

BrokerCheck Report

FRANKLIN STREET SECURITIES, INC.

CRD# 26755

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Registration and Withdrawal	2
Firm Profile	3 - 8
Firm History	9
Firm Operations	10 - 14
Disclosure Events	15



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.



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 North Carolina on 04/26/1990.
Its fiscal year ends in December.

Firm History

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

Firm Operations

This brokerage firm is no longer registered with FINRA or a national securities exchange.

Disclosure Events

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

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

The following types of disclosures have been reported:

Type	Count
Regulatory Event	2

FRANKLIN STREET SECURITIES, INC.

CRD# 26755

SEC# 8-42731

Main Office Location

1450 RALEIGH ROAD
SUITE 300
CHAPEL HILL, NC 27517

Mailing Address

1450 RALEIGH RD
SUITE 300
CHAPEL HILL, NC 27517

Business Telephone Number

919-403-3000

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: 12/31/2014

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 North Carolina on 04/26/1990.

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.

FRANKLIN STREET SECURITIES, INC.

Doing business as FRANKLIN STREET SECURITIES, INC.

CRD# 26755

SEC# 8-42731

Main Office Location

1450 RALEIGH ROAD
SUITE 300
CHAPEL HILL, NC 27517

Mailing Address

1450 RALEIGH RD
SUITE 300
CHAPEL HILL, NC 27517

Business Telephone Number

919-403-3000



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):	FRANKLIN STREET PARTNERS, INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	PARENT COMPANY
Position Start Date	07/1993
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):	EUBANKS, ROBERT CHESTER JR
Is this a domestic or foreign entity or an individual?	Individual
Position	PRESIDENT
Position Start Date	07/1993
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):	KADERABEK, SUSAN THERESE 2368750
Is this a domestic or foreign entity or an individual?	Individual
Position	ROSFP
Position Start Date	03/2013
Percentage of Ownership	Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

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

Is this a public reporting company? No

Legal Name & CRD# (if any): MANZON, CAROL ELIZABETH
2415219

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

Position FINOP, SECRETARY/ TREASURER

Position Start Date 10/1993

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): MANZON, CAROL ELIZABETH
2415219

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

Position CHIEF COMPLIANCE OFFICER

Position Start Date 07/2008

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): NEWELL, WILLIAM ROBERT
5774519

Firm Profile



Direct Owners and Executive Officers (continued)

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

Position VICE PRESIDENT

Position Start Date 03/2010

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): RIVES, DONALD LEE
5588189

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

Position AML - CHIEF COMPLIANCE OFFICER

Position Start Date 01/2008

Percentage of Ownership Less than 5%

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

Is this a public reporting company? No

Legal Name & CRD# (if any): TEANEY, MYRON REX II
1702255

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

Position VICE PRESIDENT

Position Start Date 07/1993

Percentage of Ownership Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

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

Is this a public reporting company? No

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 02/11/1991 to 03/03/2015.





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 8 types of businesses.

Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Mutual fund retailer
U S. government securities broker
Municipal securities broker
Put and call broker or dealer or option writer
Broker or dealer selling tax shelters or limited partnerships in primary distributions
Non-exchange member arranging for transactions in listed securities by exchange member
Private placements of securities

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:	PERSHING LLC
CRD #:	7560
Business Address:	ONE PERSHING PLAZA JERSEY CITY, NJ 07399
Effective Date:	01/18/2006
Description:	FRANKLIN STREET SECURITIES, INC. INTRODUCES CUSTOMERS TO PERSHING, LLC ON A FULLY DISCLOSED BASIS, PURSUANT TO SEC RULE 15C3-3(K)(2)(II)

Firm Operations

Industry Arrangements



This firm does not have books or records maintained by a third party.

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 07399
Effective Date:	01/18/2006
Description:	FRANKLIN STREET SECURITIES MAINTAINS CORPORATE ACCOUNTS WITH PERSHING, LLC AS REQUIRED.

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

Name:	PERSHING LLC
CRD #:	7560
Business Address:	ONE PERSHING PLAZA JERSEY CITY, NJ 07399
Effective Date:	01/18/2006
Description:	ACTING AS A FULLY DISCLOSED BROKER/DEALER, FRANKLIN STREET SECURITIES (FSS) DOES NOT RECEIVE OR HOLD CLIENT ASSETS. PERSHING, LLC IS THE CUSTODIAN FOR FSS CLIENTS.

Control Persons/Financing

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

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



Firm Operations

Organization Affiliates

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

This firm is, directly or indirectly:

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

FRANKLIN STREET ADVISORS INC. is under common control with the firm.

CRD #:	106275
Business Address:	1450 RALEIGH ROAD SUITE 300 CHAPEL HILL, NC
Effective Date:	07/01/1993
Foreign Entity:	No
Country:	U.S.A.
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	FRANKLIN STREET ADVISORS, INC. AN SEC REGISTERED RIA, AND FRANKLIN STREET SECURITIES, INC. AN NASD REGISTERED INTRODUCING BROKER/DEALER ARE UNDER COMMON OWNERSHIP. FRANKLIN STREET PARTNERS, INC. IS THE PARENT CORPORATION AND 100% OWNER OF BOTH ENTITIES.

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

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



Disclosure Events

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

	Pending	Final	On Appeal
Regulatory Event	0	2	0



Disclosure Event Details

What you should know about reported disclosure events:

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

Regulatory - Final

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

Disclosure 1 of 2

Reporting Source: Regulator

Current Status: Final



Allegations:	B-D CAUTIONED AND ASSESSED A \$1000 MONETARY PENALTY FOR NOT MAINTAINING MINIMUM NET CAPITAL DURING DECEMBER 1994 AND JANUARY 1995. FIRM STRESSES THAT NONCOMPLIANCE A RESULT OF BOOKKEEPING ERROR RATHER THAN LIQUIDITY PROBLEM.
Initiated By:	Not Provided
Date Initiated:	03/12/1996
Docket/Case Number:	
URL for Regulatory Action:	
Principal Product Type:	
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Decision
Resolution Date:	03/12/1996
Sanctions Ordered:	Monetary/Fine \$1,000.00
Other Sanctions Ordered:	
Sanction Details:	Not Provided
Regulator Statement	Not Provided
<hr/>	
Reporting Source:	Firm
Current Status:	Final
Allegations:	B-D CAUTIONED AND ASSESSED A \$1000 MONETARY PENALTY FOR NOT MAINTAINING MINIMUM NET CAPITAL DURING DECEMBER 1994 AND JANUARY 1995. THE CAPITAL DEFECIENCY WAS CAUSED BY A BOOKKEEPING ERROR NOT DUE TO A LIQUIDITY PROBLEM.
Initiated By:	STATE OF NEW JERSEY
Date Initiated:	03/12/1996
Docket/Case Number:	UNKNOWN
Principal Product Type:	No Product

**Other Product Type(s):****Principal Sanction(s)/Relief Sought:****Other Sanction(s)/Relief Sought:****Resolution:** Decision**Resolution Date:** 03/12/1996**Sanctions Ordered:** Monetary/Fine \$1,000.00**Other Sanctions Ordered:** NONE**Sanction Details:** A FINE OF \$1000 WAS IMPOSED AND PAID ON MARCH 4, 1996**Disclosure 2 of 2****Reporting Source:** Regulator**Current Status:** Final**Allegations:** THE DIVISION ALLEGED ROSTER FROM CRD REFLECT NO AGENT WAS REGISTERED FOR THE 1995 YEAR.**Initiated By:** MARYLAND DIVISION OF SECURITIES**Date Initiated:** 04/25/1995**Docket/Case Number:** BD-95-0037**URL for Regulatory Action:****Principal Product Type:****Other Product Type(s):****Principal Sanction(s)/Relief Sought:****Other Sanction(s)/Relief Sought:****Resolution:** Decision**Resolution Date:** 04/25/1995**Sanctions Ordered:** Revocation/Expulsion/Denial**Other Sanctions Ordered:****Sanction Details:** ORDER TO SHOW CAUSE & SUMMARY SUSPENSION ISSUED 1/23/95 PROVIDED THAT THE FAILURE TO PROVIDE THE DIVISION WITH



PROOF OF HAVING HAD REGISTERED AN AGENT OR TO REQUEST A HEARING WOULD RESULT IN THE REVOCATION OF THE BROKER-DEALER REGISTRATION.

Regulator Statement

FINAL ORDER OF REVOCATION OF BROKER-DEALER REGISTRATION ISSUED 4/25/95. CONTACT: ELLEN E. CHERRY, (410) 576-6494.

Reporting Source: Firm

Current Status: Final

Allegations: NO AGENT WAS REGISTERED FOR THE 1995 YEAR.

Initiated By: MARYLAND DIVISION OF SECURITIES

Date Initiated: 04/25/1995

Docket/Case Number: BD-95-0037

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 04/25/1995

Sanctions Ordered: Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details: SUSPENSION ISSUED PROVIDED THAT FAILURE TO PROVIDE PROOF OF REGISTERED AGENT WOULD RESULT IN REVOCATION OF THE BD REGISTRATION. (FRANKLIN STREET SECURITIES DID NOT HAVE ANY AGENTS IN MARYLAND TO REGISTER).

Firm Statement REVOCATION ISSUED 4/25/95

End of Report



This page is intentionally left blank.