

BrokerCheck Report

DONAHUE SECURITIES, INC.

CRD# 24330

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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:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

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

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

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

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

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

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Thank you for using FINRA BrokerCheck.



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

brokercheck.finra.org



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

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

DONAHUE SECURITIES, INC.

CRD# 24330

SEC# 8-41067

Main Office Location

2200 PNC CENTER
201 E. FIFTH STREET
CINCINNATI, OH 45202-5715

Mailing Address

2200 PNC CENTER
201 E. FIFTH STREET
CINCINNATI, OH 45202-5715

Business Telephone Number

513-651-6800

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 Ohio on 02/17/1989.

Its fiscal year ends in June.

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	8
Civil Event	1
Bond	1

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: 02/26/2001

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



Firm Profile

This firm is classified as a corporation.

This firm was formed in Ohio on 02/17/1989.

Its fiscal year ends in June.

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.

DONAHUE SECURITIES, INC.

Doing business as DONAHUE SECURITIES, INC.

CRD# 24330

SEC# 8-41067

Main Office Location

2200 PNC CENTER
201 E. FIFTH STREET
CINCINNATI, OH 45202-5715

Mailing Address

2200 PNC CENTER
201 E. FIFTH STREET
CINCINNATI, OH 45202-5715

Business Telephone Number

513-651-6800



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):	BARRETT, MICHAEL, R
Is this a domestic or foreign entity or an individual?	Individual
Position	RECEIVER
Position Start Date	03/2001
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):	LUTZ, DOUGLAS, LEE
Is this a domestic or foreign entity or an individual?	Individual
Position	SIPC TRUSTEE
Position Start Date	03/2001
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

Firm Profile

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



Indirect Owners

No information reported.

Firm History

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

No information reported.



Firm Operations



Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

This firm is no longer registered.

The firm's registration was from 06/05/1989 to 03/06/2001.

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.

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 not have books or records maintained by a third party.

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

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

Control Persons/Financing

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

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



Firm Operations

Organization Affiliates

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

This firm is not, directly or indirectly:

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

This firm is not directly or indirectly, controlled by the following:

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank



Disclosure Events

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	8	0
Civil Event	0	1	0
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:**
 - 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 8

Reporting Source: Firm
Current Status: Final



Allegations: THE SECURITIES AND EXCHANGE COMMISSION FOUND THAT DONAHUE SECURITIES INC. WAS NOT ENGAGED IN BUSINESS AS AN INVESTMENT ADVISER AND CANCELLED ITS REGISTRATION.

Initiated By: SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 07/31/2001

Docket/Case Number: 801-42908

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Revocation

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 07/31/2001

Sanctions Ordered:

Other Sanctions Ordered: REGISTRATION AS INVESTMENT ADVISOR CANCELLED.

Sanction Details: THE SECURITIES AND EXCHANGE COMMISSION FOUND THAT DONAHUE SECURITIES INC. WAS NOT ENGAGED IN BUSINESS AS AN INVESTMENT ADVISER AND CANCELLED ITS REGISTRATION.

Disclosure 2 of 8

Reporting Source: Firm

Current Status: Final

Allegations: FROM THE U6 FILED 10/10/2001: THE COMMISSION'S COMPLAINT ALLEGED THAT DONAHUE SECURITIES INC. ("DSI") HAS ENGAGED IN A SCHEME TO MISAPPROPRIATE AT LEAST \$6 MILLION DOLLARS FROM APPROXIMATELY 200 TO 250 CUSTOMERS. THE COMMISSION'S COMPLAINT FURTHER ALLEGED THAT DSI REPRESENTED TO ITS CLIENTS THAT IT WOULD INVEST THE CLIENT'S FUNDS IN A MONEY MARKET FUND OR A SDI TAX FREE BOND FUND PAYING INTEREST RANGING FROM 5% TO 6%. HOWEVER, THE COMPLAINT ALLEGED, THAT BOTH FUNDS DID NOT EXIST AND THAT INSTEAD OF INVESTING THE CLIENT'S FUNDS AS PROMISED, DSI DEPOSITED THE MONEY INTO ANOTHER ACCOUNT AND USED THE MONEY TO PAY BUSINESS EXPENSES FOR DSI AND TWO ADDITIONAL COMPANIES.



Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Date Initiated:	02/26/2001
Docket/Case Number:	US DIST CT, SD OH, C-1-01-116; LR-16909
Principal Product Type:	Money Market Fund(s)
Other Product Type(s):	TAX FREE BOND FUND
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	02/26/2001
Sanctions Ordered:	
Other Sanctions Ordered:	FROM THE U6 FILED 10/10/2001: PRELIMINARY INJUNCTION, FREEZED ALL THE ASSETS, PROHIBITED FROM DESTROYING ANY DOCUMENTS, ORDERED TO ACCOUNT FOR ALL OF ITS ILL-GOTTEN GAINS.
Sanction Details:	FROM THE U6 FILED 10/10/2001: THE SEC ANNOUNCED THAT THE COURT ENTERED AN ORDER OF PRELIMINARY INJUNCTION AGAINST DSI. THE ORDER PRELIMINARILY ENJOINED DSI FROM FURTHER VIOLATING SECTION 17(A) OF THE SECURITIES ACT OF 1933, SECTION 10(B) OF THE SECURITIES AND EXCHANGE ACT OF 1934 AND RULE 10B-5 THEREUNDER AND FROM VIOLATING OR AIDING AND ABETTING VIOLATIONS OF SECTION 15(C) OF THE EXCHANGE ACT AND RULE 15C1-2 THEREUNDER. IN ADDITION, THE ORDERS FREEZE ALL OF DSI'S ASSETS, PROHIBIT DSI FROM DESTROYING ANY DOCUMENTS, ORDER DSI TO ACCOUNT FOR ALL OF ITS ILL-GOTTEN GAINS.
Firm Statement	FROM THE U6 FILED 10/10/2001: THE ORDERS, ENTERED PURSUANT TO DSI'S CONSENTS AND WITHOUT ADMITTING OR DENYING THE ALLEGATIONS CONTAINED IN THE COMMISSION'S COMPLAINT.

Disclosure 3 of 8

Reporting Source:	Firm
Current Status:	Final
Allegations:	THE STATE OF CONNECTICUT INSURANCE DEPARTMENT ALLEGED THAT DONAHUE SECURITIES INC. ("DSI") NO LONGER MET THE LICENSING QUALIFICATIONS. DSI CONSENTED TO THE REVOCATION OF ITS LICENSE.



Initiated By: STATE OF CONNECTICUT INSURANCE DEPARTMENT
Date Initiated: 10/29/2001
Docket/Case Number: MC01-78
Principal Product Type: Insurance
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Revocation
Other Sanction(s)/Relief Sought:
Resolution: Consent
Resolution Date: 10/29/2001
Sanctions Ordered:
Other Sanctions Ordered: INSURANCE LICENSE WAS REVOKED.
Sanction Details: THE STATE OF CONNECTICUT INSURANCE DEPARTMENT ALLEGED THAT DONAHUE SECURITIES INC. ("DSI") NO LONGER MET THE LICENSING QUALIFICATIONS. DSI CONSENTED TO THE REVOCATION OF ITS LICENSE.

Disclosure 4 of 8

Reporting Source: Regulator
Current Status: Final
Allegations: ON MARCH 6, 2001, THE NATIONAL ASSOCIATION OF SECURITIES DEALERS APPOINTED A TRUSTEE TO LIQUIDATE THE FIRM'S ASSETS.
Initiated By: WISCONSIN DEPT OF FINANCIAL INSTITUTIONS, DIV OF SECURITIES
Date Initiated: 12/13/2001
Docket/Case Number: S-01262(LX)
URL for Regulatory Action:
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Revocation
Other Sanction(s)/Relief Sought:



Resolution: Order
Resolution Date: 12/13/2001
Sanctions Ordered: Revocation/Expulsion/Denial
Other Sanctions Ordered: SUMMARY ORDER OF REVOCATION OF BROKER-DEALER LICENSE
Sanction Details: SUMMARY ORDER OF REVOCATION OF BROKER-DEALER LICENSE
Regulator Statement SUMMARY ORDER OF REVOCATION OF BROKER-DEALER LICENSE

Reporting Source: Firm
Current Status: Final
Allegations: FROM THE U6 FILED 12/18/2001: ON MARCH 6, 2001, THE NATIONAL ASSOCIATION OF SECURITIES DEALERS APPOINTED A TRUSTEE TO LIQUIDATE THE FIRM'S ASSETS.
Initiated By: WISCONSIN DEPT OF FINANCIAL INSTITUTIONS, DIV OF SECURITIES
Date Initiated: 12/13/2001
Docket/Case Number: S-01262(LX)
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Revocation
Other Sanction(s)/Relief Sought:
Resolution: Order
Resolution Date: 12/13/2001
Sanctions Ordered: Revocation/Expulsion/Denial
Other Sanctions Ordered: FROM THE U6 FILED 12/18/2001: SUMMARY ORDER OF REVOCATION OF BROKER-DEALER LICENSE
Sanction Details: FROM THE U6 FILED 12/18/2001: SUMMARY ORDER OF REVOCATION OF BROKER-DEALER LICENSE
Firm Statement FROM THE U6 FILED 12/18/2001: SUMMARY ORDER OF REVOCATION OF BROKER-DEALER LICENSE



Reporting Source: Regulator
Current Status: Final
Allegations: FAILURE TO REMIT RENEWAL FEE
Initiated By: CALIFORNIA DEPARTMENT OF CORPORATIONS
Date Initiated: 08/20/2001
Docket/Case Number:
URL for Regulatory Action:
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Revocation
Other Sanction(s)/Relief Sought:
Resolution: Order
Resolution Date: 08/20/2001
Sanctions Ordered: Revocation/Expulsion/Denial
Other Sanctions Ordered:
Sanction Details: BROKER-DEALER CERTIFICATE SUMMARILY REVOKED FOR NON-PAYMENT OF ASSESSMENT FEE.

Reporting Source: Firm
Current Status: Final
Allegations: FROM THE U6 FILED 11/07/2001: FAILURE TO REMIT RENEWAL FEE
Initiated By: CALIFORNIA DEPARTMENT OF CORPORATIONS
Date Initiated: 08/20/2001
Docket/Case Number:
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Revocation

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 08/20/2001

Sanctions Ordered: Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details: FROM THE U6 FILED 11/07/2001: BROKER-DEALER CERTIFICATE SUMMARILY REVOKED FOR NON-PAYMENT OF ASSESSMENT FEE.

Disclosure 6 of 8

Reporting Source: Regulator

Current Status: Final

Allegations: RESPONDENT HAS CEASED TO DO BUSINESS AS A BROKER-DEALER.

Initiated By: UTAH DIVISION OF SECURITIES

Date Initiated: 06/11/2001

Docket/Case Number: SD-01-0079

URL for Regulatory Action:

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: ORDER TO CANCEL LICENSE

Resolution: Order

Resolution Date: 06/11/2001

Sanctions Ordered:

Other Sanctions Ordered: CANCELLATION OF LICENSE AS A BROKER-DEALER IN UTAH

Sanction Details: CANCELLATION OF LICENSE AS A BROKER-DEALER IN UTAH

Regulator Statement ON MARCH 6, 2001, DIVISION RECEIVED NOTICE THAT RESPONDENT'S COMPANY HAD LIQUIDATED AND A TRUSTEE HAD BEEN APPOINTED. ON MARCH 27, 2001, DIVISION SENT LETTER TO VICE PRESIDENT OF RESPONDENT WHICH REQUESTED INFORMATION ABOUT THE



LIQUIDATION, AUDITED FINANCIAL STATEMENTS, AND FOCUS REPORTS. THE LETTER WAS RETURNED UNDELIVERABLE WITH A FORWARDING ADDRESS. THE DIVISION RESENT THE LETTER TO THE FORWARDING ADDRESS AND A SIGNED RETURN RECEIPT WAS DELIVERED TO THE DIVISION. THE DIVISION RECEIVED NO RESPONSE TO ITS LETTER AND WAS UNABLE TO CONTACT RESPONDENT BY PHONE. BASED UPON THE FACTS THAT RESPONDENT'S STATUS WITH THE NASD IS "LIQUIDATED," RESPONDENT IS NO LONGER AT THE PHONE NUMBER OR ADDRESS LISTED ON THE CRD, AND THAT RESPONDENT FAILED TO RESPOND TO DIVISION'S REQUEST FOR INFORMATION, THE DIRECTOR FINDS THAT RESPONDENT IS NO LONGER IN EXISTENCE AND/OR HAS CEASED TO DO BUSINESS AS A BROKER-DEALER.
 TO VIEW THE ORDER, PLEASE VISIT THE DIVISION WEB SITE AT:
[HTTP://WWW.SECURITIES.STATE.UT.US/ACTIONEVENTS.ASP?DOCKET+NUMBER=SD%2D01%2D0079](http://www.securities.state.ut.us/actionevents.asp?doCKET+NUMBER=SD%2D01%2D0079)

Reporting Source: Firm

Current Status: Final

Allegations: FROM THE U6 FILED 10/10/2001: RESPONDENT HAS CEASED TO DO BUSINESS AS A BROKER-DEALER.

Initiated By: UTAH DIVISION OF SECURITIES

Date Initiated: 06/11/2001

Docket/Case Number: SD-01-0079

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: ORDER TO CANCEL LICENSE

Resolution: Order

Resolution Date: 06/11/2001

Sanctions Ordered:

Other Sanctions Ordered: FROM THE U6 FILED 10/10/2001: CANCELLATION OF LICENSE AS A BROKER-DEALER IN UTAH

Sanction Details: FROM THE U6 FILED 10/10/2001: CANCELLATION OF LICENSE AS A BROKER-DEALER IN UTAH

**Firm Statement**

FROM THE U6 FILED 10/10/2001: ON MARCH 6, 2001, DIVISION RECEIVED NOTICE THAT RESPONDENT'S COMPANY HAD LIQUIDATED AND A TRUSTEE HAD BEEN APPOINTED. ON MARCH 27, 2001, DIVISION SENT LETTER TO VICE PRESIDENT OF RESPONDENT WHICH REQUESTED INFORMATION ABOUT THE LIQUIDATION, AUDITED FINANCIAL STATEMENTS, AND FOCUS REPORTS. THE LETTER WAS RETURNED UNDELIVERABLE WITH A FORWARDING ADDRESS. THE DIVISION RESENT THE LETTER TO THE FORWARDING ADDRESS AND A SIGNED RETURN RECEIPT WAS DELIVERED TO THE DIVISION. THE DIVISION RECEIVED NO RESPONSE TO ITS LETTER AND WAS UNABLE TO CONTACT RESPONDENT BY PHONE. BASED UPON THE FACTS THAT RESPONDENT'S STATUS WITH THE NASD IS "LIQUIDATED", RESPONDENT IS NO LONGER AT THE PHONE NUMBER OR ADDRESS LISTED ON THE CRD, AND THAT RESPONDENT FAILED TO RESPOND TO DIVISION'S REQUEST FOR INFORMATION, THE DIRECTOR FINDS THAT RESPONDENT IS NO LONGER IN EXISTENCE AND/OR HAS CEASED TO DO BUSINESS AS A BROKER-DEALER.

Disclosure 7 of 8

Reporting Source:	Regulator
Current Status:	Final
Allegations:	THE DEPARTMENT CALLED THE RESPONDENT'S OFFICE, ACCORDING TO THE LISTING IN THE CRD, THE RESPONDENT WAS NO LONGER IN BUSINESS.
Initiated By:	ILLINOIS SECURITIES DEPARTMENT
Date Initiated:	07/11/2001
Docket/Case Number:	0100133
URL for Regulatory Action:	
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	AN ORDER OF CANCELLATION
Resolution:	Order
Resolution Date:	07/11/2001
Sanctions Ordered:	



Other Sanctions Ordered: CANCELLATION

Sanction Details: THE RESPONDENT'S DEALER REGISTRATION IN ILLINOIS IS CANCELLED.

Regulator Statement AN ORDER OF CANCELLATION, ISSUED JULY 11, 1001. CONTACT: (217) 785-4948

Reporting Source: Firm

Current Status: Final

Allegations: FROM THE U6 FILED 08/28/2001: THE DEPARTMENT CALLED THE RESPONDENT'S OFFICE, ACCORDING TO THE LISTING IN THE CRD, THE RESPONDENT WAS NO LONGER IN BUSINESS.

Initiated By: ILLINOIS SECURITIES DEPARTMENT

Date Initiated: 07/11/2001

Docket/Case Number: 0100133

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: AN ORDER OF CANCELLATION

Resolution: Order

Resolution Date: 07/11/2001

Sanctions Ordered:

Other Sanctions Ordered: FROM THE U6 FILED 08/28/2001: CANCELLATION

Sanction Details: FROM THE U6 FILED 08/28/2001: THE RESPONDENT'S DEALER REGISTRATION IN ILLINOIS IS CANCELLED.

Firm Statement FROM THE U6 FILED 08/28/2001: AN ORDER OF CANCELLATION, ISSUED JULY 11, 2001.

Disclosure 8 of 8

Reporting Source: Regulator

Current Status: Final

Allegations: THE DEALER LICENSE OF DONAHUE SECURITIES WAS REVOKED FOR A



LACK OF "GOOD BUSINESS REPUTE" BY REASON OF THE IMPOSITION OF A FEDERAL INJUNCTION FOR VIOLATIONS OF THE ANTI-FRAUD PROVISIONS OF FEDERAL SECURITIES LAW.

Initiated By: OHIO DIVISION OF SECURITIES

Date Initiated: 04/12/2001

Docket/Case Number: 01-119

URL for Regulatory Action:

Principal Product Type: Other

Other Product Type(s): GENERAL SECURITIES

Principal Sanction(s)/Relief Sought: Revocation

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 04/12/2001

Sanctions Ordered: Revocation/Expulsion/Denial

Other Sanctions Ordered: N/A

Sanction Details: N/A

Regulator Statement THE DEALER LICENSE OF DONAHUE SECURITIES WAS REVOKED FOR A LACK OF "GOOD BUSINESS REPUTE" BY REASON OF THE IMPOSITION OF A FEDERAL INJUNCTION FOR VIOLATIONS OF THE ANTI-FRAUD PROVISIONS OF FEDERAL SECURITIES LAW.

Reporting Source: Firm

Current Status: Final

Allegations: FROM THE U6 FILED 09/28/2001: THE DEALER LICENSE OF DONAHUE SECURITIES WAS REVOKED FOR A LACK OF "GOOD BUSINESS REPUTE" BY REASON OF THE IMPOSITION OF A FEDERAL INJUNCTION FOR VIOLATIONS OF THE ANTI-FRAUD PROVISIONS OF FEDERAL SECURITIES LAW.

Initiated By: OHIO DIVISION OF SECURITIES

Date Initiated: 04/12/2001

Docket/Case Number: 01-119



Principal Product Type: Other
Other Product Type(s): GENERAL SECURITIES
Principal Sanction(s)/Relief Sought: Revocation
Other Sanction(s)/Relief Sought:
Resolution: Order
Resolution Date: 04/12/2001
Sanctions Ordered: Revocation/Expulsion/Denial
Other Sanctions Ordered: FROM THE U6 FILED 09/28/2001: N/A
Sanction Details: FROM THE U6 FILED 09/28/2001: N/A
Firm Statement FROM THE U6 FILED 09/28/2001: THE DEALER LICENSE OF DONAHUE SECURITIES WAS REVOKED FOR A LACK OF "GOOD BUSINESS REPUTE" BY REASON OF THE IMPOSITION OF A FEDERAL INJUNCTION FOR VIOLATIONS OF THE ANTI-FRAUD PROVISIONS OF FEDERAL SECURITIES LAW.



Civil - Final

This type of disclosure event involves (1) an injunction issued by a foreign or domestic court within the last 10 years in connection with investment-related activity, (2) a finding by a court of a violation of any investment-related statute or regulation, or (3) an action dismissed by a court pursuant to a settlement agreement.

Disclosure 1 of 1

Reporting Source:	Regulator
Current Status:	Final
Allegations:	THE COMMISSION'S COMPLAINT ALLEGED THAT DONAHUE SECURITIES INC. ("DSI" OR "DEFENDANT") HAS ENGAGED IN A SCHEME TO MISAPPROPRIATE AT LEAST \$6 MILLION DOLLARS FROM APPROXIMATELY 200 TO 250 CUSTOMERS. THE COMMISSION'S COMPLAINT FURTHER ALLEGED THAT DSI REPRESENTED TO ITS CLIENTS THAT IT WOULD INVEST THE CLIENTS' FUNDS IN A MONEY MARKET FUND OR A DSI TAX FREE BOND FUND PAYING INTEREST RANGING FROM 5% TO 6%. HOWEVER, THE COMPLAINT ALLEGED, THAT BOTH FUNDS DID NOT EXIST AND THAT INSTEAD OF INVESTING THE CLIENTS' FUNDS AS PROMISED, DSI DEPOSITED THE MONEY INTO ANOTHER ACCOUNT AND USED THE MONEY TO PAY BUSINESS EXPENSES FOR DSI AND TWO ADDITIONAL COMPANIES.
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Court Details:	THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF OHIO, WESTERN DIVISION AT CINCINNATI - [CIVIL ACTION NO. C-1-01-116) - (LR-16909)
Date Court Action Filed:	02/26/2001
Principal Product Type:	Money Market Fund(s)
Other Product Types:	TAX FREE BOND FUND.
Relief Sought:	Injunction
Other Relief Sought:	
Resolution:	Other
Resolution Date:	02/26/2001
Sanctions Ordered or Relief Granted:	
Other Sanctions:	PRELIMINARY INJUNCTION, FREEZED ALL THE ASSETS, PROHIBITED FROM DESTROYING ANY DOCUMENTS, ORDERED TO ACCOUNT FOR ALL OF ITS ILL-GOTTEN GAINS.
Sanction Details:	THE SEC ANNOUNCED THAT THE COURT ENTERED AN ORDER OF



PRELIMINARY INJUNCTION AGAINST DSI. THE ORDER PRELIMINARILY ENJOIN DSI FROM FURTHER VIOLATING SECTION 17(A) OF THE SECURITIES ACT OF 1933, SECTIONS 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 10B-5 THEREUNDER AND FROM VIOLATING OR AIDING AND ABETTING VIOLATIONS OF SECTION 15(C) OF THE EXCHANGE ACT AND RULE 15C1-2 THEREUNDER. IN ADDITION, THE ORDERS FREEZE ALL OF DSI'S ASSETS, PROHIBIT DSI FROM DESTROYING ANY DOCUMENTS, ORDER DSI TO ACCOUNT FOR ALL OF ITS ILL-GOTTEN GAINS.

Regulator Statement

THE ORDERS, ENTERED PURSUANT TO DSI'S CONSENTS AND WITHOUT ADMITTING OR DENYING THE ALLEGATIONS CONTAINED IN THE COMMISSION'S COMPLAINT.

Reporting Source:

Firm

Current Status:

Final

Allegations:

FROM THE U6 FILED 10/10/2001: THE COMMISSION'S COMPLAINT ALLEGED THAT DONAHUE SECURITIES INC. ("DSI" OR "DEFENDENT") HAS ENGAGED IN A SCHEME TO MISAPPROPRIATE AT LEAST \$6 MILLION DOLLARS FROM APPROXIMATELY 200 TO 250 CUSTOMERS. THE COMMISSION'S COMPLAINT FURTHER ALLEGED THAT DSI REPRESENTED TO ITS CLIENTS THAT IT WOULD INVEST THE CLIENT'S FUNDS IN A MONEY MARKET FUND OR A DSI TAX FREE BOND FUND PAYING INTEREST RANGING FROM 5% TO 6%. HOWEVER, THE COMPLAINT ALLEGED, THAT BOTH FUNDS DID NOT EXIST AND THAT INSTEAD OF INVESTING THE CLIENTS' FUNDS AS PROMISED, DSI DEPOSITED THE MONEY INTO ANOTHER ACCOUNT AND USED THE MONEY TO PAY BUSINESS EXPENSES FOR DSI AND TWO ADDITIONAL COMPANIES.

Initiated By:

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Court Details:

FROM U6 FILED 10/10/2001: THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF OHIO, WESTERN DIVISION AT CINCINNATI- [CIVIL ACTION NO. C-1-01-116) - (LR-16909)

Date Court Action Filed:

02/26/2001

Principal Product Type:

Money Market Fund(s)

Other Product Types:

TAX FREE BOND FUND

Relief Sought:

Injunction

Other Relief Sought:

Other

Resolution:

Other

Resolution Date:

02/26/2001



**Sanctions Ordered or Relief
Granted:**

Other Sanctions:

FROM THE U6 FILED 10/10/2001: PRELIMINARY INJUNCTION, FREEZED ALL THE ASSETS, PROHIBITED FROM DESTROYING ANY DOCUMENTS, ORDERED TO ACCOUNT FOR ALL OF ITS ILL-GOTTEN GAINS.

Sanction Details:

FROM THE U6 FILED 10/10/2001: THE SEC ANNOUNCED THAT THE COURT ENTERED AN ORDER OF PRELIMINARY INJUNCTION AGAINST DSI. THE ORDER PRELIMINARILY ENJOINED DSI FROM FURTHER VIOLATING SECTION 17(A) OF THE SECURITIES ACT OF 1933, SECTIONS 10(B) OF THE SECURITIES AND EXCHANGE ACT OF 1934 AND RULE 10B-5 THEREUNDER AND FROM VIOLATING OR AIDING AND ABETTING VIOLATIONS OF SECTION 15(C) OF THE EXCHANGE ACT AND RULE 15C1-2 THEREUNDER. IN ADDITION, THE ORDERS FREEZE ALL OF DSI'S ASSETS, PROHIBIT DSI FROM DESTROYING ANY DOCUMENTS, ORDER DSI TO ACCOUNT FOR ALL OF ITS ILL-GOTTEN GAINS.

Firm Statement

FROM THE U6 FILED 10/10/2001: THE ORDERS, ENTERED PURSUANT TO DSI'S CONSENTS AND WITHOUT ADMITTING OR DENYING THE ALLEGATIONS CONTAINED IN THE COMMISSION'S COMPLAINT.



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

Reporting Source: Firm

Policy Holder: DONAHUE SECURITIES, INC.

Bonding Company Name: NATIONAL UNION FIRE INSURANCE COMPANY

Disposition: Payout

Disposition Date: 03/04/2003

Payout Details: PAYOUT AMOUNT: \$62,500.00
DATE PAID: 03/04/2003

Firm Statement

DONAHUE SECURITIES, INC. ("DSI") FILED A PROOF OF LOSS FOR THE FULL AMOUNT OF THE BOND (\$120,000.00). DSI'S CLAIM WAS BASED ON THE LOSSES INCURRED AS A RESULT OF THE CRIMINAL ACTIVITIES OF ITS PRESIDENT AND CONTROLLING SHAREHOLDER, STEPHEN G. DONAHUE. DSI SETTLED ITS CLAIM FOR \$62,500.00.

End of Report



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