

## BrokerCheck Report

# FIRST KENTUCKY SECURITIES CORPORATION

CRD# 7524

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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](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://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).



## FIRST KENTUCKY SECURITIES CORPORATION

CRD# 7524

SEC# 8-22224

### Main Office Location

4360 BROWNSBORO ROAD  
SUITE 300  
LOUISVILLE, KY 40207  
Regulated by FINRA Chicago Office

### Mailing Address

4360 BROWNSBORO ROAD  
SUITE 300  
LOUISVILLE, KY 40207

### Business Telephone Number

502-893-7288

This firm is a brokerage firm and an investment adviser firm. For more information about investment adviser firms, visit the SEC's Investment Adviser Public Disclosure website at:

<https://www.adviserinfo.sec.gov>

## 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 Kentucky on 09/30/1977.

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 firm is registered with:**

- the SEC
- 1 Self-Regulatory Organization
- 47 U.S. states and territories

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

This firm conducts 13 types of businesses.

This firm is not affiliated with any financial or investment institutions.

This firm has referral or financial arrangements with other brokers or dealers.

### Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

**The following types of disclosures have been reported:**

Type	Count
Regulatory Event	10
Arbitration	3



## Firm Profile

This firm is classified as a corporation.

This firm was formed in Kentucky on 09/30/1977.

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.

### FIRST KENTUCKY SECURITIES CORPORATION

Doing business as FIRST KENTUCKY SECURITIES CORPORATION

**CRD#** 7524

**SEC#** 8-22224

### Main Office Location

4360 BROWNSBORO ROAD  
SUITE 300  
LOUISVILLE, KY 40207

Regulated by FINRA Chicago Office

### Mailing Address

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SUITE 300  
LOUISVILLE, KY 40207

### Business Telephone Number

502-893-7288



## Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

### Direct Owners and Executive Officers

<b>Legal Name &amp; CRD# (if any):</b>	KRAMER, RAYMOND STRAND JR 1053345
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	BRANCH MANAGER/ MUNI PRINCIPAL/ BOARD MEMBER
<b>Position Start Date</b>	10/2016
<b>Percentage of Ownership</b>	10% but less than 25%
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No

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<b>Legal Name &amp; CRD# (if any):</b>	OCONNOR, KEVIN PATRICK 1250514
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	SENIOR VICE PRESIDENT/BOARD MEMBER
<b>Position Start Date</b>	07/2014
<b>Percentage of Ownership</b>	10% but less than 25%
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No

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<b>Legal Name &amp; CRD# (if any):</b>	CURRENT, TYLER DARRELL 5363467
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	VICE PRESIDENT/BOARD MEMBER



## Firm Profile

### Direct Owners and Executive Officers (continued)

<b>Position Start Date</b>	11/2015
<b>Percentage of Ownership</b>	5% but less than 10%
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No

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<b>Legal Name &amp; CRD# (if any):</b>	OCONNOR, RYAN PATRICK 5337922
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	CFO/ CEO/ BRANCH MANAGER/ BOARD MEMBER
<b>Position Start Date</b>	08/2019
<b>Percentage of Ownership</b>	5% but less than 10%
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No

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<b>Legal Name &amp; CRD# (if any):</b>	HARRISON, CHRISTINA JONES 1171516
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	VICE PRESIDENT/ SHAREHOLDER
<b>Position Start Date</b>	05/2001
<b>Percentage of Ownership</b>	Less than 5%
<b>Does this owner direct the management or policies of the firm?</b>	No
<b>Is this a public reporting company?</b>	No

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## Firm Profile

### Direct Owners and Executive Officers (continued)

**Legal Name & CRD# (if any):** HOWELL, JUDY ELIZABETH  
1634346

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

**Position** SHAREHOLDER

**Position Start Date** 01/2001

**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

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**Legal Name & CRD# (if any):** JENNINGS, MARY JANE  
1850902

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

**Position** VICE PRESIDENT/ SECRETARY/ SHAREHOLDER

**Position Start Date** 11/2015

**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

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**Legal Name & CRD# (if any):** KRAMER, FREDERICK JENNINGS  
2299599

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

**Position** REGISTERED REPRESENTATIVE

**Position Start Date** 01/2016

**Percentage of Ownership** Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

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

Is this a public reporting company? No

Legal Name & CRD# (if any): NICHOLSON, ANN MARIE  
2449342

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

Position CCO

Position Start Date 10/2015

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 currently registered with the SEC, 1 SRO and 47 U.S. states and territories.**

Federal Regulator	Status	Date Effective
SEC	Approved	12/23/1977

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer:    Yes

A broker-dealer and government securities broker or dealer:    Yes

A government securities broker or dealer only:    No

This firm has ceased activity as a government securities broker or dealer:    No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	01/03/1978



## Firm Operations

### Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	03/11/2016
Alaska	Approved	07/14/2015
Arizona	Approved	01/19/2010
Arkansas	Approved	06/03/2015
California	Approved	09/23/2005
Colorado	Approved	09/12/2005
Connecticut	Approved	06/10/2010
District of Columbia	Approved	09/11/2015
Florida	Approved	04/02/1997
Georgia	Approved	04/13/2006
Idaho	Approved	07/02/2015
Illinois	Approved	10/06/2005
Indiana	Approved	04/10/2006
Iowa	Approved	07/30/2013
Kansas	Approved	07/10/2015
Kentucky	Approved	01/16/1996
Louisiana	Approved	07/01/2009
Maine	Approved	11/21/2018
Maryland	Approved	08/16/2005
Massachusetts	Approved	09/07/2005
Michigan	Approved	06/21/1996
Minnesota	Approved	08/19/2015
Mississippi	Approved	10/07/2002
Missouri	Approved	04/13/2006
Montana	Approved	04/23/2018
Nebraska	Approved	01/06/2016
Nevada	Approved	07/21/2015
New Jersey	Approved	04/25/2006
New Mexico	Approved	02/19/2016
New York	Approved	01/08/2009
North Carolina	Approved	01/02/1997
North Dakota	Approved	08/18/2015
Ohio	Approved	06/09/1999

U.S. States & Territories	Status	Date Effective
Oklahoma	Approved	08/21/2015
Oregon	Approved	07/16/2015
Pennsylvania	Approved	03/29/2006
South Carolina	Approved	08/16/2005
South Dakota	Approved	07/06/2015
Tennessee	Approved	08/26/2015
Texas	Approved	04/10/2006
Utah	Approved	09/22/2021
Vermont	Approved	05/13/2021
Virginia	Approved	08/09/2005
Washington	Approved	10/08/2015
West Virginia	Approved	07/29/2015
Wisconsin	Approved	08/12/2005
Wyoming	Approved	02/07/2023



## 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 13 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 dealer
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
Trading securities for own account

## 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.

<b>Name:</b>	RBC CAPITAL MARKETS, LLC
<b>CRD #:</b>	31194
<b>Business Address:</b>	510 MARQUETTE AVENUE MINNEAPOLIS, MN 55402-1106
<b>Effective Date:</b>	12/31/2010
<b>Description:</b>	ALL SECURITIES TRANSACTIONS WILL BE CLEARED ON AN INTRODUCING BASIS WITH RBC

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## Firm Operations

### Industry Arrangements



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

<b>Name:</b>	RBC CAPITAL MARKETS, LLC
<b>CRD #:</b>	31194
<b>Business Address:</b>	510 MARQUETTE AVENUE MINNEAPOLIS, MN 55402-1106
<b>Effective Date:</b>	12/31/2010
<b>Description:</b>	THE APPLICANT HAS ENTERED INTO A FULLY DISCLOSED CLEARING AGREEMENT WITH RBC CAPITAL MARKETS, LLC, WHERE RBC WILL MAINTAIN CERTAIN BOOKS AND RECORDS OF THE APPLICANT.

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**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 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	10	0
Arbitration	N/A	3	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 10

**Reporting Source:** Regulator

**Current Status:** Final



**Allegations:** IA RELEASE 40-5161 / MARCH 11, 2019: THE SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE INSTITUTED AGAINST FIRST KENTUCKY SECURITIES CORPORATION ("RESPONDENT"). ON THE BASIS OF THIS ORDER AND RESPONDENT'S OFFER, THE COMMISSION FINDS THAT THESE PROCEEDINGS ARISE OUT OF BREACHES OF FIDUCIARY DUTY AND INADEQUATE DISCLOSURES BY THE RESPONDENT IN CONNECTION WITH ITS MUTUAL FUND SHARE CLASS SELECTION PRACTICES AND THE FEES IT RECEIVED. AT TIMES DURING THE RELEVANT PERIOD, RESPONDENT PURCHASED, RECOMMENDED, OR HELD FOR ADVISORY CLIENTS MUTUAL FUND SHARE CLASSES THAT CHARGED 12B-1 FEES INSTEAD OF LOWER-COST SHARE CLASSES OF THE SAME FUNDS FOR WHICH THE CLIENTS WERE ELIGIBLE. RESPONDENT RECEIVED 12B-1 FEES IN CONNECTION WITH THESE INVESTMENTS. RESPONDENT FAILED TO DISCLOSE IN ITS FORM ADV OR OTHERWISE THE CONFLICTS OF INTEREST RELATED TO (A) ITS RECEIPT OF 12B-1 FEES, AND/OR (B) ITS SELECTION OF MUTUAL FUND SHARE CLASSES THAT PAY SUCH FEES. DURING THE RELEVANT PERIOD, RESPONDENT RECEIVED 12B-1 FEES FOR ADVISING CLIENTS TO INVEST IN OR HOLD SUCH MUTUAL FUND SHARE CLASSES. AS A RESULT OF THE CONDUCT, RESPONDENT WILLFULLY VIOLATED SECTIONS 206(2) AND 207 OF THE ADVISERS ACT.

**Initiated By:** UNITED STATES SECURITIES AND EXCHANGE COMMISSION

**Date Initiated:** 03/11/2019

**Docket/Case Number:** 3-19064

**Principal Product Type:** Mutual Fund(s)

**Other Product Type(s):**

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

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

**Resolution:** Order

**Resolution Date:** 03/11/2019

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



<b>Sanctions Ordered:</b>	Censure Disgorgement/Restitution Cease and Desist/Injunction
<b>Other Sanctions Ordered:</b>	UNDERTAKINGS AND PREJUDGMENT INTEREST
<b>Sanction Details:</b>	THE RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTIONS 206(2) AND 207 OF THE ADVISERS ACT. RESPONDENT IS CENSURED, SHALL PAY DISGORGEMENT OF \$118,064.60 AND PREJUDGMENT INTEREST OF \$14,586.40, AND SHALL COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT.
<b>Regulator Statement</b>	<p>RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. IN VIEW OF THE FOREGOING, THE COMMISSION DEEMS IT APPROPRIATE IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN THE RESPONDENT'S OFFER. ACCORDINGLY, IT IS ORDERED THAT RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTIONS 206(2) AND 207 OF THE ADVISERS ACT. RESPONDENT IS CENSURED, SHALL PAY DISGORGEMENT OF \$118,064.60 AND PREJUDGMENT INTEREST OF \$14,586.40, AND SHALL COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT.</p> <p>RESPONDENT SELF-REPORTED TO THE COMMISSION THE VIOLATIONS DISCUSSED IN THIS ORDER PURSUANT TO THE DIVISION OF ENFORCEMENT'S SHARE CLASS SELECTION DISCLOSURE INITIATIVE ("SCSD INITIATIVE"). ACCORDINGLY, THIS ORDER AND RESPONDENT'S OFFER ARE BASED ON THE INFORMATION SELF-REPORTED BY RESPONDENT.</p>
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<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	IA RELEASE 40-5161 / MARCH 11, 2019: THE SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE INSTITUTED AGAINST FIRST KENTUCKY SECURITIES CORPORATION ("RESPONDENT"). ON THE BASIS OF THIS ORDER AND RESPONDENT'S OFFER, THE COMMISSION FINDS THAT THESE PROCEEDINGS ARISE OUT OF BREACHES OF FIDUCIARY DUTY AND INADEQUATE DISCLOSURES BY THE RESPONDENT IN CONNECTION WITH ITS MUTUAL FUND SHARE CLASS SELECTION PRACTICES AND THE FEES IT RECEIVED. AT TIMES DURING THE RELEVANT PERIOD, RESPONDENT PURCHASED, RECOMMENDED, OR HELD FOR ADVISORY CLIENTS MUTUAL FUND SHARE



CLASSES THAT CHARGED 12B-1 FEES INSTEAD OF LOWER-COST SHARE CLASSES OF THE SAME FUNDS FOR WHICH THE CLIENTS WERE ELIGIBLE. RESPONDENT RECEIVED 12B-1 FEES IN CONNECTION WITH THESE INVESTMENTS. RESPONDENT FAILED TO DISCLOSE IN ITS FORM ADV OR OTHERWISE THE CONFLICTS OF INTEREST RELATED TO (A) ITS RECEIPT OF 12B-1 FEES, AND/OR (B) ITS SELECTION OF MUTUAL FUND SHARE CLASSES THAT PAY SUCH FEES. DURING THE RELEVANT PERIOD, RESPONDENT RECEIVED 12B-1 FEES FOR ADVISING CLIENTS TO INVEST IN OR HOLD SUCH MUTUAL FUND SHARE CLASSES. AS A RESULT OF THE CONDUCT, RESPONDENT WILLFULLY VIOLATED SECTIONS 206(2) AND 207 OF THE ADVISERS ACT

**Initiated By:** UNITED STATES SECURITIES AND EXCHANGE COMMISSION

**Date Initiated:** 03/11/2019

**Docket/Case Number:** 3-19064

**Principal Product Type:** Mutual Fund(s)

**Other Product Type(s):**

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

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

**Resolution:** Order

**Resolution Date:** 03/11/2019

**Sanctions Ordered:** Censure  
Disgorgement/Restitution  
Cease and Desist/Injunction

**Other Sanctions Ordered:** UNDERTAKINGS AND PREJUDGMENT INTEREST

**Sanction Details:** THE RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTIONS 206(2) AND 207 OF THE ADVISERS ACT. RESPONDENT IS CENSURED, SHALL PAY DISGORGEMENT OF \$118,064.60 AND PREJUDGMENT INTEREST OF \$14,586.40, AND SHALL COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT.

**Firm Statement** RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. IN VIEW OF THE FOREGOING, THE COMMISSION DEEMS IT APPROPRIATE IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN THE RESPONDENT'S OFFER. ACCORDINGLY, IT IS ORDERED THAT RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY



FUTURE VIOLATIONS OF SECTIONS 206(2) AND 207 OF THE ADVISERS ACT. RESPONDENT IS CENSURED, SHALL PAY DISGORGEMENT OF \$118,064.60 AND PREJUDGMENT INTEREST OF \$14,586.40, AND SHALL COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT. RESPONDENT SELF-REPORTED TO THE COMMISSION THE VIOLATIONS DISCUSSED IN THIS ORDER PURSUANT TO THE DIVISION OF ENFORCEMENT'S SHARE CLASS SELECTION DISCLOSURE INITIATIVE ("SCSD INITIATIVE"). ACCORDINGLY, THIS ORDER AND RESPONDENT'S OFFER ARE BASED ON THE INFORMATION SELF-REPORTED BY RESPONDENT.

## Disclosure 2 of 10

**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 IT DISADVANTAGED CERTAIN RETIREMENT PLAN AND CHARITABLE ORGANIZATION CUSTOMERS THAT WERE ELIGIBLE TO PURCHASE CLASS A SHARES IN CERTAIN MUTUAL FUNDS WITHOUT A FRONT-END SALES CHARGE. THE FINDINGS STATED THAT NOTWITHSTANDING THE AVAILABILITY OF THE WAIVERS, THE FIRM FAILED TO APPLY THE WAIVERS TO MUTUAL FUND PURCHASES MADE BY ELIGIBLE CUSTOMERS AND INSTEAD SOLD THOSE CUSTOMERS CLASS A SHARES WITH A FRONT-END SALES CHARGE OR CLASS B OR C SHARES WITH BACK-END SALES CHARGES AND HIGHER ONGOING FEES AND EXPENSES. THESE SALES DISADVANTAGED ELIGIBLE CUSTOMERS BY CAUSING THE CUSTOMERS TO PAY HIGHER FEES THAN THEY WERE ACTUALLY REQUIRED TO PAY. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO SUPERVISE REASONABLY THE APPLICATION OF SALES-CHARGE WAIVERS TO ELIGIBLE MUTUAL FUND SALES. THE FIRM RELIED ON ITS FINANCIAL ADVISORS TO DETERMINE THE APPLICABILITY OF SALES-CHARGE WAIVERS, BUT FAILED TO MAINTAIN ADEQUATE WRITTEN POLICIES OR PROCEDURES TO ASSIST FINANCIAL ADVISORS IN MAKING THIS DETERMINATION. IN ADDITION, THE FIRM FAILED TO ADEQUATELY NOTIFY AND TRAIN ITS FINANCIAL ADVISORS REGARDING THE AVAILABILITY OF MUTUAL FUND SALES-CHARGE WAIVERS FOR ELIGIBLE CUSTOMERS. THE FIRM ALSO FAILED TO ADOPT ADEQUATE CONTROLS TO DETECT INSTANCES IN WHICH THEY DID NOT PROVIDE SALES-CHARGE WAIVERS TO ELIGIBLE CUSTOMERS IN CONNECTION WITH THEIR MUTUAL FUND PURCHASES. AS A RESULT OF THE FIRM'S FAILURE TO APPLY AVAILABLE SALES-CHARGE WAIVERS, THE FIRM ESTIMATES THAT ELIGIBLE CUSTOMERS WERE OVERCHARGED BY APPROXIMATELY \$52,569 FOR MUTUAL FUND PURCHASES MADE SINCE JANUARY 1, 2011.



**Initiated By:** FINRA

**Date Initiated:** 03/05/2018

**Docket/Case Number:** 2016048226101

**Principal Product Type:** Mutual Fund(s)

**Other Product Type(s):**

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

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

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 03/05/2018

**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 \$50,000.00

**Other Sanctions Ordered:** UNDERTAKING - PROVIDE FINRA A PLAN TO OFFER REMEDIATION TO ELIGIBLE CUSTOMERS

**Sanction Details:** THE FIRM WAS CENSURED, FINED \$50,000, AND REQUIRED TO PROVIDE FINRA WITH A PLAN TO REMEDIATE ELIGIBLE CUSTOMERS WHO QUALIFIED FOR, BUT DID NOT RECEIVE, THE APPLICABLE MUTUAL FUND SALES-CHARGE WAIVERS. AS PART OF THIS SETTLEMENT, THE FIRM AGREES TO PAY RESTITUTION TO ELIGIBLE CUSTOMERS, WHICH IS ESTIMATED TO TOTAL \$58,153 (I.E., THE AMOUNT IT OVERCHARGED ELIGIBLE CUSTOMERS, INCLUSIVE OF INTEREST). FINES PAID IN FULL ON MARCH 23, 2018.

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**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 IT DISADVANTAGED CERTAIN RETIREMENT PLAN AND CHARITABLE ORGANIZATION CUSTOMERS THAT WERE ELIGIBLE TO PURCHASE CLASS



A SHARES IN CERTAIN MUTUAL FUNDS WITHOUT A FRONT-END SALES CHARGE. THE FINDINGS STATED THAT NOTWITHSTANDING THE AVAILABILITY OF THE WAIVERS, THE FIRM FAILED TO APPLY THE WAIVERS TO MUTUAL FUND PURCHASES MADE BY ELIGIBLE CUSTOMERS AND INSTEAD SOLD THOSE CUSTOMERS CLASS A SHARES WITH A FRONT-END SALES CHARGE OR CLASS B OR C SHARES WITH BACK-END SALES CHARGES AND HIGHER ONGOING FEES AND EXPENSES. THESE SALES DISADVANTAGED ELIGIBLE CUSTOMERS BY CAUSING THE CUSTOMERS TO PAY HIGHER FEES THAN THEY WERE ACTUALLY REQUIRED TO PAY. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO SUPERVISE REASONABLY THE APPLICATION OF SALES-CHARGE WAIVERS TO ELIGIBLE MUTUAL FUND SALES. THE FIRM RELIED ON ITS FINANCIAL ADVISORS TO DETERMINE THE APPLICABILITY OF SALES-CHARGE WAIVERS, BUT FAILED TO MAINTAIN ADEQUATE WRITTEN POLICIES OR PROCEDURES TO ASSIST FINANCIAL ADVISORS IN MAKING THIS DETERMINATION. IN ADDITION, THE FIRM FAILED TO ADEQUATELY NOTIFY AND TRAIN ITS FINANCIAL ADVISORS REGARDING THE AVAILABILITY OF MUTUAL FUND SALES-CHARGE WAIVERS FOR ELIGIBLE CUSTOMERS. THE FIRM ALSO FAILED TO ADOPT ADEQUATE CONTROLS TO DETECT INSTANCES IN WHICH THEY DID NOT PROVIDE SALES-CHARGE WAIVERS TO ELIGIBLE CUSTOMERS IN CONNECTION WITH THEIR MUTUAL FUND PURCHASES. AS A RESULT OF THE FIRM'S FAILURE TO APPLY AVAILABLE SALES-CHARGE WAIVERS, THE FIRM ESTIMATES THAT ELIGIBLE CUSTOMERS WERE OVERCHARGED BY APPROXIMATELY \$52,569 FOR MUTUAL FUND PURCHASES MADE SINCE JANUARY 1, 2011.

**Initiated By:** FINRA

**Date Initiated:** 03/05/2018

**Docket/Case Number:** 2016048226101

**Principal Product Type:** Mutual Fund(s)

**Other Product Type(s):**

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

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

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 03/05/2018

**Sanctions Ordered:** Censure  
Monetary/Fine \$50,000.00

**Other Sanctions Ordered:** UNDERTAKING - PROVIDE FINRA A PLAN TO OFFER REMEDIATION TO





## ELIGIBLE CUSTOMERS

**Sanction Details:**

THE FIRM WAS CENSURED, FINED \$50,000, AND REQUIRED TO PROVIDE FINRA WITH A PLAN TO REMEDIATE ELIGIBLE CUSTOMERS WHO QUALIFIED FOR, BUT DID NOT RECEIVE, THE APPLICABLE MUTUAL FUND SALES-CHARGE WAIVERS. AS PART OF THIS SETTLEMENT, THE FIRM AGREES TO PAY RESTITUTION TO ELIGIBLE CUSTOMERS, WHICH IS ESTIMATED TO TOTAL \$58,153 (I.E., THE AMOUNT IT OVERCHARGED ELIGIBLE CUSTOMERS, INCLUSIVE OF INTEREST).

**Firm Statement**

THE FIRM AGREED TO A CENSURE AND A FINE OF \$50,000. IT FURTHER AGREED TO PROVIDE A REMEDIATION PLAN TO FINRA TO REMEDIATE ELIGIBLE CUSTOMERS WHO QUALIFIED FOR, BUT DID NOT RECEIVE, AN APPLICABLE MUTUAL FUND SALES CHARGE WAIVER. AS PART OF THIS SETTLEMENT, THE FIRM PAID RESTITUTION TO THOSE ELIGIBLE CUSTOMERS TOTALING 58,167.45.

**Disclosure 3 of 10****Reporting Source:**

Firm

**Current Status:**

Final

**Allegations:**

FIRST KENTUCKY EXECUTED TRADES FOR THE CLIENTS BEFORE BEING REGISTERED IN NEBRASKA

**Initiated By:**

NEBRASKA DEPT OF BANKING &amp; FINANCE

**Date Initiated:**

08/19/2015

**Docket/Case Number:****Principal Product Type:**

Equity Listed (Common &amp; Preferred Stock)

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

Civil and Administrative Penalt(ies) /Fine(s)

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

Consent

**Resolution Date:**

12/29/2015

**Sanctions Ordered:**

Monetary/Fine \$8,500.00

**Other Sanctions Ordered:****Sanction Details:**

FINE 8500.00 PAID 12/29/2015



## Disclosure 4 of 10

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	EFFECTED SECURITIES TRANSACTIONS ON BEHALF OF ALABAMA CLIENTS WITHOUT APPROPRIATE REGISTRATION AS A BROKER DEALER IN ALABAMA
<b>Initiated By:</b>	ALABAMA SECURITIES COMMISSION
<b>Date Initiated:</b>	03/10/2016
<b>Docket/Case Number:</b>	CO-2016-0003
<b>URL for Regulatory Action:</b>	AGAINST: FIRST KENTUCKY SECURITIES CORPORATION ("FKSC"), RAYMOND STRAND KRAMER, JR. (CRD# 1053345) PRESIDENT OF FKSC, AND FREDERICK J. KRAMER (CRD# 2299599) FORMER CHIEF COMPLIANCE OFFICER OF FKSC
<b>Principal Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Type(s):</b>	MUTUAL FUNDS
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Order
<b>Resolution Date:</b>	03/15/2016
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Sanctions Ordered:</b>	Monetary/Fine \$12,500.00 Disgorgement/Restitution
<b>Other Sanctions Ordered:</b>	CONSENT ORDER
<b>Sanction Details:</b>	CONSENT ORDER & FINED: \$2,500.00 ADMINISTRATIVE ASSESSMENT AND \$10,000.00 AS PARTIAL INVESTIGATING COST AND DISGORGEMENT OF COMMISSIONS



**Reporting Source:** Firm  
**Current Status:** Final  
**Allegations:** FIRST KENTUCKY SECURITIES EXECUTED TRADES IN ALABAMA BEFORE BEING REGISTERED IN ALABAMA.  
**Initiated By:** ALABAMA SECURITIES COMMISSION  
**Date Initiated:** 08/08/2013  
**Docket/Case Number:** CO-2016  
**Principal Product Type:** Equity Listed (Common & Preferred Stock)  
**Other Product Type(s):**  
**Principal Sanction(s)/Relief Sought:** Civil and Administrative Penalt(ies) /Fine(s)  
**Other Sanction(s)/Relief Sought:**  
**Resolution:** Consent  
**Resolution Date:** 03/10/2016  
**Sanctions Ordered:** Monetary/Fine \$12,500.00  
**Other Sanctions Ordered:**  
**Sanction Details:** FINE 12500.00 PAID 3/10/2016

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#### Disclosure 5 of 10

**Reporting Source:** Regulator  
**Current Status:** Final  
**Allegations:** CONDUCTED SECURITIES TRANSACTION IN STATE WHILE BD AND AGENTS WERE NOT REGISTERED.  
**Initiated By:** NORTH DAKOTA  
**Date Initiated:** 08/18/2015  
**Docket/Case Number:** 15-490  
**URL for Regulatory Action:**  
**Principal Product Type:** Equity Listed (Common & Preferred Stock)  
**Other Product Type(s):**



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

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

**Resolution:** Consent

**Resolution Date:** 08/18/2015

**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 \$4,000.00

**Other Sanctions Ordered:**

**Sanction Details:** PENALTY PAID 8/18/2015.

**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** FIRST KENTUCKY EXECUTED TRADES FOR CLIENTS BEFORE BEING REGISTERED IN NORTH DAKOTA

**Initiated By:** ND SECURITIES DEPT.

**Date Initiated:** 08/18/2015

**Docket/Case Number:** 15-490

**Principal Product Type:** Equity Listed (Common & Preferred Stock)

**Other Product Type(s):**

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

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

**Resolution:** Consent

**Resolution Date:** 08/18/2015

**Sanctions Ordered:** Monetary/Fine \$4,000.00

**Other Sanctions Ordered:**

**Sanction Details:** FINE \$4,000 PAID 8/18/2015

**Disclosure 6 of 10**

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:** FINRA RULE 2010, NASD RULE 3011, MSRB RULE G-41 - AN ANTI-MONEY LAUNDERING (AML) TEST CONDUCTED BY FIRST KENTUCKY SECURITIES CORPORATION ONE YEAR WAS INADEQUATE BECAUSE IT WAS LIMITED TO THE REVIEW OF ONE BRANCH OFFICE, RATHER THAN SAMPLING TRANSACTIONS AT ALL BRANCH LOCATIONS AND WAS LIMITED TO A REVIEW OF DEPOSIT SLIPS AT THE BRANCH OFFICE REVIEWED. THE TEST DID NOT INCLUDE A REVIEW OF THE FIRM'S AML PROCEDURES, NOR DID IT INCLUDE A REVIEW OF THE OVERALL ADEQUACY OF THE FIRM'S AML COMPLIANCE PROGRAM. THE TEST DID NOT INCLUDE A SAMPLE OF ALL OF THE FIRM'S BUSINESS LINES, A REVIEW OF THE FIRM'S AML TRAINING PROGRAM, ITS CUSTOMER IDENTIFICATION PROGRAM (CIP), AND WHETHER ITS REPRESENTATIVES WERE COMPLYING WITH THE CIP. THE TEST FAILED TO REVIEW FOR THE MOVEMENT OF FUNDS THAT WERE PREVIOUSLY DEPOSITED IN ACCOUNTS WITH THE FIRM. DESPITE THE REQUIREMENT THAT THE FIRM MONITOR COMPLIANCE WITH THE BANK SECRECY ACT AND THE REGULATIONS PROMULGATED THEREUNDER, AND DESPITE THE FORMAL ACTION BROUGHT AGAINST THE FIRM BY FINRA AS DESCRIBED ABOVE, THE FIRM, ACTING THROUGH ITS FINANCIAL AND OPERATIONS PRINCIPAL (FINOP)/CHIEF COMPLIANCE OFFICER, FAILED TO CONDUCT AND EVIDENCE AN ADEQUATE INDEPENDENT TEST OF ITS AML COMPLIANCE PROGRAM FOR THAT YEAR, DESPITE REPEATED WARNINGS THAT IT WAS REQUIRED.

**Initiated By:** FINRA

**Date Initiated:** 04/23/2012

**Docket/Case Number:** 2010021314101

**Principal Product Type:** No Product

**Other Product Type(s):**

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

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

**Resolution:** Acceptance, Waiver & Consent(AWC)



**Resolution Date:** 04/23/2012

**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 \$15,000.00

**Other Sanctions Ordered:** UNDERTAKING

**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 \$15,000, JOINTLY AND SEVERALLY, (OF WHICH \$7,500 PERTAINS TO THE MSRB RULE VIOLATION). THE FIRM UNDERTAKES TO PROVIDE FINRA THE REPORT OF THE INDEPENDENT TEST OF ITS AML COMPLIANCE PROGRAM FOR THE SUBSEQUENT TWO YEARS AND TO COMPLETE ITS INDEPENDENT TEST FOR THIS YEAR BY THE END OF THE YEAR AND PROVIDE FINRA THE REPORT BY THE DESIGNATED DATE. FINE PAID IN FULL ON MAY 18, 2012.

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**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** FAILURE TO CONDUCT AND EVIDENCE AN ADEQUATE INDEPENDENT TEST OF THE AML COMPLIANCE PROGRAM IN 2009, NASD CONDUCT RULE 3011 AND FINRA RULE 2010 AND MSRB RULE G-41

**Initiated By:** FINRA

**Date Initiated:** 04/23/2011

**Docket/Case Number:** 2010021314101

**Principal Product Type:** No Product

**Other Product Type(s):**

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

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

**Resolution:** Acceptance, Waiver & Consent(AWC)



**Resolution Date:** 04/23/2011

**Sanctions Ordered:** Censure  
Monetary/Fine \$15,000.00

**Other Sanctions Ordered:**

**Sanction Details:** JOINT AND SEVERAL FINE (\$7,500 FINRA, \$7,500 MSRB) AND CENSURE AGAINST FIRST KENTUCKY AND KRAMER. FKSC WILL UNDERTAKE TO PROVIDE FINRA'S CHICAGO OFFICE THE REPORTS OF 2010 AND 2011 INDEPENDENT TESTS OF ITS AML COMPLIANCE PROGRAM AND WILL COMPLETE THE 2012 REPORT AND PROVIDE IT TO FINRA, CHICAGO BY JANUARY 11, 2013.

#### Disclosure 7 of 10

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:** FINRA RULE 2010, NASD RULES 2110, 3011, INTERPRETATIVE MATERIAL 3011-1, MSRB RULE G-41 - FIRST KENTUCKY SECURITIES CORPORATION FAILED TO CONDUCT AND EVIDENCE AN INDEPENDENT TEST OF TIS ANTI-MONEY LAUNDERING (AML) PROGRAM ONE CALENDAR YEAR IN VIOLATION OF FINRA AND MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB) RULES.

**Initiated By:** FINRA

**Date Initiated:** 10/04/2010

**Docket/Case Number:** 2009016348701

**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:** 10/04/2010



**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?** No

**Sanctions Ordered:** Monetary/Fine \$5,000.00

**Other Sanctions Ordered:**

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

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**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** FINRA RULE 2010, NASD RULES 2110, 3011, INTERPRETATIVE MATERIAL 3011-1, MSRB RULE G-41 - FIRST KENTUCKY SECURITIES CORPORATION FAILED TO CONDUCT AND EVIDENCE AN INDEPENDENT TEST OF TIS ANTI-MONEY LAUNDERING (AML) PROGRAM ONE CALENDAR YEAR IN VIOLATION OF FINRA AND MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB) RULES.

**Initiated By:** FINRA

**Date Initiated:** 10/04/2010

**Docket/Case Number:** 2009016348701

**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:** 10/04/2010

**Sanctions Ordered:** Monetary/Fine \$5,000.00

**Other Sanctions Ordered:** NONE

**Sanction Details:** FINE PAID 10/19/2010 VIA CREDIT CARD





## Disclosure 8 of 10

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	MSRB RULES G-14, G-27(C) - FIRST KENTUCKY SECURITIES CORPORATION EXECUTED CUSTOMER TRANSACTIONS IN MUNICIPAL SECURITIES THAT WERE NOT TIMELY REPORTED TO THE MUNICIPAL SECURITIES RULEMAKING BOARD IN THAT THEY WERE NOT REPORTED WITHIN 15 MINUTES OF THE TIME OF EXECUTION AND TRADES WERE REPORTED WITH INCORRECT TIMES OF EXECUTION; AND THE FIRM FAILED TO ESTABLISH, MAINTAIN AND ENFORCE ADEQUATE WRITTEN SUPERVISORY PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE MSRB RULES RELATED TO THE REPORTING OF TRANSACTIONS IN MUNICIPAL SECURITIES.
<b>Initiated By:</b>	NASD
<b>Date Initiated:</b>	05/03/2006
<b>Docket/Case Number:</b>	E8A2005008001
<b>Principal Product Type:</b>	Debt - Municipal
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	05/03/2006
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$5,000.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF



FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$5,000.

<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	DURING THE RELEVANT TIME PERIOD, THE FIRM EXECUTED CUSTOMER TRANSACTIONS IN MUNICIPAL SECURITIES AND FKSC FAILED TO TIMELY REPORT CERTAIN MUNICIPAL SECURITIES TRADES TO THE MSRB WITHIN THE 15 MINUTE TIME LIMIT IMPOSED BY MSRB RULE G-14, G27. THE FIRM FAILED TO MAINTAIN AND ENFORCE ADEQUATE WRITTEN SUPERVISORY PROCEDURES TO ACHIEVE COMPLIANCE WITH THE APPLICABLE MSRB RULES.
<b>Initiated By:</b>	NATIONAL ASSOCIATION OF SECURITIES DEALERS
<b>Date Initiated:</b>	05/03/2006
<b>Docket/Case Number:</b>	E8A2005008001
<b>Principal Product Type:</b>	Debt - Municipal
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Censure
<b>Other Sanction(s)/Relief Sought:</b>	\$5,000 FINE
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	05/03/2006
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$5,000.00
<b>Other Sanctions Ordered:</b>	FIRM IS CENSURED
<b>Sanction Details:</b>	AWAC AND \$5,000 FINE, PAID 5/10/2006

#### Disclosure 9 of 10

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	
<b>Initiated By:</b>	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.



**Date Initiated:** 05/26/1998

**Docket/Case Number:** C05980006

**Principal Product Type:**

**Other Product Type(s):**

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

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

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 05/26/1998

**Sanctions Ordered:** Censure  
Monetary/Fine \$1,000.00

**Other Sanctions Ordered:**

**Sanction Details:**

**Regulator Statement**

ON MAY 26, 1998, DISTRICT NO. 5 NOTIFIED RESPONDENT FIRST KENTUCKY SECURITIES CORPORATION THAT THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. C05980006 WAS ACCEPTED; THEREFORE, RESPONDENT MEMBER IS CENSURED AND FINED \$1,000 - (MSRB RULES G-36, G-8 AND G-37 - RESPONDENT MEMBER FAILED TO FILE MSRB FORM G-36 FOR THREE MUNICIPAL UNDERWRITINGS, WITHIN TEN BUSINESS DAYS AFTER THE FINAL AGREEMENT TO PURCHASE, OFFER OR SELL THE SECURITIES, AND, IN THOSE THREE INSTANCES, FAILED AND NEGLECTED TO MAINTAIN A RECORD OF SENDING THE REQUIRED FORMS AND DOCUMENTS; AND, FILED AN INACCURATE MSRB FORM G-37 IN THAT THE FORM OMITTED AN ISSUER WITH WHICH THE FIRM HAD ENGAGED IN MUNICIPAL SECURITIES BUSINESS).

**\*\*\$1,000.00 PAID ON 6/26/98, INVOICE #98-05-502\*\***

**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** OMISSION FROM MSRB RULE G36/G37 FILING

**Initiated By:** NASD

**Date Initiated:** 12/26/1996



**Docket/Case Number:** C05980006

**Principal Product Type:** Debt - Municipal

**Other Product Type(s):**

**Principal Sanction(s)/Relief Sought:** Censure

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

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 05/26/1998

**Sanctions Ordered:** Censure  
Monetary/Fine \$1,000.00

**Other Sanctions Ordered:** MEMBER CENSURED AND AGREEMENT TO FILE CORRECT G37/G38 FORMS.

**Sanction Details:** ALL FINES PAID BY THE FIRM 6/01/1998. (\$1,000) AGREEMENT TO FILE CORRECT G37/G38 FORMS.

#### Disclosure 10 of 10

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:**

**Initiated By:** NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

**Date Initiated:** 12/20/1996

**Docket/Case Number:** C05960077

**Principal Product Type:**

**Other Product Type(s):**

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

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

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 12/20/1996

**Sanctions Ordered:** Censure



Monetary/Fine \$2,750.00

## Other Sanctions Ordered:

### Sanction Details:

### Regulator Statement

ON DECEMBER 20, 1996, DISTRICT NO. 5 NOTIFIED FIRST KENTUCKY SECURITIES CORPORATION, R. STAND KRAMER, JR. AND ROSEMARY WOODRUFF THAT THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. C05960077 WAS ACCEPTED; THEREFORE, RESPONDENT MEMBER AND KRAMER ARE CENSURED AND FINED \$2,750, JOINTLY AND SEVERALLY; AND, RESPONDENT WOODRUFF IS CENSURED AND MUST QUALIFY AS EITHER A GENERAL SECURITIES REPRESENTATIVE OR MUNICIPAL SECURITIES REPRESENTATIVE BY TAKING AND PASSING THE SERIES 7 OR 52 EXAMINATIONS, BEFORE ACTING AGAIN IN ANY REGISTERED CAPACITY - (MSRB RULES G-3, G-27 AND G-37(e) - RESPONDENT MEMBER FAILED TO FILE FORM G-37 IN A TIMELY MANNER; RESPONDENT MEMBER, ACTING THROUGH RESPONDENT KRAMER, FAILED TO PROPERLY SUPERVISE THE ACTIVITIES OF ONE ITS EMPLOYEES; AND, RESPONDENT WOODRUFF ACTED IN THE CAPACITY OF A MUNICIPAL SECURITIES REPRESENTATIVE WHILE NOT BE REGISTERED AS SUCH WITH THE NASD).

\*\*\*\$2,750.00 PAID J&S ON 1/14/97, INVOICE #97-05-0015\*\*\*

### Reporting Source:

Firm

### Current Status:

Final

### Allegations:

FIRM FILED LATE MSRB G36/G37 NONREGISTERED REP IN MUNI ADVISORY CAPACITY. FAILURE TO SUPERVISE ABOVE REFERENCED EMPLOYEE

### Initiated By:

NASD

### Date Initiated:

12/20/1996

### Docket/Case Number:

C05960077

### Principal Product Type:

Debt - Municipal

### Other Product Type(s):

### Principal Sanction(s)/Relief Sought:

Censure

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



**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 12/20/1996

**Sanctions Ordered:** Censure  
Monetary/Fine \$2,750.00

**Other Sanctions Ordered:** INDIVIDUAL WOODRUFF MUST REGISTER AND PASS MSRB SERIES 7 OR 52 EXAM

**Sanction Details:** AWAC AND CENSURE FOR RESPONDENT AND WOODRUFF. CHECK PAID 1/09/97 \$2,750.00.



## 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](http://www.finra.org/awardsonline).

### Disclosure 1 of 3

<b>Reporting Source:</b>	Regulator
<b>Type of Event:</b>	ARBITRATION
<b>Allegations:</b>	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-OTHER
<b>Arbitration Forum:</b>	FINRA
<b>Case Initiated:</b>	01/26/2017
<b>Case Number:</b>	17-00157
<b>Disputed Product Type:</b>	
<b>Sum of All Relief Requested:</b>	\$500,001.00
<b>Disposition:</b>	AWARD AGAINST PARTY
<b>Disposition Date:</b>	04/18/2019
<b>Sum of All Relief Awarded:</b>	\$131,032.00

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

### Disclosure 2 of 3

<b>Reporting Source:</b>	Regulator
<b>Type of Event:</b>	ARBITRATION
<b>Allegations:</b>	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT ACTIVITY-VIOLATE OF BLUE SKY LWS; ACCOUNT RELATED-FAILURE TO SUPERVISE
<b>Arbitration Forum:</b>	FINRA
<b>Case Initiated:</b>	05/12/2017
<b>Case Number:</b>	17-01188



**Disputed Product Type:** COMMON STOCK; LIMITED PARTNERSHIPS; MUTUAL FUNDS

**Sum of All Relief Requested:** \$203,514.00

**Disposition:** AWARD AGAINST PARTY

**Disposition Date:** 05/15/2018

**Sum of All Relief Awarded:** \$35,000.02

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

### Disclosure 3 of 3

**Reporting Source:** Regulator

**Type of Event:** ARBITRATION

**Allegations:** ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-FRAUD; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-OMISSION OF FACTS; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-FAILURE TO SUPERVISE; ACCOUNT RELATED-NEGLIGENCE

**Arbitration Forum:** FINRA

**Case Initiated:** 04/12/2019

**Case Number:** 19-01006

**Disputed Product Type:**

**Sum of All Relief Requested:** \$700,000.00

**Disposition:** AWARD AGAINST PARTY

**Disposition Date:** 07/15/2022

**Sum of All Relief Awarded:** \$609,050.23

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**



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