

## BrokerCheck Report

# INTERCONTINENTAL ASSET MANAGEMENT GROUP, LTD.

CRD# 22408

<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 - 16
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)



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 partnership.  
This firm was formed in Texas on 12/19/1991.  
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

INTERCONTINENTAL ASSET MANAGEMENT GROUP, LTD.

CRD# 22408  
SEC# 8-39706

Main Office Location

112 EAST PECAN SUITE 525  
SAN ANTONIO, TX 78205

Mailing Address

112 EAST PECAN SUITE 525  
SAN ANTONIO, TX 78205

Business Telephone Number

210-271-7947

## Registration Withdrawal Information

This section provides information relating to the date the brokerage firm ceased doing business and the firm's financial obligations to customers or other brokerage firms.



**Date firm ceased business:** 04/23/2021

**Does this brokerage firm owe any money or securities to any customer or brokerage firm?** No



## Firm Profile

This firm is classified as a partnership.

This firm was formed in Texas on 12/19/1991.

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.

**INTERCONTINENTAL ASSET MANAGEMENT GROUP, LTD.**

**Doing business as INTERCONTINENTAL ASSET MANAGEMENT GROUP, LTD.**

**CRD#** 22408

**SEC#** 8-39706

### Main Office Location

112 EAST PECAN SUITE 525  
SAN ANTONIO, TX 78205

### Mailing Address

112 EAST PECAN SUITE 525  
SAN ANTONIO, TX 78205

### Business Telephone Number

210-271-7947



## 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):** RENAISSANCE PARTNERSHIP, LTD.

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

**Position** LIMITED PARTNER

**Position Start Date** 01/1997

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

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

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

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**Legal Name & CRD# (if any):** GRUMP HOLDINGS, LTD.

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

**Position** LIMITED PARTNER

**Position Start Date** 01/1997

**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):** INTERCONTINENTAL ASSET MANAGEMENT CORPORATION

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

**Position** GENERAL PARTNER

**Position Start Date** 12/1991

**Percentage of Ownership** 5% but less than 10%



## Firm Profile

### Direct Owners and Executive Officers (continued)

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

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

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**Legal Name & CRD# (if any):** KAUTH, JOHN LEO III  
1648865

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

**Position** CEO/CCO

**Position Start Date** 07/2001

**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):** KORNGOLD, ISIDORO  
1836913

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

**Position** CHAIRMAN

**Position Start Date** 05/2005

**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):** KORNGOLD, KENNETH MARCK  
2491887

## Firm Profile



### Direct Owners and Executive Officers (continued)

<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	INTERNATIONAL DIRECTOR
<b>Position Start Date</b>	07/2013
<b>Percentage of Ownership</b>	Less than 5%
<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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<b>Legal Name &amp; CRD# (if any):</b>	LAROSA, ALFREDO 2232087
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	EXECUTIVE VICE PRESIDENT
<b>Position Start Date</b>	04/2001
<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>	LUTZ, CHARLES DAY III 4956635
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	PRESIDENT
<b>Position Start Date</b>	08/2013
<b>Percentage of Ownership</b>	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):** OROSCO, JERRY OROSCO  
3255937

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

**Position** VICE PRESIDENT

**Position Start Date** 05/2005

**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):** OYERVIDES, MARISSA  
6064303

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

**Position** VICE PRESIDENT

**Position Start Date** 05/2012

**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):** KAUTH, JOHN LEO

1648865

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

**Company through which indirect ownership is established** GRUMP HOLDINGS, LTD.

**Relationship to Direct Owner** LIMITED PARTNER

**Relationship Established** 01/1997

**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

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**Legal Name & CRD# (if any):** KORNGOLD, ISIDORO

1836913

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

**Company through which indirect ownership is established** RENAISSANCE PARTNERSHIP, LTD.

**Relationship to Direct Owner** LIMITED PARTNER

**Relationship Established** 01/1997

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

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

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

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**Legal Name & CRD# (if any):** BUDDY MANAGEMENT CO., L.L.C.

## Firm Profile



### Indirect Owners (continued)

<b>Is this a domestic or foreign entity or an individual?</b>	Domestic Entity
<b>Company through which indirect ownership is established</b>	GRUMP HOLDINGS, LTD.
<b>Relationship to Direct Owner</b>	GENERAL PARTNER
<b>Relationship Established</b>	01/1997
<b>Percentage of Ownership</b>	Other General Partners
<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>	RENAISSANCE MANAGEMENT, L.L.C.
<b>Is this a domestic or foreign entity or an individual?</b>	Domestic Entity
<b>Company through which indirect ownership is established</b>	RENAISSANCE PARTNERSHIP, LTD.
<b>Relationship to Direct Owner</b>	GENERAL PARTNER
<b>Relationship Established</b>	01/1997
<b>Percentage of Ownership</b>	Other General Partners
<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 no longer registered.**

**The firm's registration was from 10/28/1988 to 06/29/2021.**





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 10 types of businesses.**

Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Mutual fund retailer
U S. government securities broker
Municipal securities 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
Other - APPLICANT ENTERED INTO A INTRODUCING BROKER AGREEMENT WITH ROSENTHAL COLLINS GROUP. PURSANT TO WHICH APPLICANT WILL OPERATE AS AN INTRODUCING BROKER ENGAGED IN COMMODITY FUTURES, COMMODITIES AND COMMODITY OPTIONS TRANSACTIONS AND ROSENTHAL COLLINS GROUP WILL CARRY AND CLEAR ALL ACCOUNTS FOR APPLICANT'S CUSTOMERS RELATED TO SUCH TRANSACTIONS ON A FULLY DISCLOSED BASIS.

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 refer or introduce customers to other brokers and dealers.

<b>Name:</b>	ROSENTHAL COLLINS GROUP
<b>Business Address:</b>	216 WEST JACKSON BOULEVARD CHICAGO, IL 60606
<b>Effective Date:</b>	11/04/2011
<b>Description:</b>	APPLICANT ENTERED INTO A INTRODUCING BROKER AGREEMENT WITH ROSENTHAL COLLINS GROUP. PURSANT TO WHICH APPLICANT WILL OPERATE AS AN INTRODUCING BROKER ENGAGED IN COMMODITY FUTURES, COMMODITIES AND COMMODITY OPTIONS TRANSACTIONS AND WILL CARRY AND CLEAR ALL ACCOUNTS FOR APPLICANT'S CUSTOMERS RELATED TO SUCH TRANSACTIONS ON A FULLY DISCLOSED BASIS.

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## Firm Operations

### Industry Arrangements



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

**Name:** ROSENTHAL COLLINS GROUP

**Business Address:** 216 WEST JACKSON BOULEVARD  
CHICAGO, IL 60606

**Effective Date:** 11/04/2011

**Description:** APPLICANT ENTERED INTO A INTRODUCING BROKER AGREEMENT WITH ROSENTHAL COLLINS GROUP. PURSANT TO WHICH APPLICANT WILL OPERATE AS AN INTRODUCING BROKER ENGAGED IN COMMODITY FUTURES, COMMODITIES AND COMMODITY OPTIONS TRANSACTIONS AND WILL CARRY AND CLEAR ALL ACCOUNTS FOR APPLICANT'S CUSTOMERS RELATED TO SUCH TRANSACTIONS ON A FULLY DISCLOSED BASIS.

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**Name:** PERSHING LLC

**CRD #:** 7560

**Business Address:** ONE PERSHING PLAZA  
JERSEY CITY, NJ 07399

**Effective Date:** 03/07/2003

**Description:** PERSHING LLC ACTS AS THE REGISTRANT'S CLEARING BROKER AND CARRIES AND CLEARS ALL ACCOUNTS FOR THE REGISTRANT'S CUSTOMERS ON A FULLY DISCLOSED BASIS PURSUANT TO THE AGREEMENT

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

**Name:** ROSENTHAL COLLINS GROUP

**Business Address:** 216 WEST JACKSON BOULEVARD  
CHICAGO, IL 60606

**Effective Date:** 11/04/2011

**Description:** APPLICANT ENTERED INTO A INTRODUCING BROKER AGREEMENT WITH ROSENTHAL COLLINS GROUP. PURSANT TO WHICH APPLICANT WILL OPERATE AS AN INTRODUCING BROKER ENGAGED IN COMMODITY FUTURES, COMMODITIES AND COMMODITY OPTIONS TRANSACTIONS AND WILL CARRY AND CLEAR ALL ACCOUNTS FOR APPLICANT'S CUSTOMERS RELATED TO SUCH TRANSACTIONS ON A FULLY DISCLOSED BASIS.

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**Name:** PERSHING LLC



## Firm Operations



### Industry Arrangements (continued)

**CRD #:** 7560

**Business Address:** ONE PERSHING PLAZA  
JERSEY CITY, NJ 07399

**Effective Date:** 03/07/2003

**Description:** PERSHING LLC ACTS AS THE REGISTRANT'S CLEARING BROKER AND CARRIES AND CLEARS ALL ACCOUNTS FOR THE REGISTRANT'S CUSTOMERS ON A FULLY DISCLOSED BASIS PURSUANT TO THE AGREEMENT

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

**Name:** ROSENTHAL COLLINS GROUP

**Business Address:** 216 WEST JACKSON BOULEVARD  
CHICAGO, IL 60606

**Effective Date:** 11/04/2011

**Description:** APPLICANT ENTERED INTO A INTRODUCING BROKER AGREEMENT WITH ROSENTHAL COLLINS GROUP. PURSUANT TO WHICH APPLICANT WILL OPERATE AS AN INTRODUCING BROKER ENGAGED IN COMMODITY FUTURES, COMMODITIES AND COMMODITY OPTIONS TRANSACTIONS AND WILL CARRY AND CLEAR ALL ACCOUNTS FOR APPLICANT'S CUSTOMERS RELATED TO SUCH TRANSACTIONS ON A FULLY DISCLOSED BASIS.

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**Name:** PERSHING LLC

**CRD #:** 7560

**Business Address:** ONE PERSHING PLAZA  
JERSEY CITY, NJ 07399

**Effective Date:** 03/07/2003

**Description:** PERSHING LLC ACTS AS THE REGISTRANT'S CLEARING BROKER AND CARRIES AND CLEARS ALL ACCOUNTS FOR THE REGISTRANT'S CUSTOMERS ON A FULLY DISCLOSED BASIS PURSUANT TO THE AGREEMENT

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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.

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

<b>CRD #:</b>	114787
<b>Business Address:</b>	112 E. PECAN STREET SUITE 525 SAN ANTONIO, TX 78205
<b>Effective Date:</b>	08/14/1997
<b>Foreign Entity:</b>	No
<b>Country:</b>	
<b>Securities Activities:</b>	No
<b>Investment Advisory Activities:</b>	Yes
<b>Description:</b>	INTERCONTINENTAL WEALTH ADVISORS, LLC IS OWNED BY JOHN KAUTH, CEO AND ISIDORO KORNGOLD, CHAIRMAN THROUGH THEIR FAMILY LIMITED PARTNERSHIPS, GRUMP HOLDINGS AND RENAISSANCE PARTNERS, RESPECTIVELY.

**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:**

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO ESTABLISH AN AML PROGRAM REASONABLY DESIGNED TO ACHIEVE AND MONITOR COMPLIANCE WITH THE BANK SECRECY ACT AND ITS IMPLEMENTING REGULATIONS. THE FINDING STATED THAT THE FIRM FAILED TO INVESTIGATE POTENTIALLY SUSPICIOUS ACTIVITIES DURING THE ACCOUNT OPENING PROCESS AND ITS REVIEWS, INVESTIGATIONS AND DETERMINATIONS WITH RESPECT TO CERTAIN MONEY MOVEMENTS IN AND OUT OF CUSTOMER ACCOUNTS WAS INADEQUATE. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO CONDUCT AN ADEQUATE ANNUAL INDEPENDENT AML TEST. FOR INSTANCE, ONE TEST FAILED TO NOTE THAT THE FIRM MAINTAINED A WIRE TRANSFER BLOTTER EVEN THOUGH IT DID, IN FACT, HAVE SUCH A BLOTTER. INDEED, THAT TEST FAILED TO ADEQUATELY SAMPLE WIRE TRANSFER AND SECURITIES ACTIVITY, AND THUS FAILED TO DETECT ANY INSTANCES OF POTENTIALLY SUSPICIOUS ACTIVITY. THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO ADEQUATELY SUPERVISE THE FEES THAT WERE CHARGED FOR PERSONAL SERVICES THAT REGISTERED REPRESENTATIVES PROVIDED TO CUSTOMERS. FINRA FOUND THAT THE FIRM FAILED TO ENFORCE ITS WSPS REGARDING THE DISCLOSURE OF MUTUAL FUND SHARE CLASSES AND BREAKPOINTS. THE WSPS REQUIRED THAT INVESTORS BE PROVIDED WITH WRITTEN DISCLOSURE ABOUT THEIR OPTIONS WITH RESPECT TO MUTUAL FUND SHARE CLASSES AND AVAILABLE BREAKPOINTS. HOWEVER, THE FIRM FAILED TO ENFORCE THIS POLICY, AND NO SUCH WRITTEN DISCLOSURES WERE PROVIDED TO ANY OF THE FIRM'S CUSTOMERS. FINRA ALSO FOUND THAT ON FOUR OCCASIONS, THE FIRM FAILED TO CREATE A 3012 REPORT DETAILING THE FIRM'S SYSTEM OF SUPERVISORY CONTROLS, THE SUMMARY OF TEST RESULTS OF THIS SYSTEM, SIGNIFICANT EXCEPTIONS IDENTIFIED, AND ANY AMENDED SUPERVISORY PROCEDURES CREATED IN RESPONSE TO THE TEST RESULTS. INDEED, ALTHOUGH THE FIRM DID CONDUCT SOME REVIEWS OF ITS BUSINESS PRACTICES, IT DID NOT SYSTEMATICALLY TEST ITS SUPERVISORY SYSTEMS ON AN ANNUAL BASIS.

**Initiated By:** FINRA

**Date Initiated:** 12/30/2016

**Docket/Case Number:** [2014039092801](#)

**Principal Product Type:** No Product

**Other Product Type(s):**

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



<b>Other Sanction(s)/Relief Sought:</b>	N/A
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	12/30/2016
<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 \$290,000.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	THE FIRM WAS CENSURED AND FINED \$290,000. FINES PAID IN FULL ON JANUARY 31, 2017.
<hr/>	
<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	AT VARIOUS TIMES FROM JANUARY 2010 THROUGH DECEMBER 2013, THE FIRM (I) FAILED TO ESTABLISH AN AML PROGRAM REASONABLY DESIGNED TO ACHIEVE AND MONITOR COMPLIANCE WITH THE BANK SECRECY ACT AND ITS IMPLEMENTING REGULATIONS; (II) FAILED TO CONDUCT AN ADEQUATE INDEPENDENT AML TEST; (III) FAILED TO SUPERVISE CHARGES FOR NON-SECURITIES RELATED SERVICES PROVIDED TO CUSTOMERS; (IV) FAILED TO ENFORCE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING THE DISCLOSURE OF MUTUAL FUND SHARE CLASSES AND BREAKPOINTS; AND (V) FAILED TO PREPARE AND ANNUAL RULE 3012 REPORT FOR REVIEW BY SENIOR MANAGEMENT.
<b>Initiated By:</b>	FINRA
<b>Date Initiated:</b>	12/30/2016
<b>Docket/Case Number:</b>	<a href="#">2014039092801</a>
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Other



<b>Other Sanction(s)/Relief Sought:</b>	N/A
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	01/10/2017
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$290,000.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	THE FIRM WAS CENSURED AND FINED \$290,000.
<b>Firm Statement</b>	ON DECEMBER 30, 2016, FINRA ISSUED A LETTER OF ACCEPTANCE, WAIVER AND CONSENT WITH REGARD TO INTERCONTINENTAL ASSET MANAGEMENT GROUP, LTD. (FILE NO. 2014039092801). WITHOUT ADMITTING OR DENYING ANY OF THE FINDINGS IN THE AWC, THE FIRM CONSENTED TO THE FOLLOWING: AT VARIOUS TIMES FROM JANUARY 2010 THROUGH DECEMBER 2013, THE FIRM (I) FAILED TO ESTABLISH AN AML PROGRAM REASONABLY DESIGNED TO ACHIEVE AND MONITOR COMPLIANCE WITH THE BANK SECRECY ACT AND ITS IMPLEMENTING REGULATIONS; (II) FAILED TO CONDUCT AN ADEQUATE INDEPENDENT AML TEST; (III) FAILED TO SUPERVISE CHARGES FOR NON-SECURITIES RELATED SERVICES PROVIDED TO CUSTOMERS; (IV) FAILED TO ENFORCE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING THE DISCLOSURE OF MUTUAL FUND SHARE CLASSES AND BREAKPOINTS; AND (V) FAILED TO PREPARE AND ANNUAL RULE 3012 REPORT FOR REVIEW BY SENIOR MANAGEMENT. THE FIRM AGREED TO PAY A FINE OF \$290,000 TO RESOLVE THESE ISSUES.

## Disclosure 2 of 2

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	NASD MARKETPLACE RULE 6230(A), 6230(C)(8) & 6230(C) AND NASD CONDUCT RULE 2110 - INTERCONTINENTAL ASSET MANAGEMENT GROUP, LTD. FAILED TO REPORT TO TRACE 77 TRANSACTIONS IN TRACE ELIGIBLE SECURITIES WITHIN 45 MINUTES AFTER EXECUTION. THE FIRM ALSO FAILED TO REPORT TO TRACE THE CORRECT EXECUTION TIME IN 370 TRANSACTIONS IN TRACE ELIGIBLE SECURITIES. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND RULES OF NASD CONCERNING TRACE REPORTING. SPECIFICALLY, THE FIRMS SUPERVISORY SYSTEM DID NOT INCLUDE WRITTEN SUPERVISORY



PROCEDURES PROVIDING FOR: IDENTIFICATION OF THE PERSON(S) RESPONSIBLE FOR SUPERVISION WITH RESPECT TO THE APPLICABLE RULES; A STATEMENT OF SUPERVISORY STEP(S) TO BE TAKEN BY IDENTIFIED PERSON(S); A STATEMENT AS TO HOW OFTEN SUCH PERSON(S) SHOULD TAKE SUCH STEPS(S); AND A STATEMENT AS TO HOW THE COMPLETION OF THE STEP(S) INCLUDED IN THE WRITTEN SUPERVISORY PROCEDURES SHOULD BE DOCUMENTED.

<b>Initiated By:</b>	NASD
<b>Date Initiated:</b>	12/31/2004
<b>Docket/Case Number:</b>	CMS040213
<b>Principal Product Type:</b>	Other
<b>Other Product Type(s):</b>	UNSPECIFIED TYPE OF 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>	12/31/2004
<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 \$10,000.00
<b>Other Sanctions Ordered:</b>	UNDERTAKING
<b>Sanction Details:</b>	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, INTERCONTINENTAL ASSET MANAGEMENT GROUP, LTD. CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$10,000 (COMPRISED OF A \$5,000 FINE FOR THE TRACE VIOLATIONS AND A \$5,000 FINE FOR THE SUPERVISORY PROCEDURES VIOLATION) AND AN UNDERTAKING TO REVISE THE FIRM'S WRITTEN SUPERVISORY PROCEDURES. WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC, A





REGISTERED PRINCIPAL OF THE RESPONDENT FIRM SHALL SUBMIT TO NASD A SIGNED DATED LETTER, PROVIDING THE FOLLOWING INFORMATION: A REFERENCE TO THIS MATTER; A REPRESENTATION THAT THE FIRM HAS REVISED ITS WRITTEN SUPERVISORY PROCEDURES TO ADDRESS THE ABOVE DEFICIENCIES AND; THE DATE THE REVISED PROCEDURES WERE IMPLEMENTED.

**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** NASD ALLEDGED VIOLATION OF NASD CONDUCT RULES 2110 AND 3010 REGARDING TTRACE REPORTING.

**Initiated By:** NASD DEPARTMENT OF MARKET REGULATION

**Date Initiated:** 11/29/2004

**Docket/Case Number:** CMSO4O213

**Principal Product Type:** Debt - Corporate

**Other Product Type(s):**

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

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

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

**Resolution Date:** 12/31/2004

**Sanctions Ordered:** Censure  
Monetary/Fine \$10,000.00

**Other Sanctions Ordered:** AN UNDERTAKING TO REVISE THE FIRM'S WRITTEN SUPERVISORY PROCEDURES.

**Sanction Details:** A CENSURE AND A FINE OF \$10,000(A \$5,000 FINE FOR TRACE VIOLATIONS AND A \$5,000 FINE FOR SUPERVISORY PROCEDURES VIOLATION),AND AN UNDERTAKING TO REVISE THE FIRM'S WSPS PROVIDING FOR(1)IDENTIFICATION OF THE PERSON(S)RESPONSIBLE FOR SUPERVISION WITH RESPECT TO THE APPLICABLE RULES;(2)A STATEMENT OF THE SUPERVISORY STEP(S)TO BE TAKEN BY THE IDENTIFIED PERSON(S);(3)A STATEMENT AS TO HOW OFTEN SUCH PERSON(S)SHOULD TAKE SUCH STEP(S);AND(4)A STATEMENT AS TO HOW COMPLETION OF STEP(S)SHOULD BE DOCUMENTED IN FIRM'S WSPS.

**Firm Statement** FIRM PAID THE FINE OF\$10,000 IN FULL AND SENT A STATEMENT OF



CORRECTIVE ACTION REGARDING CORRECTIVE MEASURES TO ENSURE COMPLIANCE WITH ALL NASD'S TRACE REPORTING RULES. AMONG THE MEASURES IMPLEMENTED IS A REVISED SET OF SUPERVISORY PROCEDURES THAT ADDRESS ALL THE CONCERNS RAISED BY THE NASD WITH RESPECT TO TRACE REPORTING AND SUPERVISION. THE NEW SUPERVISORY PROCEDURES WERE PUT INTO PLACE IN MARCH 2004 IMMEDIATELY FOLLOWING THE NASD'S NOTIFICATION TO "ICON" THAT CONCERNS EXISTED RELATING TO TRACE REPORTING. COPY OF THE NEW PROCEDURES WERE SUBMITTED TO THE NASD.

**End of Report**



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