

BrokerCheck Report

FELDMAN SECURITIES GROUP L.L.C.

CRD# 39385

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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.



**FELDMAN SECURITIES GROUP
L.L.C.**

CRD# 39385

SEC# 8-48972

Main Office Location

20 NORTH WACKER DR STE 1775
CHICAGO, IL 60606

Mailing Address

20 NORTH WACKER DR STE 1775
CHICAGO, IL 60606

Business Telephone Number

312-444-1755

Report Summary for this Firm

This report summary provides an overview of the brokerage firm. Additional information for this firm can be found in the detailed report.

Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Illinois on 11/27/1995.

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 |

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: 04/14/2008

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



Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Illinois on 11/27/1995.

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.

FELDMAN SECURITIES GROUP L.L.C.

Doing business as FELDMAN SECURITIES GROUP L.L.C.

CRD# 39385

SEC# 8-48972

Main Office Location

20 NORTH WACKER DR STE 1775
CHICAGO, IL 60606

Mailing Address

20 NORTH WACKER DR STE 1775
CHICAGO, IL 60606

Business Telephone Number

312-444-1755



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): YOUNG, BRADLEY WILLIAM

1041237

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

Position PRINCIPAL/OWNER

Position Start Date 04/1997

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): MARNELL, PAUL JOSEPH

832828

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

Position MANAGING DIRECTOR CFO & CHIEF COMPLIANCE OFFICER

Position Start Date 10/1998

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

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 09/24/1996 to 06/23/2008.

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 7 types of businesses.

Types of Business

| |
|----------------------------------------------------------------------------------------|
| Broker or dealer retailing corporate equity securities over-the-counter |
| Broker or dealer selling corporate debt securities |
| Mutual fund retailer |
| U S. government securities broker |
| Municipal securities broker |
| Investment advisory services |
| Non-exchange member arranging for transactions in listed securities by exchange member |

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: | MESIROW FINANCIAL, INC. |
| CRD #: | 2764 |
| Business Address: | 350 N. CLARK STREET CHICAGO, IL 60610 |
| Effective Date: | 09/01/1998 |
| Description: | EFFECTIVE SEPTEMBER 1, 1998 FELDMAN SECURITIES GROUP, L.L.C. STARTED TO INTRODUCE CUSTOMERS AND CLEAR TRADES ON A FULLY DISCLOSED BASIS WITH MESIROW FINANCIAL, INC. PRIOR TO SEPTEMBER 1, 1998 TRADES WERE CLEARED, ON A FULLY DISCLOSED BASIS, THROUGH CONCORD SECURITIES CORP. LOCATED AT 50 S. WACKER DR. CHICAGO, IL 60606 AND HOWE BARNES INVESTMENTS, INC. LOCATED AT 135 S. LASALLE ST., CHICAGO, IL 60603. |

Firm Operations

Industry Arrangements



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

Name: MESIROW FINANCIAL, INC.

CRD #: 2764

Business Address: 350 N. CLARK ST.
CHICAGO, IL 60610

Effective Date: 09/01/1998

Description: AS THE CLEARING BROKER FOR THE APPLICANT MESIROW FINACIAL, INC. MAINTAINS THE NECESSARY BOOKS AND RECORDS OF THE APPLICANT.

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

Name: MESIROW FINANCIAL, INC.

CRD #: 2764

Business Address: 350 N. CLARK ST.
CHICAGO, IL 60610

Effective Date: 09/01/1998

Description: THE APPLICANT HAS FUNDS HELD IN BROKERAGE ACCOUNTS AT MESIROW FINANCIAL, INC. AND ARE PROTECTED UNDER A PAIB AGREEMENT.

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

Name: MESIROW FINANCIAL, INC.

CRD #: 2764

Business Address: 350 N. CLARK ST.
CHICAGO, IL 60610

Effective Date: 09/01/1998

Description: AS AN INTRODUCING BROKER, THE FUNDS, SECURITIES AND ACCOUNTS OF THE APPLICANT'S CUSTOMERS ARE MAINTAINED BY MESIROW FINANCIAL, 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 not, directly or indirectly:

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

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

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



Disclosure Events

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

| | Pending | Final | On Appeal |
|------------------|---------|-------|-----------|
| Regulatory Event | 0 | 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: SEC REGULATION AC, NASD RULES 2110, 2210(D)(1)(A), 2711(H), 2711(I) - FELDMAN SECURITIES GROUP, LLC PUBLISHED RESEARCH REPORTS THAT WERE DEFICIENT; THE FIRM'S WRITTEN SUPERVISORY PROCEDURES WERE INCOMPLETE IN CERTAIN RESPECTS AND THE FIRM DID NOT FULLY IMPLEMENT OTHER PROCEDURES WITH REGARD TO THE DISSEMINATION OF RESEARCH REPORTS CONTAINING DISCLOSURE DEFICIENCIES; THE FIRM DID NOT BALANCE FAVORABLE DISCUSSIONS OF SECURITIES IDENTIFIED IN RESEARCH REPORTS WITH SUFFICIENT DISCLOSURES OF RISKS ASSOCIATED WITH AN INVESTMENT IN THOSE SECURITIES; AND THE FIRM DID NOT FULLY ENSURE COMPLIANCE WITH SEC REGULATION AC IN THAT RESEARCH REPORTS DID NOT INCLUDE AN ANALYST CERTIFICATION.

Initiated By: NASD

Date Initiated: 09/07/2006

Docket/Case Number: [E8A2005007601](#)

Principal Product Type: Other

Other Product Type(s): RESEARCH REPORTS

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/07/2006

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 \$22,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$22,000.

Reporting Source: Firm



| | |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Current Status: | Final |
| Appealed To and Date Appeal Filed: | N/A |
| Allegations: | THE NASD MADE ALLEGATIONS AGAINST FELDMAN SECURITIES GROUP, L.L.C. THAT: (1) BETWEEN MARCH 2003 AND FEBRUARY 2005, FELDMAN FILED 35 RESEARCH REPORTS, SUBJECT TO NASD CONDUCT RULE 2711(H), WHICH WERE DEFICIENT IN THAT THE REPORTS FAILED TO DISCLOSE CERTAIN INFORMATION REQUIRED UNDER THE RULE; (2) FELDMAN'S WRITTEN SUPERVISORY PROCEDURES WERE INCOMPLETE IN CERTAIN RESPECTS, INCLUDING FAILURE TO FULLY IMPLEMENT PROCEDURES FOR DISSEMINATION OF INFORMATION IN RESEARCH REPORTS IN VIOLATION OF NASD CONDUCT RULES 2711(I) AND 2110; (3) FELDMAN DID NOT BALANCE FAVORABLE DISCUSSIONS OF CERTAIN SECURITIES WITH SUFFICIENT DISCLOSURES OF RISKS IN VIOLATION OF NASD RULE 2210(D)(1)(A); AND (4) FELDMAN DID NOT FULLY COMPLY WITH SEC REGULATION AC IN 3 OF 35 RESEARCH REPORTS IN VIOLATION OF THAT REGULATION AND NASD CONDUCT RULE 2110. |
| Initiated By: | NASD |
| Date Initiated: | 05/31/2006 |
| Docket/Case Number: | AWC NO. E8A2005007601 |
| Principal Product Type: | Investment Contract(s) |
| Other Product Type(s): | |
| Principal Sanction(s)/Relief Sought: | Censure |
| Other Sanction(s)/Relief Sought: | FINE |
| Resolution: | Acceptance, Waiver & Consent(AWC) |
| Resolution Date: | 09/07/2006 |
| Sanctions Ordered: | Censure Monetary/Fine \$22,000.00 |
| Other Sanctions Ordered: | |
| Sanction Details: | PAID OCTOBER 2, 2008 |
| Firm Statement | ON MAY 31, 2006, THE NASD ADVISED FELDMAN THAT ITS STAFF HAD MADE A PRELIMINARY RECOMMENDATION FOR DISCIPLINARY ACTION FOR ALLEGED VIOLATIONS INVOLVING RESEARCH REPORTS AND SEC REGULATION AC. THE NASD SUBMITTED A PROPOSED AWC FOR CONSIDERATION BY FELDMAN. ON AUGUST 29, 2006, FELDMAN, WITHOUT |



ADMITTING OR DENYING THE NASD FINDINGS, ACCEPTED A PROPOSED AWC, WHICH INCLUDED A CENSURE AND A FINE OF \$22,000. ON SEPTEMBER 7, 2006, THE NASD NOTIFIED FELDMAN THAT THE AWC HAD BEEN ACCEPTED BY THE NASD'S NATIONAL ADJUDICATORY COUNCIL ("NAC") REVIEW COMMITTEE, OR BY THE OFFICE OF DISCIPLINARY AFFAIRS ON BEHALF OF THE NAC.

Disclosure 2 of 2

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| Reporting Source: | Regulator |
| Current Status: | Final |
| Allegations: | FELDMAN EXECUTED PRINCIPAL TRANSACTIONS FOR ITS ADVISORY CLIENTS WITHOUT CLIENTS' PRIOR CONSENT- VIOLATING SECTION 206(3) OF INVESTMENT ADVISERS ACT OF 1940 (ADVISERS ACT). FELDMAN VIOLATED SECTION 206(4) OF THE ADVISERS ACT AND RULE 206(4)-1(A)(5) BY FURNISHING ITS ADVISORY CLIENTS AND PROSPECTIVE CLIENTS A BROCHURE WHICH FALSELY STATED THAT FELDMAN HAD MORE THAN \$5 BILLION UNDER ADVISEMENT; VIOLATED SECTION 207 OF THE ADVISERS ACT BECAUSE IT OMITTED MATERIAL INFORMATION ABOUT ITS PRINCIPAL TRANSACTIONS FROM ITS FORMS ADV; FAILED TO PROVIDE PART II OF ITS FORM ADV, OR EQUIVALENT INFORMATION, TO CLIENTS IN VIOLATION OF RULE 204-3 OF ADVISERS ACT; AND VIOLATED SECTION 204 OF ADVISERS ACT AND RULES 204-2(A)(3), 204-2(A)(16) AND 204-2(E)(3). |
| Initiated By: | SECURITIES AND EXCHANGE COMMISSION |
| Date Initiated: | 11/28/1995 |
| Docket/Case Number: | SEC DOCKET, VOLUME 60, NO. 15, DATED 12/ |
| Principal Product Type: | No Product |
| Other Product Type(s): | |
| Principal Sanction(s)/Relief Sought: | |
| Other Sanction(s)/Relief Sought: | |
| Resolution: | Decision & Order of Offer of Settlement |
| Resolution Date: | 11/27/1995 |
| Sanctions Ordered: | Monetary/Fine \$25,000.00 Cease and Desist/Injunction |
| Other Sanctions Ordered: | |

**Sanction Details:**

ENTRY OF AN ORDER INSTITUTING PUBLIC ADMINISTRATIVE PROCEEDINGS, MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS AND ISSUING A CEASE AND DESIST ORDER (ORDER) AGAINST FELDMAN INVESTMENT GROUP, INC. (FELDMAN), AND ACCEPTING FELDMAN'S OFFER OF SETTLEMENT.

SEC ORDERED FELDMAN TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY OF ABOVE MENTIONED VIOLATIONS; REQUIRED FELDMAN TO UNDERTAKE CERTAIN CORRECTIVE MEASURES; AND IMPOSED A CIVIL PENALTY AGAINST FELDMAN IN THE AMOUNT OF \$25,000 PURSUANT TO SECTION 203(I) OF THE ADVISERS ACT. REL. IA-1538 +04/18/97+ SEC DOCKET, VOLUME 60, NO. 15, DATED 12/26/95, PAGE 2495, DISCLOSES; THE ORDER CONTAINING THE CEASE AND DESIST ORDER AGAINST RESPONDENT FIRM IS DATED 11/27/95.

Regulator Statement

[TOP]SEC NEWS DIGEST ISSUE NO. 95-228, 11/28/95; "THE SEC ANNOUNCED THE ENTRY OF AN ORDER INSTITUTING PUBLIC ADMINISTRATIVE PROCEEDINGS, MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS AND ISSUING A CEASE AND DESIST ORDER (ORDER) AGAINST FELDMAN INVESTMENT GROUP, INC. (FELDMAN), AND ACCEPTING FELDMAN'S OFFER OF SETTLEMENT. FELDMAN CONSENTED TO ISSUANCE OF THE ORDER WITHOUT ADMITTING OR DENYING THE SEC'S FINDINGS. ORDER CONTAINS FINDINGS THAT DURING 1992 AND 1993, FELDMAN, WHILE REGISTERED WITH SEC AS AN INVESTMENT ADVISER AND BROKER-DEALER, EXECUTED PRINCIPAL TRANSACTIONS FOR ITS ADVISORY CLIENTS WITHOUT CLIENTS' PRIOR CONSENT- VIOLATING SECTION 206(3) OF INVESTMENT ADVISERS ACT OF 1940 (ADVISERS ACT). FELDMAN VIOLATED SECTION 206(4) OF THE ADVISERS ACT AND RULE 206(4)-1(A)(5) BY FURNISHING ITS ADVISORY CLIENTS AND PROSPECTIVE CLIENTS A BROCHURE WHICH FALSELY STATED THAT FELDMAN HAD MORE THAN \$5 BILLION UNDER ADVISEMENT; VIOLATED SECTION 207 OF THE ADVISERS ACT BECAUSE IT OMITTED MATERIAL INFORMATION ABOUT ITS PRINCIPAL TRANSACTIONS FROM ITS FORMS ADV; FAILED TO PROVIDE PART II OF ITS FORM ADV, OR EQUIVALENT INFORMATION, TO CLIENTS IN VIOLATION OF RULE 204-3 OF ADVISERS ACT; AND VIOLATED SECTION 204 OF ADVISERS ACT AND RULES 204-2(A)(3), 204-2(A)(16) AND 204-2(E)(3). SEC ORDERED FELDMAN TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY OF ABOVE MENTIONED VIOLATIONS; REQUIRED FELDMAN TO UNDERTAKE CERTAIN CORRECTIVE MEASURES; AND IMPOSED A CIVIL PENALTY AGAINST FELDMAN IN THE AMOUNT OF \$25,000 PURSUANT TO SECTION 203(I) OF THE ADVISERS ACT. REL. IA-1538 +04/18/97+ SEC DOCKET, VOLUME 60, NO. 15, DATED 12/26/95, PAGE 2495, DISCLOSES; THE ORDER CONTAINING THE CEASE AND DESIST ORDER AGAINST RESPONDENT FIRM IS DATED 11/27/95.



Reporting Source: Firm

Current Status: Final

Allegations: THE SEC MADE NO ALLEGATIONS AGAINST FLDMAN SECURITIES GROUP, L.L.C. AS TO FIG, THE SEC ALLEGED THAT WHILE REGISTERED WITH THE SEC AS AN INVESTMENT ADVISER: FIG EXECUTED PRINCIPAL TRANSACTIONS DURING 1992 - 1993 FOR ITS CLIENTS WITHOUT THEIR PRIOR CONSENT, IN VIOLATION OF SECTION 206(3) OF INVESTMENT ADVISERS ACTS OF 1940 ("ADVISERS ACT"). FIG, DURING 1992 - 1994, FURNISHED CLIENTS AND PROSPECTIVE CLIENTS A BROCHURE WHICH OVER-STATED FUNDS UNDER MANAGEMENT, IN VIOLATION OF SECTION 206(4) OF THE ADVISERS ACT AND RULE 206(4)-1(A)(5) THEREUNDER, FIG IN 1994 DID NOT KEEP TRUE AND ACCURATE RECORDS ON WHICH THE PERFORMANCE PORTRAYED IN ITS PERFORMANCE SUMMARY SHEET WAS BASED, AND FAILED TO MAINTAIN CERTAIN OTHER RECORDS, IN VIOLATION OF SECTION 204 OF THE ADVISERS ACT AND RULES 204-2(A)(16), 204-2(A)(3) AND 204-2(E)(3) THEREUNDER; FIG DURING 1992 - 1993 FAILED TO PROVIDE PART II OF IST FORM ADV, OR EQUIVALENT INFORMATION, TO CLIENTS, IN VIOLATION OF SECTION 204 OF THE ADVISERS ACT AND RULE 204-3 THEREUNDER; AND FIG DURING 1992 - 1993 OMITTED MATERIAL INFORMATION ABOUT ITS PRINCIPAL TRANSACTIONS FROM ITS FORM ADV, IN VIOLATION OF SECTION 207 OF THE ADVISERS ACT. THE APPLICANT, FELDMAN SECURITIES GROUP, L.L.C. IS NOT NOW, AND HAS NEVER BEEN, AFFILIATED WITH FIG. HOWEVER, BECAUSE FELDMAN SECURITIES GROUP, L.L.C PURCHASED CERTAIN ASSETS FROM FIG IN 1997 AND ADOPTED THE CRD NUMBER FORMERLY USED BY FIG, FELDMAN SECURITIES GROUP, L.L.C. IS REPORTING THE REGULATORY ACTION TAKEN AGAINST FIG.

Initiated By: SECURITIES & EXCHANGE COMMISSION

Date Initiated: 11/27/1995

Docket/Case Number: VOLUME 60, NO. 15 DATED 12/26/95

Principal Product Type: Investment Contract(s)

Other Product Type(s):

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

Other Sanction(s)/Relief Sought: NO SANCTIONS HAVE BEEN ISSUED AGAINST FELDMAN SECURITIES GROUP, LLC. A CEASE AND DESIST ORDER ISSUED AGAINST FELDMAN INVESTMENT GROUP, INC. ("FIG"), AND FIG WAS ORDERED TO UNDERTAKE CORRECTIVE ACTION AND PAY A CIVIL PENALTY. FELDMAN SECURITIES GROUP, LLC IS NOT AFFILIATED WITH FIG. IN 1997, FELDMAN SECURITIES



GROUP, LLC PURCHASED CERTAIN ASSETS FROM FIG AND ADOPTED THE CRD NUMBER USED BY FIG. BECAUSE OF ITS USE OF THAT CRD NUMBER, FELDMAN SECURITIES GROUP, LLC IS DISCLOSING THE ACTION TAKEN AGAINST FIG.

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|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Resolution: | Decision & Order of Offer of Settlement |
| Resolution Date: | 11/27/1995 |
| Sanctions Ordered: | Monetary/Fine \$25,000.00 Cease and Desist/Injunction |
| Other Sanctions Ordered: | FELDMAN SECURITIES GROUP, LLC WAS NOT A PARTY TO THE PROCEEDINGS, AND NO SANCTIONS WERE ISSUED AGAINST FELDMAN SECURITIES GROUP, LLC. FIG WAS ORDERED TO UNDERTAKE CORRECTIVE MEASURES. |
| Sanction Details: | FELDMAN SECURITIES GROUP, LLC WAS NOT A PARTY TO THE PROCEEDINGS, AND NO SACTIONS WERE ISSUED AGAINST FELDMAN SECURITIES GROUP, LLC. A CEASE AND DESIST ORDER (THE"ORDER") WAS ISSUED AGAINST FIG. FIG PAID A CIVIL PENALTY OF \$25,000 AND AGREED TO UNDERTAKE CORRECTIVE MEASURES. |
| Firm Statement | <p>FELDMAN SECURITIES GROUP, LLC WAS NOT A PARTY TO THE PROCEEDINGS, AND THERE WAS NO DISPOSITION AS TO FELDMAN SECURITIES GROUP, LLC. IN 1997 FELDMAN SECURITIES GROUP, LLC PURCHASED CERTAIN ASSETS FROM FIG IN AN ARMS-LENGTH TRANSACTION AND ADOPTED THE CRD NUMBER FORMALLY USED BY FIG. BECAUSE OF ITS USE OF THE CRD NUMBER FORMALLY USED BY FIG, FELDMAN SECURITIES GROUP, LLC IS DISCLOSING THE REGULATORY ACTION TAKEN AGAINST FIG.</p> <p>FIG CONSENTED TO ISSUANCE OF THE ORDER WITHOUT ADMITTING OR DENYING THE SEC'S FINDINGS. THE ORDER FOUND THAT: FIG EXECUTED PRICIPAL TRANSACTIONS FOR ITS ADVISORY CLIENTS WITHOUT THEIR PRIOR CONSENT, IN VIOLATION OF SECTION 206(3) OF THE ADVISERS ACT; FIG FURNISHED CLIENTS AND PROSPECTIVE CLIENTS A BROCHURE WHICH OVER-STATED THE FUNDS THAT FIG HAD UNDER MANAGEMENT, IN VIOLATION OF SECTION 206(4) OF THE ADVISERS ACT AND RULE 206(4)-1(A)(5) THEREUNDER; FIG DID NOT KEEP TRUE AND ACCURATE RECORDS ON WHICH THE PERFORMANCE PROTRAYED IN ITS PERFORMANCE SUMMARY SHEET WAS BASED, AND FAILED TO MAINTAIN CERTAIN OTHER RECORDS, IN VIOLATION OF SECTION 204 OF THE ADVISORS ACT AND RULE 204-2(A)(16), 204(2(A)(3)AND 204(E)(3) THEREUNDER; FIG FAILED TO PROVIDE PART II OF ITS FORM ADV, OR EQUIVALENT INFORMATION, TO CLIENTS, IN VIOLATION OF SECTION 204 OF THE ADVSERS ACT AND RULE 204-3 THEREUNDER; AND FIG OMITTED MATERIAL INFORMATION ABOUT ITS PRICIPAL TRANACTIONS FROM FORM ADV, IN VIOLATION OF SECTION 207 OF THE ADVISERS ACT.</p> |



THE ORDER REQUIRED FIG TO CEASE AND DESIST FROM THESE VIOLATIONS; REQUIRED FIG TO UNDERTAKE CERTAIN CORRECTIVE MEASURES; AND REQUIRED FIG TO PAY A \$25,000 CIVIL PENALTY PURSUANT TO SECTION 203(1) OF THE ADVISERS ACT. THE ORDER IS DATED 11/27/95, AND MAY BE FOUND AT REL.1A 1538 04/19/97; SEC DOCKET, VOLUME 60, NO.15 DATED 12/26/95, PAGE 2495, DISCLOSURES.

End of Report



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