

BrokerCheck Report

FINANCIAL AMERICA SECURITIES, INC.

CRD# 5100

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Registration and Withdrawal	2
Firm Profile	3 - 6
Firm History	7
Firm Operations	8 - 12
Disclosure Events	13



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.



FINANCIAL AMERICA SECURITIES, INC.

CRD# 5100

SEC# 8-15719

Main Office Location

2800 EUCLID AVENUE
SUITE 603
CLEVELAND, OH 44115

Mailing Address

2800 EUCLID AVENUE
SUITE 603
CLEVELAND, OH 44115

Business Telephone Number

216-781-5060

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 Ohio on 03/04/1970.

Its fiscal year ends in September.

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	14
Civil Event	1
Arbitration	1

Registration Withdrawal Information

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



Date firm ceased business: 09/15/2017

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



Firm Profile

This firm is classified as a corporation.

This firm was formed in Ohio on 03/04/1970.

Its fiscal year ends in September.

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.

FINANCIAL AMERICA SECURITIES, INC.

Doing business as FINANCIAL AMERICA SECURITIES, INC.

CRD# 5100

SEC# 8-15719

Main Office Location

2800 EUCLID AVENUE
SUITE 603
CLEVELAND, OH 44115

Mailing Address

2800 EUCLID AVENUE
SUITE 603
CLEVELAND, OH 44115

Business Telephone Number

216-781-5060



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):	RUKENBROD, JOHN DAVID 4505254
Is this a domestic or foreign entity or an individual?	Individual
Position	PRESIDENT /CHIEF OPERATIONS OFFICER
Position Start Date	09/2014
Percentage of Ownership	10% but less than 25%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	CONWAY, ROBERT GRAHAM 864388
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF COMPLIANCE OFFICER
Position Start Date	05/2017
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):	GWYNNE LOUISE RUKENBROD
Is this a domestic or foreign entity or an individual?	Individual
Position	STOCKHOLDER
Position Start Date	01/2006

Firm Profile



Direct Owners and Executive Officers (continued)

Percentage of Ownership Less than 5%

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

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 05/06/1970 to 11/20/2017.





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 12 types of businesses.

Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Underwriter or selling group participant (corporate securities other than mutual funds)
Mutual fund retailer
U S. government securities broker
Municipal securities broker
Broker or dealer selling variable life insurance or annuities
Put and call broker or dealer or option writer
Investment advisory services
Broker or dealer selling tax shelters or limited partnerships in primary distributions
Non-exchange member arranging for transactions in listed securities by exchange member
Private placements of securities



Firm Operations

Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

Name:	SOUTHWEST SECURITIES, INC.
CRD #:	6220
Business Address:	1201 ELM STREET SUITE 3500 DALLAS, TX 75270
Effective Date:	04/16/2007
Description:	FINANCIAL AMERICA SECURITIES, INC. OPERATES ON A FULLY DISCLOSED BASIS THROUGH SOUTHWEST SECURITIESOPERATES ON CLEARIN ARRENGMENT

Firm Operations

Industry Arrangements



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

This firm does not have accounts, funds, or securities maintained by a third party.

This firm does not have customer accounts, funds, or securities maintained by a third party.

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.**

ARTEMIS WEALTH ADVISORS LLC controls the firm.

CRD #: 154714

Business Address: 925 EUCLID AVE
SUITE 1525
CLEVELAND, OH 44114

Effective Date: 08/02/2010

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: ARTEMIS WEALTH ADVISORS IS A WHOLLY OWNED SUBSIDIARY OF THE
BROKER DEALER, FINANCIAL AMERICA SECURITIES, 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	14	0
Civil Event	0	1	0
Arbitration	N/A	1	N/A



Disclosure Event Details

What you should know about reported disclosure events:

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

Regulatory - Final

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

Disclosure 1 of 14

Reporting Source: Regulator

Current Status: Final



Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT WHILE PARTICIPATING AS PLACEMENT AGENT IN A PRIVATE OFFERING OF SHARES IN AN ISSUER PURSUANT TO REGULATION D OF THE SECURITIES ACT OF 1933, IT WILLFULLY VIOLATED SECTION 10(B) THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 10B-9 PROMULGATED THEREUNDER WHEN IT DID NOT RETURN INVESTOR FUNDS FOLLOWING A MATERIAL CHANGE TO OFFERING TERMS. THE FINDINGS STATED THAT THE OFFERING COMMENCED AS AN "ALL-OR-NONE" CONTINGENT OFFERING SEEKING TO RAISE \$2,000,000 TO ALLOW THE ISSUER TO ACQUIRE ANOTHER COMPANY. BEFORE THE CLOSING DATE OF THE OFFERING, THE ISSUER REVISED THE TERMS OF THE OFFERING THROUGH A REVISED SECURITIES PURCHASE AGREEMENT, WHICH ALTERED THE MINIMUM AMOUNT NEEDED TO COMPLETE THE ACQUISITION. THE FINDINGS ALSO STATED THAT THE FIRM PARTICIPATED IN THE OFFERING IN WHICH THE ISSUER USED A LAW FIRM, RATHER THAN A BANK, AS THE ESCROW AGENT, IN VIOLATION OF RULE 15C2-4 OF THE SECURITIES EXCHANGE ACT OF 1934. THE FINDINGS ALSO INCLUDED THAT THE FIRM DID NOT MAINTAIN REASONABLE WSPS REGARDING ITS PARTICIPATION AS A PLACEMENT AGENT FOR A REGULATION D OFFERING. FOR EXAMPLE, THE FIRM WSPS OFFERED NO GUIDANCE ON PROCEDURES TO FOLLOW WHEN THERE ARE MATERIAL CHANGES TO THE OFFERING TERMS IN A CONTINGENT OFFERING OR HOW TO ESCROW FUNDS PENDING THE OUTCOME OF A CONTINGENT OFFERING.

Initiated By: FINRA

Date Initiated: 05/26/2016

Docket/Case Number: [2014042711601](#)

Principal Product Type: Other

Other Product Type(s): PRIVATE OFFERING

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: N/A

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/26/2016



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?

Yes

Sanctions Ordered:

Censure

Monetary/Fine \$12,500.00

Other Sanctions Ordered:

Sanction Details:

THE FIRM WAS CENSURED AND FINED \$12,500. A LOWER FINE WAS IMPOSED AFTER CONSIDERING, AMONG OTHER THINGS, THE FIRM'S REVENUE AND FINANCIAL RESOURCES. FINE PAID IN FULL ON JULY 15, 2016.

Reporting Source:

Firm

Current Status:

Final

Allegations:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT WHILE PARTICIPATING AS PLACEMENT AGENT IN A PRIVATE OFFERING OF SHARES IN AN ISSUER PURSUANT TO REGULATION D OF THE SECURITIES ACT OF 1933, IT WILLFULLY VIOLATED SECTION 10(B) THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 10B-9 PROMULGATED THEREUNDER WHEN IT DID NOT RETURN INVESTOR FUNDS FOLLOWING A MATERIAL CHANGE TO OFFERING TERMS. THE FINDINGS STATED THAT THE OFFERING COMMENCED AS AN "ALL-OR-NONE" CONTINGENT OFFERING SEEKING TO RAISE \$2,000,000 TO ALLOW THE ISSUER TO ACQUIRE ANOTHER COMPANY. BEFORE THE CLOSING DATE OF THE OFFERING, THE ISSUER REVISED THE TERMS OF THE OFFERING THROUGH A REVISED SECURITIES PURCHASE AGREEMENT, WHICH ALTERED THE MINIMUM AMOUNT NEEDED TO COMPLETE THE ACQUISITION. THE FINDINGS ALSO STATED THAT THE FIRM PARTICIPATED IN THE OFFERING IN WHICH THE ISSUER USED A LAW FIRM, RATHER THAN A BANK, AS THE ESCROW AGENT, IN VIOLATION OF RULE 15C2-4 OF THE SECURITIES EXCHANGE ACT OF 1934. THE FINDINGS ALSO INCLUDED THAT THE FIRM DID NOT MAINTAIN REASONABLE WSPS REGARDING ITS PARTICIPATION AS A PLACEMENT AGENT FOR A REGULATION D OFFERING. FOR EXAMPLE, THE FIRM WSPS OFFERED NO GUIDANCE ON PROCEDURES TO FOLLOW WHEN THERE ARE MATERIAL CHANGES TO THE OFFERING TERMS IN A CONTINGENT OFFERING OR HOW TO ESCROW FUNDS PENDING THE OUTCOME OF A CONTINGENT OFFERING.

Initiated By:

FINRA



Date Initiated: 05/26/2016

Docket/Case Number: [2014042711601](#)

Principal Product Type: Other

Other Product Type(s): PRIVATE OFFERING

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: N/A

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/26/2016

Sanctions Ordered: Censure
Monetary/Fine \$12,500.00

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED AND FINED \$12,500. A LOWER FINE WAS IMPOSED AFTER CONSIDERING, AMONG OTHER THINGS, THE FIRM'S REVENUE AND FINANCIAL RESOURCES.

Disclosure 2 of 14

Reporting Source: Regulator

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT THE FIRM, ACTING BY AND THROUGH ITS PRESIDENT, FAILED TO ADEQUATELY SUPERVISE THE BUSINESS BEING CONDUCTED OUT OF A CERTAIN BRANCH OFFICE OF THE FIRM. THE FINDINGS STATED THAT THE FIRM, ACTING BY AND THROUGH ITS PRESIDENT, FAILED TO CONDUCT ANY INSPECTION OF THE BRANCH OFFICE, FAILED TO REVIEW ANY INCOMING OR OUTGOING EMAILS OF THE THREE REGISTERED REPRESENTATIVES OPERATING OUT OF THE BRANCH, AND FAILED TO ADEQUATELY SUPERVISE PRIVATE SECURITIES TRANSACTIONS ENGAGED IN BY TWO OF THE REGISTERED REPRESENTATIVES AT THE BRANCH. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ENSURE THAT ALL BUSINESS-RELATED ELECTRONIC COMMUNICATIONS WERE CAPTURED AND RETAINED IN A NON ERASABLE, NON-REWRITEABLE FORMAT. THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO CREATE AND MAINTAIN A WRITTEN REPORT OF ITS INSPECTIONS OF BRANCH AND NON-BRANCH LOCATIONS. FINRA FOUND THAT THE FIRM, ACTING BY AND



THROUGH ITS PRESIDENT, FAILED TO ENSURE THAT THE FIRM'S SECURITIES BUSINESS WAS SUPERVISED BY A PROPERLY LICENSED PRINCIPAL.

Initiated By: FINRA

Date Initiated: 08/04/2014

Docket/Case Number: [2011025846903](#)

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED SECURITIES

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: N/A

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 08/04/2014

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 \$27,500.00

Other Sanctions Ordered:

Sanction Details: SEE ABOVE

FINRA IMPOSED A LOWER FINE IN THIS CASE AFTER IT CONSIDERED, AMONG OTHER THINGS, THE FIRM'S REVENUES AND FINANCIAL RESOURCES.

FINE PAID IN FULL ON JUNE 20, 2016.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT THE FIRM, ACTING BY AND THROUGH ITS PRESIDENT, FAILED TO ADEQUATELY



SUPERVISE THE BUSINESS BEING CONDUCTED OUT OF A CERTAIN BRANCH OFFICE OF THE FIRM. THE FINDINGS STATED THAT THE FIRM, ACTING BY AND THROUGH ITS PRESIDENT, FAILED TO CONDUCT ANY INSPECTION OF THE BRANCH OFFICE, FAILED TO REVIEW ANY INCOMING OR OUTGOING EMAILS OF THE THREE REGISTERED REPRESENTATIVES OPERATING OUT OF THE BRANCH, AND FAILED TO ADEQUATELY SUPERVISE PRIVATE SECURITIES TRANSACTIONS ENGAGED IN BY TWO OF THE REGISTERED REPRESENTATIVES AT THE BRANCH. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ENSURE THAT ALL BUSINESS-RELATED ELECTRONIC COMMUNICATIONS WERE CAPTURED AND RETAINED IN A NON-ERASABLE, NON REWRITABLE FORMAT. THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO CREATE AND MAINTAIN A WRITTEN REPORT OF ITS INSPECTIONS OF BRANCH AND NON BRANCH LOCATIONS. FINRA FOUND THAT THE FIRM, ACTING BY AND THROUGH ITS PRESIDENT, FAILED TO ENSURE THAT THE FIRM'S SECURITIES BUSINESS WAS SUPERVISED BY A PROPERLY LICENSED PRINCIPAL.

Initiated By:	FINRA
Date Initiated:	08/04/2014
Docket/Case Number:	2011025846903
Principal Product Type:	Other
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	08/04/2014
Sanctions Ordered:	Censure Monetary/Fine \$27,500.00
Other Sanctions Ordered:	
Sanction Details:	FINE OF \$27,500.00 LEVIED AGAINST APPLICANT, NO PORTION WAIVED. TO BE PAID BY INSTALLMENT WITH INITIAL 25% PAYMENT TO BE PAID ON 08/15/2014
<hr/>	
Reporting Source:	Firm
Current Status:	Final



Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT THE FIRM, ACTING BY AND THROUGH ITS PRESIDENT, FAILED TO ADEQUATELY SUPERVISE THE BUSINESS BEING CONDUCTED OUT OF A CERTAIN BRANCH OFFICE OF THE FIRM. THE FINDINGS STATED THAT THE FIRM, ACTING BY AND THROUGH ITS PRESIDENT, FAILED TO CONDUCT ANY INSPECTION OF THE BRANCH OFFICE, FAILED TO REVIEW ANY INCOMING OR OUTGOING EMAILS OF THE THREE REGISTERED REPRESENTATIVES OPERATING OUT OF THE BRANCH, AND FAILED TO ADEQUATELY SUPERVISE PRIVATE SECURITIES TRANSACTIONS ENGAGED IN BY TWO OF THE REGISTERED REPRESENTATIVES AT THE BRANCH. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ENSURE THAT ALL BUSINESS-RELATED ELECTRONIC COMMUNICATIONS WERE CAPTURED AND RETAINED IN A NON-ERASABLE, NON REWRITABLE FORMAT. THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO CREATE AND MAINTAIN A WRITTEN REPORT OF ITS INSPECTIONS OF BRANCH AND NON BRANCH LOCATIONS. FINRA FOUND THAT THE FIRM, ACTING BY AND THROUGH ITS PRESIDENT, FAILED TO ENSURE THAT THE FIRM'S SECURITIES BUSINESS WAS SUPERVISED BY A PROPERLY LICENSED PRINCIPAL.
Initiated By:	FINRA
Date Initiated:	08/04/2014
Docket/Case Number:	2011025846903
Principal Product Type:	Other
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	08/04/2014
Sanctions Ordered:	Censure Monetary/Fine \$27,500.00
Other Sanctions Ordered:	
Sanction Details:	FINE OF \$27,500.00 LEVIED AGAINST APPLICANT, NO PORTION WAIVED. TO BE PAID BY INSTALLMENT WITH INITIAL 25% PAYMENT TO BE PAID ON 08/15/2014



Disclosure 3 of 14

Reporting Source:	Regulator
Current Status:	Final
Allegations:	NASD RULES 2110, 3010, 6620(A) - RESPONDENT MEMBER FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES. THE FINDINGS STATED THAT THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND THE RULES OF NASD CONCERNING TRADE REPORTING.
Initiated By:	NASD
Date Initiated:	07/20/2006
Docket/Case Number:	2005002699901
Principal Product Type:	Equity - OTC
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	07/20/2006
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 \$10,000.00
Other Sanctions Ordered:	UNDERTAKING: REQUIRED TO REVISE IT'S WRITTEN SUPERVISORY PROCEDURES WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND THE RULES OF NASD CONCERNING TRADE REPORTING.
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, FINANCIAL AMERICA SECURITIES, INC., CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS CENSURED AND



FINED \$10,000.

Reporting Source: Firm

Current Status: Final

Allegations: NASD RULE 2110.3010,6620[A] RESPONDENT MEMBER FAILED WITHIN 90 SECONDS AFTER EXECUTION TO TRANSMIT THROUGH NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES. THE FINDINGS STATED THAT THE FIRMS SUPERVISORY SYSTEM DID NOT PROVIDE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS AND THE RULES OF NASD CONCERNING TRADE REPORTING

Initiated By: NASD

Date Initiated: 07/20/2006

Docket/Case Number: 20050026999-01

Principal Product Type: Equity - OTC

Other Product Type(s):

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

Other Sanction(s)/Relief Sought: CENSURE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/20/2006

Sanctions Ordered: Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered: REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS

Sanction Details: FIRM WAS FINED AND CENSURED 10000.00

Disclosure 4 of 14

Reporting Source: Regulator

Current Status: Final

Allegations: NASD CONDUCT RULE 1017 AND 2110- RESPONDENT FIRM FAILED TO OBTAIN PRIOR APPROVAL OF NASD TO REMOVE OR MODIFY A MEMBERSHIP AGREEMENT. THE FIRM MADE DEBIT ENTRIES IN THEIR



CUSTOMERS' ACCOUNTS TO COVER MANAGEMENT FEES THAT WERE OWED TO THE FIRM AND TO REFLECT PAYMENTS MADE TO THE CUSTOMERS. DEBITING CUSTOMER ACCOUNTS TYPICALLY REQUIRES A NET CAPITAL LEVEL OF \$250,000. BY ENGAGING IN SUCH CONDUCT THE FIRM FAILED TO COMPLY WITH THE TERMS OF ITS MEMBERSHIP AGREEMENT, WHICH IMPOSED A NET CAPITAL REQUIREMENT OF \$100,000.

Initiated By: NASD

Date Initiated: 09/01/2005

Docket/Case Number: E8A2004038103

Principal Product Type: Other

Other Product Type(s): FUNDS

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/01/2005

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: Monetary/Fine \$5,000.00

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 FINED \$5,000.

Reporting Source: Firm

Current Status: Final

Allegations: NASD CONDUCT RULE 1070 AND 2110-RESPONDENT FIRM FAILED TO OBTAIN PRIOR APPROVAL OF NASD TO REMOVE OR MODIFY A MEMBERSHIP AGREEMENT. THE FIRM MADE DEBIT ENTRIES IN THEIR CUSTOMERS' ACCOUNTS TO COVER MANAGEMENT FEES THAT WERE OWED TO THE FIRM AND TO REFLECT PAYMENTS MADE TO THE



CUSTOMERS. DEBITING CUSTOMER ACCOUNTS TYPICALLY REQUIRES A NET CAPITAL LEVEL OF \$250,000. BY ENGAGING IN SUCH CONDUCT THE FIRM FAILED TO COMPLY WITH THE TERMS OF ITS MEMBERSHIP AGREEMENT, WHICH IMPOSED A NET CAPITAL REQUIREMENT OF \$100,000.

Initiated By: NASD

Date Initiated: 09/01/2005

Docket/Case Number: E8A2004038103

Principal Product Type: Other

Other Product Type(s): FUNDS

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought: PRINCIPAL SANCTION/RELIEF SOUGHT:
OTHER SANCTIONS/RELIEF SOUGHT:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/01/2005

Sanctions Ordered: Monetary/Fine \$5,000.00

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 FINED \$5,000.00

Disclosure 5 of 14

Reporting Source: Regulator

Current Status: Final

Allegations: SEC RULE 17A-3, NASD RULES 6130, 6620 - RESPONDENT MEMBER REPORTED SECURITIES TRANSACTIONS THAT HAD TRADE REPORTING ERRORS; A SALE WAS DESIGNATED AS A LATE REPORT, BUT THE EXECUTION TIME WAS REPORTED TO BE 9:30:00 WHEN THE ORDER TICKET WAS STAMPED AT 9:40:44.

Initiated By: NASD

Date Initiated: 06/13/2005

Docket/Case Number: C8A050049



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: 06/13/2005

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 \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, FINANCIAL AMERICA SECURITIES, INC., CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE THE FIRM IS CENSURED AND FINED \$5,000.

Reporting Source: Firm

Current Status: Final

Allegations: SEC RULE 17A-3, NASD RULES 6130, 6620 - RESPONDENT MEMBER REPORTED SECURITIES TRANSACTIONS THAT HAD TRADE REPORTING ERRORS; A SALE WAS DESIGNATED AS A LATE REPORT, BUT THE EXECUTION TIME WAS REPORTED TO BE 9:30:00 WHEN THE ORDER TICKET WAS STAMPED AT 9:40:44

Initiated By: NASD

Date Initiated: 06/13/2005

Docket/Case Number: C8A050049

Principal Product Type: No Product

Other Product Type(s):



Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/13/2005

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, FINANCIAL AMERICA SECURITIES, INC., CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDING, THEREFORE THE FIRM IS CENSURED AND FINED \$5,000.00

Disclosure 6 of 14

Reporting Source: Regulator

Current Status: Final

Allegations: SEC RULE 11AC1-6(B) - RESPONDENT MEMBER FAILED TO MAKE PUBLICLY AVAILABLE FOR THE THIRD CALENDAR QUARTER OF 2003 A REPORT ON ITS ROUTING OF NON-DIRECTED ORDERS IN COVERED SECURITIES DURING THAT QUARTER.

Initiated By: NASD

Date Initiated: 01/28/2005

Docket/Case Number: CLG050007

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: 01/28/2005



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 \$6,000.00

Other Sanctions Ordered:

Sanction Details:

WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, FINANCIAL AMERICA SECURITIES INC., CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE THE FIRM IS CENSURED AND FINED \$6,000.

Reporting Source:

Firm

Current Status:

Final

Allegations:

SECRULE11AC1=6(B)RESPONDENT MEMBER FAILED TO MAKE PUBLICLY AVAILABLE FOR THE THIRD QUARTER OF 2003 A REPORT ON ITS ROUTING OF NON DIRECTED ORDERS IN COVERED SECURITIES DURING THAT QUARTER.

Initiated By:

NASD

Date Initiated:

01/28/2005

Docket/Case Number:

CLG050007

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:

01/28/2005

Sanctions Ordered:

Censure
Monetary/Fine \$6,000.00

Other Sanctions Ordered:

Sanction Details:

WITHOUT ADMITTING OR DENYING THE ALLEGATIONS FINANCIAL AMERICA



SECURITIES INC CONSENTED TO THE DESCRIBED SANCTIONS AND TO
THE ENTRY OF FINDING THEREFORE THE FIRM IS CENSURED AND FINED
\$6000.00

Disclosure 7 of 14

Reporting Source:	Regulator
Current Status:	Final
Allegations:	ON JULY 15, 1999, DISTRICT NO. 8 NOTIFIED RESPONDENT FIRST FINANCIAL AMERICA SECURITIES, INC. THAT THE LETTER OF ACCEPTANCE, WAIVER, AND CONSENT NO. C8B990020 WAS ACCEPTED; THEREFORE, THE FIRM IS FINED \$1,000 - (NASD RULE 6130 - RESPONDENT MEMBER FAILED TO ACCEPT OR DECLINE TRADES REPORTED TO ACT WITHIN 20 MINUTES AFTER EXECUTION).
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated:	07/15/1999
Docket/Case Number:	C8B990020
Principal Product Type:	Other
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	07/15/1999
Sanctions Ordered:	Monetary/Fine \$1,000.00
Other Sanctions Ordered:	
Sanction Details:	FINED \$1,000.
Reporting Source:	Firm
Current Status:	Final
Allegations:	FIRM FAILED TO ACCEPT OR DECLINE TRADES REPORTED TO ACT WITHIN 20 MINUTES AFTER EXECUTION IN 26 OUT OF 132 TRANSACTIONS REVIEWED, IN VIOLATION OF NASD RULE 6130.



Initiated By: NASDR, INC.
Date Initiated: 05/24/1999
Docket/Case Number: C8B990020
Principal Product Type: Equity - OTC
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Censure
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 06/09/1999
Sanctions Ordered: Monetary/Fine \$1,000.00
Other Sanctions Ordered:
Sanction Details: FINE OF \$1,000.00 PAID 07/28/1999 BY JOHN C. RUKENBROD.
Firm Statement AWC FORM EXECUTED BY JOHN C. RUKENBROD 06/02/1999, FINE OF \$1,000.00 PAID BY JOHN C. RUKENBROD 07/28/1999.

Disclosure 8 of 14

Reporting Source: Regulator
Current Status: Final
Allegations: (NASD RULE 2110 - RESPONDENT MEMBER, ACTING ON BEHALF OF AN EMPLOYEE, EFFECTED SECURITIES TRANSACTIONS AND RECEIVED CUSTOMER FUNDS WHEN THE FIRM FAILED TO MAINTAIN ITS MINIMUM REQUIRED NET CAPITAL).
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 06/29/1998
Docket/Case Number: C8B980011
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: 06/29/1998

Sanctions Ordered: Censure
Monetary/Fine \$2,500.00

Other Sanctions Ordered:
Sanction Details: ON JUNE 29, 1998, DISTRICT NO. 8 NOTIFIED RESPONDENT FINANCIAL AMERICA SECURITIES, INC. THAT THE LETTER OF ACCEPTANCE, WAIVER, AND CONSENT NO. C8B980011 WAS ACCEPTED; THEREFORE, THE FIRM IS CENSURED AND FINED \$2,500

Reporting Source: Firm

Current Status: Final

Allegations: FAILURE TO MAINTAIN MIN NET CAPITAL

Initiated By: NASD

Date Initiated: 06/29/1998

Docket/Case Number: C8B980011

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: CENSURE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/29/1998

Sanctions Ordered: Censure
Monetary/Fine \$2,500.00

Other Sanctions Ordered:
Sanction Details: FIRM CENSURED AND FINED 2500.00

Disclosure 9 of 14



Reporting Source:	Regulator
Current Status:	Final
Allegations:	(ARTICLE III, SECTIONS 1 AND 27 OF THE RULES OF FAIR PRACTICE - RESPONDENT MEMBER ACTING THROUGH AN EMPLOYEE FAILED TO ESTABLISH, MAINTAIN AND ENFORCE WRITTEN PROCEDURES WHICH WOULD HAVE ENABLED RESPONDENT MEMBER TO SUPERVISE THE ACTIVITIES OF ITS ASSOCIATED PERSONS).
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated:	02/27/1991
Docket/Case Number:	C8B880003 (CLE-396-AWC)
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:	CENSURE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	02/27/1991
Sanctions Ordered:	Censure Monetary/Fine \$20,000.00
Other Sanctions Ordered:	
Sanction Details:	ON FEBRUARY 27, 1991, THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT CASE ID. C8B880003 (CLE-396-AWC) (DISTRICT NO. 8) SUBMITTED BY RESPONDENT FINANCIAL AMERICA SECURITIES, INC. WAS ACCEPTED; THEREFORE, THE FIRM IS CENSURED AND FINED \$20,000, JOINTLY AND SEVERALLY; RESPONDENT MEMBER MUST DEVELOP AND SUBMIT TO THE NASD NEW SUPERVISORY PROCEDURES WITHIN 60 DAYS OF THE DATE OF ACCEPTANCE OF THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT;

Reporting Source:	Firm
Current Status:	Final
Allegations:	FINANCIAL AMERICA SECURITIES, INC. AND JOHN C. RUKENBROD FAILED TO SUPERVISE SALES ACTIVITIES OF STEPHEN T. HALEY AND SHERI A. STRZALA.



Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 08/01/1990

Docket/Case Number: CLE-396

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: SUSPENSION OF JOHN C. RUKENBROD AS A GENERAL SECURITIES PRINCIPAL FOR FIVE BUSINESS DAYS.

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 02/27/1991

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

Other Sanctions Ordered:

Sanction Details: SUSPENSION OF JOHN C. RUKENBROD AS A GENERAL SECURITIES PRINCIPAL FOR FIVE BUSINESS DAYS. FINE OF \$20000.00 PAID 03/19/1991.

Firm Statement SUSPENSION OF JOHN C. RUKENBROD AS A GENERAL SECURITIES PRINCIPAL FOR FIVE BUSINESS DAYS. FINE OF \$20000.00.

Disclosure 10 of 14

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 02/27/1991

Docket/Case Number: C8B910002

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

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

Resolution: Consent
Resolution Date: 09/17/1991
Sanctions Ordered: Censure
Monetary/Fine \$3,000.00

Other Sanctions Ordered:**Sanction Details:****Regulator Statement**

COMPLAINT NO. C8B910002 FILED FEBRUARY 27, 1991 BY DISTRICT NO. 8 AGAINST RESPONDENTS FINANCIAL AMERICA SECURITIES, INC. AND JOHN CHARLES RUKENBROD ALLEGING VIOLATIONS OF ARTICLE III, SECTION 1 OF THE RULES OF FAIR PRACTICE IN THAT RESPONDENT MEMBER, ACTING THROUGH RESPONDENT RUKENBROD, EFFECTED TRANSACTIONS IN SECURITIES WHILE FAILING TO MAINTAIN ITS REQUIRED MINIMUM NET CAPITAL; AND, ENGAGED IN CONDUCT IN CONTRAVENTION OF SEC RULE 10B-9 WHEN IT ACCEPTED CHECKS FROM THREE INVESTORS IN A LIMITED PARTNERSHIP WHICH CHECKS WERE POST DATED AFTER THE OFFERING WAS CLOSED.

DECISION RENDERED SEPTEMBER 17, 1991, WHEREIN THE OFFER OF SETTLEMENT SUBMITTED BY RESPONDENT MEMBER AND RESPONDENT RUKENBROD WAS ACCEPTED; THEREFORE, THEY ARE CENSURED AND FINED \$3,000, JOINTLY AND SEVERALLY.
\$3,000.00 J&S PAID ON 10/28/91 INVOICE #91-88-1080

Reporting Source: Firm
Current Status: Final
Allegations: FINANCIAL AMERICA SECURITIES, INC. AND JOHN C. RUKENBROD - CONDUCTED A SECURITIES BUSINESS WITHOUT SUFFICIENT NET CAPITAL AND ACCEPTED POST DATED CHECKS FROM THREE INVESTORS IN A LIMITED PARTNERSHIP WHICH DATE WAS AFTER THE TERMINATION OF THE OFFERING.
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 02/27/1991
Docket/Case Number: C8B910002



Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/20/1991

Sanctions Ordered: Censure
Monetary/Fine \$3,000.00

Other Sanctions Ordered:

Sanction Details: FINE OF \$3,000.00 PAID 10/22/1991.

Firm Statement FINANCIAL AMERICA SECURITIES, INC. AND JOHN C. RUKENBROD(JOINTLY AND SEVERALLY), CENSURED AND FINED \$3,000.00.

Disclosure 11 of 14

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: WISCONSIN

Date Initiated: 09/30/1981

Docket/Case Number: Unknown

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: 09/30/1981

Sanctions Ordered: Monetary/Fine \$20,160.00



Other Sanctions Ordered:

Sanction Details:

Regulator Statement

ON SEPTEMBER 30, 1981, FINANCIAL AMERICA SECURITIES, INC. PLEADED NOLO CONTENDRE TO CHARGES BROUGHT BY THE STATE OF WISCONSIN ALLEGING APPLICANT'S VIOLATION OF THE LICENSING AND REGISTRATION REQUIREMENT PROVISIONS OF CH 551, WIS STAT., THE WISCONSIN UNIFORM SECURITIES LAW. THE STATE OF WISCONSIN CONTENDED THAT: 1) APPLICANT TRANSACTED SECURITIES BUSINESS FOR THE ACCOUNTS OF WISCONSIN INVESTORS, WITHOUT FIRST OBTAINING A LICENSE AS A WISCONSIN BROKER-DEALER, THROUGH ONE OF ITS AGENTS, WHO WAS NOT LICENSED AS A SECURITIES AGENT BY THE WISCONSIN COMMISSIONER OF SECURITIES AND WHICH WERE NOT EXEMPT FROM SUCH REGISTRATION. AS A RESULT OF APPLICANT'S NOLO CONTENDRE PLEA, THE WISCONSIN CIRCUIT COURT IMPOSED FINES AND ASSESSMENTS ON APPLICANT TOTTALLING \$20,160.00.

Disclosure 12 of 14

Reporting Source:	Regulator
Current Status:	Final
Allegations:	
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated:	02/20/1975
Docket/Case Number:	N-VS-108
Principal Product Type:	
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Decision
Resolution Date:	04/07/1975
Regulator Statement	NASDAQ COMPLAINT N-VS-108 FILED 2-20-75 ACCEPTED 3-4-75



FINAL 4-7-75

Reporting Source:	Firm
Current Status:	Final
Allegations:	DUE TO THE AGE THE EVENT IS UNKNOWN
Initiated By:	NASD NASDAQ
Date Initiated:	02/20/1975
Docket/Case Number:	N-VS-108
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	DUE TO THE AGE OF EVENT SANCTIONS ARE UKNOW
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/04/1975
Sanctions Ordered:	
Other Sanctions Ordered:	
Sanction Details:	DUE TO THE AGE THE EVENT THE SANCTIONS ARE UNKNOWN

Disclosure 13 of 14

Reporting Source:	Regulator
Current Status:	Final
Allegations:	
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated:	10/13/1982
Docket/Case Number:	CLE-245
Principal Product Type:	
Other Product Type(s):	



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 10/13/1982

Sanctions Ordered: Censure

Other Sanctions Ordered:

Sanction Details:

Regulator Statement COMPLAINT CLE-245 - AWC FILED 10/13/82
DIST. #9
DECISION CENSURED.

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATION OF ARTICLE III, SECTION 1 OF THE RULES OF FAIR PRACTICE IN RESPECT TO 'FREE RIDING AND WITHHOLDING'.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 08/06/1982

Docket/Case Number: CLE-245

Principal Product Type: Equity - OTC

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/13/1982

Sanctions Ordered: Censure
Monetary/Fine \$500.00

Other Sanctions Ordered:

Sanction Details: \$500.00 FIND PAID BY DAVID A. GOLNIK 10/13/1982.



Firm Statement FINANCIAL AMERICA SECURITIES, INC. AND DAVID A. GOLNIK WERE CENSURED AND DAVID A. GOLNIK WAS FINED \$500.00.

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATION OF ARTICLE III, SECTION 1 OF THE RULES OF FAIR PRACTICE IN RESPECT TO 'FREE RIDING AND WITHHOLDING'.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 08/06/1982

Docket/Case Number: CLE-245

Principal Product Type: Equity - OTC

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/13/1982

Sanctions Ordered: Censure
Monetary/Fine \$500.00

Other Sanctions Ordered:

Sanction Details: \$500.00 FIND PAID BY DAVID A. GOLNIK 10/13/1982.

Firm Statement FINANCIAL AMERICA SECURITIES, INC. AND DAVID A. GOLNIK WERE CENSURED AND DAVID A. GOLNIK WAS FINED \$500.00.

Disclosure 14 of 14

Reporting Source: Regulator

Current Status: Final

Allegations: ARTICLE III, SECTIONS 1 AND 21(A) - RESPONDENT, ACTING THROUGH AN EMPLOYEE, FAILED TO NOTIFY INVESTORS THAT THE OFFERING WAS NOT COMPLETED AND THAT SUCH INVESTORS HAD RIGHT TO RESCIND THEIR SUBSCRIPTION; PURCHASED LIMITED PARTNERSHIP UNITS OF SAID OFFERING TO CREATE AN APPEARANCE OF A COMPLETED OFFERING TO



FACILITATE THE RECEIPT OF UNDERWRITING COMMISSIONS DUE TO THE RESPONDENT MEMBER; BORROWED FUNDS TO PURCHASE LIMITED PARTNERSHIP UNITS, WHICH LOAN PERMITTED THE RESPONDENTS TO MEET THE ESCROW REQUIREMENTS NECESSARY TO RELEASE UNDERWRITING COMMISSIONS TO THE MEMBER; FAILED TO NOTIFY INVESTORS OF THE FINANCING ARRANGEMENTS ENTERED INTO BETWEEN THE UNDERWRITER AND ISSUER IN COMPLETING THE SALE OF LIMITED PARTNERSHIP UNITS; VERIFIED TO THE ESCROW AGENT THAT ALL TERMS AND CONDITIONS OF THE UNDERWRITING AGREEMENT AND OFFERING CIRCULAR HAD BEEN FULFILLED WHEN BONA FIDE SALES OF LIMITED PARTNERSHIP UNITS HAD NOT BEEN MADE AND WHEN MATERIAL FACTS CONCERNING THE OFFERING HAD NOT BEEN DISCLOSED TO INVESTORS; RESOLD LIMITED PARTNERSHIPS UNITS AND FAILED TO DISCLOSE TO INVESTORS THAT THE UNITS BEING PURCHASED WERE THOSE UNITS PREVIOUSLY PURCHASED BY THE RESPONDENTS TO COMPLETE THE OFFERING; FAILED TO RECORD TO ITS BOOKS AND RECORDS ITS LONG POSITION IN SAID OFFERING AND FAILED TO RECORD SUBSEQUENT SALES OF SUCH SECURITY TO VARIOUS MEMBERS OF THE PUBLIC.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 03/14/1980

Docket/Case Number: C-227

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: CENSURE

Resolution: Decision

Resolution Date: 11/18/1980

Sanctions Ordered: Censure
Monetary/Fine \$3,000.00

Other Sanctions Ordered:

Sanction Details: DECISION RENDERED WHEREIN THE OFFER OF SETTLEMENT SUBMITTED BY THE RESPONDENTS WAS ACCEPTED, THEREFORE, RESPONDENT MEMBER IS CENSURED AND FINED \$3,000, JOINTLY AND SEVERALLY.



Reporting Source: Firm

Current Status: Final

Allegations: VIOLATION OF ARTICLE III, SECTIONS 1 AND 21(A) OF THE RULES OF FAIR PRACTICE IN RESPECT TO BEST EFFORTS OFFERING TO MEMBERS OF THE PUBLIC - LIMITED PARTNERSHIP UNITS OF EUCLID HILLS, LTD.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 03/14/1980

Docket/Case Number: C-227

Principal Product Type: Direct Investment(s) - DPP & LP Interest(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 11/18/1980

Sanctions Ordered: Censure
Monetary/Fine \$3,000.00

Other Sanctions Ordered:

Sanction Details: \$3,000.00 FINE PAID 11/18/1980

Firm Statement THE RESPONDENTS, FINANCIAL AMERICA SECURITIES, INC. AND JOHN C. RUKENBROD WERE CENSURED AND FINED IN THE AMOUNT OF \$3,000.00 JOINTLY AND SEVERALLY.



Civil - Final

This type of disclosure event involves (1) an injunction issued by a foreign or domestic court within the last 10 years in connection with investment-related activity, (2) a finding by a court of a violation of any investment-related statute or regulation, or (3) an action dismissed by a court pursuant to a settlement agreement.

Disclosure 1 of 1

Reporting Source:	Firm
Current Status:	Final
Allegations:	FINANCIAL AMERICA SECURITIES, INC AND DAVID A. GOLNIK - TRANSACTIONING BUSINESS IN THE STATE OF WISCONSIN WITHOUT PROPER REGISTRATION IN THE STATE OF WISCONSIN.
Initiated By:	STATE OF WISCONSIN - COMMISSIONER OF SECURITIES
Court Details:	STATE OF WISCONSIN - DANE COUNTY CASE #81-CF-841
Date Court Action Filed:	01/09/1981
Principal Product Type:	Equity - OTC
Other Product Types:	
Relief Sought:	Civil Penalty(ies)/Fine(s)
Other Relief Sought:	
Resolution:	Settled
Resolution Date:	09/30/1981
Sanctions Ordered or Relief Granted:	Monetary/Fine \$21,600.00
Other Sanctions:	
Sanction Details:	FINANCIAL AMERICA SECURITIES, INC. AND DAVID A. GOLNIK EACH PAID FINES AND ASSESSMENTS OF \$10,080.00.



Arbitration Award - Award / Judgment

Brokerage firms are not required to report arbitration claims filed against them by customers; however, BrokerCheck provides summary information regarding FINRA arbitration awards involving securities and commodities disputes between public customers and registered securities firms in this section of the report.
The full text of arbitration awards issued by FINRA is available at www.finra.org/awardsonline.

Disclosure 1 of 1

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-UNAUTHORIZED TRADING; ACCOUNT RELATED-FAILURE TO SUPERVISE; ACCOUNT RELATED-NEGLIGENCE
Arbitration Forum:	NASD
Case Initiated:	12/30/2002
Case Number:	02-07780
Disputed Product Type:	COMMON STOCK; NO OTHER TYPE OF SEC INVOLVE; OPTIONS
Sum of All Relief Requested:	\$59,624.77
Disposition:	AWARD AGAINST PARTY
Disposition Date:	10/01/2003
Sum of All Relief Awarded:	\$29,624.78

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

End of Report



This page is intentionally left blank.