

## BrokerCheck Report

### JACKSON SECURITIES LLC

CRD# 19897

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Registration and Withdrawal	2
Firm Profile	3 - 9
Firm History	10
Firm Operations	11 - 15
Disclosure Events	17



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



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://www.finra.org/brokercheck). It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. [For more information about FINRA, visit www.finra.org.](http://www.finra.org)



JACKSON SECURITIES LLC

CRD# 19897

SEC# 8-37905

Main Office Location

HERNDON PLAZA  
100 AUBURN AVENUE  
ATLANTA, GA 30303-6801

Mailing Address

HERNDON PLAZA  
100 AUBURN AVENUE  
ATLANTA, GA 30303-6801

Business Telephone Number

404-522-5766

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 Georgia on 08/01/2002.  
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	2



## 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.

<b>Date firm ceased business:</b>	09/28/2012
<b>Does this brokerage firm owe any money or securities to any customer or brokerage firm?</b>	Yes
<b>Number of customers owed funds or securities:</b>	0
<b>Amount of money owed to customer:</b>	\$0.00
<b>Amount of money owed to brokerage firm:</b>	\$1,129,200.00
<b>Market value of securities owed to customer:</b>	\$0.00
<b>Market value of securities owed to brokerage firm:</b>	\$0.00
<b>Payment arrangement:</b>	\$1,100,200 IS OWED TO PERSHING, LLC. JACKSON SECURITIES WILL UTILIZE THE SECURITIES CURRENTLY COLLATERALIZING A SECURED DEMAND NOTE TO PAY THE PERSHING DEBT AFTER THE BDW HAS BEEN APPROVED. \$29,000 IS OWNED TO DEUTCHE BANK IN PAYMENT FOR EXECUTION SERVICES. THIS AMOUNT WILL BE PAID BY JACKSON SECURITIES OR BY ATLANTA LIFE FINANCIAL GROUP, JACKSON'S MAJORITY OWNER.



## Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Georgia on 08/01/2002.

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.

### JACKSON SECURITIES LLC

Doing business as JACKSON SECURITIES LLC

**CRD#** 19897

**SEC#** 8-37905

### Main Office Location

HERNDON PLAZA  
100 AUBURN AVENUE  
ATLANTA, GA 30303-6801

### Mailing Address

HERNDON PLAZA  
100 AUBURN AVENUE  
ATLANTA, GA 30303-6801

### Business Telephone Number

404-522-5766



## 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):** ATLANTA LIFE FINANCIAL GROUP

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

**Position** EQUITY OWNER/MEMBER

**Position Start Date** 07/2006

**Percentage of Ownership** 50% but less than 75%

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

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** JACKSON FINANCIAL CORPORATION

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

**Position** SHAREHOLDER

**Position Start Date** 05/1994

**Percentage of Ownership** 25% but less than 50%

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

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** ATKINS, ROBERT LEE JR

726727

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

**Position** COO, FINOP

**Position Start Date** 11/2011

**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?** No

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** ATLANTA LIFE INSURANCE COMPANY

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

**Position** EQUITY OWNER/MEMBER AND AFFILIATE

**Position Start Date** 07/2009

**Percentage of Ownership** Less than 5%

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

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** GOW, WILLIAM BRUCE  
1040524

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

**Position** PRESIDENT/INTERIM CEO

**Position Start Date** 08/2010

**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

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**Legal Name & CRD# (if any):** WILLIAMS, MALINDA NADENE  
1227500

Firm Profile



Direct Owners and Executive Officers (continued)

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

Position CCO

Position Start Date 04/2001

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

<b>Legal Name &amp; CRD# (if any):</b>	THE HERNDON FOUNDATION
<b>Is this a domestic or foreign entity or an individual?</b>	Domestic Entity
<b>Company through which indirect ownership is established</b>	ATLANTA LIFE FINANCIAL GROUP
<b>Relationship to Direct Owner</b>	SHAREHOLDER
<b>Relationship Established</b>	12/2007
<b>Percentage of Ownership</b>	50% but less than 75%
<b>Does this owner direct the management or policies of the firm?</b>	No
<b>Is this a public reporting company?</b>	No
<hr/>	
<b>Legal Name &amp; CRD# (if any):</b>	BROWN, DUDLEY JR 1344090
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Company through which indirect ownership is established</b>	JACKSON FINANCIAL CORPORATION
<b>Relationship to Direct Owner</b>	SHAREHOLDER
<b>Relationship Established</b>	12/2006
<b>Percentage of Ownership</b>	25% but less than 50%
<b>Does this owner direct the management or policies of the firm?</b>	No
<b>Is this a public reporting company?</b>	No
<hr/>	
<b>Legal Name &amp; CRD# (if any):</b>	CLEMENT, WILLIAM A
<b>Is this a domestic or foreign</b>	Individual



## Firm Profile

### Indirect Owners (continued)

entity or an individual?

<b>Company through which indirect ownership is established</b>	JACKSON FINANCIAL CORPORATION
<b>Relationship to Direct Owner</b>	EXECUTOR OF THE ESTATE OF MAYNARD H. JACKSON
<b>Relationship Established</b>	06/2003
<b>Percentage of Ownership</b>	25% but less than 50%
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No

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**Legal Name & CRD# (if any):** MCDANIEL, REUBEN ROOSEVELT III  
1931798

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

<b>Company through which indirect ownership is established</b>	JACKSON FINANCIAL CORPORATION
<b>Relationship to Direct Owner</b>	SHAREHOLDER
<b>Relationship Established</b>	09/2003
<b>Percentage of Ownership</b>	25% but less than 50%
<b>Does this owner direct the management or policies of the firm?</b>	No
<b>Is this a public reporting company?</b>	No

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**Legal Name & CRD# (if any):** THE ESTATE OF MAYNARD HOLBROOK JACKSON

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

**Company through which indirect ownership is established** JACKSON FINANCIAL CORPORATION

Firm Profile



Indirect Owners (continued)

Relationship to Direct Owner	SHAREHOLDER
Relationship Established	06/2003
Percentage of Ownership	25% but less than 50%
Does this owner direct the management or policies of the firm?	No
Is this a public reporting company?	No

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## Firm History

This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.



<b>This firm was previously:</b>	JACKSON SECURITIES INCORPORATED
<b>Date of Succession:</b>	08/01/2002
<b>Predecessor CRD#:</b>	19897
<b>Predecessor SEC#:</b>	8-37905
<b>Description</b>	THIS SUCCESSION NOTICE IS BEING FILED ONLY TO UPDATE THE TAX IDENTIFICATION NUMBER OF THE APPLICATE, WHICH HAS BEEN ASSIGNED TO JACKSON SECURITIES LLC BY THE IRS. THE TAX ID NUMBER SHOULD HAVE BEEN CHANGED WHEN THE FIRM CHANGED FROM A CORPORATION TO A LIMITED LIABILITY COMPANY IN 2002.

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<b>This firm was previously:</b>	JACKSON SECURITIES INCORPORATED
<b>Date of Succession:</b>	08/01/2002
<b>Predecessor CRD#:</b>	19897
<b>Predecessor SEC#:</b>	8-37905
<b>Description</b>	THE APPLICATE HAS SUBSTANTIALLY ASSUMED THE ASSETS AND LIABILITIES OF THE PREDECESSOR. AS A RESULT THERE HAS BEEN NO CHANGE IN OWNERSHIP AND CONTROL.

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## 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 08/10/1987 to 12/03/2012.**



## 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 9 types of businesses.**

#### Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Underwriter or selling group participant (corporate securities other than mutual funds)
U S. government securities broker
Municipal securities dealer
Municipal securities broker
Investment advisory services
Non-exchange member arranging for transactions in listed securities by exchange member
Other - SOFT DOLLAR BUSINESS - THE FIRM WILL ESTABLISH A SOFT DOLLAR ARRANGEMENT WITH A CLIENT, UNDER WHICH THE FIRM WILL UTILIZE A PORTION OF THE COMMISSION EARNED ON EQUITY TRANSACTIONS DESIGNATED AS SOFT DOLLAR TO PAY FOR QUALIFIED PRODUCTS AND SERVICES (RESEARCH)FOR THE CLIENT WITH ALL VENDOR INVOICES BEING PROVIDED DIRECTLY TO THE FIRM. OCCASIONALLY THE FIRM WILL PROVIDE VARIOUS FINANCIAL ADVISORY SERVICES TO MUNICIPAL ISSUERS.

#### Other Types of Business

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

This firm does not engage in other non-securities business.

Non-Securities Business Description:

Firm Operations



Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

Name:	PERSHING LLC
CRD #:	7560
Business Address:	ONE PERSHING PLAZA JERSEY CITY, NJ 07399
Effective Date:	01/01/1990
Description:	INTRODUCE CUSTOMER ACCOUNTS 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 have accounts, funds, or securities maintained by a third party.**

**Name:** MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

**CRD #:** 7691

**Business Address:** ONE SOUTH WACKER DRIVE SUITE 300  
CHICAGO, IL 60606

**Effective Date:** 09/25/2003

**Description:** WE HAVE A FUTURES ACCOUNT WITH MERRILL LYNCH. THE FUTURES ACCOUNT IS USED TO HEDGE MUNICIPAL INVENTORY POSITIONS HELD BY OUR FIRM; NO FUTURES TRADING IS DONE FOR THE PUBLIC, FOR EMPLOYEES OR FOR ANY OTHER CUSTOMERS. (NAME MAY BE LISTED AS BANK OF AMERICA MERRILL LYNCH SINCE BANK OF AMERICA PURCHASED MERRILL LYNCH IN 2008.)

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**This firm does not have customer accounts, funds, or securities maintained by a third party.**

#### Control Persons/Financing

**This firm does not have individuals who control its management or policies through agreement.**

**This firm does have individuals who wholly or partly finance the firm's business.**

**Name:** MERRILL LYNCH & COMPANY

**Business Address:** 4 WORLD FINANCIAL CENTER  
NORTH TOWER  
NEW YORK, NY 10080

**Effective Date:** 09/25/2003

**Description:** INDIRECT PARTIAL FINANCING OF BUSINESS THROUGH 2.5 MILLION IN LONG TERM DEBT TO JACKSON FINANCIAL CORPORATION (JFC), PARENT COMPANY OF JACKSON SECURITIES, LLC (JS). JFC USED A PORTION OF THE FUNDS TO PAY OFF THE DEBT TO FIRST SOUTHWEST COMPANY AND TO PROVIDE A SUBORDIATED LOAN TO JS IN THE AMOUNT OF 1 MILLION. JF HAS A SIGNED NOTE WITH MERRILL LYNCH, THE TERMS OF WHICH REPRESENT LONG TERM DEBT IN THE AMOUNT OF 2.5 MILLION.

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## Firm Operations

### Organization Affiliates

This section provides information on control relationships the firm has with other firms in the securities, investment advisory, or banking business.

**This firm is, directly or indirectly:**

- in control of
  - controlled by
  - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

**HERNDON CAPITAL MANAGEMENT, LLC is under common control with the firm.**

<b>CRD #:</b>	113538
<b>Business Address:</b>	HERNDON PLAZA 100 AUBURN AVENUE NE ATLANTA, GA 30303
<b>Effective Date:</b>	12/29/2007
<b>Foreign Entity:</b>	No
<b>Country:</b>	
<b>Securities Activities:</b>	No
<b>Investment Advisory Activities:</b>	Yes
<b>Description:</b>	ATLANTA LIFE FINANCIAL GROUP IS A MAJORITY OWNER OF JACKSON SECURITIES LLC AND HERNDON CAPITAL MANAGEMENT LLC ("HCM") (FORMERLY KNOWN AS ATLANTA LIFE INVESTMENT ADVISORS). HCM IS A REGISTERED INVESTMENT ADVISOR WITH THE SEC. HCM PROVIDES INVESTMENT ADVISORY SERVICES TO INSTITUTIONAL CUSTOMERS ONLY. DUE TO POTENTIAL CONFLICTS OF INTEREST HCM DOES NOT USE THE BROKER/DEALER SERVICES OF JACKSON SECURITIES TO EXECUTE TRANSACTIONS FOR ANY HCM INVESTMENT ADVISORY CUSTOMERS.

**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:** SECURITIES EXCHANGE ACT RULES 15C3-1, 17A-3, 17A-4, 17A-5, NASD RULES 2110, 3110 AND MSRB RULE G-14 - THE FIRM OPERATED WHILE UNDER ITS REQUIRED NET CAPITAL, FILED MATERIALLY INACCURATE FOCUS REPORTS AND MAINTAINED INACCURATE TRAIL BALANCES AND NET CAPITAL COMPUTATIONS AND FILED MATERIALLY INACCURATE FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT (FOCUS) REPORTS AND FILED A MATERIALLY INACCURATE ANNUAL AUDITED FINANCIAL STATEMENT FOR THE PERIODS ENDING DECEMBER 31, 2005, JANUARY 31, 2006, FEBRUARY 28, 2006, MARCH 31, 2006 AND APRIL 30, 2006. DURING THE PERIOD FROM APRIL 16, 2004, THROUGH SEPTEMBER 22, 2006, THE FIRM FAILED TO REPORT 647 MUNICIPAL SECURITIES TRANSACTION WITHIN THE TIME FRAME REQUIRED BY MSRB RULE G-14.

**Initiated By:** NASD

**Date Initiated:** 02/22/2007

**Docket/Case Number:** [2006005614401](#)

**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:** 02/22/2007

**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 \$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.

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<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	TREATMENT OF A LOAN GUARANTEE RELATED TO A PARENT COMPANY LOAN WAS NOT PROPERLY REFLECTED IN THE 2005 YEAR END FINANCIALS AND IN SUBSEQUENT FOCUS FILINGS. PROPERLY REPORTING THE GUARANTEE RESULTED IN A LARGE NET CAPITAL DEFICIENCY. THE NET CAPITAL/FINANCIAL RELATED VIOLATIONS INCLUDED: OPERATING UNDER THE REQUIRED NET CAPITAL, FILING INACCURATE FOCUS REPORTS AND MAINTAINING INACCURATE TRAIL BALANCES AND NET CAPITAL COMPUTATIONS FOR THE PERIOD BETWEEN DEC. 31, 2005 AND APRIL 30, 2006. A LETTER OF ACCEPTANCE, WAIVER AND CONSENT ("AWC") WAS ISSUED AND ACCEPTED BY THE NASD REGARDING THESE FINDINGS IN CONNECTION WITH THE LOAN GUARANTEE AND FOR LATE REPORTING OF MUNICIPAL TRADES AS DETERMINED IN A ROUTINE AUDIT IN OCTOBER 2006. THE AWC IMPOSED A CENSURE AND A \$20,000 FINE.
<b>Initiated By:</b>	NATIONAL ASSOCIATION OF SECURITIES DEALER
<b>Date Initiated:</b>	08/22/2006
<b>Docket/Case Number:</b>	<a href="#">2006005614401</a>
<b>Principal Product Type:</b>	Debt - Municipal
<b>Other Product Type(s):</b>	NET CAPITAL - NOT A PRODUCT TYPE
<b>Principal Sanction(s)/Relief Sought:</b>	Censure
<b>Other Sanction(s)/Relief Sought:</b>	CENSURE AND A \$20,000 FINE
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	03/08/2007
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$20,000.00
<b>Other Sanctions Ordered:</b>	THERE WERE NO OTHER SANCTIONS ORDERED.
<b>Sanction Details:</b>	THERE WERE NO OTHER SANCTIONS ORDERED. THE CHECK FOR THE FINE WAS MAILED VIA OVERNIGHT MAIL TO THE NASD ON 3/8/2007.
<b>Firm Statement</b>	WHEN WE WERE NOTIFIED BY THE NASD THAT THE TREATMENT OF THE LOAN GUARANTEE WAS INCORRECT ON OUR YEAR END FINANCIALS, WE IMMEDIATELY ELIMINATED THE LOAN GUARANTEE AND WORKED WITH THE REGULATORS TO CORRECT OUR FINANCIALS AND OUR FOCUS FILINGS. ALL FINAL CORRECTIONS WERE COMPLETED ON AUGUST 1,



2006.

## Disclosure 2 of 2

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	RESPONDENT FILED 2001 AUDITED FINANCIAL REPORT LATE.
<b>Initiated By:</b>	NEW HAMPSHIRE BUREAU OF SECURITIES REGULATION
<b>Date Initiated:</b>	02/07/2003
<b>Docket/Case Number:</b>	INV03-007
<b>URL for Regulatory Action:</b>	
<b>Principal Product Type:</b>	Other
<b>Other Product Type(s):</b>	N/A
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	BACK OWED PENALTIES.
<b>Resolution:</b>	Consent
<b>Resolution Date:</b>	06/18/2003
<b>Sanctions Ordered:</b>	Monetary/Fine \$500.00
<b>Other Sanctions Ordered:</b>	BACK PENALTY OWED OF \$250.
<b>Sanction Details:</b>	BACK OWED PENALTY IF \$250 AND ADMINISTRATIVE FINE OF \$500. RESPONDENT AGREED TO REFRAIN FROM FUTURE VIOLATIONS.
<b>Regulator Statement</b>	RESPONDENT FILED 2001 YEAR END FINANCIAL REPORT LATE.

<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	OUR 2001 AUDITED FINANCIAL STATEMENT WAS RECEIVED BY THE STATE ON 3/11/02, IT SHOULD HAVE BEEN RECEIVED ON 3/1/2002. ALTHOUGH AN EXTENTION WAS REQUESTED AND GRANTED BY THE NASD, WE WERE UNAWARE THAT AN ADDITIONAL EXTENTION REQUEST SHOULD HAVE BEEN MADE WITH THE STATE. ACCORDING TO THE STATES PROCEDURES, A \$250 PENALTY WAS ASSESSED. SINCE THE FINE WAS NOT PAID, THE



PETITION FOR RELIEF WAS ISSUED. THIS WAS NOT INTENTIONAL ON OUR PART. WE WERE NOT AWARE OF THE PENALTY, THE RELIEF PETITION AND THE FINE UNTIL RECEIPT OF A CERTIFIED LETTER AROUND 5/14/03, POST MARKED 5/6/03.

**Initiated By:** BUREAU OF SECURITIES REGULATION, DEPARTMENT OF STATE, STATE OF NEW HAMPSHIRE

**Date Initiated:** 02/07/2003

**Docket/Case Number:** INV03-007

**Principal Product Type:** No Product

**Other Product Type(s):**

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

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

**Resolution:** Consent

**Resolution Date:** 06/18/2003

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

**Other Sanctions Ordered:** WE AGREED TO ENTER INTO THE CONSENT ORDER FOR THE PURPOSES OF RESOLVING THIS MATTER. WE AGREED TO THE REQUIREMENTS OF THE CONSENT ORDER WHICH INCLUDED PAYMENT OF THE LATE PENALTY AND THE ADMINISTRATIVE FINE. BRIEFLY STATED, THE CONSENT ORDER DEFINES THE SANCTIONS AS FOLLOWS: 1)WE AGREED TO THE CONSENT VOLUNTARILY. 2)W AGREED TO WAIVE OUR RIGHT TO AN ADMINISTRATIVE HEARING & ANY APPEAL. 2)WE AGREE TO FURTHER VIOLATIONS UNDER THIS CHAPTER. 3)WE AGREED TO PAY THE BACK OWED PENALTY OF \$250. 4)WE AGREED TO PAYMENT OF THE ADMINISTRATIVE FINE OF \$500. 5)WE AGREED TO MAKE PAYMENT IN THE FORM REQUESTED (BY CASHIER'S CHECK & MAILED TO THE BUREAU'S ADDRESS). 6)AGREED THAT THE ORDER WAS ENTERED INTO WITH THE PURPOSE OF RESOLVING THE MATTER. 7)WE AGREED TO NOT TAKE ANY ACTION OR MAKE OR PERMIT TO BE MADE ANY DENIAL OF THE INFORMATION CONTAINED WITHIN THE CONSENT AGREEMENT.

**Sanction Details:** THE PENALTY OF \$250.00 FOR THE LATE FILING OF THE 2001 ANNUAL REPORT WAS PAID ON MAY 22, 2003. THE ADMINISTRATIVE FINE OF \$500 WAS PAID ON JUNE 4, 2003.

**Firm Statement** THE LATE PENALTY AND THE FINE WERE PAID AND A CONSENT ORDER WAS SIGNED, CONCLUDING THE ISSUE. THE CONSENT ORDER WAS SIGNED BY JACKSON SECURITIES' CCO ON JUNE 4, 2003, AND IT WAS





SIGNED BY THE STATE OF NEW HAMPSHIRE'S DEPUTY SECRETARY OF  
STATE ON JUNE 18, 2003.

**End of Report**



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