONDENT'S OFFER ARE BASED ON THE INFORMATION SELF-REPORTED BY RESPONDENT.

Reporting Source:

Firm

Current Status:

Final

Allegations:

INADEQUATE DISCLOSURES CONCERNING MUTUAL FUND INVESTMENTS

Initiated By:

SECURITIES EXCHANGE COMMISSION

Date Initiated:

03/11/2019

Docket/Case Number:

3-19075

Principal Product Type:

Mutual Fund(s)

Other Product Type(s):**Principal Sanction(s)/Relief Sought:**

Disgorgement

Other Sanction(s)/Relief Sought:

CEASE AND DESIST
CENSURE

Resolution:

Decision & Order of Offer of Settlement

Resolution Date:

03/11/2019

Sanctions Ordered:

Censure



Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions Ordered:

Sanction Details:

DISGORGEMENT AND PREJUDGEMENT INTEREST TOTALED \$426,119.83 WAS LEVIED AGAINST APPLICANT. PAID JUNE 8, 2018.

Firm Statement

FIRM VOLUNTARILY PARTICIPATED IN THE SEC SHARE CLASS SELECTION DISCLOSURE INITIATIVE. FIRM HAS MET ALL CONDITIONS SET FORTH IN THE ACTION. FIRM DISGORGED CERTAIN 12B-1 FEES RECEIVED DURING THE PRESCRIBED PERIOD TO EFFECTED CUSTOMER ALONG WITH PREJUDGMENT INTEREST.

Disclosure 2 of 6

Reporting Source:

Regulator

Current Status:

Final

Allegations:

FINRA RULES 2010, 6730, NASD RULE 3010 - NBC SECURITIES, INC. REPORTED S1 TRANSACTIONS TO THE TRADE REPORTING AND COMPLIANCE ENGINE (TRACE) IN TRACE-ELIGIBLE CORPORATE DEBT SECURITIES THAT IT WAS NOT REQUIRED TO REPORT. THE FIRM FAILED TO ENFORCE ITS WRITTEN SUPERVISORY PROCEDURES WHICH SPECIFIED THAT THE DESIGNATED PRINCIPAL SHALL CONDUCT DAILY TRACE REPORTING REVIEWS.

Initiated By:

FINRA

Date Initiated:

03/16/2012

Docket/Case Number:

[2010024726701](#)

Principal Product Type:

Other

Other Product Type(s):

TRACE-ELIGIBLE CORPORATE DEBT SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution:

Acceptance, Waiver & Consent(AWC)

Resolution Date:

03/16/2012



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 \$15,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$15,000. FINE PAID IN FULL ON MARCH 29, 2012.

Reporting Source: Firm

Current Status: Final

Allegations: FIRM OVERREPORTED CERTAIN STEP OUT TRANSACTIONS TO TRACE IN ERROR. AS A RESULT, FIRM FAILED TO COMPLY WITH TRACE REPORTING REQUIREMENTS.

Initiated By: FINRA

Date Initiated: 03/16/2012

Docket/Case Number: [2010024726701](#)

Principal Product Type: Debt - Corporate

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: 03/16/2012

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

Other Sanctions Ordered:

Sanction Details: ENTIRE FINE WAS LEVIED AGAINST AND PAID BY APPLICANT. PAID ON 3/26/2012



Firm Statement THE FIRM CONSENTED THAT IT REPORTED CERTAIN TRANSACTIONS TO TRACE IN TRACE-ELIGIBLE CORPORATE DEBT SECURITIES THAT IT WAS NOT REQUIRED TO REPORT.

Disclosure 3 of 6

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 3010, 6230 - NBC SECURITIES, INC. MISREPORTED CORPORATE DEBT STEP-OUT TRANSACTIONS TO THE TRADE REPORTING AND COMPLIANCE ENGINE (TRACE); THE TRANSACTIONS WERE NOT REQUIRED TO BE REPORTED AND HAD BEEN REPORTED BY ANOTHER ENTITY, CAUSING THEM TO BE DUALY-REPORTED. THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SYSTEM TO PROPERLY SUPERVISE THE REPORTING OF TRACE-ELIGIBLE SECURITIES.

Initiated By: FINRA

Date Initiated: 07/26/2010

Docket/Case Number: [2008011606301](#)

Principal Product Type: Debt - Corporate

Other Product Type(s): TRACE-ELIGIBLE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/26/2010

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 \$20,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED



TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS;
THEREFORE, THE FIRM IS CENSURED AND FINED \$20,000.

Reporting Source: Firm

Current Status: Final

Allegations: DURING PERIOD FEB 2008 THROUGH AUG 2008, THE FIRM FAILED TO PROPERLY REPORT 63 TRANSACTIONS TO TRACE. THE FIRM REPORTED 63 STEP OUT TRANSACTIONS THAT SHOULD NOT HAVE BEEN REPORTED.

Initiated By: FINRA

Date Initiated: 07/26/2010

Docket/Case Number: [2008011606301](#)

Principal Product Type: Debt - Corporate

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: 07/26/2010

Sanctions Ordered: Monetary/Fine \$20,000.00

Other Sanctions Ordered:

Sanction Details: THE TOTAL FINE LEVIED WAS \$20,000. FINE WAS PAID ON JULY 26, 2010. NO PORTION WAS WAIVED.

Disclosure 4 of 6

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 3010, 6230(A), 6230(E) - NBC SECURITIES, INC. REPORTED TO TRACE TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES IT WAS NOT REQUIRED TO REPORT; FAILED TO REPORT TO TRACE TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES EXECUTED ON A BUSINESS DAY DURING TRACE SYSTEM HOURS WITHIN 30 MINUTES OF THE TIME OF EXECUTION; AND FAILED TO ENFORCE ITS WRITTEN SUPERVISORY PROCEDURES WHICH SPECIFIED THAT THE OPERATIONS



MANAGER REVIEW DAILY TRACE REPORTS TO ENSURE COMPLIANCE WITH REPORTING REQUIREMENTS.

Initiated By: FINRA

Date Initiated: 09/21/2007

Docket/Case Number: [2005002036402](#)

Principal Product Type: Other

Other Product Type(s): TRACE-ELIGIBLE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/21/2007

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 \$15,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$15,000.

Reporting Source: Firm

Current Status: Final

Allegations: FINRA ALLEGED FIRM REPORTED TO TRACE 247 TRANSACTIONS IN TRACE ELIGIBLE SECURITIES IT WAS NOT REQUIRED TO REPORT. 18 OTHER TRANSACTIONS WERE NOT REPORTED WITHIN 30 MINUTES OF THE TIME OF EXECUTION.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY "FINRA"
CASE NUMBER 20050020364-02

Date Initiated: 08/17/2005



Docket/Case Number: 20050020364-02

Principal Product Type: Debt - Corporate

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: 10/01/2007

Sanctions Ordered: Monetary/Fine \$15,000.00

Other Sanctions Ordered:

Sanction Details: FINES PAIDE ON 10/01/2007 WERE LEVIED EXCLUSIVELY AGAINST THE APPLICANT.

Disclosure 5 of 6

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULE 6955(A) - RESPONDENT MEMBER TRANSMITTED TO THE ORDER AUDIT TRAIL SYSTEM (OATS) REPORTS THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA.

Initiated By: NASD

Date Initiated: 07/25/2006

Docket/Case Number: 20050014790-01

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/25/2006

Does the order constitute a No



final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, NBC SECURITIES, INC., CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS FINED \$5,000.

Reporting Source: Firm

Current Status: Final

Allegations: NBSC TRANSMITTED 12,149 REPORTS TO THE OATS SYSTEM WITH INACURATE, INCOMPLETE, OR IMPROPERLY FORMATTED DATA.

Initiated By: NASD

Date Initiated: 07/25/2006

Docket/Case Number: 20050014790-01

Principal Product Type: Equity - OTC

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: 07/25/2006

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: PAYMENT OF FINE IS PENDING NOTIFICATION OF CRD OR FINANCE DEPARTMENT. ENTIRE PORTION OF FINE IS BEING PAID BY APPLICANT.

Disclosure 6 of 6

Reporting Source: Regulator



Current Status: Final

Allegations: NASD MARKETPLACE RULE 6230(A) & 6230(C)(8) - NBC SECURITIES, INC. MIS-REPORTED TO TRACE 200 TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES THAT WERE NOT REQUIRED TO BE REPORTED. THE FIRM ALSO FAILED TO REPORT TO TRACE THE CORRECTED EXECUTION TIME IN 95 TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES.

Initiated By: NASD

Date Initiated: 12/31/2004

Docket/Case Number: CMS040214

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/31/2004

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 \$8,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, NBC SECURITIES, INC. CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$8,000.

Reporting Source: Firm

Current Status: Final

Allegations: NASD MARKETPLACE RULE 6230(C)(8)-- APPROXIMATELY 200 TRANSACTIONS IN TRACE ELIGIBLE SECURITIES WERE MIS REPORTED. THESE TRANSACTIONS WERE NOT REQUIRED TO BE REPORTED. NBC



SECURITIES, INC. ALSO FAILED TO REPORT THE CORRECT EXECUTION TIME TO TRACE ON APPROXIMATELY 95 TRANSACTIONS IN TRACE ELIGIBLE SECURITIES.

Initiated By: NASD

Date Initiated: 12/31/2004

Docket/Case Number: CMS040214

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED SECURITIES

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

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/31/2004

Sanctions Ordered: Censure
Monetary/Fine \$8,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, NBC SECURITIES, INC. CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF THE FINDINGS.

End of Report



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