

BrokerCheck Report

FREEDOM INVESTMENTS, INC.

CRD# 37674

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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.

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Thank you for using FINRA BrokerCheck.



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



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. [For more information about FINRA, visit www.finra.org.](http://www.finra.org)



FREEDOM INVESTMENTS, INC.

CRD# 37674

SEC# 8-47883

Main Office Location

375 RARITAN CENTER PARKWAY
EDISON, NJ 08837
Regulated by FINRA Woodbridge Office

Mailing Address

375 RARITAN CENTER PARKWAY
EDISON, NJ 08837

Business Telephone Number

732-934-3000

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 Delaware on 11/17/1994.

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
- 52 U.S. states and territories

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

This firm conducts 4 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm has 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	7



Firm Profile

This firm is classified as a corporation.

This firm was formed in Delaware on 11/17/1994.

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.

FREEDOM INVESTMENTS, INC.

Doing business as FREEDOM INVESTMENTS, INC.

CRD# 37674

SEC# 8-47883

Main Office Location

375 RARITAN CENTER PARKWAY
EDISON, NJ 08837

Regulated by FINRA Woodbridge Office

Mailing Address

375 RARITAN CENTER PARKWAY
EDISON, NJ 08837

Business Telephone Number

732-934-3000



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): OPPENHEIMER & CO. INC.

249

Is this a domestic or foreign entity or an individual? Domestic Entity

Position PARENT COMPANY

Position Start Date 11/1994

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): GIORDANO, PETER JOHN

2921308

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

Position CEO-PRESIDENT-DIRECTOR

Position Start Date 05/2025

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): LOWENTHAL, ALBERT GRINSFELDER

313519

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

Position DIRECTOR



Firm Profile

Direct Owners and Executive Officers (continued)

Position Start Date 05/2025

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): LOWENTHAL, ROBERT STEVEN
1639913

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

Position DIRECTOR

Position Start Date 05/2025

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): MATTRELLA, CHRISTIAN GENTILE
4088299

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

Position SVP & CHIEF FINANCIAL OFFICER

Position Start Date 01/2025

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



Direct Owners and Executive Officers (continued)

Legal Name & CRD# (if any): MCKIGNEY, BRYAN EDWARD
4293175

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

Position DIRECTOR

Position Start Date 04/2018

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): MCNAMARA, DENNIS PATRICK
2938486

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

Position SVP & SECRETARY

Position Start Date 03/2006

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): SANTIAGO, MANUEL ANGEL
1987936

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

Position VP & CHIEF COMPLIANCE OFFICER

Position Start Date 02/2002

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

Legal Name & CRD# (if any):	E.A. VINER INTERNATIONAL CO.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	VINER FINANCE INC.
Relationship to Direct Owner	HOLDING CO.
Relationship Established	10/1983
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):	OPPENHEIMER HOLDINGS INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	E.A. VINER INTERNATIONAL CO.
Relationship to Direct Owner	COMMON STOCK
Relationship Established	10/1983
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	Yes

Legal Name & CRD# (if any):	PHASE II FINANCIAL LTD.
Is this a domestic or foreign entity or an individual?	Domestic Entity

Firm Profile



Indirect Owners (continued)

Company through which indirect ownership is established	OPPENHEIMER HOLDINGS
Relationship to Direct Owner	OWNS CLASS B VOTING STOCK OF OPPENHEIMER HOLDINGS
Relationship Established	11/1994
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
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Legal Name & CRD# (if any):	VINER FINANCE INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	OPPENHEIMER & CO. INC.
Relationship to Direct Owner	CONTROLS 100% OF OPPENHEIMER & CO. INC.
Relationship Established	11/1994
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

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 52 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	06/09/1995

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: No

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	07/21/1995



Firm Operations

Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	09/13/1995
Alaska	Approved	07/24/1995
Arizona	Approved	10/05/1995
Arkansas	Approved	08/30/1995
California	Approved	08/18/1995
Colorado	Approved	07/21/1995
Connecticut	Approved	07/31/1995
Delaware	Approved	07/24/1995
District of Columbia	Approved	03/15/1995
Florida	Approved	02/02/1996
Georgia	Approved	07/25/1995
Hawaii	Approved	09/26/1995
Idaho	Approved	08/08/1995
Illinois	Approved	07/26/1995
Indiana	Approved	09/08/1995
Iowa	Approved	07/28/1995
Kansas	Approved	08/07/1995
Kentucky	Approved	04/06/1995
Louisiana	Approved	08/22/1995
Maine	Approved	09/07/1995
Maryland	Approved	08/09/1995
Massachusetts	Approved	09/05/1995
Michigan	Approved	08/16/1995
Minnesota	Approved	08/02/1995
Mississippi	Approved	07/21/1995
Missouri	Approved	06/26/1996
Montana	Approved	07/21/1995
Nebraska	Approved	08/23/1995
Nevada	Approved	08/11/1995
New Hampshire	Approved	08/24/1995
New Jersey	Approved	08/10/1995
New Mexico	Approved	08/15/1995
New York	Approved	07/05/1995

U.S. States & Territories	Status	Date Effective
North Carolina	Approved	08/04/1995
North Dakota	Approved	08/16/1995
Ohio	Approved	05/03/1995
Oklahoma	Approved	08/04/1995
Oregon	Approved	01/02/1996
Pennsylvania	Approved	10/02/1995
Puerto Rico	Approved	05/27/2005
Rhode Island	Approved	08/18/1995
South Carolina	Approved	07/26/1995
South Dakota	Approved	08/11/1995
Tennessee	Approved	08/31/1995
Texas	Approved	01/29/1996
Utah	Approved	08/16/1995
Vermont	Approved	07/28/1995
Virginia	Approved	04/03/1995
Washington	Approved	08/01/1995
West Virginia	Approved	07/26/1995
Wisconsin	Approved	07/25/1995
Wyoming	Approved	08/02/1995

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 4 types of businesses.

Types of Business

Broker or dealer retailing corporate equity securities over-the-counter

Put and call broker or dealer or option writer

Non-exchange member arranging for transactions in listed securities by exchange member

Broker or dealer involved in a networking, kiosk or similar arrangement with a: bank, savings bank or association, or credit union

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:	OPPENHEIMER & CO. INC.
CRD #:	249
Business Address:	125 BROAD STREET NEW YORK, NY 10004
Effective Date:	11/17/1994
Description:	THE FIRM HAS A FULLY DISCLOSED AND OMNIBUS CLEARING ARRANGEMENT WITH OPPENHEIMER.

Firm Operations

Industry Arrangements



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

Name: OPPENHEIMER & CO. INC.
CRD #: 249
Business Address: 125 BROAD ST
NEW YORK, NY 10004
Effective Date: 11/17/1994
Description: FREEDOM INVESTMENTS, INC. HAS ENTERED INTO A FULLY DISCLOSED CLEARING AGREEMENT AND BUYANDHOLD, A DIVISION OF FREEDOM HAS ENTERED INTO AN OMNIBUS CLEARING AGREEMENT (6/13/2002) WITH OPPENHEIMER & CO. INC.

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

Name: OPPENHEIMER & CO. INC.
CRD #: 249
Business Address: 125 BROAD ST.
NEW YORK, NY 10004
Effective Date: 11/17/1994
Description: FREEDOM INVESTMENTS, INC. HAS ENTERED INTO A CLEARING AGREEMENT WITH OPPENHEIMER & CO. INC.

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

Name: OPPENHEIMER & CO. INC.
CRD #: 249
Business Address: 125 BROAD ST.
NEW YORK, NY 10004
Effective Date: 11/17/1994
Description: FREEDOM INVESTMENTS, INC. HAS ENTERED INTO A CLEARING AGREEMENT WITH OPPENHEIMER & CO. INC.

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.

OPPENHEIMER ALTERNATIVE INVESTMENT MANAGEMENT, LLC is under common control with the firm.

CRD #:	140485
Business Address:	85 BROAD STREET NEW YORK, NY 10004
Effective Date:	04/06/2006
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	UNDER COMMON OWNERSHIP OF OPPENHEIMER HOLDINGS INC.

ADVANTAGE ADVISERS MULTI-MANAGER, L.L.C. is under common control with the firm.

CRD #:	108178
Business Address:	85 BROAD STREET NEW YORK, NY 10004
Effective Date:	12/01/1999
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	UNDER COMMON OWNERSHIP OF OPPENHEIMER HOLDINGS INC.

ADVANTAGE ADVISERS MANAGEMENT, LLC is under common control with the firm.

Firm Operations



Organization Affiliates (continued)

CRD #: 108180
Business Address: 85 BROAD STREET
 NEW YORK, NY 10004
Effective Date: 07/31/1998
Foreign Entity: No
Country:
Securities Activities: No
Investment Advisory Activities: Yes
Description: UNDER COMMON OWNERSHIP OF OPPENHEIMER HOLDINGS INC.

OPPENHEIMER INVESTMENT MANAGEMENT LLC is under common control with the firm.

CRD #: 133243
Business Address: 85 BROAD STREET
 NEW YORK, NY 10004
Effective Date: 10/13/2004
Foreign Entity: No
Country:
Securities Activities: No
Investment Advisory Activities: Yes
Description: UNDER COMMON OWNERSHIP OF OPPENHEIMER HOLDINGS INC.

OPPENHEIMER ASSET MANAGEMENT is under common control with the firm.

CRD #: 105559
Business Address: 85 BROAD STREET
 NEW YORK, NY 10004
Effective Date: 01/28/2003
Foreign Entity: No
Country:
Securities Activities: No

Firm Operations



Organization Affiliates (continued)

Investment Advisory Activities: Yes

Description: UNDER COMMON OWNERSHIP OF OPPENHEIMER HOLDINGS INC.

OPPENHEIMER & CO. INC. controls the firm.

CRD #: 249

Business Address: 85 BROAD STREET
NEW YORK, NY 10004

Effective Date: 11/17/1994

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: FREEDOM INVESTMENTS, INC. IS A WHOLLY OWNED SUBSIDIARY OF OPPENHEIMER & CO. INC., FORMERLY FAHNESTOCK; AND BUYANDHOLD IS A DIVISION OF FREEDOM INVESTMENTS, INC.

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	7	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 7

Reporting Source: Regulator

Current Status: Final



Allegations: NASD RULE 6955(A) - FREEDOM INVESTMENTS, INC. SUBMITTED ROUTE OR COMBINED ORDER/ROUTE REPORTS TO OATS THAT THE OATS SYSTEM WAS UNABLE TO LINK TO THE CORRESPONDING NEW ORDER SUBMITTED BY THE DESTINATION MEMBER FIRM DUE TO INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA.

Initiated By: FINRA

Date Initiated: 02/26/2008

Docket/Case Number: 20060048352-01

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: 02/26/2008

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 \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM WAS FINED \$5,000.

Reporting Source: Firm

Current Status: Final

Allegations: NASD RULE 6955(A)-FREEDOM INVESTMENTS, INC. SUBMITTED ROUTE OR COMBINED ORDER/ROUTE REPORTS TO OATS THAT THE OATS SYSTEM WAS UNABLE TO LINK TO THE CORRESPONDING NEW ORDER SUBMITTED BY THE DESTINATION MEMBER FIRM DUE TO INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA.



Initiated By: FINRA
Date Initiated: 02/26/2008
Docket/Case Number: 20060048352-01
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 02/26/2008
Sanctions Ordered: Monetary/Fine \$5,000.00
Other Sanctions Ordered:
Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SACTION AND TO THE ENTRY OF THE FINDINGS; THEREFORE, THE FIRM WAS FINED \$5,000.

Disclosure 2 of 7

Reporting Source: Firm
Current Status: Final
Allegations: AFTER BUYANDHOLD, DIVISION WAS ACQUIRED BY FREEDOM INVESTMENT, INC. ITS REGISTRATION WITH PUERTO RICO WAS SUBSEQUENTLY PULLED BY THE STATE. AS A RESULT, FREEDOM INVESTMENTS CONDUCTED UNSOLICITED BUSINESS WITHOUT BEING REGISTERED.
Initiated By: COMMONWEALTH OF PUERTO RICO
Date Initiated: 07/11/2005
Docket/Case Number: NONE PROVIDED.
Principal Product Type: Equity - OTC
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: 07/14/2005

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM CONSENTED TO THE FINE OF \$5,000, WHICH WAS PAID ON 07/14/2005.

Disclosure 3 of 7

Reporting Source: Regulator

Current Status: Final

Allegations: SECTION 7 OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECTION 220.8 OF REGULATION T PROMULGATED THEREUNDER; NASD CONDUCT RULES 3011(A), 3011(B), 3011(C) AND 2110; RESPONDENT MEMBER FIRM FAILED TO CONDUCT AN INDEPENDENT TEST OF ITS AML PROGRAM FROM APRIL 2002 UNTIL DECEMBER 2005; RESPONDENT FAILED TO ESTABLISH, IMPLEMENT AND ENFORCE WRITTEN POLICIES, PROCEDURES AND INTERNAL CONTROLS THAT WERE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE VARIOUS REQUIREMENTS IMPOSED BY BSA AND THE REGULATIONS PROMULGATED THEREUNDER, SPECIFICALLY IT FAILED TO ESTABLISH WRITTEN PROCEDURES DESIGNED TO ADDRESS THE FIRM'S OBLIGATION TO PROVIDE PROMPT NOTIFICATION TO NASD REGARDING ANY CHANGE TO THE AML CONTACT INFORMATION. FREEDOM FAILED TO ENFORCE ITS SARS PROCEDURES IN THAT, THE FIRM REJECTED QUESTIONABLE TRANSACTIONS INVOLVING DEPOSIT REQUESTS WHICH THE FIRM CLASSIFIED AS "FRAUDULENT" ON ITS INTERNAL BOOKS AND RECORDS, SUBSEQUENTLY RESTRICTED AND CLOSED THOSE ACCOUNTS, BUT NEVER FILED SARS FOR THESE TRANSACTIONS. IT FAILED TO DOCUMENT ITS REASONS FOR NOT FILING THE SARS. THE FIRM IMPROPERLY EXTENDED CREDIT IN THE CUSTOMERS CASH ACCOUNT BY FAILING TO PROMPTLY CANCEL OR LIQUIDATE THE TRANSACTION WHERE CUSTOMERS HAD USED AUTOMATIC CLEARING HOUSE DEPOSITS TO PAY FOR SECURITIES TRANSACTION IN CUSTOMER CASH ACCOUNTS, AND THOSE DEPOSITS HAD FAILED TO CLEAR.

Initiated By: NASD

Date Initiated: 01/10/2006



Docket/Case Number: [E9B2004004401](#)

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED TYPE OF SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 01/10/2006

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 \$20,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT MEMBER FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, FIRM IS CENSURED AND FINED \$20,000.

Reporting Source: Firm

Current Status: Final

Allegations: SECTION 7 OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECTION 220.8 OF REGULATION T PROMULGATED THEREUNDER; NASD CONDUCT RULES 3011(A), 3011(B), 3011(C) AND 2110; RESPONDENT MEMBER FIRM FAILED TO CONDUCT AN INDEPENDENT TEST OF ITS AML PROGRAM FROM APRIL 2002 UNTIL DECEMBER 2005; RESPONDENT FAILED TO ESTABLISH, IMPLEMENT AND ENFORCE WRITTEN POLICIES, PROCEDURES AND INTERNAL CONTROLS THAT WERE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE VARIOUS REQUIREMENTS IMPOSED BY BSA AND THE REGULATIONS PROMULGATED THEREUNDER, SPECIFICALLY IT FAILED TO ESTABLISH WRITTEN PROCEDURES DESIGNED TO ADDRESS THE FIRM'S OBLIGATION TO PROVIDE PROMPT NOTIFICATION TO NASD REGARDING ANY CHANGE TO THE AML CONTACT INFORMATION. FREEDOM FAILED TO ENFORCE ITS SARS PROCEDURES IN THAT, THE



FIRM REJECTED QUESTIONABLE TRANSACTIONS INVOLVING DEPOSIT REQUESTS WHICH THE FIRM CLASSIFIED AS "FRAUDULENT" ON ITS INTERNAL BOOKS AND RECORDS, SUBSEQUENTLY RESTRICTED AND CLOSED THOSE ACCOUNTS, BUT NEVER FILED SARS FOR THESE TRANSACTIONS. IT FAILED TO DOCUMENT ITS REASONS FOR NOT FILING THE SARS. THE FIRM IMPROPERLY EXTENDED CREDIT IN THE CUSTOMERS CASH ACCOUNT BY FAILING TO PROMPTLY CANCEL OR LIQUIDATE THE TRANSACTION WHERE CUSTOMERS HAD USED AUTOMATIC CLEARING HOUSE DEPOSITS TO PAY FOR SECURITIES TRANSACTION IN CUSTOMER CASH ACCOUNTS, AND THOSE DEPOSITS HAD FAILED TO CLEAR.

Initiated By: NASD

Date Initiated: 01/10/2006

Docket/Case Number: [E9B2004004401](#)

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED TYPES OF SECURITIES.

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 01/10/2006

Sanctions Ordered: Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS RESPONDENT MEMBER FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS THEREFORE THE FIRM IS CENSURED AND FINED \$20,000.

Disclosure 4 of 7

Reporting Source: Regulator

Current Status: Final

Allegations: NASD MARKETPLACE 6955(A), NASD CONDUCT RULES 2110 AND 3010 - FREEDOM INVESTMENTS, INC. FAILED TO TIMELY REPORT OATS 275 REPORTABLE ORDER EVENTS (ROES). THE FIRM SUBMITTED TO OATS 195



REPORTS WITH RESPECT TO EQUITY SECURITIES TRADED ON THE NASDAQ STOCK MARKET (THE "SUBJECT REPORTS") THAT WERE NOT IN THE ELECTRONIC FORM PRESCRIBED BY NASD AND WERE REPAIRABLE. THE SUBJECT REPORTS WERE REJECTED BY THE OATS SYSTEM AND NOTICE OF SUCH REJECTION WAS MADE AVAILABLE TO THE FIRM ON THE OATS WEBSITE. THE FIRM DID NOT CORRECT OR REPLACE ANY OF THE SUBJECT REPORTS. THE FIRM ALSO FAILED TO SUBMIT REQUIRED INFORMATION TO OATS ON NINE BUSINESS DAYS. IN ADDITION, THE FIRM FAILED TO ENFORCE ITS WRITTEN SUPERVISORY PROCEDURES, WHICH SPECIFIED THAT REJECTED ROES WOULD BE REPAIRED AND RESUBMITTED TO OATS.

Initiated By: NASD

Date Initiated: 09/09/2005

Docket/Case Number: 2005000226-01

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED TYPES OF SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/09/2005

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: Censure
Monetary/Fine \$17,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, FREEDOM INVESTMENTS, INC. CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE THE FIRM IS CENSURED AND FINED \$17,500.

Reporting Source: Firm



Current Status:	Final
Allegations:	NASD MARKETPLACE 6955(A), NASD CONDUCT RULES 2110 AND 3010 - FREEDOM INVESTMENTS, INC. FAILED TO TIMELY REPORT OATS 275 REPORTABLE ORDER EVENTS (ROES). THE FIRM SUBMITTED TO OATS 195 REPORTS WITH RESPECT TO EQUITY SECURITIES TRADED ON THE NASDAQ STOCK MARKET (THE "SUBJECT REPORTS") THAT WERE NOT IN THE ELECTRONIC FORM PRESCRIBED BY NASD AND WERE REPAIRABLE. THE SUBJECT REPORTS WERE REJECTED BY THE OATS SYSTEM AND NOTICE OF SUCH REJECTION WAS MADE AVAILABLE TO THE FIRM ON THE OATS WEBSITE. THE FIRM DID NOT CORRECT OR REPLACE ANY OF THE SUBJECT REPORTS. THE FIRM ALSO FAILED TO SUBMIT REQUIRED INFORMATION TO OATS ON NINE BUSINESS DAYS. IN ADDITION, THE FIRM FAILED TO ENFORCE ITS WRITTEN SUPERVISORY PROCEDURES, WHICH SPECIFIED THAT REJECTED ROES WOULD BE REPAIRED AND RESUBMITTED TO OATS.
Initiated By:	NASD
Date Initiated:	09/09/2005
Docket/Case Number:	2005000226-01
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	OTC - EQUITY
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	CENSURE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	09/09/2005
Sanctions Ordered:	Censure Monetary/Fine \$17,500.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING ALLEGATIONS THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF THE FINDINGS: THEREFORE THE FIRM IS CENSURED AND FINED \$17,500.00.

Disclosure 5 of 7

Reporting Source:	Regulator
Current Status:	Final



Allegations: NASD CONDUCT RULE 2110 AND NASD MARKETPLACE RULE 6955(A) -
RESPONDENT MEMBER FAILED TO TIMELY REPORT TO OATS REPORTABLE
ORDER EVENTS.

Initiated By: NASD

Date Initiated: 04/22/2004

Docket/Case Number: CMS040050

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: 04/22/2004

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 \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM
CONSENTED TO THE SANCTIONS, THEREFORE, THE FIRM IS FINED \$5,000.

Reporting Source: Firm

Current Status: Final

Allegations: FIRM FAILED TO TIMELY REPORT TO OATS REPORTABLE ORDER EVENTS.

Initiated By: NASD

Date Initiated: 03/05/2002

Docket/Case Number: CMS040050

Principal Product Type: No Product



Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 04/22/2004

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered: N/A

Sanction Details: FINE PAID ON 04/22/2004.

Firm Statement WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM CONSENTED TO THE SANCTIONS, THEREFORE, THE FIRM WAS FINED \$5,000.00, WHICH WAS PAID ON 04/22/2004.

Disclosure 6 of 7

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110 AND 6955(A) - THE FIRM FAILED TO TIMELY SUBMIT REQUIRED INFORMATION TO OATS AND FAILED TO TIMELY REPORT TO OATS ITS REPORATABLE EVENTS; AND, TRANSMITTED TO OATS REPORTS THAT CONTAINED UNACCURATE DATA. SPECIFICALLY, THE FIRM TRANSMITTED DUPLICATE EXECUTION REPORTS.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 03/05/2002

Docket/Case Number: CMS020039

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: 03/05/2002



Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: N/A

Reporting Source: Firm

Current Status: Final

Allegations: FIRM FAILED TO REPORT OATS EVENTS AND TRANSMITTED DULICATE REPORTS.

Initiated By: NASD REGULATION, INC.

Date Initiated: 03/05/2002

Docket/Case Number: CMS020039

Principal Product Type: Other

Other Product Type(s): OATS REPORTING

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought: NONE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/05/2002

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: FINE \$5,000.00 ISSUED ON 03/06/2002

Firm Statement DURING THE PERIOD 9/13/1999 THROUGH 9/29/1999, THE FIRM FAILED TO SUBMIT REQUIRED INFORMATION TO OATS ON 13 BUSINESS DAYS. DURING THE PERIOD 11/22/1999 THROUGH 12/14/1999, THE FIRM FAILED TO TIMELY REPORT TO OATS ITS REPORTABLE ORDER EVENTS. DURING THE PERIOD 9/30/1999 THROUGH 12/30/1999, THE FIRM TRANSMITTED TO OATS 5,091 REPORTS THAT CONTAINED INACCURATE DATA. SPECIFICALLY, THE FIRM TRANSMITTED DUPLICATE EXECUTION REPORTS

Disclosure 7 of 7

Reporting Source: Regulator



Current Status: Final

Allegations: SUBJECT FAILED TO REMIT APPLICATION FEES FOR REGISTRATION

Initiated By: ALABAMA SECURITIES COMMISSION

Date Initiated: 06/20/1995

Docket/Case Number: OD-95-0060

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: 06/20/1995

Sanctions Ordered: Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details: ORDER OF DENIAL ISSUED PURSUANT TO CODE OF ALABAMA 1975, SECTION) 8-6-3(j)(11), FAILURE TO PAY PROPER FILING FEE.

Regulator Statement ORDER OF DENIAL ISSUED PURSUANT TO CODE OF ALABAMA 1975, SECTION 8-6-3(j)(11). CONTACT: (334)242-2984.

Reporting Source: Firm

Current Status: Final

Allegations: ALLEGED FAILURE TO PAY PROPER FILING FEE.

Initiated By: STATE OF ALABAMA

Date Initiated: 06/21/1995

Docket/Case Number: OD-95-0060

Principal Product Type: No Product

Other Product Type(s):



Principal Sanction(s)/Relief Sought:	Denial
Other Sanction(s)/Relief Sought:	
Resolution:	Withdrawn
Resolution Date:	09/13/1995
Firm Statement	THE STATE OF ALABAMA WOULD NOT ALLOW FREEDOM INVESTMENTS, INC. TO REGISTER TO DO BUSINESS WITHIN THEIR STATE.

End of Report



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