

BrokerCheck Report

ROSS, SINCLAIRE & ASSOCIATES, LLC

CRD# 25440

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

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

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

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

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

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

• **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.



ROSS, SINCLAIRE & ASSOCIATES, LLC

CRD# 25440

SEC# 8-41740

Main Office Location

700 WALNUT ST
SUITE 600
CINCINNATI, OH 45202

Mailing Address

700 WALNUT ST
SUITE 600
CINCINNATI, OH 45202

Business Telephone Number

513-381-3939

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 limited liability company.

This firm was formed in Ohio on 11/16/2004.

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	11
Arbitration	2



Registration Withdrawal Information

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

Date firm ceased business: 06/15/2020

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



Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Ohio on 11/16/2004.

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.

ROSS, SINCLAIRE & ASSOCIATES, LLC

Doing business as ROSS, SINCLAIRE & ASSOCIATES, LLC

CRD# 25440

SEC# 8-41740

Main Office Location

700 WALNUT ST
SUITE 600
CINCINNATI, OH 45202

Mailing Address

700 WALNUT ST
SUITE 600
CINCINNATI, OH 45202

Business Telephone Number

513-381-3939

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): SPISAK, KARL A MR
5206890

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

Position FNOP CCO

Position Start Date 12/2013

Percentage of Ownership Less than 5%

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

Is this a public reporting company? No

Firm Profile

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

Indirect Owners

No information reported.



Firm History

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

No information reported.



Firm Operations



Registrations

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

This firm is no longer registered.

The firm's registration was from 11/30/1989 to 09/08/2020.



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
Underwriter or selling group participant (corporate securities other than mutual funds)
Mutual fund retailer
Municipal securities dealer
Municipal securities broker
Broker or dealer selling variable life insurance or annuities
Put and call broker or dealer or option writer
Investment advisory services
Broker or dealer selling tax shelters or limited partnerships in primary distributions
Trading securities for own account



Firm Operations

Clearing Arrangements

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

Introducing Arrangements

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

Name: RBC CAPITAL MARKETS, LLC

CRD #: 31194

Business Address: 3 WORLD FINANCIAL CENTER
200 VESEY ST.
NEW YORK, NY 10281

Effective Date: 07/21/2017

Description: ROSS, SINCLAIRE & ASSOCIATES, INC. WILL INTRODUCE AND FORWARD ALL TRANSACTIONS AS WELL AS CUSTOMER ACCOUNTS, FUNDS AND SECURITIES TO RBC CORRESPONDENT SERVICES, THE "CORRESPONDENT BROKER DEALER" WHICH WILL CARRY SUCH ACCOUNTS ON A FULLY DISCLOSED BASIS. THE CORRESPONDENT BROKER-DEALER MAY MAINTAIN CERTAIN ACCOUNTS AND RECORDS FOR ROSS, SINCLAIRE & ASSOCIATES, INC.

Name: TD AMERITRADE, INC.

CRD #: 7870

Business Address: 200 SOUTH 108TH AVE
OMAHA, NE 68154

Effective Date: 03/01/2014

Description: ITEM 7 & ITEM 8 - ROSS, SINCLAIRE & ASSOCIATES, LLC WILL INTRODUCE AND FORWARD ALL TRANSACTIONS AS WELL AS CUSTOMER ACCOUNTS, FUNDS AND SECURITIES TO TD AMERITRADE, THE "CORRESPONDENT BROKER DEALER" WHICH WILL CARRY SUCH ACCOUNTS ON A FULLY DISCLOSED BASIS. THE CORRESPONDENT BROKER-DEALER MAY MAINTAIN CERTAIN ACCOUNTS AND RECORDS FOR ROSS, SINCLAIRE & ASSOCIATES, LLC.

Firm Operations

Industry Arrangements



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

Name: RBC CAPITAL MARKETS, LLC
CRD #: 31194
Business Address: 3 WORLD FINANCIAL CENTER
200 VESEY ST.
NEW YORK, NY 10281
Effective Date: 07/21/2017
Description: ROSS, SINCLAIRE & ASSOCIATES, INC. WILL INTRODUCE AND FORWARD ALL TRANSACTIONS AS WELL AS CUSTOMER ACCOUNTS, FUNDS AND SECURITIES TO RBC CORRESPONDENT SERVICES, THE "CORRESPONDENT BROKER DEALER" WHICH WILL CARRY SUCH ACCOUNTS ON A FULLY DISCLOSED BASIS. THE CORRESPONDENT BROKER-DEALER MAY MAINTAIN CERTAIN ACCOUNTS AND RECORDS FOR ROSS, SINCLAIRE & ASSOCIATES, INC.

Name: TD AMERITRADE, INC.
CRD #: 7870
Business Address: 200 SOUTH 108TH AVE
OMAHA, NE 68154
Effective Date: 03/01/2014
Description: ITEM 7, 8 & ITEM 9 - ROSS, SINCLAIRE & ASSOCIATES, LLC WILL INTRODUCE AND FORWARD ALL TRANSACTIONS AS WELL AS CUSTOMER ACCOUNTS, FUNDS AND SECURITIES TO TD AMERITRADE, THE "CORRESPONDENT BROKER DEALER" WHICH WILL CARRY SUCH ACCOUNTS ON A FULLY DISCLOSED BASIS. THE CORRESPONDENT BROKER-DEALER MAY MAINTAIN CERTAIN ACCOUNTS AND RECORDS FOR ROSS, SINCLAIRE & ASSOCIATES, LLC.

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

Name: RBC CAPITAL MARKETS, LLC
CRD #: 31194
Business Address: 3 WORLD FINANCIAL CENTER
200 VESEY ST.
NEW YORK, NY 10281
Effective Date: 07/21/2017

Firm Operations



Industry Arrangements (continued)

Description: ROSS, SINCLAIRE & ASSOCIATES, LLC WILL INTRODUCE AND FORWARD ALL TRANSACTIONS AS WELL AS CUSTOMER ACCOUNTS, FUNDS AND SECURITIES TO RBC CORRESPONDENT SERVICES, THE "CORRESPONDENT BROKER DEALER" WHICH WILL CARRY SUCH ACCOUNTS ON A FULLY DISCLOSED BASIS. THE CORRESPONDENT BROKER-DEALER MAY MAINTAIN CERTAIN ACCOUNTS AND RECORDS FOR ROSS, SINCLAIRE & ASSOCIATES, LLC.

Name: TD AMERITRADE, INC.

CRD #: 7870

Business Address: 200 SOUTH 108TH AVE
OMAHA, NE 68154

Effective Date: 03/01/2014

Description: ITEM 7, 8 & ITEM 9 - ROSS, SINCLAIRE & ASSOCIATES, LLC WILL INTRODUCE AND FORWARD ALL TRANSACTIONS AS WELL AS CUSTOMER ACCOUNTS, FUNDS AND SECURITIES TO TD AMERITRADE, THE "CORRESPONDENT BROKER DEALER" WHICH WILL CARRY SUCH ACCOUNTS ON A FULLY DISCLOSED BASIS. THE CORRESPONDENT BROKER-DEALER MAY MAINTAIN CERTAIN ACCOUNTS AND RECORDS FOR ROSS, SINCLAIRE & ASSOCIATES, LLC.

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

Name: RBC CAPITAL MARKETS, LLC

CRD #: 31194

Business Address: 3 WORLD FINANCIAL CENTER
200 VESEY ST.
NEW YORK, NY 10281

Effective Date: 07/21/2017

Description: ROSS, SINCLAIRE & ASSOCIATES, INC. WILL INTRODUCE AND FORWARD ALL TRANSACTIONS AS WELL AS CUSTOMER ACCOUNTS, FUNDS AND SECURITIES TO RBC CORRESPONDENT SERVICES, THE "CORRESPONDENT BROKER DEALER" WHICH WILL CARRY SUCH ACCOUNTS ON A FULLY DISCLOSED BASIS. THE CORRESPONDENT BROKER-DEALER MAY MAINTAIN CERTAIN ACCOUNTS AND RECORDS FOR ROSS, SINCLAIRE & ASSOCIATES, INC.

Name: TD AMERITRADE, INC.

CRD #: 7870

Business Address: 200 SOUTH 108TH AVE
OMAHA, NE 68154

Firm Operations



Industry Arrangements (continued)

Effective Date: 03/01/2014

Description: ITEM 7, 8 & ITEM 9 - ROSS, SINCLAIRE & ASSOCIATES, LLC WILL INTRODUCE AND FORWARD ALL TRANSACTIONS AS WELL AS CUSTOMER ACCOUNTS, FUNDS AND SECURITIES TO TD AMERITRADE, THE "CORRESPONDENT BROKER DEALER" WHICH WILL CARRY SUCH ACCOUNTS ON A FULLY DISCLOSED BASIS. THE CORRESPONDENT BROKER-DEALER MAY MAINTAIN CERTAIN ACCOUNTS AND RECORDS FOR ROSS, SINCLAIRE & ASSOCIATES, LLC.

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	11	0
Arbitration	N/A	2	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 11

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 ASSISTED WITH THE PREPARATION AND CIRCULATION OF A CONFIDENTIAL INFORMATION MEMORANDUM (CIM) TO ACCREDITED INVESTORS FOR NOTES, AND FAILED TO DISCLOSE MATERIAL FACTS. THE FINDINGS STATED THAT THE ISSUER WAS TO PROVIDE TO A FILM PRODUCTION COMPANY THE PROCEEDS FOR THE ADVANCE FUNDING OF ANTICIPATED STATE TAX CREDITS. THE CIM DISCLOSED THAT IN ADDITION TO A TWO PERCENT COMMISSION, THE FIRM WOULD ALSO EARN A "CERTAIN PERCENTAGE" OF PROFITS ON THE SALE OF TAX CREDITS, BUT FAILED TO DISCLOSE THAT THE FIRM WOULD EARN HALF OF THE PROFITS ON THE SALE OF TAX CREDITS. THE CIM ALSO FAILED TO DISCLOSE THAT ONE OF THE FIRM'S REGISTERED REPRESENTATIVES WAS VICE PRESIDENT OF THE ISSUER. THE FINDINGS ALSO STATED THAT THE FIRM OMITTED MATERIAL FACTS FROM THE PRIVATE PLACEMENT MEMORANDUM (PPM) FOR MUNICIPAL BONDS UNDERWRITTEN BY THE FIRM TO FINANCE THE CONSTRUCTION OF A COMMUNITY RECREATION CENTER. ALTHOUGH THE FIRM VERBALLY DISCLOSED THE LOAN AGREEMENT TO INVESTORS. THE FIRM FAILED TO DISCLOSE IN THE PPM THAT THE ISSUER HAD THREATENED TO DEFAULT ON AN EARLIER SERIES OF BONDS AND BOND ANTICIPATION NOTES THAT A LOAN AGREEMENT EXISTED BETWEEN THE ISSUER AND FIRM, AND INFORMATION ABOUT THE FINANCES OF BOTH THE ISSUER AND FIRM. THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO ESTABLISH, DOCUMENT AND MAINTAIN A WRITTEN SYSTEM OF RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES RELATING TO THE FIRM'S PROVISION OF DIRECT MARKET ACCESS TO ITS TRADERS. THE FIRM FAILED TO ESTABLISH RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES TO LIMIT ITS FINANCIAL EXPOSURE FROM PERMITTING ITS TRADERS TO ACCESS ALTERNATIVE TRADING SYSTEMS SITES, SUCH AS ESTABLISHING AN AGGREGATE TRADING LIMIT FOR DAILY BUYS AND SELLS. IN THE FIRM'S ANNUAL CHIEF EXECUTIVE OFFICER CERTIFICATION, IT FAILED TO CERTIFY THAT ITS RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES COMPLIED WITH APPLICABLE PROVISIONS OF SEC RULES.

Initiated By: FINRA

Date Initiated: 06/10/2019

Docket/Case Number: [2017052424001](#)

Principal Product Type: Other

Other Product Type(s): PRIVATE PLACEMENT OF NOTES

Principal Sanction(s)/Relief Sought:



Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/10/2019

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 \$200,000.00

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED AND FINED \$200,000. FINES PAID IN FULL ON AUGUST 31, 2020.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO DISCLOSE IN A CONFIDENTIAL INFORMATION MEMO (CIM) THAT THE FIRM WOULD EARN HALF OF THE PROFITS ON THE SALE OF FILM TAX CREDITS AND THAT ONE OF THE FIRM'S REGISTERED REPRESENTATIVES WAS VICE PRESIDENT OF THE ISSUER. THE FINDINGS STATED THAT AS THE EXCLUSIVE PLACEMENT AGENT FOR A PRIVATE PLACEMENT OF NOTES, THE FIRM ASSISTED WITH PREPARING AND CIRCULATION OF THE CIM TO ACCREDITED INVESTORS FOR NOTES, THE PROCEEDS OF WHICH THE ISSUER WAS TO PROVIDE A FILM PRODUCTION COMPANY FOR THE ADVANCE FUNDING OF ANTICIPATED STATE FILM TAX CREDITS. THE CIM DISCLOSED THAT IN ADDITION TO A TWO PERCENT COMMISSION, THE FIRM WOULD ALSO EARN A CERTAIN PERCENTAGE OF PROFITS ON THE SALE OF FILM TAX CREDITS, BUT OMITTED THE MATERIAL FACTS. THE FINDINGS ALSO STATED THAT THE FIRM OMITTED MATERIAL FACTS FROM THE PRIVATE PLACEMENT MEMORANDUM (PPM) FOR MUNICIPAL BONDS UNDERWRITTEN BY THE FIRM TO FINANCE THE CONSTRUCTION OF A COMMUNITY RECREATION CENTER. ALTHOUGH THE FIRM VERBALLY DISCLOSED THE LOAN AGREEMENT TO INVESTORS. THE FIRM FAILED TO DISCLOSE IN THE PPM THAT THE ISSUER HAD THREATENED TO DEFAULT ON AN EARLIER SERIES OF BONDS AND BOND ANTICIPATION NOTES THAT A LOAN AGREEMENT EXISTED BETWEEN THE ISSUER AND FIRM, AND



INFORMATION ABOUT THE FINANCES OF BOTH THE ISSUER AND FIRM. THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO ESTABLISH, DOCUMENT AND MAINTAIN A WRITTEN SYSTEM OF RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES RELATING TO THE FIRM'S PROVISION OF DIRECT MARKET ACCESS TO ITS TRADERS. THE FIRM FAILED TO ESTABLISH RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES TO LIMIT ITS FINANCIAL EXPOSURE FROM PERMITTING ITS TRADERS TO ACCESS ALTERNATIVE TRADING SYSTEMS SITES, SUCH AS ESTABLISHING AN AGGREGATE TRADING LIMIT FOR DAILY BUYS AND SELLS. IN THE FIRM'S ANNUAL CHIEF EXECUTIVE OFFICER CERTIFICATION, IT FAILED TO CERTIFY THAT ITS RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES COMPLIED WITH APPLICABLE RULES.

Initiated By: FINRA

Date Initiated: 06/10/2019

Docket/Case Number: [2017052424001](#)

Principal Product Type: Other

Other Product Type(s): PRIVATE PLACEMENT OF NOTES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/10/2019

Sanctions Ordered: Censure
Monetary/Fine \$200,000.00

Other Sanctions Ordered:

Sanction Details: CENSURE AND FINE OF 200,000

Disclosure 2 of 11

Reporting Source: Regulator

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, ROSS, SINCLAIRE & ASSOCIATES, LLC CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM REASONABLY DESIGNED TO ACHIEVE



COMPLIANCE WITH SECURITIES LAWS AND REGULATIONS, AND WITH MSRB, NASD AND FINRA RULES; AND FAILED TO ESTABLISH, MAINTAIN AND ENFORCE WRITTEN SUPERVISORY PROCEDURES ("WSPS") TO SUPERVISE ITS REGISTERED AND ASSOCIATED PERSONS.

THE FINDINGS STATED THAT THE FIRM FAILED TO ENSURE THAT MATERIAL FACTS, INCLUDING ITS OWN POTENTIAL CONFLICTS OF INTEREST, ABOUT OFFERINGS FOR WHICH THE FIRM SERVED AS FINANCIAL ADVISOR OR UNDERWRITER, OR WHICH THE FIRM RECOMMENDED TO ITS CUSTOMERS, WERE DISCLOSED IN THE RESPECTIVE OFFERING MEMORANDA.

THE FINDINGS ALSO STATED THAT THE FIRM IMPROPERLY ACTED AS BOTH A FINANCIAL ADVISOR AND AN UNDERWRITER IN THE SAME MUNICIPAL SECURITIES ISSUANCE, AND FAILED TO TIMELY PROVIDE DISCLOSURES RELATING TO ITS UNDERWRITING ROLE. THE FIRM'S WSPS INCLUDED A BAN ON ACTING AS A FINANCIAL ADVISOR AND AS AN UNDERWRITER IN THE SAME ISSUE.

THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO MAINTAIN DOCUMENTATION TO EVIDENCE THAT IT CONDUCTED ADEQUATE DUE DILIGENCE IN COMPETITIVE MUNICIPAL OFFERINGS IT SOLD. IN ADDITION, THE FIRM'S WRITTEN SUPERVISORY PROCEDURES (WSPS) FAILED TO ADDRESS HOW THE FIRM WOULD DOCUMENT THAT AN ADEQUATE DUE DILIGENCE PROCESS AND SUPERVISORY REVIEW HAD OCCURRED.

FINRA FOUND THAT THE FIRM FAILED TO ESTABLISH AND IMPLEMENT POLICIES, PROCEDURES AND INTERNAL CONTROLS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE BANK SECRECY ACT AND ITS IMPLEMENTING REGULATIONS BY NOT VERIFYING THE IDENTITY OF INVESTORS IN PRIVATE OFFERINGS WHO DID NOT HAVE BROKERAGE ACCOUNTS WITH THE FIRM.

FINRA ALSO FOUND THAT AFTER ESTABLISHING A NEW OFFICE OF SUPERVISORY JURISDICTION (OSJ) THAT INCLUDED PERSONNEL OF AN UNAFFILIATED BUSINESS GROUP, THE FIRM FAILED TO ESTABLISH AN ADEQUATE SUPERVISORY SYSTEM TO SUPERVISE THE OSJ IN A VARIETY OF WAYS. FIRST, THE FIRM FAILED TO CONDUCT AND EVIDENCE ADEQUATE DUE DILIGENCE OF REG D OFFERINGS. IN ADDITION, THE WSPS DID NOT ADDRESS HOW THE FIRM WOULD PERFORM AND DOCUMENT ITS DUE DILIGENCE FOR PRIVATE OFFENDING. THE OFFERING DOCUMENTS DID NOT ADEQUATELY DISCLOSE POTENTIAL CONFLICT OF INTERESTS AND THE FIRM FAILED TO OBTAIN BASIC CUSTOMER INFORMATION FUNDAMENTAL TO THE FIRM'S OBLIGATION TO ENSURE THAT ITS RECOMMENDATIONS WERE SUITABLE. THE FIRM ALSO FAILED TO DOCUMENT THE SIGNATURES OF REPRESENTATIVES RESPONSIBLE FOR ACCOUNTS, AND THE SIGNATURE OF THE PRINCIPAL WHO APPROVED THE ACCOUNTS. FINALLY, THE FIRM FAILED TO EVIDENCE FIRM PRINCIPAL APPROVAL FOR TRANSACTION OF REG D OFFERINGS. IN ADDITION, FINRA FOUND THAT THE FIRM FAILED TO TIMELY SUBMIT



CERTAIN INFORMATION AND DOCUMENTATION TO THE MSRB'S
ELECTRONIC MUNICIPAL MARKET ACCESS SYSTEM (EMMA).

Initiated By:	FINRA
Date Initiated:	12/15/2016
Docket/Case Number:	2015043591701
Principal Product Type:	Other
Other Product Type(s):	UNSPECIFIED SECURITIES; REG D OFFERINGS
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	12/15/2016
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 \$214,545.00 Disgorgement/Restitution
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	THE FIRM WAS CENSURED, FINED \$214,545, ORDERED TO PAY DISGORGEMENT OF FINANCIAL BENEFITS RECEIVED IN THE AMOUNT OF \$35,455 AND ORDERED TO COMPLY WITH AN UNDERTAKING TO HIRE AN INDEPENDENT CONSULTANT TO CONDUCT A COMPREHENSIVE REVIEW OF THE ADEQUACY OF ITS POLICIES, SYSTEMS AND PROCEDURES. FINES PAID IN FULL ON AUGUST 31, 2020. FINE PAID IN FULL ON SEPTEMBER 22, 2020.
<hr/>	
Reporting Source:	Firm
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, ROSS, SINCLAIRE & ASSOCIATES, LLC CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO ESTABLISH AND MAINTAIN A



SUPERVISORY SYSTEM REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH SECURITIES LAWS AND REGULATIONS, AND WITH MSRB, NASD AND FINRA RULES; AND FAILED TO ESTABLISH, MAINTAIN AND ENFORCE WRITTEN SUPERVISORY PROCEDURES ("WSPS") TO SUPERVISE ITS REGISTERED AND ASSOCIATED PERSONS. THE FINDINGS STATED THAT THE FIRM FAILED TO ENSURE THAT MATERIAL FACTS, INCLUDING ITS OWN POTENTIAL CONFLICTS OF INTEREST, ABOUT OFFERINGS FOR WHICH THE FIRM SERVED AS FINANCIAL ADVISOR OR UNDERWRITER, OR WHICH THE FIRM RECOMMENDED TO ITS CUSTOMERS, WERE DISCLOSED IN THE RESPECTIVE OFFERING MEMORANDA. THE FINDINGS ALSO STATED THAT THE FIRM IMPROPERLY ACTED AS BOTH A FINANCIAL ADVISOR AND AN UNDERWRITER IN THE SAME MUNICIPAL SECURITIES ISSUANCE, AND FAILED TO TIMELY PROVIDE DISCLOSURES RELATING TO ITS UNDERWRITING ROLE. THE FIRM'S WSPS INCLUDED A BAN ON ACTING AS A FINANCIAL ADVISOR AND AS AN UNDERWRITER IN THE SAME ISSUE. THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO MAINTAIN DOCUMENTATION TO EVIDENCE THAT IT CONDUCTED ADEQUATE DUE DILIGENCE IN COMPETITIVE MUNICIPAL OFFERINGS IT SOLD. IN ADDITION, THE FIRM'S WRITTEN SUPERVISORY PROCEDURES (WSPS) FAILED TO ADDRESS HOW THE FIRM WOULD DOCUMENT THAT AN ADEQUATE DUE DILIGENCE PROCESS AND SUPERVISORY REVIEW HAD OCCURRED. FINRA FOUND THAT THE FIRM FAILED TO ESTABLISH AND IMPLEMENT POLICIES, PROCEDURES AND INTERNAL CONTROLS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE BANK SECRECY ACT AND ITS IMPLEMENTING REGULATIONS BY NOT VERIFYING THE IDENTITY OF INVESTORS IN PRIVATE OFFERINGS WHO DID NOT HAVE BROKERAGE ACCOUNTS WITH THE FIRM. FINRA ALSO FOUND THAT AFTER ESTABLISHING A NEW OFFICE OF SUPERVISORY JURISDICTION (OSJ) THAT INCLUDED PERSONNEL OF AN UNAFFILIATED BUSINESS GROUP, THE FIRM FAILED TO ESTABLISH AN ADEQUATE SUPERVISORY SYSTEM TO SUPERVISE THE OSJ IN A VARIETY OF WAYS. FIRST, THE FIRM FAILED TO CONDUCT AND EVIDENCE ADEQUATE DUE DILIGENCE OF REG D OFFERINGS. IN ADDITION, THE WSPS DID NOT ADDRESS HOW THE FIRM WOULD PERFORM AND DOCUMENT ITS DUE DILIGENCE FOR PRIVATE OFFENDING. THE OFFERING DOCUMENTS DID NOT ADEQUATELY DISCLOSE POTENTIAL CONFLICT OF INTERESTS AND THE FIRM FAILED TO OBTAIN BASIC CUSTOMER INFORMATION FUNDAMENTAL TO THE FIRM'S OBLIGATION TO ENSURE THAT ITS RECOMMENDATIONS WERE SUITABLE. THE FIRM ALSO FAILED TO DOCUMENT THE SIGNATURES OF REPRESENTATIVES RESPONSIBLE FOR ACCOUNTS, AND THE SIGNATURE OF THE PRINCIPAL WHO APPROVED THE ACCOUNTS. FINALLY, THE FIRM FAILED TO EVIDENCE FIRM PRINCIPAL APPROVAL FOR TRANSACTION OF REG D OFFERINGS. IN ADDITION, FINRA FOUND THAT THE FIRM FAILED TO TIMELY SUBMIT CERTAIN INFORMATION AND DOCUMENTATION TO THE



MSRB'S ELECTRONIC MUNICIPAL MARKET ACCESS SYSTEM (EMMA).

Initiated By: FINRA

Date Initiated: 12/15/2016

Docket/Case Number: [2015043591701](#)

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED SECURITIES; REG D OFFERINGS

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: ACCEPTANCE WAIVER AND CONSENT

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/15/2016

Sanctions Ordered: Censure
Monetary/Fine \$214,545.00
Disgorgement/Restitution

Other Sanctions Ordered: UNDERTAKING

Sanction Details: FINE OF 214545.00, PAY FINANCIAL BENEFITS OF 35455.00 AND HIRE INDEPENDENT CONSULTANT TO CONDUCT REVIEW OF POLICIES AND PROCEDURES

Disclosure 3 of 11

Reporting Source: Regulator

Current Status: Final

Allegations: SEC ADMIN RELEASE 34-78147; IA RELEASE 40-4435; INVESTMENT COMPANY RELEASE 40-32160, JUNE 23, 2016: THE SEC DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED PURSUANT TO SECTIONS 15(B) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934, SECTIONS 203(E) AND 203(F) OF THE INVESTMENT ADVISERS ACT OF 1940 AND SECTION 9(B) OF THE INVESTMENT COMPANY ACT OF 1940), AGAINST ROSS, SINCLAIRE & ASSOCIATES, LLC ("RSA"). IN ANTICIPATION OF THE INSTITUTION OF THESE PROCEEDINGS, RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO



WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS HEREIN, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER IT AND THE SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED, AND EXCEPT AS PROVIDED HEREIN, RESPONDENT CONSENTS TO THE ENTRY OF THIS ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTIONS 15(B) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934, SECTIONS 203(E) AND 203(F) OF THE INVESTMENT ADVISERS ACT OF 1940, AND SECTION 9(B) OF THE INVESTMENT COMPANY ACT OF 1940, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER. ON THE BASIS OF THIS ORDER AND RESPONDENT'S OFFER THE COMMISSION FINDS THAT FROM AT LEAST JANUARY 2007 THROUGH DECEMBER 2012, THE PRESIDENT OF A REGISTERED INVESTMENT ADVISER (THE "RIA") TOOK ADVANTAGE OF HIS CLOSE RELATIONSHIP WITH BROKER-DEALER RSA TO CARRY OUT A FRAUDULENT SCHEME WHEREBY THE PRESIDENT CHARGED HIS ADVISORY CLIENTS INFLATED COMMISSIONS THROUGH RSA. DURING THE RELEVANT PERIOD, RSA PERMITTED THE PRESIDENT TO BE INVOLVED IN EFFECTING EQUITY SECURITIES TRADES FOR THE RIA CLIENTS AT RSA. THE PRESIDENT'S INVOLVEMENT INCLUDED SETTING THE AMOUNT OF COMMISSIONS, MARKUPS, AND MARKDOWNS ("TRANSACTION CHARGES") THAT RSA CHARGED ITS CUSTOMERS, DESPITE THE FACT THAT THE PRESIDENT DID NOT HAVE THE REQUIRED SERIES 7 LICENSE FROM THE FINANCIAL INDUSTRY REGULATORY AUTHORITY, INC. ("FINRA") TO DO THIS WORK. RSA PURPORTEDLY ASSIGNED THE PRESIDENT'S WIFE AND AN RSA REGISTERED REPRESENTATIVE, AS THE RSA "ACCOUNT EXECUTIVE" ON THE RIA'S CLIENT ACCOUNTS, AND PAID HER 50% OF THE TRANSACTION CHARGES THAT RSA COLLECTED, EVEN THOUGH SHE DID ESSENTIALLY NO WORK FOR RSA AND WAS GENERALLY NOT INVOLVED IN THE PRESIDENT'S EQUITY TRADING FOR THE CLIENTS OF THE RIA. IN BREACH OF HIS BEST EXECUTION OBLIGATION AND UNBEKNOWNST TO THE RIA'S CLIENTS, THE PRESIDENT ROUTINELY SET THE TRANSACTION CHARGES FOR THESE TRANSACTIONS MUCH HIGHER THAN THE REQUIRED MINIMUM WHICH WAS AVAILABLE THROUGH RSA. THE HIGHER CHARGES INURED TO THE BENEFIT OF THE PRESIDENT, THE RIA (THROUGH THE PRESIDENT'S WIFE) AND RSA. THROUGHOUT THE RELEVANT PERIOD, RSA AND ITS CEO AUTHORIZED THE PRESIDENT TO SET THE TRANSACTION CHARGES FOR THE RIA CLIENT EQUITY TRANSACTIONS DESPITE THE FACT THAT THEY KNEW HE DID NOT HAVE THE REQUIRED FINRA LICENSE. RSA AND ITS CEO ALSO ARRANGED FOR THE PRESIDENT AND THE RIA TO DIRECTLY BENEFIT FROM THE HIGHER CHARGES BY PAYING THE PRESIDENT'S WIFE HALF OF THE TRANSACTION CHARGES THAT RSA COLLECTED ON HIS EQUITY TRADES. RSA AND ITS CEO ALSO BENEFITED BY KEEPING HALF OF THE TRANSACTION CHARGES. AS A RESULT OF THIS CONDUCT, RSA WILLFULLY VIOLATED



SECTION 15(B)(7) OF THE EXCHANGE ACT AND RULE 15B7-1 THEREUNDER.

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 06/23/2016

Docket/Case Number: 3-17315

Principal Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Cease and Desist

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 06/23/2016

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 \$100,000.00
Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions Ordered: PREJUDGMENT INTEREST

Sanction Details: THE FIRM SHALL CEASE AND DESIST; IS CENSURED; AND SHALL PAY DISGORGEMENT OF \$703,335.16, PREJUDGMENT INTEREST OF \$99,239.54 AND A CIVIL PENALTY OF \$100,000 TO THE SEC.

Regulator Statement IN VIEW OF THE FOREGOING, THE COMMISSION DEEMS IT APPROPRIATE, IN THE PUBLIC INTEREST, TO IMPOSE THE SANCTIONS AGREED TO IN THE RESPONDENT'S OFFER. ACCORDINGLY, PURSUANT TO SECTIONS 15(B) AND 21C OF THE EXCHANGE ACT, SECTIONS 203(E) AND 203(F) OF THE ADVISERS ACT, AND SECTION 9(B) OF THE INVESTMENT COMPANY ACT, IT IS HEREBY ORDERED THAT RSA SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 15(B)(7) OF THE EXCHANGE ACT AND RULE 15B7-1 PROMULGATED THEREUNDER; RSA IS CENSURED; AND RSA SHALL PAY DISGORGEMENT OF \$703,335.16, PREJUDGMENT INTEREST OF \$99,239.54 AND A CIVIL PENALTY OF \$100,000 TO THE SEC.



Reporting Source: Firm

Current Status: Final

Allegations: PLEASE SEE SEC ADMIN RELEASE 34-78147; IA RELEASE 40-4435; INVESTMENT COMPANY RELEASE 40-32160, JUNE 23, 2016 FOR FULL DETAILS ON THIS EVENT.

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 06/23/2016

Docket/Case Number: 3-17315

Principal Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Cease and Desist

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 06/23/2016

Sanctions Ordered: Censure
Monetary/Fine \$100,000.00
Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions Ordered: PREJUDGMENT INTEREST

Sanction Details: THE FIRM SHALL CEASE AND DESIST; IS CENSURED; AND SHALL PAY DISGORGEMENT OF \$703,335.16, PREJUDGMENT INTEREST OF \$99,239.54 AND A CIVIL PENALTY OF \$100,000 TO THE SEC.

Disclosure 4 of 11

Reporting Source: Regulator

Current Status: Final

Allegations: SEC ADMIN RELEASES 33-9936; 34-76033; SEPTEMBER 30, 2015: THE SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED AGAINST ROSS, SINCLAIRE & ASSOCIATES, LLC ("RESPONDENT"). RESPONDENT



WILLFULLY VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT. THIS MATTER INVOLVES VIOLATIONS OF AN ANTIFRAUD PROVISION OF THE FEDERAL SECURITIES LAWS IN CONNECTION WITH RESPONDENT'S UNDERWRITING OF CERTAIN MUNICIPAL SECURITIES OFFERINGS. RESPONDENT, A REGISTERED BROKER-DEALER, CONDUCTED INADEQUATE DUE DILIGENCE IN CERTAIN OFFERINGS AND AS A RESULT, FAILED TO FORM A REASONABLE BASIS FOR BELIEVING THE TRUTHFULNESS OF CERTAIN MATERIAL REPRESENTATIONS IN OFFICIAL STATEMENTS ISSUED IN CONNECTION WITH THOSE OFFERINGS. THIS RESULTED IN RESPONDENT OFFERING AND SELLING MUNICIPAL SECURITIES ON THE BASIS OF MATERIALLY MISLEADING DISCLOSURE DOCUMENTS. THE VIOLATIONS WERE SELF-REPORTED BY RESPONDENT TO THE COMMISSION PURSUANT TO THE DIVISION OF ENFORCEMENT'S (THE "DIVISION") MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION (MCDC) INITIATIVE.

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 09/30/2015

Docket/Case Number: 3-16870

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Cease and Desist

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 09/30/2015

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

Sanctions Ordered: Monetary/Fine \$220,000.00
Cease and Desist/Injunction

Other Sanctions Ordered: UNDERTAKINGS

Sanction Details: THE RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT, PAY A CIVIL MONEY PENALTY IN THE



AMOUNT OF \$220,000 AND COMPLY WITH THE UNDERTAKINGS
ENUMERATED IN THE OFFER OF SETTLEMENT.

Regulator Statement

IN ANTICIPATION OF THE INSTITUTION OF THESE PROCEEDINGS, RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT (THE "OFFER") WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER IT AND THE SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED, RESPONDENT CONSENTS TO THE ENTRY OF THIS ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 AND SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER. IN VIEW OF THE FOREGOING, THE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN RESPONDENT'S OFFER. ACCORDINGLY, IT IS HEREBY ORDERED THAT RESPONDENT SHALL, CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF 17(A)(2) OF THE SECURITIES ACT; WITHIN TEN (10) DAYS OF THE ENTRY OF THIS ORDER, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$220,000 TO THE SECURITIES AND EXCHANGE COMMISSION; AND RETAIN AN INDEPENDENT CONSULTANT TO CONDUCT A REVIEW OF RESPONDENT'S POLICIES AND PROCEDURES AS THEY RELATE TO MUNICIPAL SECURITIES UNDERWRITING DUE DILIGENCE.

Reporting Source:

Firm

Current Status:

Final

Allegations:

SEC ADMIN RELEASES 33-9936; 34-76033; SEPTEMBER 30, 2015: THE SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED AGAINST ROSS, SINCLAIRE & ASSOCIATES, LLC ("RESPONDENT"). RESPONDENT WILLFULLY VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT. THIS MATTER INVOLVES VIOLATIONS OF AN ANTIFRAUD PROVISION OF THE FEDERAL SECURITIES LAWS IN CONNECTION WITH RESPONDENT'S UNDERWRITING OF CERTAIN MUNICIPAL SECURITIES OFFERINGS. RESPONDENT, A REGISTERED BROKER-DEALER, CONDUCTED INADEQUATE DUE DILIGENCE IN CERTAIN OFFERINGS AND AS A RESULT, FAILED TO FORM A REASONABLE BASIS FOR BELIEVING THE TRUTHFULNESS OF CERTAIN MATERIAL REPRESENTATIONS IN OFFICIAL



STATEMENTS ISSUED IN CONNECTION WITH THOSE OFFERINGS. THIS RESULTED IN RESPONDENT OFFERING AND SELLING MUNICIPAL SECURITIES ON THE BASIS OF MATERIALLY MISLEADING DISCLOSURE DOCUMENTS. THE VIOLATIONS WERE SELF-REPORTED BY RESPONDENT TO THE COMMISSION PURSUANT TO THE DIVISION OF ENFORCEMENT'S (THE "DIVISION") MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION (MCDC) INITIATIVE.

Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Date Initiated:	09/30/2015
Docket/Case Number:	3-16870
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	09/30/2015
Sanctions Ordered:	Monetary/Fine \$220,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	UNDERTAKINGS
Sanction Details:	THE RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$220,000 AND COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT.
Firm Statement	ROSS, SINCLAIRE AND ASSOCIATES, LLC ALONG WITH NUMEROUS MUNICIPAL SECURITIES UNDERWRITERS AND MUNICIPAL ISSUERS VOLUNTARILY PARTICIPATED IN THE SEC'S MUNICIPAL CONTINUING DISCLOSURE COOPERATION INITIATIVE (MCDC). UNDER THE MCDC, PARTICIPATING UNDERWRITERS AND ISSUERS SUBMITTED REPORTS TO THE SEC IDENTIFYING MUNICIPAL SECURITIES OFFERINGS FOR WHICH THE OFFICIAL STATEMENTS DID NOT ACCURATELY DESCRIBE THE ISSUERS NON-COMPLIANCE WITH CONTINUING DISCLOSURE REQUIREMENTS. SEC RULE 15C-12 REQUIRES OFFICIAL STATEMENTS FOR MUNICIPAL SECURITIES OFFERINGS TO DESCRIBE INSTANCES OVER THE PAST 5 YEARS IN WHICH THE ISSUER FAILED TO COMPLY, IN ALL MATERIAL RESPECTS, WITH ANY OF ITS PREVIOUS CONTINUING



DISCLOSURE REQUIREMENTS. THOSE REQUIREMENTS INCLUDE FILINGS OF ANNUAL FINANCIAL INFORMATION AND OPERATING DATA AND NOTICES OF MATERIAL EVENTS PERTAINING TO THE MUNICIPAL ISSUER AND/OR OTHER OBLIGATED PERSONS. BY CHOOSING TO PARTICIPATE IN THE MCDC, UNDERWRITERS AND ISSUERS AGREED TO ACCEPT STANDARDIZED SETTLEMENT TERMS. ON JUNE 18, 2015, THE SEC ISSUED ORDERS UNDER MCDC TO A TOTAL OF 36 MUNICIPAL UNDERWRITERS AND ONCE AGAIN TO 22 MUNICIPAL UNDERWRITERS ON SEPTEMBER 30, 2015 (INCLUDING RSA) REFLECTING THE STANDARDIZED SETTLEMENT TERMS. ALTHOUGH THE MONETARY PENALTIES VARIED FROM FIRM TO FIRM, EACH ORDER (INCLUDING RSA'S) CONTAINS A FINDING, WHICH THE FIRM NEITHER ADMITS OR DENIES, THAT THE FIRM DID NOT CONDUCT ADEQUATE DUE DILIGENCE TO ENSURE THAT THE ISSUER'S REPRESENTATIONS IN THE OFFICIAL STATEMENTS ABOUT THEIR PAST COMPLIANCE WITH CONTINUING DISCLOSURES WERE ACCURATE AND THEREFORE VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT OF 1933; AND REQUIRES THE FIRM TO REFRAIN FROM COMMITTING OR CAUSING ANY VIOLATIONS OR FUTURE VIOLATIONS OF SECTION 17(A)(2) , PAY A CIVIL MONETARY PENALTY, RETAIN AN INDEPENDENT CONSULTANT TO REVIEW RSA'S MUNICIPAL UNDERWRITING DUE DILIGENCE POLICIES AND PROCEDURES AND ADOPT THE CONSULTANT'S FINAL RECOMMENDATIONS FOR CHANGES IN OR IMPROVEMENTS TO THOSE PROCEDURES (EXCEPT FOR THOSE SUCH RECOMMENDATIONS, IF ANY, AS APPROVED BY THE SEC THAT RSA CAN DEMONSTRATE ARE UNDULY BURDENSOME, IMPRACTICAL OR INAPPROPRIATE). MORE SUCH ORDERS ARE EXPECTED TO BE ISSUED AGAINST ISSUERS.

Disclosure 5 of 11

Reporting Source:	Regulator
Current Status:	Final
Allegations:	FIRM NOT REGISTERED IN KENTUCKY TO CONDUCT ADVISORY BUSINESS, AND INVESTMENT ADVISER REPRESENTATIVE LOCATED IN KENTUCKY UNREGISTERED AND RECEIVING ADVISORY COMPENSATION.
Initiated By:	KENTUCKY
Date Initiated:	02/19/2013
Docket/Case Number:	2013-AH-0105
URL for Regulatory Action:	
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief	Other

**Sought:**

Other Sanction(s)/Relief Sought: \$4,500 CONTRIBUTION TO THE KENTUCKY SECURITIES PROSECUTION AND PREVENTION FUND AS FULL AND FINAL SETTLEMENT

Resolution: Order

Resolution Date: 06/11/2013

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 \$4,500.00

Other Sanctions Ordered:

Sanction Details: CONTRIBUTION TO THE KENTUCKY SECURITIES PROSECUTION AND PREVENTION FUND IN THE AMOUNT OF \$4,500 PAID ON MAY 30, 2013.

Regulator Statement ROUTINE EXAMINATION OF LEXINGTON, KENTUCKY BRANCH OFFICE REVEALED REGISTERED REPRESENTATIVE AND FIRM CONDUCTING INVESTMENT ADVISORY BUSINESS WITHOUT REGISTRATION. CONTRIBUTION TO THE KENTUCKY SECURITIES PROSECUTION AND PREVENTION FUND IN THE AMOUNT OF \$4,500 PAID ON MAY 30, 2013.

Reporting Source: Firm

Current Status: Final

Allegations: FIRM NOT REGISTERED IN KENTUCKY TO CONDUCT ADVISORY BUSINESS, AND INVESTMENT ADVISER REPRESENTATIVE LOCATED IN KENTUCKY UNREGISTERED AND RECEIVING ADVISORY COMPENSATION.

Initiated By: KENTUCKY

Date Initiated: 02/19/2013

Docket/Case Number: 2013-AH-0105

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: \$4500 CONTRIBUTION TO THE KENTUCKY SECURITIES PROSECUTION AND PREVENTION FUND AS FULL AND FINAL SETTLEMENT.



Resolution:	Order
Resolution Date:	06/11/2013
Sanctions Ordered:	Monetary/Fine \$4,500.00
Other Sanctions Ordered:	
Sanction Details:	CONTRIBUTION TO THE KENTUCKY SECURITIES PROSECUTION AND PREVENTION FUND IN THE AMOUNT OF \$4500 PAID ON MAY 30, 2013.
Firm Statement	ROUTINE EXAMINATION OF LEXINGTON, KY BRANCH OFFICE REVEALED LACK OF REGISTRATION. CONTRIBUTION OF \$4500 WAS PAID ON MAY 30, 2013 FOR FINAL SETTLEMENT.

Disclosure 6 of 11

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 PURCHASED AGENCY SECURITIES FOR ITS OWN ACCOUNT FROM CUSTOMERS AND/OR SOLD AGENCY SECURITIES FOR ITS OWN ACCOUNT TO CUSTOMERS IN THE COURSE OF ITS BUSINESS AT AN AGGREGATE PRICE THAT WAS NOT FAIR AND REASONABLE. THE FINDINGS STATED THAT THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND FINRA RULES, CONCERNING THE FAIR PRICING OF AGENCY BOND TRANSACTIONS.
Initiated By:	FINRA
Date Initiated:	06/25/2014
Docket/Case Number:	2012032833901
Principal Product Type:	Other
Other Product Type(s):	AGENCY SECURITIES
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)



Resolution Date: 06/25/2014

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 \$22,000.00
Disgorgement/Restitution

Other Sanctions Ordered: RESTITUTION IN THE AMOUNT OF \$5,806.67, PLUS INTEREST;
UNDERTAKING: REQUIRED TO REVISE ITS SUPERVISORY SYSTEM WITH RESPECT TO THE FAIR PRICING OF AGENCY BOND TRANSACTIONS

Sanction Details: SEE ABOVE

Regulator Statement FINE PAID IN FULL ON JULY 15, 2014.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMISSION OR DENIAL THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS FOR 7 TRANSACTIONS DURING THE MAY 16, 2011 TO DECEMBER 31, 2011 REVIEW PERIOD WHERE IT PURCHASED AGENCY SECURITIES FOR ITS OWN ACCOUNT FROM CUSTOMERS AND OR SOLD AGENCY SECURITIES FROM ITS OWN ACCOUNT TO CUSTOMERS IN THE COURSE OF ITS BUSINESS AT AN AGGREGATE PRICE THAT WAS NOT FAIR AND REASONABLE. THE FINDINGS STATED THAT THE FIRMS SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS AND FINRA RULES, CONCERNING THE FAIR PRICING OF AGENCY BOND TRANSACTIONS.

Initiated By: FINRA

Date Initiated: 06/25/2014

Docket/Case Number: [2012032833901](#)

Principal Product Type: Other

Other Product Type(s): AGENCY SECURITIES

Principal Sanction(s)/Relief Sought:


Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/25/2014

Sanctions Ordered: Censure
Monetary/Fine \$22,000.00
Disgorgement/Restitution

Other Sanctions Ordered: RESTITUTION IN THE AMOUNT OF \$5,806.67, PLUS INTEREST;
UNDERTAKING: REQUIRED TO REVISE ITS SUPERVISORY SYSTEM WITH
RESPECT TO THE FAIR PRICING OF AGENCY BOND TRANSACTIONS.

Sanction Details: SEE ABOVE

Disclosure 7 of 11

Reporting Source: Regulator

Current Status: Final

Allegations: FINRA RULE 7450(A) - ROSS, SINCLAIRE & ASSOCIATES, LLC FAILED TO TRANSMIT ALL OF ITS REPORTABLE ORDER EVENTS (ROES) IT WAS REQUIRED TO REPORT TO THE ORDER AUDIT TRAIL SYSTEM (OATS) ON NUMEROUS BUSINESS DAYS.

Initiated By: FINRA

Date Initiated: 05/07/2013

Docket/Case Number: [2011029697501](#)

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: 05/07/2013



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 \$7,500.00

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 WAS CENSURED AND FINED \$7,500. FINE PAID ON JUNE 5, 2013.

Reporting Source: Firm

Current Status: Final

Allegations: FINRA RULE 7450(A) - ROSS, SINCLAIRE & ASSOCIATES, LLC FAILED TO TRANSMIT ALL OF ITS REPORTABLE ORDER EVENTS (ROES) IT WAS REQUIRED TO REPORT TO THE ORDER AUDIT TRAIL SYSTEM (OATS) ON NUMEROUS BUSINESS DAYS.

Initiated By: FINRA

Date Initiated: 05/07/2013

Docket/Case Number: [2011029697501](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/07/2013

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

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 WAS CENSURED AND FINED \$7,500.

Disclosure 8 of 11

Reporting Source:	Regulator
Current Status:	Final
Allegations:	MSRB RULES G-14(B)(I) AND (II) - ROSS, SINCLAIRE & ASSOCIATES, LLC 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 SUCH TRANSACTIONS WITHIN 15 MINUTES OF TIME OF TRADE TO AN RTRS PORTAL. THE FIRM OVER-REPORTED TRANSACTIONS IN MUNICIPAL SECURITIES.
Initiated By:	FINRA
Date Initiated:	09/17/2009
Docket/Case Number:	2008012831201
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:	09/17/2009
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 \$7,500.00
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 \$7,500.

Reporting Source:	Firm
Current Status:	Final
Allegations:	FAILURE TO REPORT TRADE INFORMATION WITHIN 15 MINUTES OF TIME OF TRADE TO AN RTRS PORTAL
Initiated By:	FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA)
Date Initiated:	08/12/2009
Docket/Case Number:	20080128312-01
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	09/17/2009
Sanctions Ordered:	Censure Monetary/Fine \$7,500.00
Other Sanctions Ordered:	NONE
Sanction Details:	\$7500.00 PAID WITH ACCEPTANCE OF THE AWC.
Firm Statement	FIRM FAILED TO PROVED TRADE DATA TO THE MSRB RTRS PORTAL WITHIN THE ALLOTTED 15 MINUTES. THE FIRM TOOK ACTION AND MADE PROCEDURAL CHANGES TO HELP CONTROL TRADE DATA BEING REPORTED ON TIME.

Disclosure 9 of 11

Reporting Source:	Regulator
Current Status:	Final
Allegations:	Allegations of sale of securities prior to the broker/dealer's registration in violation of the District of Columbia Securities Act.



Initiated By:	SECURITIES DIVISION OF DC
Date Initiated:	03/01/1999
Docket/Case Number:	SB-99-02
URL for Regulatory Action:	
Principal Product Type:	
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Consent
Resolution Date:	03/01/1999
Sanctions Ordered:	Monetary/Fine \$500.00
Other Sanctions Ordered:	
Sanction Details:	By Order #SB99-02 dated March 1, 1999 ,the Acting Commissioner entered a Consent Order and fined Ross, Sinclair & Associates, Inc. the amount of Five Hundred Dollars (\$500.00) for violation of the District of Columbia Securitie Act.
Regulator Statement	Fined for violation of the District of Columbia Securities Act, Section 2-2603 (a) (b) (1994 Repl.) Contact: Larry N. Coates, Interim Director CONTACT: (202)442-7845
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Reporting Source:	Firm
Current Status:	Final
Allegations:	DEFICIENCY OF THE REGISTRATION PROVISION OF THE DISTRICT OF COLUMBIA
Initiated By:	GOVERNMENT OF THE DISTRICT OF COLUMBIA
Date Initiated:	12/21/1998
Docket/Case Number:	SB99-02
Principal Product Type:	Options
Other Product Type(s):	



Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Consent
Resolution Date:	03/01/1999
Sanctions Ordered:	Monetary/Fine \$500.00
Other Sanctions Ordered:	
Sanction Details:	FINE IN THE AMOUNT OF \$500.00 PAID ON 2/16/1999 BY THE FIRM
Firm Statement	DEFICIENCIES IN THE COMPUTER REGISTRATION SOFTWARE SYSTEMS PURCHASED AS PART OF THE ASSETS OF A PREVIOUS BD. INSTALLATION OF NEW PROCEDURES AND EQUIPMENT ARE IN OPERATION.

Disclosure 10 of 11

Reporting Source:	Regulator
Current Status:	Final
Allegations:	ON 10/28/99, A CEASE AND DESIST ORDER WAS ISSUED TO ROSS SINCLAIRE & ASSOCIATES, INC., AND 2 OF ITS AGENTS, ROBERT STEVEN CLARKE AND MARK JOSEPH DURKET INASMUCH AS REVIEW OF APPLICATION FOR REGISTRATION IN ALABAMA DISCLOSED THERE WAS A TOTAL OF 514 TRANSACTIONS EFFECTED IN THE ACCOUNTS OF 4 ALABAMA RESIDENTS.

Initiated By:	ALABAMA SECURITIES COMMISSION/ADMINISTRATIVE
Date Initiated:	08/30/1999
Docket/Case Number:	CD-98-0071
URL for Regulatory Action:	
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONSENT ORDER



Resolution:	Consent
Resolution Date:	08/30/1999
Sanctions Ordered:	Cease and Desist/Injunction
Other Sanctions Ordered:	RESCISSION OFFERS WERE ORDERED AND ACCOMPLISHED. THE VIOLATIONS OF SECTIONS 8-6-3-(A), 8-6-3(J)(1), 8-6-3(J)(10), CODE OF ALABAMA 1975, AND COMMISSION RULE 830-X-3-.13, FOR EFFECTING TRANSACTIONS IN THE STATE OF ALABAMA WITHOUT BENEFIT OF REGISTRATION, FILING AN APPLICATION CONTAINING A FALSE STATEMENT AND FAILURE TO DILIGENTLY SUPERVISE AGENTS, WERE RESOLVED BY ENTERING INTO A CONSENT ORDER WITH THE ENTITY AND AGENTS, AND AN ADMINISTRATIVE ASSESSMENT OF \$10,000 AND INVESTIGATIVE COSTS OF \$3,000 WERE LEVIED.
Sanction Details:	<p>RESCISSION OFFERS WERE ORDERED AND ACCOMPLISHED. THE VIOLATIONS OF SECTIONS 8-6-3-(A), 8-6-3(J)(1), 8-6-3(J)(10), CODE OF ALABAMA 1975, AND COMMISSION RULE 830-X-3-.13, FOR EFFECTING TRANSACTIONS IN THE STATE OF ALABAMA WITHOUT BENEFIT OF REGISTRATION, FILING AN APPLICATION CONTAINING A FALSE STATEMENT AND FAILURE TO DILIGENTLY SUPERVISE AGENTS, WERE RESOLVED BY ENTERING INTO A CONSENT ORDER WITH THE ENTITY AND AGENTS, AND AN ADMINISTRATIVE ASSESSMENT OF \$10,000 AND INVESTIGATIVE COSTS OF \$3,000 WERE LEVIED.</p> <p>*****</p> <p>BASED UPON VIOLATIONS OF SECTION 8-6-3(A), 8-6-3(J)(1), 8-6-3(J)(10), CODE OF ALABAMA 1975, AND COMMISSION RULE 830-X-3-.13, FOR EFFECTING TRANSACTIONS IN THE STATE OF ALABAMA WITHOUT BENEFIT OF REGISTRATION, FILING AN APPLICATION CONTAINING A FALSE STATEMENT, AND FAILURE TO DILIGENTLY SUPERVISE AGENTS, A CEASE AND DESIST ORDER WAS ISSUED TO ROSS, CLARKE AND DURKET.</p>
Regulator Statement	SAME AS ALLEGATIONS. CONTACT: JAMES G. PUGH 334/242-2984

Reporting Source:	Firm
Current Status:	Final
Allegations:	DUE TO A MALFUNCTION OF COMPLIANCE SOFTWARE, THE APPLICATION FOR REGISTRATION CONTAINED AN ERRONEOUS REGISTRATION STATEMENT AND RESULTED IN TRANSACTING BUSINESS IN THE STATE OF ALABAMA WHILE UNREGISTERED.
Initiated By:	STATE OF ALABAMA



Date Initiated:	10/28/1998
Docket/Case Number:	CO-98-0071
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	OPTIONS
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONSENT
Resolution:	Consent
Resolution Date:	08/30/1999
Sanctions Ordered:	Monetary/Fine \$13,000.00 Disgorgement/Restitution Cease and Desist/Injunction
Other Sanctions Ordered:	
Sanction Details:	TOTAL FINE IN THE AMOUNT OF \$13,000.00 PAID ON 8/24/99. A PORTION (50%) WAS PAID BY THE APPLICANT FIRM. RESCISSION IN THE AMOUNT OF \$10,000.00 WAS PAID TO CLIENT(S) GRAY ON 8/24/99. A PORTION (50%) WAS PAID BY THE APPLICANT FIRM. CEASE AND DESIST ORDER ISSUED AGAINST FOR FILING AN APPLICATION FOR REGISTRATION THAT CONTAINED A FALSE STATEMENT AND FAILURE TO DILIGENTLY SUPERVISE ITS AGENTS.
Firm Statement	ROSS, SINCLAIRE & ASSOCIATES HAS DISCOVERED SEVERAL DEFECTS IN THEIR STATE REGISTRATION COMPLIANCE SOFTWARE. BECAUSE OF THOSE DEFECTS, IN CONCERT WITH A MASSIVE TAPE-TO-TAPE TRANSFER OF ACCOUNTS FROM A PREVIOUS NASD BROKER-DEALER THAT INCLUDED ACCOUNTS OPENED NEARLY 17 YEARS AGO, RSA HAS LAUNCHED A THOROUGH AND EXHAUSTIVE EXAMINATION OF THE SYSTEMS. THIS SEARCH FOUND THE STATE OF ALABAMA HAD NOT BEEN PROPERLY REGISTERED AFTER OHIO RESIDENTS HAD RELOCATED. AS A RESULT, RSA IS ENGAGED IN THE RESOLUTION OF A CEASE AND DESIST ORDER, IN ADDITION TO RECTIFYING THE DEFECTS BY INSTALLING NEW SOFTWARE SYSTEMS AS WELL AS NEW PROCEDURES TO ENSURE TOTAL COMPLIANCE.

Disclosure 11 of 11

Reporting Source:	Regulator
Current Status:	Final



Allegations: Based upon information submitted by Ross Sinclair & Associates, it was determined that violations of the registration provisions of the Act had been violated. Ross had effected securities transactions before its registration in Maryland.

Initiated By: Maryland Division of Securities

Date Initiated: 06/30/1998

Docket/Case Number: 98-0563

URL for Regulatory Action:

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Stipulation and Consent

Resolution Date: 06/30/1998

Sanctions Ordered: Monetary/Fine \$500.00

Other Sanctions Ordered:

Sanction Details: The Commissioner entered a Consent Order and fined Ross, Sinclair \$500 for the violations.

Regulator Statement Registration approved 6/30/98. CONTACT: ELLEN E. CHERRY, (410) 576-6494.

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATION OF THE REGISTRATION PROVISION OF THE MARYLAND SECURITIES ACT BY TRANSACTING SECURITIES.

Initiated By: MARYLAND DIVISION OF SECURITIES

Date Initiated: 06/18/1998

Docket/Case Number:

Principal Product Type: Equity Listed (Common & Preferred Stock)



Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 06/30/1998

Sanctions Ordered: Monetary/Fine \$500.00

Other Sanctions Ordered:

Sanction Details: FINE IN THE AMOUNT OF \$500.00 ON 6/23/98 BY THE FIRM.



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.

Disclosure 1 of 2

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-FRAUD; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-OMISSION OF FACTS; ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-OTHER
Arbitration Forum:	FINRA
Case Initiated:	10/25/2016
Case Number:	16-03072
Disputed Product Type:	OTHER TYPES OF SECURITIES
Sum of All Relief Requested:	\$2,573,871.86
Disposition:	AWARD AGAINST PARTY
Disposition Date:	11/06/2019
Sum of All Relief Awarded:	\$2,110,535.89

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 2

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-UNAUTHORIZED TRADING; ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE
Arbitration Forum:	NASD
Case Initiated:	06/25/1997



Case Number: [97-02500](#)

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

Sum of All Relief Requested: \$450,000.00

Disposition: AWARD AGAINST PARTY

Disposition Date: 02/11/1998

Sum of All Relief Awarded: \$24,548.09

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

End of Report



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