

BrokerCheck Report

ESTRADA HINOJOSA & COMPANY, INC.

CRD# 19299

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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.



ESTRADA HINOJOSA & COMPANY, INC.
CRD# 19299
SEC# 8-37440

Main Office Location
PLAZA OF THE AMERICAS, SOUTH TOWER
600 NORTH PEARL STREET, SUITE 2100
DALLAS, TX 75201

Mailing Address
PLAZA OF THE AMERICAS
600 NORTH PEARL STREET, SUITE 2100
DALLAS, TX 75201-7361

Business Telephone Number
214-658-1670

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 Texas on 01/09/1987.
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	6

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: 09/30/2024

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 Texas on 01/09/1987.
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.

ESTRADA HINOJOSA & COMPANY, INC.
Doing business as ESTRADA HINOJOSA & COMPANY, INC.
CRD# 19299
SEC# 8-37440

Main Office Location

PLAZA OF THE AMERICAS, SOUTH TOWER
600 NORTH PEARL STREET, SUITE 2100
DALLAS, TX 75201

Mailing Address

PLAZA OF THE AMERICAS
600 NORTH PEARL STREET, SUITE 2100
DALLAS, TX 75201-7361

Business Telephone Number

214-658-1670

Other Names of this Firm

Name	Where is it used
ESTRADA HINOJOSA	TX



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): HINOJOSA, NOE JR

1782212

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

Position CHAIRMAN/PRESIDENT & CEO/SHAREHOLDER

Position Start Date 05/2006

Percentage of Ownership 50% but less than 75%

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

Is this a public reporting company? No

Legal Name & CRD# (if any): GONZALES, DONALD JOHN

2020617

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

Position SENIOR MANAGING DIRECTOR/TREASURER/ SHAREHOLDER/CCO - MUNI CAPITAL MARKETS

Position Start Date 05/2006

Percentage of Ownership 10% but less than 25%

Does this owner direct the management or policies of the firm? No

Is this a public reporting company? No

Legal Name & CRD# (if any): HEBERT, MICHAEL JAMES

1229298

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

Position CCO

Firm Profile



Direct Owners and Executive Officers (continued)

Position Start Date	06/2024
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

Legal Name & CRD# (if any):	JOHNSON, KRISTY KAY 4470948
Is this a domestic or foreign entity or an individual?	Individual
Position	FINOP
Position Start Date	06/2024
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 no longer registered.

The firm's registration was from 04/15/1987 to 12/05/2024.



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 selling corporate debt securities

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

Municipal securities dealer

Municipal securities broker

Other Types of Business

This firm does not effect transactions in commodities, commodity futures, or commodity options.

This firm does engage in other non-securities business.

Non-Securities Business Description: ESTRADA HINOJOSA IS A REGISTERED MUNICIPAL ADVISOR.

THE FIRM PROVIDES CONTINUING DISCLOSURE SERVICES FOR MUNICIPAL ISSUERS.

MR. NOE HINOJOSA IS A PARTNER IN A TEXAS BASED LLC NAMED GARHIN, WHICH OWNS A PORTION OF A SPANISH COMPANY CALLED SPANISH AMERICAN STRATEGIC ALLIANCE (SASA). SUCH COMPANIES REPRESENT SERVICE PROVIDERS, MANUFACTURERS AND RELATED



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:	200 VESEY ST. NEW YORK, NY 10281
Effective Date:	10/20/2023
Description:	RBC EXECUTES TRADES ON A DVP / RVP BASIS FOR OUR INSTITUTIONAL TRADING ACTIVITY.
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Name:	HILLTOP SECURITIES INC.
CRD #:	6220
Business Address:	1201 ELM STREET DALLAS, TX 75201
Effective Date:	09/29/2015
Description:	THE COMPANY INTRODUCES CUSTOMERS TO HILLTOP SECURITIES, INC. ON A FULLY-DISCLOSED BASIS.
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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 have customer accounts, funds, or securities maintained by a third party.

Name:	HILLTOP SECURITIES INC.
CRD #:	6220
Business Address:	1201 ELM STREET DALLAS, TX 75270
Effective Date:	09/29/2015
Description:	HILLTOP SECURITIES, INC. HAS CUSTODY ON POSSESSION OF ALL FUNDS AND SECURITIES INTRODUCED TO THEM BY ESTRADA HINOJOSA ON A FULLY-DISCLOSED BASIS.

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: SEC ADMIN RELEASES 33-9940; 34-76037; SEPTEMBER 30, 2015: THE SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED AGAINST ESTRADA HINOJOSA & COMPANY, INC. (RESPONDENT). RESPONDENT WILLFULLY VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT. THIS MATTER INVOLVES VIOLATIONS OF AN ANTIFRAUD PROVISION OF THE FEDERAL SECURITIES LAWS IN CONNECTION WITH RESPONDENT'S UNDERWRITING OF CERTAIN MUNICIPAL SECURITIES OFFERINGS. RESPONDENT, A REGISTERED BROKER-DEALER, CONDUCTED INADEQUATE DUE DILIGENCE IN CERTAIN OFFERINGS AND AS A RESULT, FAILED TO FORM A REASONABLE BASIS FOR BELIEVING THE TRUTHFULNESS OF CERTAIN MATERIAL REPRESENTATIONS IN OFFICIAL STATEMENTS ISSUED IN CONNECTION WITH THOSE OFFERINGS. THIS RESULTED IN RESPONDENT OFFERING AND SELLING MUNICIPAL SECURITIES ON THE BASIS OF MATERIALLY MISLEADING DISCLOSURE DOCUMENTS. THE VIOLATIONS WERE SELF-REPORTED BY RESPONDENT TO THE COMMISSION PURSUANT TO THE DIVISION OF ENFORCEMENT'S (THE DIVISION) MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION (MCDC) INITIATIVE.

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 09/30/2015

Docket/Case Number: 3-16874

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 09/30/2015

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? Yes

Sanctions Ordered: Monetary/Fine \$40,000.00
Cease and Desist/Injunction



Other Sanctions Ordered:	UNDERTAKINGS
Sanction Details:	THE RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$40,000 AND COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT.
Regulator Statement	<p>IN ANTICIPATION OF THE INSTITUTION OF THESE PROCEEDINGS, RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT (THE OFFER) WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER IT AND THE SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED, RESPONDENT CONSENTS TO THE ENTRY OF THIS ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 AND SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER. IN VIEW OF THE FOREGOING, THE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN RESPONDENT'S OFFER. ACCORDINGLY, IT IS HEREBY ORDERED THAT RESPONDENT SHALL, CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF 17(A)(2) OF THE SECURITIES ACT; WITHIN TEN (10) DAYS OF THE ENTRY OF THIS ORDER, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$40,000 TO THE SECURITIES AND EXCHANGE COMMISSION; AND RETAIN AN INDEPENDENT CONSULTANT TO CONDUCT A REVIEW OF RESPONDENT'S POLICIES AND PROCEDURES AS THEY RELATE TO MUNICIPAL SECURITIES UNDERWRITING DUE DILIGENCE.</p>

Reporting Source:	Firm
Current Status:	Final
Allegations:	SEC ADMIN RELEASES 33-9940; 34-76037; SEPTEMBER 30, 2015: THE SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED AGAINST ESTRADA HINOJOSA & COMPANY, INC. (RESPONDENT). RESPONDENT WILLFULLY VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT. THIS MATTER INVOLVES VIOLATIONS OF AN ANTIFRAUD PROVISION OF THE FEDERAL SECURITIES LAWS IN CONNECTION WITH RESPONDENT'S UNDERWRITING OF CERTAIN MUNICIPAL SECURITIES OFFERINGS.



RESPONDENT, A REGISTERED BROKER-DEALER, CONDUCTED INADEQUATE DUE DILIGENCE IN CERTAIN OFFERINGS AND AS A RESULT, FAILED TO FORM A REASONABLE BASIS FOR BELIEVING THE TRUTHFULNESS OF CERTAIN MATERIAL REPRESENTATIONS IN OFFICIAL STATEMENTS ISSUED IN CONNECTION WITH THOSE OFFERINGS. THIS RESULTED IN RESPONDENT OFFERING AND SELLING MUNICIPAL SECURITIES ON THE BASIS OF MATERIALLY MISLEADING DISCLOSURE DOCUMENTS. THE VIOLATIONS WERE SELF-REPORTED BY RESPONDENT TO THE COMMISSION PURSUANT TO THE DIVISION OF ENFORCEMENT'S (THE DIVISION) MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION (MCDC) INITIATIVE.

Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Date Initiated:	09/30/2015
Docket/Case Number:	3-16874
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	CEASE AND DESIST UNDERTAKINGS
Resolution:	Order
Resolution Date:	09/30/2015
Sanctions Ordered:	Monetary/Fine \$40,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	THE RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$40,000 AND COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT.
Firm Statement	IN ANTICIPATION OF THE INSTITUTION OF THESE PROCEEDINGS, RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT (THE OFFER) WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER IT AND THE SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED,



RESPONDENT CONSENTS TO THE ENTRY OF THIS ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 AND SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER. IN VIEW OF THE FOREGOING, THE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN RESPONDENT'S OFFER. ACCORDINGLY, IT IS HEREBY ORDERED THAT RESPONDENT SHALL, CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF 17(A)(2) OF THE SECURITIES ACT; WITHIN TEN (10) DAYS OF THE ENTRY OF THIS ORDER, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$40,000 TO THE SECURITIES AND EXCHANGE COMMISSION; AND RETAIN AN INDEPENDENT CONSULTANT TO CONDUCT A REVIEW OF RESPONDENT'S POLICIES AND PROCEDURES AS THEY RELATE TO MUNICIPAL SECURITIES UNDERWRITING DUE DILIGENCE.

Disclosure 2 of 6

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 FAILED TO REPORT THE CORRECT TIME OF TRADE TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) IN REPORTS OF TRANSACTIONS IN MUNICIPAL SECURITIES. THE FINDINGS STATED THAT THE FIRM FAILED TO REPORT INFORMATION REGARDING PURCHASE AND SALE TRANSACTIONS EFFECTED IN MUNICIPAL SECURITIES TO THE RTRS IN THE MANNER PRESCRIBED BY MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB) RULE G-14 RTRS PROCEDURES AND THE RTRS USERS MANUAL. SPECIFICALLY, THE FIRM FAILED TO REPORT INFORMATION ABOUT SUCH TRANSACTIONS WITHIN 15 MINUTES OF TIME OF TRADE TO AN RTRS PORTAL. THE FINDINGS ALSO STATED THAT THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND THE MSRB RULES, CONCERNING THE ACCURACY OF THE FIRM'S MUNICIPAL TRADE REPORTING.

Initiated By: FINRA

Date Initiated: 07/22/2015

Docket/Case Number: [2012034609901](#)



Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	07/22/2015
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 \$17,500.00
Other Sanctions Ordered:	UNDERTAKING: REQUIRED TO REVISE THE FIRM'S WRITTEN SUPERVISORY PROCEDURES
Sanction Details:	THE FIRM WAS CENSURED, FINED \$17,500 AND UNDERTAKES TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES. FINE PAID IN FULL ON AUGUST 7, 2015.
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Reporting Source:	Firm
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO REPORT THE CORRECT TIME OF TRADE TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) IN REPORTS OF TRANSACTIONS IN MUNICIPAL SECURITIES. THE FINDINGS STATED THAT THE FIRM FAILED TO REPORT INFORMATION REGARDING PURCHASE AND SALE TRANSACTIONS EFFECTED IN MUNICIPAL SECURITIES TO THE RTRS IN THE MANNER PRESCRIBED BY MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB) RULE G-14 RTRS PROCEDURES AND THE RTRS USERS MANUAL. SPECIFICALLY, THE FIRM FAILED TO REPORT INFORMATION ABOUT SUCH TRANSACTIONS WITHIN 15 MINUTES OF TIME OF TRADE TO AN RTRS PORTAL. THE FINDINGS ALSO STATED THAT THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION



REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND THE MSRB RULES, CONCERNING THE ACCURACY OF THE FIRM'S MUNICIPAL TRADE REPORTING.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY

Date Initiated: 07/22/2015

Docket/Case Number: 20120346099

Principal Product Type: Debt - Municipal

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: 07/22/2015

Sanctions Ordered: Censure
Monetary/Fine \$17,500.00

Other Sanctions Ordered: FIRM REQUIRED TO REVISE SUPERVISORY PROCEDURES.

Sanction Details: 100% OF THE FINE LEVIED AGAINST THE FIRM.

Firm Statement TO AVOID THE UNCERTAINTY AND EXPENSE OF LITIGATION, THE FIRM CHOSE TO SETTLE THIS MATTER WITH FINRA. FOR THE MAJORITY OF THE TRADES CITED BY FINRA AS NOT IN COMPLIANCE WITH MSRB RULE G-14, THE TRADES WERE REPORTED SAME DAY, AS PERMITTED BY RULE. HOWEVER, THE FIRM DID NOT USE THE CORRECT MODIFIER TO REPORT THAT THE TRADES WERE FOR FIRST DAY OF NEW ISSUE BONDS SOLD AT THE TAKEDOWN PRICE ESTABLISHED PRIOR TO TRADING. THERE WAS NO EFFECT ON THE MARKET, NO IMPACT ON THE PRICE OF THE BONDS, AND NO INVESTORS WERE ADVERSELY AFFECTED BY THESE INACCURATE TRADE REPORTS.

Disclosure 3 of 6

Reporting Source: Regulator

Current Status: Final

Allegations: MSRB RULES G-27 AND G-32: IN CONNECTION WITH ITS MUNICIPAL SECURITIES UNDERWRITING BUSINESS, THE FIRM FAILED TO TIMELY FILE, OR FILE AT ALL IN SOME CASES, OFFICIAL STATEMENTS (OSS) AND



ADVANCE REFUNDING DOCUMENTS (ARDS) WITH THE MSRB ON ITS EMMA SYSTEM. AN UNDERWRITER IS REQUIRED TO SUBMIT FORM G-32 AND THE OS FOR A MUNICIPAL SECURITY OFFERING TO THE MSRB, THROUGH ITS EMMA SYSTEM, WITHIN ONE BUSINESS DAY AFTER RECEIPT OF THE OS FROM THE ISSUER, BUT NO LATER THAN THE CLOSING DATE OF THE OFFERING. THE FIRM UNDERWROTE SEVERAL PRIMARY MUNICIPAL SECURITIES OFFERINGS AND SEVERAL PRIMARY OFFERINGS THAT ADVANCE-REFUNDED OUTSTANDING MUNICIPAL SECURITIES. OF THESE PRIMARY MUNICIPAL SECURITIES OFFERINGS, THE FIRM FILED OSS LATE WITH EMMA ON SOME OCCASIONS. THE UNTIMELY STATEMENTS WERE BETWEEN ONE AND 28 DAYS LATE. IN ADDITION, THE FIRM FILED AN AMENDMENT TO AN OS SEVERAL DAYS LATE. OF THE SEVERAL ADVANCE-REFUND OFFERINGS UNDERWRITTEN BY THE FIRM, SOME OF THE OFFERINGS REQUIRED THE FILING OF AN ARD. OF THOSE, THE FIRM FAILED TO FILE AN ARD IN SOME INSTANCES AND FILED SOME ARDS LATE. THE UNTIMELY ARDS WERE FILED BETWEEN 19 AND 474 DAYS LATE. THE FIRM FAILED TO ADOPT AND MAINTAIN ADEQUATE PROCEDURES. THE FIRM'S WRITTEN SUPERVISORY PROCEDURES (WSPS) IN EFFECT DURING THE PERIOD HAD GAPS RELATING TO G-32 COMPLIANCE. IN PARTICULAR, THE FIRM'S WSPS DID NOT INCLUDE, AMONG OTHER THINGS INSTRUCTIONS ON FILING PRELIMINARY OSS WITH EMMA, PROCEDURES FOR SUBMITTING NOTICES TO EMMA IN THE EVENT THAT FINAL OSS WERE NOT FILED TIMELY, PROCEDURES REQUIRING A REVIEW OF G-32 REPORT CARDS, INSTRUCTIONS SETTING FORTH THE INFORMATION REQUIRED TO BE INCLUDED IN FORM G-32, INSTRUCTIONS ON FILING ARDS, AND INSTRUCTIONS ON FILING AMENDMENTS TO OFFERINGS ON EMMA.

Initiated By:	FINRA
Date Initiated:	04/11/2012
Docket/Case Number:	2011025613101
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	04/11/2012



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 \$10,000.00

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 \$10,000. FINE PAID ON AUGUST 23, 2013.

Reporting Source: Firm

Current Status: Final

Allegations: THE ALLEGATIONS INVOLVED LATE SUBMISSIONS OF PRIMARY OFFERING DOCUMENTS TO THE MUNICIPAL SECURITIES RULEMAKING BOARD PURSUANT TO RULE G-32. THE ALLEGATIONS ALSO INVOLVED A FAILURE TO ADOPT AND MAINTAIN ADEQUATE WRITTEN PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH MUNICIPAL SECURITIES RULES PURSUANT TO RULE G-27.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY ("FINRA").

Date Initiated: 03/14/2012

Docket/Case Number: [2011025613101](#)

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: THE FIRM, WITHOUT ADMITTING OR DENYING THE FINDINGS, VOLUNTARILY EXECUTED A LETTER OF ACCEPTANCE, WAIVER, AND CONSENT WITH FINRA THAT RESULTED IN A CENSURE AND FINE IN THE AMOUNT OF \$10,000.

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 04/11/2012

Sanctions Ordered: Censure



Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details:

THE FIRM CONSENTED TO A CENSURE AND FINE IN THE AMOUNT OF \$10,000. THE FIRM INTENDS TO PAY THE FINE IN INSTALLMENTS AS PART OF A LETTER OF ACCEPTANCE, WAIVER, AND CONSENT WITH FINRA.

Firm Statement

ON APRIL 12, 2012, THE FIRM RECEIVED A FINRA NOTICE OF ACCEPTANCE OF AWC.

Disclosure 4 of 6

Reporting Source:

Regulator

Current Status:

Final

Allegations:

Initiated By:

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated:

12/01/1998

Docket/Case Number:

C06980030

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution:

Acceptance, Waiver & Consent(AWC)

Resolution Date:

12/01/1998

Sanctions Ordered:

Censure
Monetary/Fine \$2,500.00

Other Sanctions Ordered:

Sanction Details:

Regulator Statement

ON DECEMBER 1, 1998, DISTRICT NO. 6 NOTIFIED RESPONDENT ESTRADA HINOJOSA & COMPANY, INC. THAT THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. C06980030 WAS ACCEPTED; THEREFORE, RESPONDENT MEMBER IS CENSURED AND FINED \$2,500 - (MSRB RULES G-36(b)(i), G-36(b)(ii) AND G-8 - RESPONDENT MEMBER FAILED TO TIMELY SEND TO THE MSRB OR ITS DESIGNEE BY CERTIFIED OR REGISTERED MAIL, OR



SOME OTHER EQUALLY PROMPT MEANS THAT PROVIDES A RECORD OF SENDING, THE REQUISITE DOCUMENTS AND WRITTEN INFORMATION; AND, FAILED TO MAINTAIN ALL OF THE APPROPRIATE DOCUMENTATION).

05-10-99, \$2,500 PAID ON 1/07/99, INVOICE #98-06-972

Reporting Source:	Firm
Current Status:	Final
Allegations:	FAILURE TO COMPLY WITH REPORTING DEADLINES OF DOCUMENTS REQUIRED TO BE FILED WITH MSRB PURSUANT TO MSRB RULE G-36. FAILURE TO MAINTAIN PROPER DOCUMENTATION OF FILINGS WITH THE MSRB PURSUANT TO MSRB RULE G-8.
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS REGULATION, INC.
Date Initiated:	11/14/1996
Docket/Case Number:	C06980030
Principal Product Type:	Debt - Municipal
Other Product Type(s):	N/A
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINE OF \$2,500.00
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/25/1998
Sanctions Ordered:	Censure Monetary/Fine
Other Sanctions Ordered:	NONE.
Sanction Details:	N/A.
Firm Statement	THIS ACTION PART OF NASDR INQUIRY INTO INDUSTRY-WIDE PROBLEM OF SUBSTANTIAL NON-COMPLIANCE WITH MSRB RULE G-36, REQUIRING DEADLINES FOR FILING OF DOCUMENTS RELATED TO MUNICIPAL BOND UNDERWRITINGS. NASDR BOARD OF DIRECTORS LATER ADOPTED POLICY THAT VIOLATIONS RECEIVING FINES OF LESS THAN \$5,000 SHOULD NOT INCLUDE CENSURE OF FIRM PAYING SUCH FINE. THIS IS ONLY FINE EVER IMPOSED ON ESTRADA HINOJOSA & CO. AND INVOLVED THE LATE FILING



OF DOCUMENTS ON ELEVEN (11) OCCASIONS.

Disclosure 5 of 6	
Reporting Source:	Regulator
Current Status:	Final
Allegations:	FAILURE TO PAY ASSESSMENT FEE
Initiated By:	CALIFORNIA
Date Initiated:	08/16/1996
Docket/Case Number:	
URL for Regulatory Action:	
Principal Product Type:	
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	
Sanctions Ordered:	Revocation/Expulsion/Denial
Other Sanctions Ordered:	
Sanction Details:	BROKER-DEALER CERTIFICATE SUMMARILY REVOKED FOR NON-PAYMENT OF ASSESSMENT FEE.
Regulator Statement	CONTACT: MARILYN STEVENS (916) 327-0308

Reporting Source:	Firm
Current Status:	Final
Allegations:	FAILURE TO PAY THE ASSESSMENT FEE AS REQUIRED BY SECTION 25608(O)(3) OF THE CALIFIRNIA CORPORATIONS CODE.
Initiated By:	STATE OF CALIFORNIA, DEPARTMENT OF CORPORATIONS
Date Initiated:	07/20/1995
Docket/Case Number:	917-2959



Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Revocation
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	08/16/1996
Sanctions Ordered:	Revocation/Expulsion/Denial
Other Sanctions Ordered:	
Sanction Details:	THE DEPARTMENT OF CORPORATIONS ISSUED A SUMMARY ORDER OF REVOCATION WHICH REMOVED OUR AUTHORITY TO CONDUCT A SECURITIES BUSINESS IN THE STATE OF CALIFORNIA.
Firm Statement	ESTRADA HINOJOSA & CO. CLOSED A BRANCH OFFICE IN SACRAMENTO CALIFORNIA IN 1994. OUR BRANCH OFFICE RENEWAL FEE WAS NOT PAID IN 1996. WE THOUGHT THAT WE HAD NOTIFIED THE STATE OF CALIFORNIA THAT THIS OFFICE WAS CLOSED AND WERE SURPRISED TO GET THE SUMMARY REVOCATION ORDER.

Disclosure 6 of 6

Reporting Source:	Regulator
Current Status:	Final
Allegations:	
Initiated By:	ILLINOIS
Date Initiated:	04/24/1989
Docket/Case Number:	H8900527
URL for Regulatory Action:	
Principal Product Type:	
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	



Resolution: Consent

Resolution Date: 09/14/1989

Regulator Statement 5/20/89: FORM U6 (8179-12189) DISCLOSES: ILLINOIS HAS ISSUED A NOTICE OF HEARING TO DETERMINE WHETHER AN ORDER SHOULD BE ENTERED AGAINST RESPONDENT TWENTY-FIRST CENTURY SECURITIES AND INVESTMENTS, INC. ALLEGATIONS ARE THAT RESPONDENT CONDUCTED ACTIVITIES AS A DEALER WHEN IT WAS NOT REGISTERED AS SUCH WITH THE SECRETARY OF STATE. HEARING IS SCHEDULED FOR JUNE 21, 1989. DOCKET/CASE #H8900527, DATED APRIL 24, 1989

*** 10/27/89-AMENDED FORM U6 (8033-27589) DISCLOSES: BY MEANS OF A SETTLEMENT AGREEMENT, RESPONDENT TWENTY-FIRST CENTURY SECURITIES AND INVESTMENTS, INC. AND THE ILLINOIS SECURITIES DEPARTMENT RESOLVED THIS MATTER WHICH WAS BASED UPON RESPONDENT'S FAILURE TO FILE TIMELY A REPORT OF FINANCIAL CONDITION. THE ILLINOIS SECURITIES DEPARTMENT HAS DISMISSED THE NOTICE OF HEARING. AUTHORITY: SECTION 11.F OF THE ILLINOIS SECURITIES LAW OF 1953, AS AMENDED. DOCKET/CASE NO. 8900527, DATED SEPTEMBER 14, 1989.

Reporting Source: Firm

Current Status: Final

Allegations: 05/20/1989: FORM U6 (8179-12189) DISCLOSES: ILLINOIS HAS ISSUED A NOTICE OF HEARING TO DETERMINE WHETHER AN ORDER SHOULD BE ENTERED AGAINST RESPONDENT TWENTY-FIRST CENTURY SECURITIES AND INVESTMENTS, INC. ALLEGATIONS ARE THAT RESPONDENT CONDUCTED ACTIVITIES AS A DEALER WHEN IT WAS NOT REGISTERED AS SUCH WITH THE SECRETARY OF STATE. HEARING IS SCHEDULED FOR JUNE 21, 1989. DOCKET/CASE #H8900527, DATED APRIL 24, 1989***

10/27/89-AMENDED FORM U6 (8033-27589) DISCLOSES: BY MEANS OF A SETTLEMENT AGREEMENT, RESPONDENT TWENTY-FIRST CENTURY SECURITIES AND INVESTMENTS, INC AND THE ILLINOIS SECURITIES DEPARTMENT RESOLVED THIS MATTER WHICH WAS BASED UPON REPONDENTS FAILURE TO FILE TIMELY A REPORT OF FINANCIAL CONDIITION. THE ILLINOIS SECURITIES DEPARTMENT HAS DISMISSED THE NOTICE OF HEARING. AUTHORITY: SECTION 11.F OF THE ILLINIOS SECURITIES LAW OF 1953, AS AMENDED. DOCKET/CASE NO. 8900527, DATED SEPTEMBER 14, 1989

Initiated By: ILLINOIS

Date Initiated: 04/24/1989



Docket/Case Number: H8900527

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 09/14/1989

Firm Statement

05/20/1989: FORM U6 (8179-12189) DISCLOSES: ILLINOIS HAS ISSUED A NOTICE OF HEARING TO DETERMINE WHETHER AN ORDER SHOULD BE ENTERED AGAINST RESPONDENT TWENTY-FIRST CENTURY SECURITIES AND INVESTMNES, INC. ALLEGATIONS ARE THAT RESPONDENT CONDUCTED ACTIVITIES AS A DEALER WHEN IT WAS NOT REGISTERED AS SUCH WITH THE SECRETARY OF STATE. HEARING IS SCHEDULED FOR JUNE 21, 1989. DOCKET/CASE #H8900527, DATED APRIL 24, 1989***
10/27/89-AMENDED FORM U6 (8033-27589) DISCLOSES: BY MEANS OF A SETTLEMENT AGREEMENT, RESPONDENT TWENTY-FIRST CENTURY SECURITIES AND INVESTMENTS, INC AND THE ILLINOIS SECURITIES DEPARTMENT RESOLVED THIS MATTER WHICH WAS BASED UPON RECONDENTS FAILURE TO FILE TIMELY A REPORT OF FINANCIAL CONDIITION. THE ILLINOIS SECURITIES DEPARTMENT HAS DISMISSED THE NOTICE OF HEARING. AUTHORITY: SECTION 11.F OF THE ILLINIOS SECURITIES LAW OF 1953, AS AMENDED. DOCKET/CASE NO. 8900527, DATED SEPTEMBER 14, 1989

End of Report



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