

## BrokerCheck Report

# SANCTUARY SECURITIES, INC.

CRD# 205

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Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

## 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:

- o 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
- o information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

**Thank you for using FINRA BrokerCheck.**



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

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



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

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)

**SANCTUARY SECURITIES, INC.**

CRD# 205

SEC# 8-22752

**Main Office Location**

250 W., 96TH ST.  
#300  
INDIANAPOLIS, IN 46260-1329  
Regulated by FINRA Chicago Office

**Mailing Address**

250 W., 96TH ST.  
#300  
INDIANAPOLIS, IN 46260-1329

**Business Telephone Number**

317-633-1799

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 Illinois on 03/07/1978.  
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 affiliated with financial or investment institutions.

This firm does not have 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	18
Arbitration	8
Bond	1



## Firm Profile

This firm is classified as a corporation.

This firm was formed in Illinois on 03/07/1978.

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.

### SANCTUARY SECURITIES, INC.

Doing business as SANCTUARY SECURITIES, INC.

CRD# 205

SEC# 8-22752

### Main Office Location

250 W., 96TH ST.

#300

INDIANAPOLIS, IN 46260-1329

Regulated by FINRA Chicago Office

### Mailing Address

250 W., 96TH ST.

#300

INDIANAPOLIS, IN 46260-1329

### Business Telephone Number

317-633-1799

## Other Names of this Firm

Name	Where is it used
ACORN ADVISORS GROUP	IN
ALLUVIAL PRIVATE WEALTH	OH
AUSPERITY PRIVATE WEALTH	NJ
BAYLEY INVESTMENT GROUP	IN
BOWERSOCK CAPITAL PARTNERS	KS
CAPE ROCK PRIVATE WEALTH	MO
CEDAR GAP WEALTH MANAGEMENT	TX

CENTERAS PRIVATE WEALTH	NH
CERULEAN PRIVATE WEALTH ADVISORS, LLC	IN
CHAPA & SALINAS PRIVATE WEALTH GROUP	TX
CLAYBOURN FRAKES	TX
CONCENTURE WEALTH MANAGEMENT	TX
CONVERSANT WEALTH MANAGEMENT	CA
COOKE FINANCIAL GROUP LLC	IN
CREDO WEALTH MANAGEMENT	CA
CROSSWATERS WEALTH MANAGEMENT	OR
DAVID A. NOYES & COMPANY	IL, IN
DC HILL WEALTH MANAGEMENT	TX
ENSCONCE WEALTH PARTNERS	CA
EVANS MAY WEALTH	IN
EXCELSIS GLOBAL PRIVATE WEALTH	TX
FJELL CAPITAL	ND
G SQUARED PRIVATE WEALTH	TX
GREEN WEALTH MANAGEMENT GROUP	CT
GUERRERO PRIVATE WEALTH GROUP	TX
HARBOR ASSET PRIVATE WEALTH	CT
HOLDER LEGACY WEALTH PARTNERS	IN
JACKSON HILL & FISH PRIVATE WEALTH ADVISORS	NC
JDK WEALTH	TX
LIONS WEALTH MANAGEMENT	IN
LOPEZ PRIVATE WEALTH GROUP	TX
MFORCE	TX
MUIRWOOD PRIVATE WEALTH	CA
NAVASYNCH PRIVATE WEALTH	NJ
NAVIS WEALTH MANAGEMENT	NY
NOBLE WEALTH ADVISORS	OH
NOBLEVEST PRIVATE WEALTH	MO
ORDORICA & DE LA GARZA PRIVATE WEALTH GROUP	TX
OTLEY PRIVATE WEALTH MANAGEMENT	IN
PEREZ PRIVATE WEALTH GROUP	TX
PRARIEFIRE WEALTH	IA
QUIRINI GROUP	IL
QUORUM PRIVATE WEALTH	CA
RHA WEALTH	NC

RICEBARRETT FAMILY WEALTH	IN
SANCTUARY SECURITIES	AK, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NJ, NM, NV, NY, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, VT, WA, WI, WV, WY
SANCTUARY WEALTH ADVISORS	TX
SANCTUARY WEALTH PARTNERS	IL, IN
SMITHBERG GROUP	IL
SOUTHERN OAK WEALTH GROUP	TN
STRATEGIC WEALTH CAPITAL	CA
TENET WEALTH PARTNERS	IL
THE HERITAGE FINANCIAL GROUP	IL
THE LONGO GROUP	LA
THE MANCUSI GROUP	IL
THEOREM WEALTH MANAGEMENT	TX
WIGAND INTEGRATED WEALTH	CO



## Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

### Direct Owners and Executive Officers

<b>Legal Name &amp; CRD# (if any):</b>	SANCTUARY WEALTH GROUP, LLC
<b>Is this a domestic or foreign entity or an individual?</b>	Domestic Entity
<b>Position</b>	SOLE SHAREHOLDER
<b>Position Start Date</b>	01/2015
<b>Percentage of Ownership</b>	75% or more
<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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<b>Legal Name &amp; CRD# (if any):</b>	EDWARDS, MILES J. 2040332
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	GENERAL COUNSEL & CHIEF COMPLIANCE OFFICER
<b>Position Start Date</b>	10/2021
<b>Percentage of Ownership</b>	Less than 5%
<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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<b>Legal Name &amp; CRD# (if any):</b>	GAUDIO, ROBERT EDWARD 4030185
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	MANAGING DIRECTOR OF OPERATIONS
<b>Position Start Date</b>	10/2021

## Firm Profile



### Direct Owners and Executive Officers (continued)

**Percentage of Ownership** Less than 5%

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

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

**Legal Name & CRD# (if any):** LONGLEY, MICHAEL H  
4896219

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

**Position** FINANCIAL OPERATIONS PRINCIPAL - FINOP

**Position Start Date** 11/2021

**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):** SMEAL, TIMOTHY D  
4169869

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

**Position** DIRECTOR OF OPERATIONS

**Position Start Date** 10/2021

**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):** WALTER, ROBERT



## Firm Profile



### Direct Owners and Executive Officers (continued)

2507287

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

**Position** PRESIDENT & CEO/ BOARD MEMBER

**Position Start Date** 01/2021

**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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## Firm Profile

This section provides information relating to any indirect owners of the brokerage firm.

### Indirect Owners

**Legal Name & CRD# (if any):** AZ INTERNATIONAL HOLDINGS S.A.

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

**Company through which indirect ownership is established** AZ US HOLDINGS INC.

**Relationship to Direct Owner** SOLE SHAREHOLDER

**Relationship Established** 09/2015

**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):** AZIMUT HOLDINGS S.P.A.

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

**Company through which indirect ownership is established** AZ US HOLDINGS INC.

**Relationship to Direct Owner** SOLE SHAREHOLDER

**Relationship Established** 12/2010

**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):** AZ US HOLDINGS INC.

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

## Firm Profile



### Indirect Owners (continued)

<b>Company through which indirect ownership is established</b>	SANCTUARY WEALTH GROUP, LLC
<b>Relationship to Direct Owner</b>	MEMBER
<b>Relationship Established</b>	02/2021
<b>Percentage of Ownership</b>	50% but less than 75%
<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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## **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	06/16/1978

### 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	12/01/1939



## Firm Operations

### Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	08/25/1998
Alaska	Approved	07/18/1997
Arizona	Approved	08/04/1986
Arkansas	Approved	07/27/2007
California	Approved	01/15/1986
Colorado	Approved	02/01/1983
Connecticut	Approved	02/03/1997
Delaware	Approved	09/13/1996
District of Columbia	Approved	05/29/1992
Florida	Approved	04/27/1983
Georgia	Approved	11/09/1993
Hawaii	Approved	08/11/1997
Idaho	Approved	07/30/1997
Illinois	Approved	07/01/1942
Indiana	Approved	10/20/1981
Iowa	Approved	09/14/1992
Kansas	Approved	08/13/1986
Kentucky	Approved	03/22/1985
Louisiana	Approved	07/15/1997
Maine	Approved	02/12/2008
Maryland	Approved	05/06/1992
Massachusetts	Approved	05/15/1992
Michigan	Approved	06/23/1986
Minnesota	Approved	08/05/1986
Mississippi	Approved	10/15/1997
Missouri	Approved	07/19/1990
Montana	Approved	08/26/1997
Nebraska	Approved	02/08/2002
Nevada	Approved	10/15/1992
New Hampshire	Approved	09/08/1997
New Jersey	Approved	10/03/1988
New Mexico	Approved	03/08/2000
New York	Approved	02/01/1984

U.S. States & Territories	Status	Date Effective
North Carolina	Approved	05/11/1992
North Dakota	Approved	08/27/1997
Ohio	Approved	07/16/1982
Oklahoma	Approved	07/17/1982
Oregon	Approved	09/11/1996
Pennsylvania	Approved	03/11/1985
Rhode Island	Approved	09/02/2004
South Carolina	Approved	11/08/1996
South Dakota	Approved	06/12/1997
Tennessee	Approved	02/02/1984
Texas	Approved	07/25/1983
Utah	Approved	07/07/1997
Vermont	Approved	10/19/2007
Virginia	Approved	05/31/1996
Washington	Approved	11/12/1996
West Virginia	Approved	07/01/1997
Wisconsin	Approved	10/19/1981
Wyoming	Approved	06/10/1997



## 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

Exchange member engaged in exchange commission business other than floor activities

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

Broker or dealer selling corporate debt securities

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

Mutual fund retailer

U S. government securities broker

Municipal securities dealer

Municipal securities broker

Broker or dealer selling variable life insurance or annuities

Put and call broker or dealer or option writer

Trading securities for own account

Private placements of securities

#### Other Types of Business

This firm does 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 not refer or introduce customers to other brokers and dealers.**



## Firm Operations

### Industry Arrangements



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

**Name:** REGED  
**Business Address:** 2100 GATEWAY CENTRE BLVD. STE. 200  
 MORRISVILLE, NC 27560  
**Effective Date:** 06/01/2020  
**Description:** COMPLIANCE REPORTING ARCHIVING

**Name:** FIS/SITEQUEST  
**Business Address:** 707 WEST 700 SOUTH, SUITE 100  
 WOODS CROSS, UT 84087  
**Effective Date:** 06/24/2020  
**Description:** SOCIAL MEDIA ARCHIVING

**Name:** GLOBAL RELAY  
**Business Address:** 286 MADISON AVENUE, 7TH FLOOR  
 SUITE #300  
 NEW YORK, NY 10017  
**Effective Date:** 03/14/2012  
**Description:** EMAIL RETENTION

**Name:** IRON MOUNTAIN  
**Business Address:** 1 FEDERAL STREET  
 BOSTON, MA 02110  
**Effective Date:** 01/01/2012  
**Description:** OFF-SITE HOUSING OF DOCUMENTS

**Name:** DOCUPACE  
**Business Address:** 11766 WILSHIRE BLVD, SUITE 1120  
 SUITE #300  
 LOS ANGELES, CA 90025  
**Effective Date:** 01/04/2021  
**Description:** CLIENT ACCOUNT DOCUMENT PROCESSING/RETENTION.

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



## Firm Operations

### Industry Arrangements (continued)

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

**Name:** PERSHING LLC  
**CRD #:** 7560  
**Business Address:** ONE PERSHING PLAZA  
JERSEY CITY, NJ 07399  
**Effective Date:** 11/13/2020  
**Description:** FULLY DISCLOSED CLEARING ARRANGEMENT

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**Name:** WELLS FARGO CLEARING SERVICES, LLC  
**CRD #:** 19616  
**Business Address:** 1 NORTH JEFFERSON AVE  
ST LOUIS, MO 63103  
**Effective Date:** 11/11/2016  
**Description:** FULLY DISCLOSED CLEARING ARRANGEMENT

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### Control Persons/Financing

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

**This firm does not have individuals who wholly or partly finance the firm's business.**



## Firm Operations

### Organization Affiliates

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

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

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

**SANCTUARY ADVISORS, LLC is under common control with the firm.**

<b>CRD #:</b>	226606
<b>Business Address:</b>	250 W., 96TH ST. #300 INDIANAPOLIS, IN 46260-1329
<b>Effective Date:</b>	06/01/2015
<b>Foreign Entity:</b>	No
<b>Country:</b>	
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	Yes
<b>Description:</b>	SANCTUARY ADVISORS LLC AND SANCTUARY SECURITIES, INC. ARE UNDER COMMON OWNERSHIP OF SANCTUARY WEALTH GROUP LLC

**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.

	<b>Pending</b>	<b>Final</b>	<b>On Appeal</b>
Regulatory Event	0	18	0
Arbitration	N/A	8	N/A
Bond	N/A	1	N/A

## Disclosure Event Details

### What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
  - o 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:**
  - o 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:**
  - o 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.
  - o 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 18

**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 ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM, INCLUDING WRITTEN PROCEDURES, REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH FINRA RULE 2111 IN RELATION TO THE SOLICITED SALES OF INVERSE AND LEVERAGED EXCHANGE TRADED FUNDS (NT-ETFs) IN THAT THE FIRM'S SUPERVISORY SYSTEM WAS NOT SUFFICIENTLY TAILORED TO ADDRESS THE UNIQUE FEATURES AND RISKS OF THESE PRODUCTS. THE FINDINGS STATED THAT THE FIRM DID NOT HAVE A REASONABLE SUPERVISORY SYSTEM FOR REVIEWING REPRESENTATIVES' RECOMMENDATIONS TO PURCHASE NT-ETFs BASED ON A CUSTOMER'S AGE, INVESTMENT OBJECTIVE, RISK TOLERANCE OR FINANCIAL PROFILE, INCLUDING NET WORTH. WHILE THE FIRM REQUIRED REPRESENTATIVES TO COMPLETE PRODUCT-SPECIFIC TRAINING PRIOR TO RECOMMENDING NT-ETF TRANSACTIONS, NO SUCH TRAINING WAS EVER PROVIDED TO REPRESENTATIVES OR TO THE SUPERVISORS REVIEWING THEIR CONDUCT. LIKEWISE, THE FIRM FAILED TO EDUCATE, THROUGH ITS WRITTEN PROCEDURES OR OTHERWISE, ITS REPRESENTATIVES AND SUPERVISORS REGARDING HOW TO DETERMINE WHETHER A NT-ETF WAS SUITABLE FOR CUSTOMERS GIVEN THE UNIQUE FEATURES AND RISKS OF THOSE PRODUCTS. MOREOVER, ALTHOUGH THE FIRM'S SUPERVISORY SYSTEM INCORPORATED EXCEPTION REPORTS AND ALERTS AS PART OF ITS ROUTINE ELECTRONIC TRADE REVIEW SYSTEM, NONE OF THOSE EXCEPTION REPORTS OR ALERTS WERE DESIGNED OR USED TO SURVEIL FOR THE UNIQUE RISKS POSED BY NT-ETFs. ADDITIONALLY, THE FIRM'S ELECTRONIC TRADE REVIEW SYSTEM WAS NOT DESIGNED TO IDENTIFY NT-ETF TRANSACTIONS HELD FOR LONGER PERIODS, NOR DID THE FIRM REQUIRE SUPERVISORS TO REVIEW NT-ETF TRANSACTIONS WITH THIS PARTICULAR RISK IN MIND. AS A RESULT, THE FIRM'S CUSTOMERS HELD POSITIONS IN NT-ETFs FOR EXTENDED PERIODS, SPANNING FROM WEEKS TO YEARS IN MANY INSTANCES, CAUSING SIGNIFICANT LOSSES. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO REVIEW AND EVALUATE THE OUTSIDE BUSINESS ACTIVITIES (OBAs) OF ITS REGISTERED REPRESENTATIVES. THE FIRM FAILED TO EVALUATE WHETHER THE REPRESENTATIVES' PROPOSED ACTIVITIES WOULD INTERFERE WITH EACH REPRESENTATIVE'S RESPONSIBILITIES TO THE FIRM, COULD BE VIEWED BY THE FIRM'S CUSTOMERS AS PART OF THE FIRM'S BUSINESS, OR WHETHER IT SHOULD BE TREATED AS OUTSIDE SECURITIES ACTIVITY. THE FINDINGS ALSO INCLUDED THAT THE FIRM DISTRIBUTED SALES MATERIALS IN CONNECTION WITH PRIVATE PLACEMENT OFFERINGS THAT CONTAINED PROHIBITED PERFORMANCE PROJECTIONS. THESE PROJECTIONS INCLUDED, BUT WERE NOT LIMITED TO, REFERENCES TO MULTIPLES ON INVESTMENT CAPITAL, INTERNAL RATE OF RETURN, AND AVERAGE CASH-ON-CASH PERCENTAGE RETURN OVER A FUTURE 15-YEAR PERIOD. ACCORDINGLY, THE COMMUNICATIONS



MADE CONTAINED FORWARD-LOOKING PROJECTIONS OF INVESTOR AND INVESTMENT RETURNS, WHICH ARE PROHIBITED. FINRA FOUND THAT THE FIRM FAILED TO FILE OFFERING DOCUMENTS WITH FINRA RELATED TO EIGHT PRIVATE PLACEMENTS SOLD BY THE FIRM'S REGISTERED REPRESENTATIVES. THE FIRM BELATEDLY FILED WITH FINRA MATERIALS FOR FIVE PRIVATE OFFERINGS AND DID NOT FILE ANY REQUIRED MATERIALS FOR THE OTHER THREE OFFERINGS. FINRA ALSO FOUND THAT THE FIRM WILLFULLY VIOLATED EXCHANGE ACT RULE 10B-9 AND FINRA RULE 2010 BY FAILING TO TERMINATE AN OFFERING OF SECURITIES THAT DID NOT MEET A MINIMUM CONTINGENCY REQUIREMENT UNDER THE TERMS OF A PRIVATE PLACEMENT MEMORANDUM (PPM) AND RETURN FUNDS TO INVESTORS. BY THE DATE SPECIFIED IN THE PPM, THE FIRM HAD NOT RAISED INVESTOR FUNDS IN AN AMOUNT THAT SATISFIED THE MINIMUM CONTINGENCY REQUIRED BY THE PPM. THE FIRM DID NOT TERMINATE THE OFFERING AND RETURN INVESTOR FUNDS AT THAT TIME, HOWEVER, AS IT WAS REQUIRED TO DO PURSUANT TO THE TERMS OF THE PPM. RATHER, THE FIRM CONTINUED TO SOLICIT INVESTMENTS IN THE OFFERING, UNDER A MODIFIED PPM THAT IMPROPERLY EXTENDED THE TERMINATION DATE AND REDUCED THE MINIMUM CONTINGENCY.

**Initiated By:** FINRA

**Date Initiated:** 07/01/2021

**Docket/Case Number:** [2019060694201](#)

**Principal Product Type:** Other

**Other Product Type(s):** NON-TRADITIONAL EXCHANGE TRADED FUNDS  
PRIVATE SECURITIES

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

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

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

**Resolution Date:** 07/01/2021

**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  
Monetary/Fine \$160,000.00



Disgorgement/Restitution

**Other Sanctions Ordered:**

**Sanction Details:**

THE FIRM WAS CENSURED, FINED \$160,000, AND ORDERED TO PAY \$370,161.39, PLUS INTEREST, IN RESTITUTION TO CUSTOMERS. FINE PAID IN FULL ON JULY 19, 2021.

**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 (1) FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM, INCLUDING WRITTEN PROCEDURES, REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH FINRA RULE 2111 IN RELATION TO THE SOLICITED SALES OF INVERSE AND LEVERAGED EXCHANGE-TRADED FUNDS (NON-TRADITIONAL ETFs) IN VIOLATION OF FINRA RULE 3110 AND ITS PREDECESSOR, NASD RULE 3010, AS WELL AS FINRA RULE 2010, (2) FAILED TO REVIEW AND EVALUATE THE OUTSIDE BUSINESS ACTIVITIES OF APPROXIMATELY 15 OF ITS REGISTERED REPRESENTATIVES, IN VIOLATION OF FINRA RULES 3270.01 AND 2010, (3) DISTRIBUTED SALES MATERIAL IN CONNECTION WITH THREE PRIVATE PLACEMENT OFFERINGS THAT CONTAINED PROHIBITED PERFORMANCE PROJECTIONS, IN VIOLATION OF FINRA RULES 2210(D)(1)(F) AND 2010, (4) FAILED TO FILE OFFERING DOCUMENTS WITH FINRA RELATED TO EIGHT PRIVATE PLACEMENTS SOLD BY THE FIRM'S REGISTERED REPRESENTATIVES, IN VIOLATION OF FINRA RULES 5123 AND 2010, AND (5) FAILED TO TERMINATE AN OFFERING OF SECURITIES THAT DID NOT MEET A MINIMUM CONTINGENCY REQUIREMENT UNDER THE TERMS OF A PRIVATE PLACEMENT MEMORANDUM AND RETURN FUNDS TO INVESTORS, IN WILLFUL VIOLATION OF SECURITIES EXCHANGE ACT OF 1934 RULE 10B-9 AND FINRA RULE 2010.

**Initiated By:**

FINANCIAL INDUSTRY REGULATORY AUTHORITY

**Date Initiated:**

07/01/2021

**Docket/Case Number:**

[2019060694201](#)

**Principal Product Type:**

Other

**Other Product Type(s):**

NON-TRADITIONAL ETFs, PRIVATE PLACEMENTS

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

Civil and Administrative Penalt(ies) /Fine(s)

**Other Sanction(s)/Relief**

CENSURE





<b>Sought:</b>	RESTITUTION
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	07/01/2021
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$160,000.00 Disgorgement/Restitution
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM WAS CENSURED, FINED \$160,000 AND REQUIRED TO PAY RESTITUTION IN THE AMOUNT OF \$370,161.39, PLUS INTEREST. THE FINE WAS PAID ON 07/07/2021.
<b>Firm Statement</b>	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM WAS CENSURED, FINED \$160,000 AND REQUIRED TO PAY RESTITUTION IN THE AMOUNT OF \$370,161.39, PLUS INTEREST. THE FINE WAS PAID ON 07/07/2021.

#### Disclosure 2 of 18

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	MSRB RULES G-14, G-15, G-27 - DAVID A. NOYES & COMPANY FAILED TO REPORT THE YIELD FACTORING IN THE SALES CHARGE TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS)IN MUNICIPAL SECURITIES TRANSACTION REPORTS AND FAILED TO REPORT THE CORRECT YIELD TO THE RTRS IN A FEW MUNICIPAL SECURITIES TRANSACTION REPORTS. THE FIRM FAILED TO DISCLOSE THE YIELD-TO-WORST FACTORING IN THE SALES CHARGE TO CUSTOMERS ON TRANSACTION CONFIRMATIONS IN MUNICIPAL SECURITIES AND FAILED TO DISCLOSE THE ACCURATE YIELD-TO-WORST TO CUSTOMERS ON THE CONFIRMATION IN SOME MUNICIPAL SECURITIES TRANSACTIONS. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND THE MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB) RULES CONCERNING THE CONFIRMATIONS OF TRANSACTIONS INVOLVING MUNICIPAL SECURITIES.
<b>Initiated By:</b>	FINRA
<b>Date Initiated:</b>	09/07/2012
<b>Docket/Case Number:</b>	<a href="#">2009020711801</a>



**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:** 09/07/2012  
**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 FOR MSRB RULE VIOLATIONS. FINE PAID IN FULL ON SEPTEMBER 26, 2012.

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**Reporting Source:** Firm  
**Current Status:** Final  
**Allegations:** FINRA ALLEGES THAT DURING THE REVIEW PERIOD , THE FIRM FAILED TO REPORT THE YIELD FACTORING IN THE SALES CHARGE TO THE RTRS AND FAILED TO REPORT THE YIELD-TO-WORST FACTORING IN THE SALES CHARGE TO CUSTOMERS.  
**Initiated By:** FINRA  
**Date Initiated:** 12/10/2009  
**Docket/Case Number:** 20090207118  
**Principal Product Type:** Debt - Municipal  
**Other Product Type(s):**  
**Principal Sanction(s)/Relief Sought:** Censure


**Other Sanction(s)/Relief Sought:**
**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 07/31/2012

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

**Other Sanctions Ordered:**
**Sanction Details:** A CENTURE AND A FINE OF \$15,000.00

**Disclosure 3 of 18**
**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:** SEC RULES 10B-10, 200(G) OF REGULATION SHO, NASD RULES 2110, 3010, 6130(D), 6955(A) - DAVID A. NOYES & COMPANY EXECUTED SHORT SALE TRANSACTIONS AND FAILED TO REPORT THEM TO THE FINRA/NASDAQ TRADE REPORTING FACILITY (TRF) WITH A SHORT SALE MODIFIER AND EXECUTED LONG SALE TRANSACTIONS AND INCORRECTLY REPORTED EACH OF THE TRANSACTIONS TO THE TRF AS SHORT. THE FIRM TRANSMITTED TO THE ORDER AUDIT TRAIL SYSTEM (OATS) REPORTS THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA; THE REPORTS CONTAINED INACCURATE OR OMITTED INDICATORS, DESTINATION SYMBOLS, ROUTE REPORTS, AND ORDER RECEIPT TIMES. THE FIRM FAILED TO PROVIDE WRITTEN NOTIFICATION DISCLOSING TO ITS CUSTOMERS THAT TRANSACTIONS WERE EXECUTED AT AN AVERAGE PRICE. THE FIRM FAILED WHEN IT ACTED AS PRINCIPAL FOR ITS OWN ACCOUNT TO PROVIDE WRITTEN NOTIFICATION DISCLOSING TO ITS CUSTOMERS THE CORRECT REPORTED TRADE PRICE. THE FIRM EXECUTED SHORT SALE ORDERS AND FAILED TO PROPERLY MARK THE ORDERS AS SHORT. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND FINRA RULES ADDRESSING QUALITY OF MARKET TOPICS. THE FIRM'S WRITTEN SUPERVISORY PROCEDURES FAILED TO PROVIDE FOR ONE OR MORE MINIMUM REQUIREMENTS FOR ADEQUATE WRITTEN SUPERVISORY PROCEDURES IN TRADE REPORTING; OATS REPORTING; LOCATE RULE; ORDER MARKING; BEST EXECUTION; AND BOOKS AND RECORDS.

**Initiated By:** FINRA

**Date Initiated:** 12/07/2009



**Docket/Case Number:** [2008012453701](#)

**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:** 12/07/2009

**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 \$27,500.00

**Other Sanctions Ordered:** UNDERTAKING

**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, FINED \$27,500 AND REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING TRADE REPORTING; OATS REPORTING; LOCATE RULE; ORDER MARKING; BEST EXECUTION; AND BOOKS AND RECORDS WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.

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**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** SEC RULES 10B-10, 200(G) OF REGULATION SHO, NASD RULES 2110, 3010, 6130(D), 6955(A) - DAVID A. NOYES & COMPANY EXECUTED SHORT SALE TRANSACTIONS AND FAILED TO REPORT THEM TO THE FINRA/NASDAQ TRADE REPORTING FACILITY (TRF) WITH A SHORT SALE MODIFIER AND EXECUTED LONG SALE TRANSACTIONS AND INCORRECTLY REPORTED EACH OF THE TRANSACTIONS TO THE TRF AS SHORT. THE FIRM TRANSMITTED TO THE ORDER AUDIT TRAIL SYSTEM (OATS) REPORTS THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA; THE REPORTS CONTAINED INACCURATE OR OMITTED



INDICATORS, DESTINATION SYMBOLS, ROUTE REPORTS, AND ORDER RECEIPT TIMES. THE FIRM FAILED TO PROVIDE WRITTEN NOTIFICATION DISCLOSING TO ITS CUSTOMERS THAT TRANSACTIONS WERE EXECUTED AT AN AVERAGE PRICE. THE FIRM FAILED WHEN IT ACTED AS PRINCIPAL FOR ITS OWN ACCOUNT TO PROVIDE WRITTEN NOTIFICATION DISCLOSING TO ITS CUSTOMERS THE CORRECT REPORTED TRADE PRICE. THE FIRM EXECUTED SHORT SALE ORDERS AND FAILED TO PROPERLY MARK THE ORDERS AS SHORT. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND FINRA RULES ADDRESSING QUALITY OF MARKET TOPICS. THE FIRM'S WRITTEN SUPERVISORY PROCEDURES FAILED TO PROVIDE FOR ONE OR MORE MINIMUM REQUIREMENTS FOR ADEQUATE WRITTEN SUPERVISORY PROCEDURES IN TRADE REPORTING; OATS REPORTING; LOCATE RULE; ORDER MARKING; BEST EXECUTION; AND BOOKS AND RECORDS.

**Initiated By:** FINRA

**Date Initiated:** 12/07/2009

**Docket/Case Number:** 20080124537-01

**Principal Product Type:** Other

**Other Product Type(s):** UNSPECIFIED SECURITIES

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

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

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

**Resolution Date:** 12/07/2009

**Sanctions Ordered:** Censure  
Monetary/Fine \$27,500.00

**Other Sanctions Ordered:** UNDERTAKING

**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, FINED \$27,500 AND REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING TRADE REPORTING; OATS REPORTING; LOCATE RULE; ORDER MARKING; BEST EXECUTION; AND BOOKS AND RECORDS WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.



## Disclosure 4 of 18

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	SEC RULES 17A-3, 17A-4, NASD RULES 3110, 6130, 6955(A) - DAVID A. NOYES & COMPANY FAILED TO REPORT TO THE NASD/NASDAQ TRADE REPORTING FACILITY OR THE OTC REPORTING FACILITY THE CORRECT SYMBOL INDICATING WHETHER THE FIRM EXECUTED TRANSACTIONS IN REPORTABLE SECURITIES IN A PRINCIPAL, RISKLESS PRINCIPAL OR AGENCY CAPACITY. THE FIRM FAILED TO REPORT THE SHORT SALE OR SHORT EXEMPT INDICATOR FOR SHORT SALES. THE FIRM TRANSMITTED TO THE ORDER AUDIT TRAIL SYSTEM (OATS) REPORTS THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA IN THAT THE REPORTS CONTAINED INACCURATE TIMESTAMPS, INCORRECT ORDER-TYPE CODES AND INCORRECT INFORMATION FOR PROPRIETARY TRANSACTIONS IN A MARKET-MAKING SECURITY. THE FIRM FAILED TO PROVIDE ORDER MEMORANDUM AND FAILED TO MEMORIALIZE CORRECTLY ORDER INFORMATION, ORDER RECEIPT TIME OR THE ORDER TYPE CODE.
<b>Initiated By:</b>	FINRA
<b>Date Initiated:</b>	02/25/2009
<b>Docket/Case Number:</b>	<a href="#">2007008322001</a>
<b>Principal Product Type:</b>	Other
<b>Other Product Type(s):</b>	REPORTABLE SECURITIES
<b>Principal Sanction(s)/Relief Sought:</b>	
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	02/25/2009
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$12,500.00

**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 \$12,500.

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**Reporting Source:**

Firm

**Current Status:**

Final

**Allegations:**

SEC RULE 17A-3, 17A-4, NASD RULES 3110, 6130, 6955(A) - DAVID A. NOYES & COMPANY FAILED TO REPORT TO THE NASD?NASDAQ TRADE REPORTING FACILITY OF THE OTC REPORTING FACILITY THE CORRECT SYMBOL INDICATING WHETHER THE FIRM EXECUTED TRANSACTIONS IN REPORTABLE SECURITIES IN A PRINCIPAL, RISKLESS PRINCIPAL OR AGENCY CAPACITY. THE FIRM FAILED TO REPORT THE SHORT SALE OR SHORT SALE EXEMPT INDICATOR FOR SHORT SALES. THE FIRM TRANSMITTED TO THE ORDER AUDIT TRAIL SYSTEM (OATS) REPORTS THAT CONTAINED INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA IN THAT THE REPORTS CONTAINED INACCURATE TIMESTAMPS, INCORRECT ORDER-TYPE CODES AND INCORRECT INFORMATION FOR PROPRIETARY TRANSACTIONS IN A MARKET-MAKING SECURITY. THE FIRM FAILED TO PROVIDE ORDER MEMORANDUM AND FAILED TO MEMORIALIZE CORRECTLY ORDER INFORMATION, ORDER RECEIPT TIME OR ORDER TYPE CODE.

**Initiated By:**

NASD

**Date Initiated:**

02/25/2009

**Docket/Case Number:**[2007008322001](#)**Principal Product Type:**

Other

**Other Product Type(s):**

REPORTABLE SECURITIES

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

Acceptance, Waiver &amp; Consent(AWC)

**Resolution Date:**

02/25/2009

**Sanctions Ordered:**

Censure  
Monetary/Fine \$12,500.00

**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 \$12,500.

#### Disclosure 5 of 18

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:** SECTION 15(F) OF THE SECURITIES EXCHANGE ACT OF 1934, 15 USCS 78O(F), NASD RULES 2110, 3010 - DAVID A. NOYES & COMPANY FAILED TO ENFORCE WRITTEN SUPERVISORY PROCEDURES IN THAT IT FAILED TO MAINTAIN SEPARATION BETWEEN ITS SALES AND INVESTMENT BANKING DEPARTMENTS TO PREVENT COMMUNICATION OF MATERIAL, NON-PUBLIC INFORMATION CONCERNING INVESTMENT ACTIVITY TO ANYONE OUTSIDE THE INVESTMENT BANKING DEPARTMENT WITHOUT THE PRIOR APPROVAL OF DESIGNATED MANAGERS; ESTABLISH "GREY LIST" PROCEDURES TO BE IMPLEMENTED WHEN THE FIRM IS ABOUT TO OBTAIN, OR HAS OBTAINED MATERIAL, NON-PUBLIC INFORMATION CONCERNING A SECURITY; AND ESTABLISH A "RESTRICTED LIST" PROCEDURE DESIGNED TO PROHIBIT INSIDER TRADING VIOLATIONS AND APPEARANCES OF IMPROPRIETY. THE FIRM FAILED TO ENFORCE WRITTEN POLICIES AND PROCEDURES REASONABLY DESIGNED TO PREVENT THE MISUSE OF MATERIAL, NON-PUBLIC INFORMATION BY THE FIRM OR ANY PERSON ASSOCIATED WITH THE FIRM.

**Initiated By:** FINRA

**Date Initiated:** 12/03/2008

**Docket/Case Number:** [2005000219101](#)

**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:** 12/03/2008





**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 \$22,500.00

**Other Sanctions Ordered:** UNDERTAKING

**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, FINED \$22,500 AND REQUIRED TO REVISE ITS SUPERVISORY SYSTEM REGARDING SEPARATION BETWEEN ITS SALES AND INVESTMENT BANKING DEPARTMENTS, ESTABLISHING GREY AND RESTRICTED LISTS, AND MISUSE OF MATERIAL, NON-PUBLIC INFORMATION WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.

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**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** SECTION 15(F) OF THE SECURITIES EXCHANGE ACT OF 1934, 15 USCS 780(F), NASD RULES 2110 AND 3010 - IT IS ALLEGED THAT DAVID A. NOYES AND COMPANY FAILED TO ENFORCE WRITTEN SUPERVISORY PROCEDURES IN THAT IT FAILED TO MAINTAIN SEPARATION BETWEEN ITS SALES AND INVESTMENT BANKING DEPARTMENTS TO PREVENT COMMUNICATION OF MATERIAL, NON-PUBLIC INFORMATION CONCERNING INVESTMENT ACTIVITY TO ANYONE OUTSIDE THE INVESTMENT BANKING DEPARTMENT WITHOUT THE PRIOR APPROVAL OF DESIGNATED MANAGERS

**Initiated By:** FINRA

**Date Initiated:** 12/03/2008

**Docket/Case Number:** [2005000219101](#)

**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:** 12/03/2008

**Sanctions Ordered:** Censure  
Monetary/Fine \$22,500.00

**Other Sanctions Ordered:** UNDERTAKING

**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, FINED \$22,500.00 AND REQUIRED TO REVISE ITS SUPERVISORY SYSTEM REGARDING SEPARATION BETWEEN ITS SALES AND INVESTMENT BANKING DEPARTMENTS, ESTABLISHING GREY AND RESTRICTED LISTS, AND MISUSE OF MATERIAL, NON-PUBLIC INFORMATION

#### Disclosure 6 of 18

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:** MSRB RULE G-14 - DAVID A. NOYES & COMPANY FAILED TO REPORT INFORMATION REGARDING PURCHASE AND SALE TRANSACTIONS EFFECTED IN MUNICIPAL SECURITIES TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) IN THE MANNER PRESCRIBED BY RULE G-14 RTRS PROCEDURES AND THE RTRS USERS MANUAL; THE FIRM FAILED TO REPORT INFORMATION ABOUT THE TRANSACTIONS WITHIN 15 MINUTES OF TIME OF TRADE TO AN RTRS PORTAL.

**Initiated By:** FINRA

**Date Initiated:** 11/17/2008

**Docket/Case Number:** 2006005184801

**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:** 11/17/2008



**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:** Monetary/Fine \$5,000.00

**Other Sanctions Ordered:**

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

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**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** MSRB RULE G-14 - IT IS ALLEGED THAT DAVID A. NOYES & COMPANY FAILED TO REPORT INFORMATION REGARDING PURCHASE AND SALE TRANSACTIONS EFFECTED IN MUNICIPAL SECURITIES TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) WITHIN 15 MINUTE TIME FRAME

**Initiated By:** FINRA

**Date Initiated:** 11/17/2008

**Docket/Case Number:** 2006005184801

**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:** 11/17/2008

**Sanctions Ordered:** Monetary/Fine \$5,000.00

**Other Sanctions Ordered:**

**Sanction Details:** WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTION AND THE ENTRY OF FINDINGS.



### Disclosure 7 of 18

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	ALLEGED UNREGISTERED INVESTMENT ADVISER REPRESENTATIVES PROVIDING ADVISORY SERVICES IN INDIANA.
<b>Initiated By:</b>	INDIANA
<b>Date Initiated:</b>	07/24/2008
<b>Docket/Case Number:</b>	08-0848 CA
<b>URL for Regulatory Action:</b>	
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	COST OF INVESTIGATION
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	07/24/2008
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Sanctions Ordered:</b>	Monetary/Fine \$25,000.00
<b>Other Sanctions Ordered:</b>	\$5,000 COST OF INVESTIGATION
<b>Sanction Details:</b>	TOTAL \$30,000; PAID 7/24/2008. NO PORTION WAIVED.

<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	ALLEGED UNREGISTERED INVESTMENT ADVISER REPRESENTATIVES PROVIDING ADVISORY SERVICES
<b>Initiated By:</b>	INDIANA



**Date Initiated:** 07/24/2008  
**Docket/Case Number:** 08-0848 CA  
**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:** COST OF INVESTIGATION  
**Resolution:** Acceptance, Waiver & Consent(AWC)  
**Resolution Date:** 07/24/2008  
**Sanctions Ordered:** Monetary/Fine \$25,000.00  
**Other Sanctions Ordered:** \$5,000 COST OF INVESTIGATION  
**Sanction Details:** PAID \$30000.00 FINE ON 07/24/2008

#### Disclosure 8 of 18

**Reporting Source:** Regulator  
**Current Status:** Final  
**Allegations:** NASD RULES 2110, 3010 - DAVID A. NOYES & COMPANY'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND NASD RULES CONCERNING RECOMMENDATIONS TO CUSTOMERS IN OTC EQUITY SECURITIES, REVIEW OF ACTIVE ACCOUNTS, COMMUNICATIONS WITH THE PUBLIC, ADVERTISING, INSTITUTIONAL SALES MATERIAL, CUSTOMER CORRESPONDENCE, APPROVAL OF NEW ACCOUNTS, MEMORANDA OF BROKERAGE ORDERS, RECOMMENDATIONS OF SPECULATIVE, LOW-PRICED SECURITIES, REVIEWS AND SUPERVISION OF OUTGOING CORRESPONDENCE, OUTSIDE BUSINESS ACTIVITIES, DISCRETIONARY CUSTOMER ACCOUNTS, FEE-BASED ACCOUNTS, OPEN ORDERS AND THE ACTIVITIES OF THE BRANCH OFFICE MANAGER.  
**Initiated By:** FINRA  
**Date Initiated:** 06/30/2008  
**Docket/Case Number:** [2005000029204](#)  
**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:** 06/30/2008

**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 \$40,000.00

**Other Sanctions Ordered:** UNDERTAKING

**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, FINED \$40,000 AND REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING RECOMMENDATIONS TO CUSTOMERS IN OTC EQUITY SECURITIES, REVIEW OF ACTIVE ACCOUNTS, COMMUNICATIONS WITH THE PUBLIC, ADVERTISING, INSTITUTIONAL SALES MATERIAL, CUSTOMER CORRESPONDENCE, APPROVAL OF NEW ACCOUNTS, MEMORANDA OF BROKERAGE ORDERS, RECOMMENDATIONS OF SPECULATIVE, LOW-PRICED SECURITIES, REVIEWS AND SUPERVISION OF OUTGOING CORRESPONDENCE, OUTSIDE BUSINESS ACTIVITIES, DISCRETIONARY CUSTOMER ACCOUNTS, FEE-BASED ACCOUNTS, OPEN ORDERS AND THE ACTIVITIES OF THE BRANCH OFFICE MANAGER WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.

**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** NASD RULES 2110, 3010 - DAVID A. NOYES & COMPANY'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND NASD RULES CONCERNING RECOMMENDATIONS TO CUSTOMERS IN OTC EQUITY SECURITIES, REVIEW OF ACTIVE ACCOUNTS, COMMUNICATION WITH THE PUBLIC, ADVERTISING, INSTITUTIONAL SALES MATERIAL, CUSTOMER CORRESPONDENCE, APPROVAL OF NEW



ACCOUNTS, MEMORANDA OF BROKERAGE ORDERS, RECOMMENDATIONS OF SPECULATIVE, LOW-PRICED SECURITIES, REVIEWS AND SUPERVISION OF OUTGOING CORRESPONDENCE, OUTSIDE BUSINESS ACTIVITIES, DISCRETIONARY CUSTOMER ACCOUNTS, FEE-BASED ACCOUNTS, OPEN ORDERS AND THE ACTIVITIES OF THE BRANCH OFFICE MANAGER

**Initiated By:** FINRA

**Date Initiated:** 06/30/2008

**Docket/Case Number:** 20050000292-04

**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:** 06/30/2008

**Sanctions Ordered:** Censure  
Monetary/Fine \$40,000.00  
Suspension

**Other Sanctions Ordered:** UNDERTAKING

**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, FINED \$40,000.00 AND REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING RECOMMENDATIONS TO CUSTOMERS IN OTC EQUITY SECURITIES, REVIEW OF ACTIVE ACCOUNTS, COMMUNICATION WITH THE PUBLIC, ADVERTISING, INSTITUTIONAL SALES MATERIAL, CUSTOMER CORRESPONDENCE, APPROVAL OF NEW ACCOUNTS, MEMORANDA OF BROKERAGE ORDERS, RECOMMENDATIONS OF SPECULATIVE, LOW-PRICED SECURITIES, REVIEWS AND SUPERVISION OF OUTGOING CORRESPONDENCE, OUTSIDE BUSINESS ACTIVITIES, DISCRETIONARY CUSTOMER ACCOUNTS, FEE-BASED ACCOUNTS, OPEN ORDERS AND THE ACTIVITIES OF THE BRANCH MANAGER WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC. IN ADDITION RUSSELL BAUMAN WITHOUT ADMITTING OR DENYING THE FINDINGS,BAUMAN CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE HE IS FINED \$10,000, SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY PRINCIPAL CAPACITY FOR 75 DAYS AND



REQUIRED TO COMPLETE 8 HOURS OF FINRA SPONSORED CONTINUING EDUCATION IN SUPERVISION. THE SUSPENSION IN ANY PRINCIPAL CAPACITY IS IN EFFECT FROM AUGUST 4, 2008 TO OCTOBER 17, 2008.

## Firm Statement

INVESTIGATION INITIATED IN 2005 RESOLVED IN 2008

## Disclosure 9 of 18

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:** \*\*6/27/05\*\*STIPULATION AND CONSENT TO PENALTY FILED BY NYSE DIVISION OF ENFORCEMENT AND PENDING.CONSENTED TO FINDINGS WITHOUT ADMITTING OR DENYING GUILT: FINDINGS THAT DAVID A. NOYES & CO.1.ENGAGED IN CONDUCT INCONSISTENT WITH JUST AND EQUITABLE PRINCIPLES OF TRADE IN THAT IT RECOMMENDED AND SOLD VARIABLE ANNUITIES TO CUSTOMERS THAT WERE UNSUITABLE; 2.VIOLATED EXCHANGE RULES 405(1) BY FAILING TO USE DUE DILIGENCE TO LEARN ESSENTIAL FACTS RELATIVE TO CUSTOMERS IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES; 3.VIOLATED EXCHANGE RULE 405(2) BY FAILING TO DILIGENTLY SUPERVISE ACCOUNTS HANDLED BY REGISTERED REPRESENTATIVES IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES; AND 4.VIOLATED EXCHANGE RULE 342 IN THAT IT: (A) FAILED TO REASONABLY SUPERVISE AND CONTROL CERTAIN OF ITS BUSINESS ACTIVITIES CONCERNING THE SALE OF VARIABLE ANNUITIES; AND (B) FAILED TO REASONABLY SUPERVISE AND CONTROL THE ACTIVITIES OF A PRODUCING BRANCH OFFICE MANAGER IN CONNECTION WITH HIS ACTIVITIES AS A REGISTERED REPRESENTATIVE.STIPULATED SANCTION: CENSURE, A TOTAL PAYMENT TO THE EXCHANGE OF \$550,000 AND AN UNDERTAKING.SUCH PAYMENT IS TO BE MADE TO THE EXCHANGE WITHIN 15 DAYS OF THE EXCHANGE'S HEARING PANEL'S DECISION BECOMING FINAL IN THIS MATTER AND WILL BE APPORTIONED AS FOLLOWS:1.\$175,000, WHICH SHALL CONSTITUTE A FINE AND MAY BE USED, IN WHOLE OR PART, TO SUPPLEMENT THE FUNDS DESCRIBED IN PARAGRAPH 2 IMMEDIATELY BELOW AND,2.\$375,000, WHICH SHALL BE USED, IN WHOLE OR PART, TO COMPENSATE CUSTOMERS THAT HAVE BEEN INJURED BY THE FIRM'S VIOLATIVE CONDUCT IN THIS MATTER.

**Initiated By:** NEW YORK STOCK EXCHANGE DIVISION OF ENFORCEMENT

**Date Initiated:** 06/27/2005

**Docket/Case Number:** HPD#: 05-098

**Principal Product Type:** Other



**Other Product Type(s):****Principal Sanction(s)/Relief Sought:****Other Sanction(s)/Relief Sought:****Resolution:** Decision**Resolution Date:** 12/29/2005**Sanctions Ordered:** Censure  
Monetary/Fine \$550,000.00**Other Sanctions Ordered:****Sanction Details:**

**\*\*11/9/05\*\***DECISION HPD 05-98 ISSUED BY NYSE HEARING PANEL FINDINGS: RECOMMENDED AND SOLD VARIABLE ANNUITIES TO CUSTOMERS THAT WERE UNSUITABLE; VIOLATED EXCHANGE RULE 405(1) BY FAILING TO USE DUE DILIGENCE TO LEARN ESSENTIAL FACTS RELATIVE TO CUSTOMERS IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES; VIOLATED EXCHANGE RULE 405(2) BY FAILING TO DILIGENTLY SUPERVISE ACCOUNTS HANDLED BY REGISTERED REPRESENTATIVES IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES; AND VIOLATED EXCHANGE RULE 342 IN THAT IT: (A) FAILED TO REASONABLY SUPERVISE AND CONTROL CERTAIN OF ITS BUSINESS ACTIVITIES CONCERNING THE SALE OF VARIABLE ANNUITIES; AND (B) FAILED TO REASONABLY SUPERVISE AND CONTROL THE ACTIVITIES OF A PRODUCING BRANCH OFFICE MANAGER IN CONNECTION WITH HIS ACTIVITIES AS A REGISTERED REPRESENTATIVE. PENALTY: THE IMPOSITION BY THE EXCHANGE OF THE PENALTY OF A CENSURE, A TOTAL PAYMENT TO THE EXCHANGE OF \$550,000, AND AN UNDERTAKING AND CUSTOMER RESTITUTION PROCEDURES.

**Regulator Statement**

**\*\*12/29/05\*\*** THE DECISION IS NOW FINAL AND IS EFFECTIVE IMMEDIATELY. CONTACT PEGGY GERMINO 212-656-8450.

**Reporting Source:** Firm**Current Status:** Final**Allegations:** VIOLATIONS OF NYSE RULE 342 AND 405 RELATED TO SUPERVISION OF VARIABLE ANNUITY SALES.**Initiated By:** NYSE**Date Initiated:** 06/27/2005**Docket/Case Number:** HPD#: 05-098



<b>Principal Product Type:</b>	Annuity(ies) - Variable
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Restitution
<b>Other Sanction(s)/Relief Sought:</b>	CENSURE AND UNDERTAKING
<b>Resolution:</b>	Stipulation and Consent
<b>Resolution Date:</b>	12/29/2005
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$550,000.00 Disgorgement/Restitution
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	CENSURE, TOTAL PAYMENT TO THE EXCHANGE OF \$550,000, AN UNDERTAKING AND CUSTOMER RESTITUTION PROCEDURES. PAYMENT WILL BE MADE TO EXCHANGE WITHIN 15 DAYS OF HEARING PANEL'S DECISION BECOMING FINAL AND WILL BE APPORTIONED AS FOLLOWS: \$175,000 FINE AND \$375,000 RESTITUTION.
<b>Firm Statement</b>	FIRM NEITHER ADMITS NOR DENIES THE ALLEGATIONS.

#### Disclosure 10 of 18

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	NASD CONDUCT RULES 2110, 2210(1), 2210(D)(1)(B), 2210(D)(1)(D), 2210(D)(2)(M), 3010- RESPONDENT FIRM CREATED AND DISTRIBUTED FORM LETTERS WHICH CONTAINED STATEMENTS THAT WERE MISLEADING, IN THAT THEY EXAGGERATED THE SAFETY OF THE PRODUCTS, AND FAILED TO REFLECT THE RISKS OF FLUCTUATING PRICES AND THE UNCERTAINTY OF RATES OF RETURN AND YIELD INHERENT IN ALL INVESTMENTS; FAILED TO DISCLOSE MATERIAL INFORMATION REGARDING THE RISKS OF THE PROPOSED INVESTMENTS; FAILED TO PROVIDE A SOUND BASIS FOR EVALUATING THE RECOMMENDATIONS CONTAINED IN THE LETTERS; FAILED TO ADEQUATELY AND PROPERLY SUPERVISE THE USE OF FORM LETTERS BY PERMITTING THE DISTRIBUTION OF THE IMPROPER FORM LETTERS; FAILED TO ESTABLISH AND MAINTAIN AND ENFORCE ADEQUATE WRITTEN PROCEDURES DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS AND REGULATIONS BY FAILING TO ESTABLISH



ADEQUATE PROCEDURES FOR DETAILING HOW SALES LITERATURE AND ADVERTISEMENTS SHOULD BE REVIEWED BY THE MEMBER'S BRANCH OFFICE MANAGERS AND WHICH ITEMS WOULD BE REQUIRED TO BE SUBMITTED TO NASD ADVERTISING REGULATION FOR APPROVAL PRIOR TO USE.

**Initiated By:** NASD

**Date Initiated:** 06/23/2005

**Docket/Case Number:** [C8A050058](#)

**Principal Product Type:** Unit Investment Trust(s)

**Other Product Type(s):** EQUITY TRUSTS

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

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

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

**Resolution Date:** 06/23/2005

**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 \$40,000.00

**Other Sanctions Ordered:** FILING REQUIREMENT

**Sanction Details:** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, FIRM IS CENSURED AND FINED \$10,000. JOINTLY AND SEVERALLY, FINED AN ADDITIONAL SEPARATE \$30,000. FINE, AND A "PRE-USE FILING REQUIREMENT, THAT FOR ONE YEAR FROM THE ACCEPTANCE OF THIS AWC, THE MEMBER FIRM WILL OBTAIN AN NASD ADVERTISING REGULATION DEPARTMENT STAFF "NO OBJECTION" LETTER ON ANY PROPOSED SALES LITERATURE OR ADVERTISING PRIOR TO ITS USE DURING THIS TIME PERIOD.

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**Reporting Source:** Firm



<b>Current Status:</b>	Final
<b>Allegations:</b>	VIOLATED NASD RULE 2110, 2210 & 3010 WHEN FIRM CREATED AND DISTRIBUTED FORM LETTERS WHICH CONTAINED STATEMENTS THAT WERE MISLEADING; FAILED TO ESTABLISH, MAINTAIN AND ENFORCE ADEQUATE WRITTEN SUPERVISORY PROCEDURES RELATING TO THE REVIEW AND FILING OF THE FORM LETTERS.
<b>Initiated By:</b>	NASD
<b>Date Initiated:</b>	06/23/2005
<b>Docket/Case Number:</b>	<a href="#">C8A050058</a>
<b>Principal Product Type:</b>	Unit Investment Trust(s)
<b>Other Product Type(s):</b>	EQUITY TRUSTS
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	CENSURE AND ONE YEAR REQUIREMENT TO PRE-FILE ADVERTISING AND SALES LITERATURE. 10 DAY SUSPENSION FOR QUIRINI.
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	06/23/2005
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$40,000.00 Suspension
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	FINE (\$30,000 LEVIED AGAINST APPLICANT, \$10,000 LEVIED AGAINST CONTROL AFFILIATE) WAS PAID ON 7/7/05. QUIRINI WAS SUSPENDED FOR 10 DAYS (AS A GENERAL SECURITIES REPRESENTATIVE AND SALES SUPERVISOR) FROM 7/18/05 THRU 7/29/05.
<b>Firm Statement</b>	THE FIRM NEITHER ADMITS NOR DENIES THE ALLEGATIONS.

#### Disclosure 11 of 18

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	FAILURE TO SUPERVISE AGENTS
<b>Initiated By:</b>	KANSAS SECURITIES COMMISSIONER
<b>Date Initiated:</b>	04/14/1999



**Docket/Case Number:** 99E095/99-3735  
**URL for Regulatory Action:**  
**Principal Product Type:** Equity - OTC  
**Other Product Type(s):**  
**Principal Sanction(s)/Relief Sought:** Other  
**Other Sanction(s)/Relief Sought:** NOTICE OF INTENT TO INVOKE SANCTIONS  
**Resolution:** Consent  
**Resolution Date:** 09/15/1999  
**Sanctions Ordered:** Monetary/Fine \$5,000.00  
**Other Sanctions Ordered:**  
**Sanction Details:** RESPONDENT WAS FINED \$5,000.00.  
**Regulator Statement** UNREGISTERED AGENT OF FIRM SOLD UNREGISTERED SECURITIES.  
 RESPONDENT FAILED TO SUPERVISE AGENT.

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**Reporting Source:** Firm  
**Current Status:** Final  
**Allegations:** BLUE SKY VIOLATIONS INVOLVING UNREGISTERED SECURITIES AND AGENT  
**Initiated By:** KANSAS SECURITIES COMMISSION  
**Date Initiated:** 04/14/1999  
**Docket/Case Number:** 99E 095/99-3735  
**Principal Product Type:** Equity Listed (Common & Preferred Stock)  
**Other Product Type(s):**  
**Principal Sanction(s)/Relief Sought:** Censure  
**Other Sanction(s)/Relief Sought:** 5000.00 FINE  
**Resolution:** Consent  
**Resolution Date:** 09/15/1999



<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$5,000.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	CENSURE AND \$5000.00 FINE 9/15/1999
<b>Firm Statement</b>	KANSAS SECURITIES COMMISSION DATE INITIATED 4/14/99 ALLEGATIONS BLUE SKY VIOLATIONS INVOLVING UNREGISTERED SECURITIES AND AGENT MATTER RESOLVED 9/15/99 FINED \$ 5000.00 AND CENSURE

#### Disclosure 12 of 18

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	<b>**07/28/1999**</b> STIPULATION AND CONSENT TO PENALTY FILED BY NYSE DIVISION OF ENFORCEMENT AND PENDING. CONSENTED TO FINDINGS: THAT THE FIRM FAILED TO PROVIDE FOR AND MAINTAIN APPROPRIATE SUPERVISORY PROCEDURES PERTAINING TO THE PURCHASE, SALE AND TRANSFER OF ANNUITY PRODUCTS BY ITS REGISTERED REPRESENTATIVES; FAILED TO PROVIDE FOR AND MAINTAIN APPROPRIATE SUPERVISORY CONTROL OVER THE HAND DELIVERY OF CHECKS TO CUSTOMERS; FAILED TO CONDUCT SUPERVISORY INSPECTIONS OF CERTAIN BRANCH OFFICES AT LEAST ANNUALLY; AND FAILED TO DESIGNATE AN INDIVIDUAL TO DIRECT COMPLIANCE ACTIVITY WHO HAD PASSED THE REQUISITE COMPLIANCE OFFICIAL QUALIFICATION EXAMINATION. THE FIRM FURTHER CONSENTED TO THE IMPOSITION BY THE EXCHANGE OF THE PENALTY OF A CENSURE, A FINE OF \$60,000, AND AN UNDERTAKING TO IMPLEMENT WRITTEN PROCEDURES TO ENSURE SUPERVISION OVER THE PROPER HAND DELIVERY OF CHECKS TO CUSTOMERS.
<b>Initiated By:</b>	NYSE DIVISION OF ENFORCEMENT
<b>Date Initiated:</b>	07/28/1999
<b>Docket/Case Number:</b>	HPD#99-132
<b>Principal Product Type:</b>	Other
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Decision



**Resolution Date:** 11/02/1999

**Sanctions Ordered:** Censure  
Monetary/Fine \$60,000.00

**Other Sanctions Ordered:**

**Sanction Details:** \*\*09/22/1999\*\* HEARING PANEL DECISION ISSUED HPD 99-132  
HEARING PANEL DECISION: VIOLATED RULE 342 BY FAILING TO PROVIDE APPROPRIATE SUPERVISORY PROCEDURES RELATING TO ANNUITY PRODUCTS AND HAND DELIVERY OF CHECKS, BY FAILING TO CONDUCT SUPERVISORY INSPECTIONS AND BY FAILING TO DESIGNATE AN INDIVIDUAL TO DIRECT COMPLIANCE ACTIVITY. CONSENT TO CENSURE, \$60,000 FINE AND AN UNDERTAKING.

**Regulator Statement** \*\*11/2/1999\*\*THE DECISION IS NOW FINAL AND EFFECTIVE IMMEDIATELY.  
CONTACT: PEGGY GERMINO (212) 656-8450

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**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** RULE 342 SUPERVISORY PROCEDURES,BRANCH AUDIT,DESIGNATE COMPLIANCE OFFICIAL

**Initiated By:** NEW YORK STOCK EXCHANGE

**Date Initiated:** 05/15/1998

**Docket/Case Number:** 99-132

**Principal Product Type:** No Product

**Other Product Type(s):**

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

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

**Resolution:** Stipulation and Consent

**Resolution Date:** 09/22/1999

**Sanctions Ordered:** Censure  
Monetary/Fine \$60,000.00

**Other Sanctions Ordered:**

**Sanction Details:** SEPTEMBER 22 1999 CENSURED AND FINED \$60000.00



### Disclosure 13 of 18

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	
<b>Initiated By:</b>	SECURITIES AND EXCHANGE COMMISSION
<b>Date Initiated:</b>	08/21/1979
<b>Docket/Case Number:</b>	Unknown
<b>Principal Product Type:</b>	
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Decision & Order of Offer of Settlement
<b>Resolution Date:</b>	08/21/1979
<b>Sanctions Ordered:</b>	Censure Suspension
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	
<b>Regulator Statement</b>	ND-79-162 08/21/79 REL. 34-16102 OFFER OF SETTLEMENT WAS ACCEPTED: CONSENTED WITHOUT ADMITTING OR DENYING ALLEGATIONS.: CENSURED: SUSPENDED FROM SOLICITING NEW CUSTOMER SECURITIES ACCOUNTS FOR A PERIOD OF 21 DAYS.

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<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	OPERATIONAL PROBLEMS
<b>Initiated By:</b>	SECURITIES AND EXCHANGE COMMISSION
<b>Date Initiated:</b>	01/15/1979





**Docket/Case Number:** # 34 ACT RELEASE 34-16102 FILE # 3-5801  
**Principal Product Type:** No Product  
**Other Product Type(s):**  
**Principal Sanction(s)/Relief Sought:** Censure  
**Other Sanction(s)/Relief Sought:**  
**Resolution:** Consent  
**Resolution Date:** 08/13/1979  
**Sanctions Ordered:** Suspension  
**Other Sanctions Ordered:**  
**Sanction Details:** CENSURE AND 21 DAY SUSPENSION FROM OPENING NEW CUSTOMER ACCOUNTS

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#### Disclosure 14 of 18

**Reporting Source:** Regulator  
**Current Status:** Final  
**Allegations:**  
**Initiated By:** NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.  
**Date Initiated:** 06/19/1963  
**Docket/Case Number:** MV-23  
**Principal Product Type:**  
**Other Product Type(s):**  
**Principal Sanction(s)/Relief Sought:**  
**Other Sanction(s)/Relief Sought:**  
**Resolution:** Consent  
**Resolution Date:** 06/25/1963  
**Sanctions Ordered:** Censure  
 Monetary/Fine \$25.00

**Other Sanctions Ordered:****Sanction Details:**

**Regulator Statement** MV-23  
 FILED - 06/19/63  
 ACCEPTED 06/25/63  
 CENSURED & FINED \$25.00  
 FINAL - 07/25/63  
 FINE PAID

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**Reporting Source:** Firm  
**Current Status:** Final  
**Allegations:** VIOLATION SECTION 4(C) (2) REGULATION T.  
**Initiated By:** NASD  
**Date Initiated:** 06/25/1963  
**Docket/Case Number:** COMPLAINT NO.MV 23  
**Principal Product Type:** No Product  
**Other Product Type(s):**  
**Principal Sanction(s)/Relief Sought:** Censure  
**Other Sanction(s)/Relief Sought:** FINED  
**Resolution:** Other  
**Resolution Date:** 06/25/1963  
**Sanctions Ordered:** Censure  
 Monetary/Fine \$25.00  
**Other Sanctions Ordered:**  
**Sanction Details:** FINE PAID 07/25/1963  
**Firm Statement** REGULATION T VIOLATION

**Disclosure 15 of 18**

**Reporting Source:** Regulator  
**Current Status:** Final



<b>Allegations:</b>	Not Provided
<b>Initiated By:</b>	CBOE
<b>Date Initiated:</b>	08/16/1990
<b>Docket/Case Number:</b>	90-0051
<b>Principal Product Type:</b>	
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Decision
<b>Resolution Date:</b>	08/16/1990
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$5,000.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	Censured and fined in the amount of \$5,000.
<b>Regulator Statement</b>	Two Noyes BOM's who were designated the Options Principals were not registered as Options Principals with the Exchange; 2) Noyes failed adequately to conduct systematic reviews of customer option accounts to determine the compatibility of option transactions with investment objectives or with the types of option transactions for which the customer accounts were approved; and 3) numerous customer accounts of Noyes reviewed by the Exchange were not opened and approved in accordance with Exchange Rules. (CBOE Rules 9.2, 9.7, 9.8 and 9.15)
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<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	TWO BRANCH OFFICE MGRS WERE NOT REGISTERED AS OPTIONS PRINCIPALS WITH THE EXCHANGE.VIOLATIONS OF CBOE RULES 9.2,9.7 AND 9.15.NOYES FAILED TO ADEQUATELY REVIEW OPTION ACCOUNTS TO DETERMINE COMPATABILITY OF OPTION TRANSACTIONS WITH INVESTMENT OBJECTIVES.
<b>Initiated By:</b>	CHICAGO BOARD OPTIONS EXCHANGE



**Date Initiated:** 08/16/1990  
**Docket/Case Number:** DOCKET NO. 90-0051  
**Principal Product Type:** No Product  
**Other Product Type(s):**  
**Principal Sanction(s)/Relief Sought:** Censure  
**Other Sanction(s)/Relief Sought:** FINED  
**Resolution:** Other  
**Resolution Date:** 08/16/1990  
**Sanctions Ordered:** Censure  
 Monetary/Fine \$5,000.00  
**Other Sanctions Ordered:**  
**Sanction Details:** CENSURED AND FINED \$5,000.00  
**Firm Statement** FINE PAID 08/16/1990

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#### Disclosure 16 of 18

**Reporting Source:** Regulator  
**Current Status:** Final  
**Allegations:** SEE RESULTS  
**Initiated By:** NEW YORK STOCK EXCHANGE  
**Date Initiated:** 05/13/1991  
**Docket/Case Number:** 91-72  
**Principal Product Type:**  
**Other Product Type(s):**  
**Principal Sanction(s)/Relief Sought:**  
**Other Sanction(s)/Relief Sought:**  
**Resolution:** Consent  
**Resolution Date:** 05/13/1991



**Sanctions Ordered:** Censure  
Monetary/Fine \$20,000.00

**Other Sanctions Ordered:**

**Sanction Details:** DAVID A. NOYES & COMPANY, A MEMBER ORGANIZATION, VIOLATED EXCHANGE RULE 431(f)(1) BY FAILING TO ENSURE THAT SECURITIES WHICH DID NOT HAVE AN ACTIVE MARKET ON A NATIONAL SECURITIES EXCHANGE WERE VALUED CONSERVATIVELY AND AT AN AMOUNT WHICH COULD BE OBTAINED IF PROMPT LIQUIDATION WERE NECESSARY; VIOLATED EXCHANGE RULE 401 BY DEVIATING FROM THE PRINCIPLES OF GOOD BUSINESS PRACTICE BY CARRYING AN ACCOUNT WITH A DEBIT BALANCE SUPPORTED BY ILLIQUID SECURITIES IN AGGREGATE AMOUNTS EXCEEDING THE EXCESS NET CAPITAL OF THE FIRM -- CONSENT TO CENSURE AND \$20,000 FINE.

**Regulator Statement** SEE RESULTS

**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** DAVID A NOYES & CO AND PAUL E MURIN RESPECTIVELY WERE THE SUBJECT OF NYSE DISCIPLINARY ACTIONS # 91-72 AND # 91-73 FOR ALLEGED FAILURE TO SUPERVISE FIRMS CARRYING CUSTOMER DEBIT BALANCES SUPPORTED BY ILLAQUID SECURITIES.NYSE ALLEGED ACTIVITY RULES 342(A);401 AND 431 (F) (1).SETTLED MAY 13 1991.COMPANY CONSENT TO CENSURE AND \$ 20,000 FINE;PAUL E MURIN CONSENT TO CENSURE AND \$ 10,000 FINE

**Initiated By:** NYSE

**Date Initiated:** 01/15/1991

**Docket/Case Number:** NYSE DISCIPLINARY ACTION #91-72 & 91-73

**Principal Product Type:** No Product

**Other Product Type(s):**

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

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

**Resolution:** Other

**Resolution Date:** 05/13/1991



<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$30,000.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	DAVID A NOYES & CO CENSURE AND FINED \$ 20,000.00 PAUL E MURIN CENSURE AND FINED \$ 10,000.00
<b>Firm Statement</b>	SETTLED MAY 13 1991

### Disclosure 17 of 18

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	
<b>Initiated By:</b>	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
<b>Date Initiated:</b>	08/22/1973
<b>Docket/Case Number:</b>	492
<b>Principal Product Type:</b>	
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Decision
<b>Resolution Date:</b>	03/29/1974
<b>Sanctions Ordered:</b>	Monetary/Fine \$750.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	
<b>Regulator Statement</b>	COMPLAINT #492 FILED 08/22/73 FINES & COSTS FC# 6153 J&S - PD \$750.00 - 05/19/75 FC# 6154 - PD. \$228.00 - 05/19/75

<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final



**Allegations:** VIOLATION SECTION 1 AND 27 (A) OF ARTICLE 3 OF THE RULES OF FAIR PRACTICE FOR FAILURE TO ESTABLISH AND MAINTAIN SUPERVISORY PROCEDURES BEFORE NOVEMBER 1970. VIOLATION SECTION 4(C) (2) REGULATION T - FROM APRIL TO JUNE 1972 FIRM FAILED TO CANCEL OR LIQUIDATE SERIES OF PURCHASES BY CUSTOMERS IN SPECIAL CASH ACCTS WHERE FULL PAYMENT WAS NOT RECD WITHIN 7 BUSINESS DAYS.

**Initiated By:** NASD

**Date Initiated:** 08/22/1973

**Docket/Case Number:** COMPLAINT NO CHI-492

**Principal Product Type:** No Product

**Other Product Type(s):** VIOLATION OF RULES OF FAIR PRACTICE AND REGULATION T VIOLATIONS

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

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

**Resolution:** Other

**Resolution Date:** 03/29/1974

**Sanctions Ordered:** Censure  
Monetary/Fine \$750.00

**Other Sanctions Ordered:**

**Sanction Details:** FINED \$750.00 AND CENSURED

**Firm Statement** RESOLVED 03/29/1974

#### Disclosure 18 of 18

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:**

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

**Date Initiated:** 06/15/1962

**Docket/Case Number:** 263

**Principal Product Type:**

**Other Product Type(s):**



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

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

**Resolution:** Decision  
**Resolution Date:** 11/16/1962  
**Sanctions Ordered:** Censure  
 Monetary/Fine \$100.00

**Other Sanctions Ordered:**

**Sanction Details:**

**Regulator Statement** COMPLAINT #263  
 FILED 06/15/62  
 CENSURED & FINED \$100.00  
 FINAL - 11/16/62  
 PAID 10/23/62

**Reporting Source:** Firm  
**Current Status:** Final  
**Allegations:** FAILED TO MAKE A BONIFIDE PUBLIC OFFERING REPORT OF HOWARD JOHNSON STOCK.VIOLATION ARTICLE 3 SECTION 1.  
**Initiated By:** N.A.S.D.  
**Date Initiated:** 06/15/1962  
**Docket/Case Number:** COMPLAINT NO.263  
**Principal Product Type:** Equity - OTC  
**Other Product Type(s):**  
**Principal Sanction(s)/Relief Sought:** Censure  
**Other Sanction(s)/Relief Sought:** FINE  
**Resolution:** Other  
**Resolution Date:** 10/17/1962  
**Sanctions Ordered:** Censure  
 Monetary/Fine \$100.00





**Other Sanctions Ordered:**

**Sanction Details:**

DATED PAID 11/16/1962

**Firm Statement**

CENSURED AND FINED \$100.00 FIND PAID 11/16/1962

## Arbitration Award - Award / Judgment

Brokerage firms are not required to report arbitration claims filed against them by customers; however, BrokerCheck provides summary information regarding FINRA arbitration awards involving securities and commodities disputes between public customers and registered securities firms in this section of the report.

The full text of arbitration awards issued by FINRA is available at [www.finra.org/awardsonline](http://www.finra.org/awardsonline).

### Disclosure 1 of 8

<b>Reporting Source:</b>	Regulator
<b>Type of Event:</b>	ARBITRATION
<b>Allegations:</b>	ACCOUNT ACTIVITY-MANIPULATION; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; NO OTHER CONTROVERSY INVOLVED
<b>Arbitration Forum:</b>	NASD
<b>Case Initiated:</b>	04/20/2000
<b>Case Number:</b>	<a href="#">00-01568</a>
<b>Disputed Product Type:</b>	NO OTHER TYPE OF SEC INVOLVE; UNKNOWN TYPE OF SECURITIES
<b>Sum of All Relief Requested:</b>	\$50,000.00
<b>Disposition:</b>	AWARD AGAINST PARTY
<b>Disposition Date:</b>	11/12/2001
<b>Sum of All Relief Awarded:</b>	\$45,322.00

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

### Disclosure 2 of 8

<b>Reporting Source:</b>	Regulator
<b>Type of Event:</b>	ARBITRATION
<b>Allegations:</b>	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-FAILURE TO SUPERVISE; ACCOUNT RELATED-NEGLIGENCE
<b>Arbitration Forum:</b>	FINRA
<b>Case Initiated:</b>	10/05/2007
<b>Case Number:</b>	<a href="#">07-02804</a>



**Disputed Product Type:** NO OTHER TYPE OF SEC INVOLVE; UNKNOWN TYPE OF SECURITIES  
**Sum of All Relief Requested:** \$600,000.00  
**Disposition:** AWARD AGAINST PARTY  
**Disposition Date:** 10/31/2008  
**Sum of All Relief Awarded:** \$174,731.00

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

### Disclosure 3 of 8

**Reporting Source:** Regulator  
**Type of Event:** ARBITRATION  
**Allegations:** ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-OTHER; NO OTHER CONTROVERSY INVOLVED  
**Arbitration Forum:** NASD  
**Case Initiated:** 03/27/1991  
**Case Number:** [90-03606](#)  
**Disputed Product Type:** COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE; PREFERRED STOCK  
**Sum of All Relief Requested:** \$580,000.00  
**Disposition:** AWARD AGAINST PARTY  
**Disposition Date:** 06/24/1992  
**Sum of All Relief Awarded:** \$39,500.00

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

### Disclosure 4 of 8

**Reporting Source:** Regulator  
**Type of Event:** ARBITRATION  
**Allegations:** ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-UNAUTHORIZED TRADING; NO OTHER CONTROVERSY INVOLVED  
**Arbitration Forum:** NASD



**Case Initiated:** 07/13/1992  
**Case Number:** [92-01516](#)  
**Disputed Product Type:** COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE; LIMITED PARTNERSHIPS  
**Sum of All Relief Requested:** \$259,113.84  
**Disposition:** AWARD AGAINST PARTY  
**Disposition Date:** 06/02/1994  
**Sum of All Relief Awarded:** \$64,500.00

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

#### Disclosure 5 of 8

**Reporting Source:** Regulator  
**Type of Event:** ARBITRATION  
**Allegations:** ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-OMISSION OF FACTS; ACCOUNT RELATED-NEGLIGENCE; NO OTHER CONTROVERSY INVOLVED  
**Arbitration Forum:** NASD  
**Case Initiated:** 12/10/1992  
**Case Number:** [92-03158](#)  
**Disputed Product Type:** COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE  
**Sum of All Relief Requested:** \$4,100.00  
**Disposition:** AWARD AGAINST PARTY  
**Disposition Date:** 05/14/1993  
**Sum of All Relief Awarded:** \$737.00

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

#### Disclosure 6 of 8

**Reporting Source:** Regulator  
**Type of Event:** ARBITRATION  
**Allegations:** ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-



MISREPRESENTATION; ACCOUNT ACTIVITY-OMISSION OF FACTS;  
ACCOUNT RELATED-FAILURE TO SUPERVISE

**Arbitration Forum:** NASD

**Case Initiated:** 01/07/1993

**Case Number:** [92-04328](#)

**Disputed Product Type:** COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE; PREFERRED STOCK

**Sum of All Relief Requested:** \$3,978,000.00

**Disposition:** AWARD AGAINST PARTY

**Disposition Date:** 03/09/1994

**Sum of All Relief Awarded:** \$355,000.00

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

#### Disclosure 7 of 8

**Reporting Source:** Regulator

**Type of Event:** ARBITRATION

**Allegations:** ACCOUNT ACTIVITY-CHURNING; ACCOUNT ACTIVITY-  
MISREPRESENTATION; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT  
RELATED-NEGLIGENCE

**Arbitration Forum:** NASD

**Case Initiated:** 03/06/1995

**Case Number:** [95-01059](#)

**Disputed Product Type:** COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE

**Sum of All Relief Requested:** \$209,764.00

**Disposition:** AWARD AGAINST PARTY

**Disposition Date:** 01/15/1996

**Sum of All Relief Awarded:** \$9,000.00

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

#### Disclosure 8 of 8

**Reporting Source:** Regulator



**Type of Event:** ARBITRATION

**Allegations:** ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT RELATED-NEGLIGENCE

**Arbitration Forum:** NASD

**Case Initiated:** 04/14/1999

**Case Number:** [99-01194](#)

**Disputed Product Type:** COMMON STOCK; FANNIE MAE; MUNICIPAL BOND FUNDS; REAL ESTATE INVESTMENT TRUST

**Sum of All Relief Requested:** \$665,000.00

**Disposition:** AWARD AGAINST PARTY

**Disposition Date:** 03/23/2001

**Sum of All Relief Awarded:** \$68,716.72

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



## Civil Bond

This type of disclosure event involves a civil bond for the brokerage firm that has been denied, paid, or revoked by a bonding company.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Firm
<b>Policy Holder:</b>	DAVID A NOYES & COMPANY
<b>Bonding Company Name:</b>	FEDERAL INSURANCE CO
<b>Disposition:</b>	Payout
<b>Disposition Date:</b>	01/16/1996
<b>Payout Details:</b>	01/16/1996 - \$640000.00
<b>Firm Statement</b>	EMPLOYEE WAS GUILTY OF A SCHEME TO DEFRAUD A FINANCIAL INSTITUTION HE USED THE IDENTITY OF A DAVID A NOYES & CO CLIENT

## End of Report



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