

BrokerCheck Report

SISUNG SECURITIES CORPORATION

CRD# 25752

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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.



SISUNG SECURITIES CORPORATION

CRD# 25752

SEC# 8-42121

Main Office Location

3850 N. CAUSEWAY BLVD.
STE. 1930
METAIRIE, LA 70002
Regulated by FINRA New Orleans Office

Mailing Address

3850 N. CAUSEWAY BLVD.
STE. 1930
METAIRIE, LA 70002

Business Telephone Number

504-544-7700

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 Louisiana on 11/14/1989.

Its fiscal year ends in December.

Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

Firm Operations

This firm is registered with:

- the SEC
- 1 Self-Regulatory Organization
- 10 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 9 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm does not have referral or financial arrangements with other brokers or dealers.

Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	2



Firm Profile

This firm is classified as a corporation.

This firm was formed in Louisiana on 11/14/1989.

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.

SISUNG SECURITIES CORPORATION

Doing business as SISUNG SECURITIES CORPORATION

CRD# 25752

SEC# 8-42121

Main Office Location

3850 N. CAUSEWAY BLVD.
STE. 1930
METAIRIE, LA 70002

Regulated by FINRA New Orleans Office

Mailing Address

3850 N. CAUSEWAY BLVD.
STE. 1930
METAIRIE, LA 70002

Business Telephone Number

504-544-7700



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):	SISUNG HOLDINGS, LLC
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	SHAREHOLDER
Position Start Date	01/2018
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):	MAYEAUX, JOHN ELLIS 2993410
Is this a domestic or foreign entity or an individual?	Individual
Position	SR. VP, PUBLIC FINANCE
Position Start Date	12/2005
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	SCHEXNAYDER, KENT MATTHEW 3074481
Is this a domestic or foreign entity or an individual?	Individual
Position	VP, PUBLIC FINANCE
Position Start Date	12/2005

Firm Profile



Direct Owners and Executive Officers (continued)

Percentage of Ownership Less than 5%

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

Is this a public reporting company? No

Legal Name & CRD# (if any): SISUNG, LAWRENCE JOHN III
1790087

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

Position DIRECTOR

Position Start Date 01/1992

Percentage of Ownership Less than 5%

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

Is this a public reporting company? No

Legal Name & CRD# (if any): SISUNG, LAWRENCE JOHN JR
1285539

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

Position PRESIDENT / CEO / CCO

Position Start Date 11/1989

Percentage of Ownership Less than 5%

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

Is this a public reporting company? No

Legal Name & CRD# (if any): SISUNG, ROBERT LANE

Firm Profile



Direct Owners and Executive Officers (continued)

	1990367
Is this a domestic or foreign entity or an individual?	Individual
Position	DIRECTOR / CFO
Position Start Date	01/1992
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
<hr/>	
Legal Name & CRD# (if any):	SOLARES, RICHARD LOUIS 2029652
Is this a domestic or foreign entity or an individual?	Individual
Position	SR. VP, BROKER DEALER SERVICES
Position Start Date	06/1995
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

Legal Name & CRD# (if any):	R.L. SISUNG COMPANY
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	SISUNG HOLDINGS, LLC
Relationship to Direct Owner	MEMBER
Relationship Established	01/2018
Percentage of Ownership	50% but less than 75%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	L.J. SISUNG COMPANY
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	SISUNG HOLDINGS, LLC
Relationship to Direct Owner	MEMBER
Relationship Established	01/2018
Percentage of Ownership	25% but less than 50%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Firm History

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

No information reported.





Firm Operations

Registrations

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

This firm is currently registered with the SEC, 1 SRO and 10 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	02/16/1990

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: Yes

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	12/08/1989

Firm Operations



Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	03/13/1990
California	Approved	09/30/1992
Colorado	Approved	07/24/2000
Florida	Approved	07/26/1991
Georgia	Approved	08/08/2000
Louisiana	Approved	12/13/1989
Mississippi	Approved	08/31/1992
New York	Approved	01/20/2015
Tennessee	Approved	02/01/2019
Texas	Approved	08/06/1991



Firm Operations

Types of Business

This section provides the types of business, including non-securities business, the brokerage firm is engaged in or expects to be engaged in.

This firm currently conducts 9 types of businesses.

Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Underwriter or selling group participant (corporate securities other than mutual funds)
Mutual fund retailer
U S. government securities broker
Municipal securities dealer
Broker or dealer selling variable life insurance or annuities
Broker or dealer selling securities of non-profit organizations (e.g., churches, hospitals)
Private placements of securities
Other - SSC PERIODICALLY PROVIDES CONSULTING SERVICES, SUCH AS FEASIBILITY STUDIES, TO CLIENTS.

Other Types of Business

This firm does not effect transactions in commodities, commodity futures, or commodity options.
This firm does not engage in other non-securities business.

Non-Securities Business Description:

Firm Operations



Clearing Arrangements

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

Introducing Arrangements

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

Firm Operations

Industry Arrangements



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

Name: PERSHING LLC
CRD #: 7560
Business Address: ONE PERSHING PLAZA
JERSEY CITY, NJ 01399
Effective Date: 07/14/1992
Description: SSC HAS A FULLY DISCLOSED CLEARING AGREEMENT WITH PERSHING, LLC, AN AFFILIATE OF BANK OF NEW YORK MELLON. CERTAIN BOOKS AND RECORDS ARE CREATED AND MAINTAINED BY PERSHING.

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

Name: PERSHING LLC
CRD #: 7560
Business Address: ONE PERSHING PLAZA
JERSEY CITY, NJ 01399
Effective Date: 07/14/1992
Description: SSC HAS A FULLY DISCLOSED CLEARING AGREEMENT WITH PERSHING, LLC, AN AFFILIATE OF BANK OF NEW YORK MELLON. FIRM FUNDS AND SECURITIES ARE HELD IN CUSTODY AT PERSHING.

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

Name: PERSHING LLC
CRD #: 7560
Business Address: ONE PERSHING PLAZA
JERSEY CITY, NJ 01399
Effective Date: 07/14/1992
Description: SSC HAS A FULLY DISCLOSED CLEARING AGREEMENT WITH PERSHING, LLC, AN AFFILIATE OF BANK OF NEW YORK MELLON. CUSTOMER FUNDS AND SECURITIES ARE HELD IN CUSTODY AT PERSHING.

Control Persons/Financing

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

Firm Operations

Industry Arrangements (continued)

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





Firm Operations

Organization Affiliates

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

This firm is, directly or indirectly:

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

SISUNG INVESTMENT MANAGEMENT SERVICES LLC is under common control with the firm.

CRD #:	107318
Business Address:	PLACE ST. CHARLES 201 ST. CHARLES AVENUE, SUITE 4240 NEW ORLEANS, LA 70170
Effective Date:	08/10/1995
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	SEC REGISTERED INVESTMENT ADVISORY COMPANY LAWRENCE J. SISUNG, JR., CHAIRMAN AND 100% OWNER, CRD#1285539 / R. LANE SISUNG, DIRECTOR, CRD#1990367 / LAWRENCE J. SISUNG,III, DIRECTOR, CRD#1790087

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

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



Disclosure Events

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

	Pending	Final	On Appeal
Regulatory Event	0	2	0



Disclosure Event Details

What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - A law enforcement agency must file formal charges before a brokerage firm is required to disclose a particular criminal event.
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - Disclosure events for this brokerage firm were reported by the firm and/or regulators. When the firm and a regulator report information for the same event, both versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
 - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" event involves allegations that have not been proven or formally adjudicated.
 - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" event has been concluded and its resolution is not subject to change.
 - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.
5. **You may wish to contact the brokerage firm to obtain further information regarding any of the disclosure events contained in this BrokerCheck report.**

Regulatory - Final

This type of disclosure event involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the U.S. Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of the authority of a brokerage firm or its control affiliate to act as an attorney, accountant or federal contractor.

Disclosure 1 of 2

Reporting Source: Firm

Current Status: Final



Allegations:	CEASE & DESIST ORDER WAS RELATED TO DISCLOSURE ISSUES RELATIVE TO THE SRO COMPLAINT DESCRIBED IN AS REPORTED ON 11E(2).
Initiated By:	LOUISIANA STATE SECURITIES COMMISSIONER
Date Initiated:	07/14/2003
Docket/Case Number:	N/A
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	
Resolution:	Other
Resolution Date:	07/14/2003
Sanctions Ordered:	Cease and Desist/Injunction
Other Sanctions Ordered:	
Sanction Details:	THE ORDER FINDS NO WRONGDOING BUT MERELY STATES THAT IF A MEMBER IS VIOLATING ANY RULES OF THE LOUISIANA SECURITIES ACT THEN THEY ARE TO CEASE AND DESIST SUCH PRACTICES. SISUNG CONTINUES TO MAINTAIN THAT NO ACTIVITIES IN VIOLATION OF THE LOUISIANA SECURITIES ACT HAVE OCCURRED.
Firm Statement	AS REPORTED ON 11E(2)DRP, THE NASD INSTITUTED AN ACTION UNDER MSRB RULE G-37 WHICH SISUNG SECURITIES IS VIGOROUSLY DEFENDING. THE STATE OF LOUISIANA HAS A STANDARD PROCEDURE THAT WHENEVER THE NASD INSTITUTES AN ACTION THAT THE STATE ISSUE A CEASE AND DESIST ORDER. HOWEVER THE ORDER FINDS NO WRONGDOING BUT MERELY STATES THAT IF A MEMBER IS VIOLATING ANY RULES OF THE LOUISIANA SECURITIES ACT THEN THEY ARE TO CEASE AND DESIST SUCH PRACTICES. SISUNG CONTINUES TO MAINTAIN THAT NO ACTIVITIES IN VIOLATION OF THE LOUISIANA SECURITIES ACT HAVE OCCURRED. UPON RECEIPT OF THE ORDER, SISUNG SECURITIES CORPORATION CONTACTED THE STATE SECURITIES COMMISSIONER AND THIS STATE MATTER IS DEFERRED UNTIL A FINAL RESOLUTION OF THE NASD ACTION.



Reporting Source: Regulator

Current Status: Final

Allegations: MSRB RULES G-8, G-9, G-17, G-37(B), G-37(C), G-37(D), G-37(E) - RESPONDENT MEMBER ENGAGED IN MUNICIPAL SECURITIES BUSINESS IN THAT WITHIN TWO YEARS OF CONTRIBUTIONS TO THE LOUISIANA STATE BOND COMMISSION BY THE FIRM'S MUNICIPAL SECURITIES PRINCIPAL, THE FIRM SERVED AS AS UNDERWRITER OR FINANCIAL ADVISOR ON NEGOTIATED MUNICIPAL ISSUES OF POLITICAL SUBDIVISIONS OF THE STATE AUTHORIZED BY THE STATE BOND COMMISSION FOR WHICH IT RECEIVED FEES TOTALING \$2,184,548; INTENDING TO CIRCUMVENT THE PROHIBITIONS OF MSRB RULE G-37(B), THE FIRM MADE POLITICAL CONTRIBUTIONS THROUGH OTHER CORPORATIONS AND LIMITED LIABILITY COMPANIES AND ENGAGED IN MUNICIPAL SECURITIES BUSINESS; SOLICITATED AND COORDINATED CONTRIBUTIONS BY THE MUNICIPAL SECURITIES PRINCIPAL AND OTHER CORPORATIONS AND LIMITED LIABILITY COMPANIES TO MEMBERS OF THE STATE BOND COMMISSION WHEN THE FIRM WAS ENGAGED IN MUNICIPAL SECURITIES BUSINESS WITH POLITICAL SUBDIVISIONS OF THE STATE OF LOUISIANA; FAILED TO FILE MSRB FORMS G-37/38; AND, ACTING THROUGH ITS MUNICIPAL SECURITIES PRINCIPAL, FAILED TO KEEP CURRENT AND ACCURATE RECORDS SHOWING FOR THE CURRENT AND TWO PRIOR YEARS, ALL POLITICAL CONTRIBUTIONS, WHETHER DIRECT OR INDIRECT, TO ELECTED OFFICIALS OR CANDIDATES FOR OFFICE BY THE FIRM AND ITS ASSOCIATED FINANCE PROFESSIONALS, AND FAILED TO PRESERVE SUCH RECORDS FOR A PERIOD OF NOT LESS THAN SIX YEARS.

Initiated By: NASD NKA FINRA

Date Initiated: 07/11/2003

Docket/Case Number: C05030036

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 01/04/2008



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Monetary/Fine \$20,000.00
Other Sanctions Ordered:	PAY HEARING AND APPEAL COSTS TOTALING \$4,202.80, JOINTLY AND SEVERALLY
Sanction Details:	SEC DECISION RENDERED NOVEMBER 5, 2007 IN ADMIN FILE 3-12443, RELEASE 34-56741 SUSTAINING IN PART AND SETTING ASIDE IN PART NASD NKA FINRA'S DISCIPLINARY ACTION. FINDINGS THAT THE FIRM VIOLATED MSRB RULES G-37(B) AND (C) WERE SET ASIDE AND THE SANCTIONS IMPOSED FOR THESE FINDINGS WERE ALSO SET ASIDE. FINDINGS THAT THE FIRM VIOLATED MSRB RULES G-8, G-9 AND G-37(E) AND THE SANCTIONS IMPOSED FOR THE VIOLATIONS WERE SUSTAINED. THEREFORE, SISUNG IS FINED \$10,000, JOINTLY AND SEVERALLY, FINED AN ADDITIONAL \$10,000 AND REQUIRED TO PAY HEARING AND APPEAL COSTS TOTALING \$4,202.80, JOINTLY AND SEVERALLY. DECISION IS FINAL JANUARY 4, 2008.
Regulator Statement	HEARING PANEL DECISION RENDERED NOVEMBER 19, 2004, WHEREIN RESPONDENT MEMBER IS FINED \$10,000 JOINTLY AND SEVERALLY, AND AN ADDITIONAL \$10,000 FINE AGAINST THE FIRM ONLY. THE HEARING PANEL ALSO ORDERED RESPONDENT TO PAY JOINTLY AND SEVERALLY THE \$2,815.20 COSTS OF THE HEARING. SISUNG IS FOUND NOT LIABLE FOR PARTICIPATION IN MUNICIPAL SECURITIES BUSINESS, IN VIOLATION OF MSRB RULE G-37. SISUNG IS FOUND NOT LIABLE FOR FACILITATING VIOLATIONS OF MSRB RULE G-37(B) AND SOLICITING POLITICAL CONTRIBUTIONS IN VIOLATION OF MSRB RULE G-37(C). THIS MATTER WAS APPEALED TO THE NAC BY THE DEPARTMENT OF ENFORCEMENT ON DECEMBER 9, 2004. THE FIRM CROSS-APPEALED. NAC DECISION RENDERED AUGUST 28, 2006 WHEREIN THE HEARING PANEL'S FINDINGS AFFIRMED, IN PART, AND REVERSED, IN PART. THE SANCTIONS ARE MODIFIED CONSISTENT WITH THE FINDINGS. THE FIRM IS FOUND IN VIOLATION OF MSRB RULES G-8, G-9, G-37(B), G-37(C) AND G-37(E). THE FIRM IS NOT FOUND TO HAVE VIOLATED MSRB RULE G-37(D). THE FIRM IS FINED \$40,000, \$10,000 OF WHICH IS JOINTLY AND SEVERALLY, AND ORDERED TO PAY THE \$2,815.20 COSTS OF THE HEARING, JOINTLY AND SEVERALLY. THE NAC IMPOSED APPEAL COSTS OF \$1,387.60, JOINTLY AND SEVERALLY. APPEALED TO THE SEC ON SEPTEMBER 26, 2006.

Reporting Source: Firm



Current Status:	Final
Allegations:	NASD ALLEGED VIOLATIONS OF MSRB RULES G-8, G-9, G-17, G-37(B), G-37(C), G-37(D) AND G-37(E).
Initiated By:	NASD
Date Initiated:	07/11/2003
Docket/Case Number:	C05030036
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Decision
Resolution Date:	11/05/2007
Sanctions Ordered:	Monetary/Fine \$20,000.00
Other Sanctions Ordered:	
Sanction Details:	SSC FINED \$10,000 FOR REPORTING RULE G37(E) & SSC AND LARRY J. SISUNG, JR. FINEDJOINTLY AND SEVERALLY \$10,000 FOR RECORDKEEPING RULES G-8 AND G-9. PAYMENT OF FINE WAS MADE ON 2/7/2008,
Firm Statement	<p>ON APPEAL, THE SEC REVERSED THE NASD NAC'S DECISION IN PART, HOLDING THAT NEITHER SSC NOR LAWRENCE SISUNG JR. VIOLATED THE MSRB'S "PAY-TO-PLAY" PROHIBITIONS. THE SEC AFFIRMED ONLY THE SANCTIONS FOR "GOOD-FAITH" RECORD-KEEPING AND REPORTING VIOLATIONS - A \$10,000 FINE AGAINST SSC AND LAWRENCE SISUNG JR. (JOINTLY) AND \$10,000 FINE AGAINST SSC. IN THE MATTER OF SISUNG SECURITIES CORP., ET AL., REL. NO. 34-56741 (SEC NOV. 5, 2007).</p> <p>BASED ON PRIOR LEGAL ADVICE, AFFILIATES OF THE FIRM SSC MADE LEGAL POLITICAL CONTRIBUTIONS TO LA STATE OFFICIALS, A SMALL NUMBER OF WHOM SAT ON THE LA BOND COMMISSION (BC). THE BC IS NOT INVOLVED IN HIRING OF MFP'S, BUT BY LA CONSTITUTION REVIEWS ALL LA MUNICIPALITIES' DEBT FOR LEGALITY AND FINANCIAL FEASIBILITY. THE NASD TOOK A POSITION THAT THE CONTRIBUTIONS INVOKED A 2 YEAR BAN ON MUNICIPAL BUSINESS BY SSC FOR ALL LA MUNICIPALITIES. SSC AND LARRY SISUNG OPPOSED THE NASD'S POSITION AND THE SEC DISAGREED WITH THE NASD IN A FINAL ACTION AND FOUND THAT THERE</p>



WAS NO EVIDENCE THAT THE CONTRIBUTIONS ACTUALLY INFLUENCED THE AWARDING OF MUNICIPAL SECURITIES BUSINESS AND THAT THERE WERE NO VIOLATIONS OF THE PAY TO PLAY PROVISIONS OF RULE G-37(B), (C) OR (D) OR RULE G-17. IN A RELATED MATTER THE SEC HELD THAT SSC DID VIOLATE RECORDKEEPING (G-37(E)) AND REPORTING REQUIREMENT (G-8 & G-9) FOR WHAT THE NASD HEARING PANEL FOUND AS "GOOD FAITH" AND "NON-EGREGIOUS" VIOLATIONS. SSC CONTINUES TO BELIEVE IT COMPLIED WITH THE RULES AS WRITTEN AND WITH REGARDS TO THOSE VIOLATIONS THE SEC RECOGNIZED THE NASD'S FINDING OF THE "ABSENCE OF CULPABLE INTENT, THE ABERRANT NATURE OF THE FIRM'S MISCONDUCT AND THE FIRM'S REGULATORY COOPERATION TO BE MITIGATIVE."

End of Report



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