

BrokerCheck Report

HARVEST CAPITAL INVESTMENTS LLC

CRD# 40367

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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)



HARVEST CAPITAL INVESTMENTS LLC

CRD# 40367

SEC# 8-49017

Main Office Location

8184 MADRILLON OAKS COURT
VIENNA, VA 22182

Mailing Address

8184 MADRILLON OAKS COURT
VIENNA, VA 22182

Business Telephone Number

202-521-1014

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 Delaware on 12/29/1995.

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	8



Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Delaware on 12/29/1995.

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.

HARVEST CAPITAL INVESTMENTS LLC

Doing business as HARVEST CAPITAL INVESTMENTS LLC

CRD# 40367

SEC# 8-49017

Main Office Location

8184 MADRILLON OAKS COURT
VIENNA, VA 22182

Mailing Address

8184 MADRILLON OAKS COURT
VIENNA, VA 22182

Business Telephone Number

202-521-1014



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):	REAL ESTATE TECHNICAL ADVISORS
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	OWNER
Position Start Date	01/1992
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):	CRARY, EDWARD DESILVER JR 2225349
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF COMPLIANCE OFFICER
Position Start Date	03/2007
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 09/03/1996 to 10/06/2008.

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 4 types of businesses.

Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
U S. government securities broker
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:	HSBC SECURITIES (USA) INC.
CRD #:	19585
Business Address:	140 BROADWAY NEW YORK, NY 10005
Effective Date:	07/14/1998
Description:	HARVEST EXECUTES AND CLEARS EQUITY SECURITIES ON FULLY DISCLOSED BASIS VIA HSBC SERCURITES

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: RYAN BECK & CO.
CRD #: 3248
Business Address: 18 COLUMBIA TURNPIKE
 FLORHAM PARK, NJ 07932
Effective Date: 08/02/2005
Description: INTRODUCING ARRANGEMENT

Name: LEHMAN BROTHERS INC.
CRD #: 7506
Business Address: 745 SEVENTH AVENUE
 NEW YORK, NY 10019
Effective Date: 09/01/2005
Description: INTRODUCING ARRANGEMENT

Name: HSBC SECURITIES (USA) INC.
CRD #: 19585
Business Address: 140 BROADWAY
 NEW YORK, NY 10005
Effective Date: 07/14/1998
Description: HARVEST HAS AN INTRODUCING BROKER DEALER RELATIONSHIP
 WITH HSBC WHERE ALL ACCOUNTS , FUNDS AND SECURITIES ARE
 MAINTAINED BY HSBC

Name: DRESDNER KLEINWORT BENSON NORTH AMERICA LLC
CRD #: 41957
Business Address: 75 WALL ST
 NEW YORK, NY 10005
Effective Date: 06/01/1998
Description: HARVEST HAS AN INTRODUCING BROKER DEALER RELATIONSHIP
 WITH DRESDNER WERE ALL ACCOUNTS, FUNDS AND SECURITIES ARE
 MAINTAINED BY DRESDNER KLEINWORT BENSON SECURITIES

Firm Operations



Industry Arrangements (continued)

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

Name: DRESDNER KLEINWORT BENSON NORTH AMERICA LLC
CRD #: 41957
Business Address: 75 WALL ST
NEW YORK, NY 10005
Effective Date: 06/01/1998
Description: HARVEST HAS AN INTRODUCING BROKER DEALER RELATIONSHIP WITH DRESDNER KLEINWORT BENSON WRE ALL CUSTOMER ACCOUNTS ,FUNDS AND SECURITIES ARE HELD BY DRESDNER

Name: HSBC SECURITIES (USA) INC.
CRD #: 19585
Business Address: 140 BROADWAY
NEW YORK, NY 10005
Effective Date: 07/14/1998
Description: HARVEST HAS AN INTRODUCING BROKER DEALER RELATIONSHIP WITH HSBC WRE ALL ACCONTS, FUNDS AND SECURTIES OF CUSTOMERS ARE MAINTAINED BY HSBC

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	8	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 8

Reporting Source: Regulator

Current Status: Final



Allegations:	FAILED TO FILE ITS ANNUAL ASSESSMENT FEES OF \$375 AFTER SERVICE OF THE NOTICE OF SUSPENSION DATED MARCH 6, 2008.
Initiated By:	FINRA
Date Initiated:	03/06/2008
Docket/Case Number:	NA
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Suspension
Other Sanction(s)/Relief Sought:	
Resolution:	Other
Resolution Date:	03/26/2008
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:	Suspension
Other Sanctions Ordered:	
Sanction Details:	PURSUANT TO NASD RULE 9553, HARVEST CAPITAL INVESTMENTS' FINRA MEMBERSHIP WAS SUSPENDED EFFECTIVE MARCH 26, 2008 FOR FAILURE TO PAY ANNUAL ASSESSMENT FEES.

Disclosure 2 of 8

Reporting Source:	Regulator
Current Status:	Final
Allegations:	HARVEST CAPITAL INVESTMENTS LLC FAILED TO FILE ITS QUARTERLY FOCUS REPORT.
Initiated By:	FINRA
Date Initiated:	03/06/2008
Docket/Case Number:	N/A



Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Other

Resolution Date: 03/06/2008

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: Suspension

Other Sanctions Ordered:

Sanction Details: PURSUANT TO NASD RULE 9552, THE FIRM'S FINRA MEMBERSHIP IS SUSPENDED AS OF THE CLOSE OF BUSINESS MARCH 6, 2008. IF THE FIRM FAILS TO REQUEST TERMINATION OF SUSPENSION WITHIN SIX MONTHS, IT WILL BE AUTOMATICALLY EXPELLED.

Disclosure 3 of 8

Reporting Source: Regulator

Current Status: Final

Allegations: SECURITIES EXCHANGE ACT RULE 17A-4; IN CONTRAVENTION OF ARTICLE V, SECTION 1 AND ARTICLE IV, SEC. 1(C) OF NASD'S BY-LAWS NASD RULES 1021, 1031, 2110, 3110, 8210 AND INTERPRETIVE MATERIAL 1000-1 AND 8310-1: RESPONDENT MEMBER FIRM, ACTING THROUGH AN INDIVIDUAL, PERMITTED AN INDIVIDUAL TO MANAGE AND CONTROL ITS SECURITIES BUSINESS AND OTHERWISE ENGAGE IN ACTIVITIES AND FUNCTIONS THAT REQUIRED REGISTRATION WITH NASD AS A GSP EVEN THOUGH AN INDIVIDUAL WAS NOT REGISTERED WITH NASD. RESPONDENT ALLOWED AN INDIVIDUAL WHO WAS SUSPENDED TO BE ACTIVELY ENGAGED IN VARIOUS ACTIVITIES AND PERFORMED VARIOUS FUNCTIONS FOR COMPENSATION OR ADVANCES THAT VIOLATED THE TERMS OF THE NASD SUSPENSION AND REQUIRED REGISTRATION. RESPONDENT, ACTING THROUGH AN INDIVIDUAL, VARIOUSLY FAILED TO RESPOND, FAILED TO RESPOND FULLY AND COMPLETELY, AND FAILED TO



RESPOND TIMELY TO NASD REQUESTS FOR INFORMATION AND DOCUMENTS. THE FIRM, FAILED TO MAINTAIN AND PRESERVE CERTAIN OF THOSE DOCUMENTS REQUESTED BY NASD (HIC PLEADED IN THE ALTERNATIVE TO THE SECOND AND THIRD CAUSES OF ACTION). IN CONTRAVENTION OF ARTICLE IV, SEC. 1(C) OF NASD'S BY-LAWS, HCI, ACTING THROUGH AN INDIVIDUAL, WILLFULLY DISCLOSED FALSE OR INACCURATE MATERIAL FACTS IN A FORM BD AMENDMENT AND WILLFULLY FAILED TO AMEND ITS FORM BD TO DISCLOSE MATERIAL FACTS.

Initiated By: NASD N/K/A FINRA

Date Initiated: 10/16/2006

Docket/Case Number: [2005001305701](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 11/10/2008

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: Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details: NAC DECISION RENDERED OCTOBER 6, 2008, WHEREIN HEARING PANEL'S FINDINGS AND SANCTIONS ARE AFFIRMED THAT RESPONDENT MEMBER FIRM VIOLATED FINRA'S REGISTRATION REQUIREMENTS AND WILLFULLY FILED FALSE OR INACCURATE AMENDMENTS TO INDIVIDUAL'S FORM U4 AND FIRM'S FORM BD. ACCORDINGLY, THE FIRM IS EXPELLED FROM MEMBERSHIP WITH FINRA AND ORDERED TO PAY, JOINTLY AND SEVERALLY \$4,075.70 IN COSTS. THE EFFECTIVE DATE OF EXPULSION IS OCTOBER 6, 2008.
DECISION BECAME FINAL NOVEMBER 10, 2008.

Regulator Statement HEARING PANEL DECISION AND ORDER GRANTING, IN PART,



COMPLAINANT'S MOTION FOR SUMMARY DISPOSITION RENDERED SEPTEMBER 27, 2007, WHEREIN RESPONDENT WAS EXPELLED FROM FINRA MEMBERSHIP FOR VIOLATING NASD RULES 1021, 1031, 2210, 8210 AND INTERPRETIVE MATERIAL 8310-1 (COUNTS ONE AND THREE). NO SEPARATE SANCTION IS IMPOSED FOR RESPONDENT'S VIOLATION OF NASD RULE 2210 AND INTERPRETIVE MATERIAL 1000-1 IN COUNT SIX. THE HEARING PANEL ALSO ORDERS THAT THE RESPONDENTS JOINTLY AND SEVERALLY PAY HEARING COSTS OF \$4,075.75. THE COSTS ARE DUE AND PAYABLE WHEN, AND IF, THE RESPONDENTS SEEK TO RETURN TO THE SECURITIES INDUSTRY. COUNT FOUR OF THE ALLEGATIONS OF THE COMPLAINT: FAILURE TO MAINTAIN AND PRESERVE CERTAIN DOCUMENTS SEC RULE 17A-4 AND NASD RULE 3110 AND 2110, IS DISMISSED. APPEALED TO THE NAC ON OCTOBER 23, 2007.

Reporting Source:	Firm
Current Status:	Pending
Allegations:	ACTING FIRM PERMITTED AN INDIVIDUAL TO MANAGE AND CONTROL ITS SECURITIES BUSINESS AND OTHERWISE ENGAGE IN ACTIVITIES AND FUNCTIONS THAT REQUIRE REGISTRATION WITH THE NASD.
Initiated By:	NASD
Date Initiated:	10/16/2006
Docket/Case Number:	2005001305701
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	

Disclosure 4 of 8	
Reporting Source:	Firm
Current Status:	Final
Allegations:	FAILED TO PAY FEES DUE TO ARBITRATION PROCEEDING
Initiated By:	NASD
Date Initiated:	04/07/2005



Docket/Case Number: 04-00455-NY

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Suspension

Other Sanction(s)/Relief Sought:

Resolution: Other

Resolution Date: 05/06/2005

Sanctions Ordered: Suspension

Other Sanctions Ordered:

Sanction Details: SUSPENDED PURSUANT TO 9553 AND SUSPENSION WAS LIFTED ON MAY 10, 2005

Disclosure 5 of 8

Reporting Source: Regulator

Current Status: Final

Allegations: HARVEST CAPITAL INVESTMENTS LLC FAILED TO PAY FEES DUE TO NASD AS A RESULT OF AN ARBITRATION PROCEEDING.

Initiated By: NASD

Date Initiated: 04/07/2005

Docket/Case Number: 04-00455-NY

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Other

Resolution Date: 05/06/2005

Sanctions Ordered: Suspension

**Other Sanctions Ordered:**

Sanction Details: RESPONDENT FIRM'S MEMBERSHIP IN THE ASSOCIATION WAS SUSPENDED MAY 6, 2005 PURSUANT TO THE PROVISIONS OF NASD RULE 9553.

Regulator Statement SUSPENSION LIFTED MAY 10, 2005.

Reporting Source: Firm
Current Status: Final
Allegations: FAILED TO PAY FEES DUE TO ARBITRATION PROCEEDING
Initiated By: NASD
Date Initiated: 04/07/2005
Docket/Case Number: 04-00455-NY

Principal Product Type: Other
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Suspension
Other Sanction(s)/Relief Sought:

Resolution: Other
Resolution Date: 05/06/2005
Sanctions Ordered: Suspension
Other Sanctions Ordered:

Sanction Details: SUSPENDED PURSUANT TO 9553 AND SUSPENSION WAS LIFTED ON MAY 10, 2005

Disclosure 6 of 8

Reporting Source: Regulator
Current Status: Final
Allegations: SEA RULES 17A-3, 17A-5, NASD BY-LAWS ARTICLE IV, SECTION 1(C), NASD RULES 1021(A), 1022(B), 1120(B), 2110, 3011 - HARVEST CAPITAL INVESTMENTS, LLC, ACTING THROUGH AN INDIVIDUAL, FAILED TO MAINTAIN A CONTINUING EDUCATION PROGRAM FOR ITS REGISTERED



PERSONS IN THAT IT FAILED TO EVALUATE AND PRIORITIZE ITS TRAINING NEEDS AND DEVELOP A WRITTEN TRAINING PLAN FOR 2001; ACTING THROUGH AN INDIVIDUAL, FAILED TO KEEP ACCURATE AND CURRENT ITS FORM BD AND FAILED TO DISCLOSE AN INDIVIDUAL'S OWNERSHIP IN THE COMPANY THAT OWNS HCI AND THE FIRM FAILED TO IDENTIFY ANY EXECUTIVE OFFICERS ON SCHEDULE A; FAILED TO MAKE AND KEEP CURRENT ITS TRIAL BALANCES AND NET CAPITAL COMPUTATIONS; ACTING THROUGH AN INDIVIDUAL, FAILED TO DEVELOP AND IMPLEMENT A WRITTEN ANTI-LAUNDERING PROGRAM REASONABLY DESIGNED TO ACHIEVE AND MONITOR ITS COMPLIANCE WITH THE REQUIREMENTS OF THE BANK SECRECY ACT AND THE IMPLEMENTING REGULATIONS; PERMITTED AN INDIVIDUAL TO FUNCTION IN A PRINCIPAL CAPACITY WITH THE FIRM WITHOUT BEING REGISTERED AS A PRINCIPAL; ACTING THROUGH AN INDIVIDUAL, CONDUCTED A SECURITIES BUSINESS WITHOUT A PROPERLY QUALIFIED AND REGISTERED FINOP; AND ACTING THROUGH AN INDIVIDUAL, FAILED TO TIMELY FILE ITS ANNUAL AUDITED FINANCIAL REPORT.

Initiated By:	NASD
Date Initiated:	06/14/2004
Docket/Case Number:	C07040055
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:	12/29/2004
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:	Censure Monetary/Fine \$8,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT FIRM



CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, FIRM IS CENSURED AND FINED \$8,000.00 (\$2,500 OF WHICH IS JOINT AND SEVERAL).

Reporting Source: Firm

Current Status: Final

Allegations: FAILED TO MAINTAIN CE, ACCURATE RECORDS.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 06/14/2004

Docket/Case Number: C07040055

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: NONE

Resolution: Settled

Resolution Date: 12/29/2004

Sanctions Ordered: Censure
Monetary/Fine \$8,000.00

Other Sanctions Ordered:

Sanction Details: MR. COTTO SUSPENDED FOR 6 MONTHS.

Disclosure 7 of 8

Reporting Source: Regulator

Current Status: Final

Allegations: NASD MEMBERSHIP SUSPENDED PURSUANT TO NASD RULE 8221 FOR FAILURE TO FILE ANNUAL AUDITED REPORT FOR THE PERIOD ENDING DECEMBER 31, 2003.

Initiated By: NASD

Date Initiated: 04/19/2004

Docket/Case Number:



Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Suspension

Other Sanction(s)/Relief Sought:

Resolution: Other

Resolution Date: 04/19/2004

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: Suspension

Other Sanctions Ordered:

Sanction Details: MEMBERSHIP SUSPENDED AS OF APRIL 19, 2004.

NOTIFICATION RECEIVED FROM NASD ON AUGUST 3, 2004: THE RESPONDENT MEMBER SUBMITTED ANNUAL AUDIT REPORT FOR THE PERIOD ENDING DECEMBER 31, 2003. THEREFORE, THE SUSPENSION OF MEMBERSHIP IMPOSED ON APRIL 19, 2004, HAS BEEN LIFTED.

Reporting Source: Firm

Current Status: Final

Allegations: FAILURE TO FILE ANNUAL AUDIT IN TIMELY MANNER ENDING 2003

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 04/19/2004

Docket/Case Number:

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Suspension

**Other Sanction(s)/Relief Sought:**

Resolution: Other
Resolution Date: 04/19/2004
Sanctions Ordered: Suspension
Other Sanctions Ordered:

Sanction Details: FIRM WAS INITIALLY SUSPENDED FOR FAILURE TO FILE AN ANNUAL REPORT. FIRM WAS REINSTATED AND APPROVED ON AUGUST 17, 2004.

Disclosure 8 of 8

Reporting Source: Regulator
Current Status: Final
Allegations: SEC RULE 17A-5, NASD RULE 2110 - WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT MEMBER CONSENTED TO THE ENTRY OF FINDINGS THAT IT FAILED TO FILE FOCUS PART IIA REPORTS IN A TIMELY MANNER.
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 10/22/2001
Docket/Case Number: C10010123
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: 10/22/2001
Sanctions Ordered: Monetary/Fine \$1,500.00
Other Sanctions Ordered:
Sanction Details: FINED \$1,500



Reporting Source:	Firm
Current Status:	Final
Allegations:	WITHOUT ADMITTING FAULT, FAILED TO FILE FOCUS REPORT IN A TIMELY MANNER
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS
Date Initiated:	10/22/2001
Docket/Case Number:	C10010123
Principal Product Type:	No Product
Other Product Type(s):	NONE
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:	10/22/2001
Sanctions Ordered:	Monetary/Fine \$1,500.00
Other Sanctions Ordered:	NONE
Sanction Details:	\$1500.00 FINE

End of Report



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