

BrokerCheck Report

PROGRAM TRADING CORP.

CRD# 36740

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Registration and Withdrawal	2
Firm Profile	3 - 7
Firm History	8
Firm Operations	9 - 13
Disclosure Events	14



Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

About BrokerCheck®

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

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

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

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

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

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

- **How current is this information?**

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

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

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

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

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

• **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.



PROGRAM TRADING CORP.

CRD# 36740

SEC# 8-47439

Main Office Location

1515 NORTH FEDERAL HIGHWAY
SUITE 408
BOCA RATON, FL 33432

Mailing Address

1515 NORTH FEDERAL HIGHWAY
SUITE 404
BOCA RATON, FL 33432

Business Telephone Number

561-395-8595

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 Florida on 09/25/1992.

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
Arbitration	1

Registration Withdrawal Information

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



Date firm ceased business: 09/12/2003

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 Florida on 09/25/1992.

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.

PROGRAM TRADING CORP.

Doing business as PROGRAM TRADING CORP.

CRD# 36740

SEC# 8-47439

Main Office Location

1515 NORTH FEDERAL HIGHWAY
SUITE 408
BOCA RATON, FL 33432

Mailing Address

1515 NORTH FEDERAL HIGHWAY
SUITE 404
BOCA RATON, FL 33432

Business Telephone Number

561-395-8595



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):	AARON INVESTMENT GROUP, INC
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	SHAREHOLDER
Position Start Date	08/1999
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):	FOX, WILLIAM ARTHUR 1838232
Is this a domestic or foreign entity or an individual?	Individual
Position	FINOP
Position Start Date	10/2001
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	GRINBERG, ROBERT MARK 2157971
Is this a domestic or foreign entity or an individual?	Individual
Position	DIRECTOR & CEO
Position Start Date	03/2001

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): PARNAS, LEV
2418073

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

Position DIRECTOR & PRESIDENT

Position Start Date 03/2001

Percentage of Ownership Less than 5%

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

Is this a public reporting company? No

Legal Name & CRD# (if any): WELLS, DAVID FRANKLIN
1879688

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

Position SROP/CROP

Position Start Date 04/2002

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): WELLS, DAVID FRANKLIN

Firm Profile



Direct Owners and Executive Officers (continued)

	1879688
Is this a domestic or foreign entity or an individual?	Individual
Position	AML COMPLIANCE OFFICER
Position Start Date	12/2002
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):	WELLS, DAVID FRANKLIN 1879688
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF COMPLIANCE OFFICER
Position Start Date	08/2003
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
<hr/>	



Firm Profile

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

Indirect Owners

Legal Name & CRD# (if any):	GRINBERG, ROBERT MARK 2157971
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	AARON INVESTMENT GROUP
Relationship to Direct Owner	SECRETARY
Relationship Established	05/1999
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

Legal Name & CRD# (if any):	PARNAS, LEV 2418073
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	AARON INVESTMENT GROUP
Relationship to Direct Owner	PRESIDENT
Relationship Established	05/1999
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 no longer registered.

The firm's registration was from 03/13/1995 to 01/31/2005.



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 15 types of businesses.

Types of Business

Broker or dealer making inter-dealer markets in corporation securities over-the-counter
Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Underwriter or selling group participant (corporate securities other than mutual funds)
Mutual fund retailer
U S. government securities broker
Broker or dealer selling variable life insurance or annuities
Solicitor of time deposits in a financial institution
Put and call broker or dealer or option writer
Investment advisory services
Broker or dealer selling tax shelters or limited partnerships in primary distributions
Broker or dealer selling tax shelters or limited partnerships in the secondary market
Non-exchange member arranging for transactions in listed securities by exchange member
Trading securities for own account
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:	FIRST SOUTHWEST COMPANY
CRD #:	316
Business Address:	325 ST. PAUL STREET DALLAS, TX 75201
Effective Date:	12/10/2002
Description:	PROGRAM TRADING CORP. OPERATES AS A FULLY DISCLOSED INTRODUCING FIRM UNDER A CLEARING AGREEMENT WITH FIRST SOUTHWEST COMPANY.

Firm Operations

Industry Arrangements



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

Name: FIRST SOUTHWEST COMPANY
CRD #: 316
Business Address: 325 ST. PAUL STREET
DALLAS, TX 75201
Effective Date: 12/10/2002
Description: PROGRAM TRADING CORP. OPERATES AS A FULLY DISCLOSED
INTRODUCING FIRM UNDER A CLEARING AGREEMENT WITH FIRST
SOUTHWEST COMPANY

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

Name: FIRST SOUTHWEST COMPANY
CRD #: 316
Business Address: 325 ST. PAUL STREET
DALLAS, TX 75201
Effective Date: 12/10/2002
Description: PROGRAM TRADING CORP. OPERATES AS A FULLY DISCLOSED
INTRODUCING FIRM UNDER A CLEARING AGREEMENT WITH FIRST
SOUTHWEST COMPANY.

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

Name: FIRST SOUTHWEST COMPANY
CRD #: 316
Business Address: 325 ST. PAUL STREET
DALLAS, TX 75201
Effective Date: 12/10/2002
Description: PROGRAM TRADING CORP. OPERATES AS A FULLY DISCLOSED
INTRODUCING FIRM UNDER A CLEARING AGREEMENT WITH FIRST
SOUTHWEST COMPANY.

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.**

AARON INVESTMENT GROUP, INC is under common control with the firm.

Business Address:	1515 N. FEDERAL HWY SUITE 404 BOCA RATON, FL 33432
Effective Date:	08/19/1999
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	PROGRAM TRADING CORP IS 100% OWNED BY AARON INVESTMENT GROUP, AS DISCLOSED ON SCHEDULE C.

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
Arbitration	N/A	1	N/A



Disclosure Event Details

What you should know about reported disclosure events:

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

Regulatory - Final

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

Disclosure 1 of 2

Reporting Source: Regulator

Current Status: Final



Allegations: RESPONDENT FIRM FAILED TO PAY FINES AND/OR COSTS OF \$4,086.37 IN CONNECTION WITH NASD CASE #CMS030146.

Initiated By: NASD

Date Initiated: 01/31/2005

Docket/Case Number: CMS030146

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Expulsion

Other Sanction(s)/Relief Sought:

Resolution: Other

Resolution Date: 01/31/2005

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: Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details: RESPONDENT FIRM EXPELLED FROM NASD MEMBERSHIP FOR FAILURE TO PAY FINES AND COSTS.

Disclosure 2 of 2

Reporting Source: Regulator

Current Status: Final

Allegations: NASD CONDUCT RULE 2110, NASD MARKETPLACE RULE 6740, AND SEC RULE 15C2-11 - RESPONDENT MEMBER ("FIRM") PUBLISHED QUOTATIONS FOR A COMPANY, AN OTC EQUITY SECURITY, OR, DIRECTLY OR INDIRECTLY, SUBMITTED SUCH QUOTATIONS FOR PUBLICATION, IN A QUOTATION MEDIUM AND: (I) DID NOT HAVE IN ITS RECORDS THE DOCUMENTATION REQUIRED BY SEC RULE 15C2-11(A) ("PARAGRAPH (A) INFORMATION"); (II) DID NOT HAVE A REASONABLE BASIS UNDER THE CIRCUMSTANCES FOR BELIEVING THAT THE PARAGRAPH (A) INFORMATION WAS ACCURATE IN ALL MATERIAL RESPECTS; OR (III) DID



NOT HAVE A REASONABLE BASIS UNDER THE CIRCUMSTANCES FOR BELIEVING THAT THE SOURCES OF THE PARAGRAPH (A) INFORMATION WERE RELIABLE. THE QUOTATIONS DID NOT REPRESENT A CUSTOMER'S INDICATION OF UNSOLICITED INTEREST. THE FIRM, FOR EACH QUOTATION DESCRIBED IN PARAGRAPH ONE, FAILED TO FILE A FORM 211 WITH NASD AT LEAST THREE BUSINESS DAYS BEFORE THE FIRM'S QUOTATIONS WERE PUBLISHED OR DISPLAYED IN A QUOTATION MEDIUM.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 06/30/2003

Docket/Case Number: CMS030146

Principal Product Type: Equity - OTC

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/30/2003

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT MEMBER CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS FINED \$5,000 AND REQUIRED TO UNDERTAKE TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES WITH RESPECT TO SEC RULE 15C2-11 AND MARKETPLACE RULE 6740 WITHIN 30 BUSINESS DAYS.

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATIONS OF SEC RULE 15C2-11, NASD CONDUCT RULE 2110, NASD MARKETPLACE RULE 6740 AS IT RELATED TO 20 PUBLISHED QUOTATIONS IN "PCBM" PINNACLE BUSINESS MANAGEMENT, INC. ON FEBRUARY 27, 2001.

Initiated By: NASD DISTRICT 7, MARKET REGULATION

Date Initiated: 02/27/2001



Docket/Case Number:	MRD200233615
Principal Product Type:	Equity - OTC
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	FINE \$5,000, ORDER TO UPDATE WRITTEN SUPERVISORY PROCEDURES, SPECIFICALLY ADDRESSING 15C2-11 AND RULE 6740
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	06/30/2003
Sanctions Ordered:	Monetary/Fine \$5,000.00
Other Sanctions Ordered:	UPDATE WRITTEN PROCEDURES TO INCLUDE 15C2-11 AND RULE 6740 WITHIN 30 DAYS OF AWC
Sanction Details:	\$5,000.00



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 1

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT RELATED-NEGLIGENCE
Arbitration Forum:	NASD
Case Initiated:	05/06/1997
Case Number:	97-02072
Disputed Product Type:	COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE; OPTIONS
Sum of All Relief Requested:	\$249,048.33
Disposition:	AWARD AGAINST PARTY
Disposition Date:	08/10/1998
Sum of All Relief Awarded:	\$153,980.33

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



This page is intentionally left blank.