

BrokerCheck Report

CREWS & ASSOCIATES, INC.

CRD# 8052

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

• **Thank you for using FINRA BrokerCheck.**



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



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



CREWS & ASSOCIATES, INC.

CRD# 8052

SEC# 8-24075

Main Office Location

521 PRESIDENT CLINTON AVENUE
SUITE 800
LITTLE ROCK, AR 72201-1729
Regulated by FINRA New Orleans Office

Mailing Address

P.O. BOX 1696
LITTLE ROCK, AR 72203-1696

Business Telephone Number

501-907-2000

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 Arkansas on 07/06/1979.

Its fiscal year ends in December.

Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

Firm Operations

This firm is registered with:

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

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

This firm conducts 14 types of businesses.

This firm is affiliated with financial or investment institutions.

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

Disclosure Events

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

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

The following types of disclosures have been reported:

Type	Count
Regulatory Event	15
Arbitration	1



Firm Profile

This firm is classified as a corporation.
This firm was formed in Arkansas on 07/06/1979.
Its fiscal year ends in December.

Firm Names and Locations

This section provides the brokerage firm's full legal name, "Doing Business As" name, business and mailing addresses, telephone number, and any alternate name by which the firm conducts business and where such name is used.

CREWS & ASSOCIATES, INC.
Doing business as CREWS & ASSOCIATES, INC.
CRD# 8052
SEC# 8-24075

Main Office Location
521 PRESIDENT CLINTON AVENUE
SUITE 800
LITTLE ROCK, AR 72201-1729
Regulated by FINRA New Orleans Office

Mailing Address
P.O. BOX 1696
LITTLE ROCK, AR 72203-1696

Business Telephone Number
501-907-2000

Other Names of this Firm

Name	Where is it used
CREWS	AR
FIRST SECURITY CREWS	AR



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):	CREWS CORE HOLDING COMPANY
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	OWNER
Position Start Date	01/2022
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	No
Is this a public reporting company?	No

Legal Name & CRD# (if any):	BEARDSLEY, SCOTT ARTHUR 2349866
Is this a domestic or foreign entity or an individual?	Individual
Position	SECRETARY OF THE BOARD
Position Start Date	01/2022
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	BUMPERS, JOSEPH PARROTT 4336359
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF FINANCIAL OFFICER, PRINCIPAL FINANCIAL OFFICER
Position Start Date	01/2003

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? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): CLAY, DENNIS CHARLES
1233857

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

Position CHIEF EXECUTIVE OFFICER, DIRECTOR, EXECUTIVE COMMITTEE

Position Start Date 12/2019

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): JONES, JAMES STEPHEN
502536

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

Position PRESIDENT, DIRECTOR

Position Start Date 01/2020

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): MEYER, DAMON CHRISTIAN

Firm Profile



Direct Owners and Executive Officers (continued)

	4133916
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF COMPLIANCE OFFICER
Position Start Date	01/2022
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

Legal Name & CRD# (if any):	FIRST SECURITY BANCORP
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	CREWS CORE HOLDING COMPANY
Relationship to Direct Owner	100% OWNER
Relationship Established	01/2022
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	No
Is this a public reporting company?	No
Legal Name & CRD# (if any):	RUTLEDGE, JOHN REYNOLDS
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	FIRST SECURITY BANCORP
Relationship to Direct Owner	12.240 % OWNER & CHM FIRST SECURITY BANCORP AND CHM OF CREWS CORE HOLDING COMPANY
Relationship Established	01/1981
Percentage of Ownership	Other General Partners
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No
Legal Name & CRD# (if any):	RUTLEDGE, NATHANIEL THOMAS 5710030

Firm Profile



Indirect Owners (continued)

Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	FIRST SECURITY BANCORP
Relationship to Direct Owner	12.686 % OWNER FIRST SECURITY BANCORP & BOARD MBR CREWS CORE HOLDING COMPANY BOARD MEMBER
Relationship Established	01/2022
Percentage of Ownership	Other General Partners
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Firm History

This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.

No information reported.





Firm Operations

Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

This firm is currently registered with the SEC, 1 SRO and 51 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	09/18/1979

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	09/20/1979



Firm Operations

Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	06/15/1988
Alaska	Approved	04/02/2007
Arizona	Approved	01/03/1989
Arkansas	Approved	03/25/1980
California	Approved	07/14/1988
Colorado	Approved	05/24/1988
Connecticut	Approved	09/01/1988
Delaware	Approved	05/21/1992
District of Columbia	Approved	05/03/1992
Florida	Approved	08/19/1988
Georgia	Approved	05/27/1988
Hawaii	Approved	02/20/2008
Idaho	Approved	11/20/1996
Illinois	Approved	06/10/1988
Indiana	Approved	10/20/1981
Iowa	Approved	06/22/1988
Kansas	Approved	05/18/1988
Kentucky	Approved	06/01/1988
Louisiana	Approved	04/20/1983
Maine	Approved	01/13/1997
Maryland	Approved	06/10/1988
Massachusetts	Approved	01/03/1996
Michigan	Approved	07/13/1988
Minnesota	Approved	05/19/1988
Mississippi	Approved	06/15/1988
Missouri	Approved	03/27/1990
Montana	Approved	11/29/1996
Nebraska	Approved	10/18/1988
Nevada	Approved	11/06/1996
New Hampshire	Approved	06/15/1988
New Jersey	Approved	09/20/1996
New Mexico	Approved	06/08/1988
New York	Approved	06/15/1988

U.S. States & Territories	Status	Date Effective
North Carolina	Approved	04/06/1993
North Dakota	Approved	03/12/1990
Ohio	Approved	12/01/1982
Oklahoma	Approved	05/24/1988
Oregon	Approved	11/27/1996
Pennsylvania	Approved	06/03/1988
Rhode Island	Approved	11/20/1996
South Carolina	Approved	01/28/1992
South Dakota	Approved	07/03/1989
Tennessee	Approved	07/08/1988
Texas	Approved	05/07/1985
Utah	Approved	07/13/1988
Vermont	Approved	05/27/1988
Virginia	Approved	06/10/1988
Washington	Approved	05/29/1991
West Virginia	Approved	11/10/1983
Wisconsin	Approved	08/22/1988
Wyoming	Approved	08/18/1988



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 14 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 dealer
Municipal securities dealer
Municipal securities broker
Broker or dealer selling variable life insurance or annuities
Solicitor of time deposits in a financial institution
Broker or dealer selling securities of non-profit organizations (e.g., churches, hospitals)
Investment advisory services
Trading securities for own account
Private placements of securities
Broker or dealer involved in a networking, kiosk or similar arrangement with a: bank, savings bank or association, or credit union

Other Types of Business

This firm does not effect transactions in commodities, commodity futures, or commodity options.

This firm does engage in other non-securities business.

Non-Securities Business Description: MUNICIPAL LEASES: THE FIRM MAY ENGAGE IN THE MARKETING OF MUNICIPAL LEASE TRANSACTIONS.



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:	PERSHING LLC
CRD #:	7560
Business Address:	1515 WEST 22ND STREET, SUITE1000 OAK BROOK, IL 60523
Effective Date:	07/31/1989
Description:	FULLY DISCLOSED AGREEMENT-CLEARING FIRM.

Firm Operations

Industry Arrangements



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

Name: PERSHING LLC
CRD #: 7560
Business Address: 1515 WEST 22ND STREET, SUITE1000
OAK BROOK, IL 60523
Effective Date: 07/31/1989
Description: FULLY DISCLOSED AGREEMENT - CLEARING FIRM

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

Name: PERSHING LLC
CRD #: 7560
Business Address: 1515 WEST 22ND STREET, SUITE1000
OAK BROOK, IL 60523
Effective Date: 07/31/1989
Description: FULLY DISCLOSED AGREEMENT - CLEARING FIRM

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

Name: PERSHING LLC
CRD #: 7560
Business Address: 1515 WEST 22ND STREET, SUITE1000
OAK BROOK, IL 60523
Effective Date: 07/31/1989
Description: FULLY DISCLOSED AGREEMENT - CLEARING FIRM

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.**

FINANCIAL MANAGEMENT, INC. is under common control with the firm.

CRD #:	108350
Business Address:	10809 EXECUTIVE CENTER DRIVE SUITE 204 LITTLE ROCK, AR 72211
Effective Date:	06/06/2022
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	COMMON CONTROL PERSONS BETWEEN FINANCIAL MANAGEMENT, INC. AND CREWS & ASSOCIATES, INC. INCLUDE; CFO JOSEPH PARROTT BUMPERS (CRD # 4336359) CCO DAMON CHRISTIAN MEYER (CRD # 4133916)

This firm is 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

FIRST SECURITY BANCORP is a Bank Holding Company and controls the firm.

Business Address:	314 N. SPRING SEARCY, AR 72143
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Firm Operations



Organization Affiliates (continued)

Effective Date:	05/09/2000
Description:	100% OWNER OF CREWS CORE HOLDING COMPANY, WHICH IN TURN OWNS 100% OF CREWS & ASSOCIATES, INC.



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	15	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 15

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 SOLD MUNICIPAL BONDS TO AN AFFILIATED BANK WHILE PROHIBITING MARKUPS WHEN SELLING BONDS TO THE AFFILIATE. THE FINDINGS STATED THAT THE FIRM FAILED TO IMPLEMENT A REASONABLE SUPERVISORY SYSTEM, INCLUDING WSPS, TO ADDRESS THE CONFLICT OF INTEREST IN THE SELLING ARRANGEMENT BETWEEN THE FIRM AND ITS AFFILIATE AND, THUS, TO MONITOR FOR POTENTIAL VIOLATIONS OF MSRB RULES G-18 AND G-17 IN CONNECTION WITH CHARGING SUCH MARKUPS. THE FIRM AGREED WITH ITS AFFILIATE TO NOT SELL IT SECONDARY MARKET BONDS WITH A MARKUP. THE FIRM THEREFORE CREATED TWO TRADING ACCOUNTS FOR TRADERS INVOLVED IN SOURCING BONDS FOR THE AFFILIATE: (I) AN ACCOUNT FOR BONDS THE FIRM INTENDED TO SELL TO ITS AFFILIATE, IN WHICH MARKUPS WERE NOT ADDED, AND (II) A GENERAL INVENTORY ACCOUNT, IN WHICH THE FIRM ADDED MARKUPS, INTENDED FOR USE WHEN SELLING TO OTHER CUSTOMERS. THE FIRM DID NOT DISCOVER, AND THEREFORE DID NOT REVIEW FOR, POTENTIAL INDIRECT SALES OF BONDS IN GENERAL INVENTORY TO ITS AFFILIATE THROUGH THIRD-PARTY INTERMEDIARIES UNTIL LATER. IN ADDITION, THE FIRM'S WSPS TO DATE DO NOT ADDRESS THE CONFLICT PRESENTED WHEN PLACING BONDS IN THE AFFILIATE-RELATED ACCOUNT (PRECLUDING A MARKUP) VERSUS GENERAL INVENTORY (ENTAILING A MARKUP). THE FIRM, THROUGH ITS FORMER HEAD TRADER, FAILED TO ABIDE BY THE ARRANGEMENT WITH THE AFFILIATE BANK AND THIRD-PARTY BROKER-DEALERS WERE INTERPOSED IN 94 TRANSACTIONS. SPECIFICALLY, BONDS WERE ALLOCATED TO GENERAL INVENTORY, A MARKUP WAS ADDED, AND THEN THE BONDS WERE INDIRECTLY SOLD TO THE FIRM'S AFFILIATE BANK USING THIRD-PARTY BROKER-DEALERS AS INTERMEDIARIES. THE FIRM, AFTER DISCOVERY OF THESE TRANSACTIONS, PERMITTED THE TRADER TO RESIGN AND REIMBURSED ITS AFFILIATE \$918,476 FOR MARKUPS AND FEES RESULTING FROM THE TRADER'S ACTIONS.

Initiated By: FINRA

Date Initiated: 05/16/2023

Docket/Case Number: [2021072487002](#)

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:



Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/16/2023

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

Sanction Details: THE FIRM WAS CENSURED, FINED \$50,000 AND REQUIRED TO CERTIFY THAT IT HAS REMEDIATED THE ISSUES IDENTIFIED IN THE AWC AND IMPLEMENTED A SUPERVISORY SYSTEM, INCLUDING WSPS, REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH MSRB RULES G-18 AND G-17. FINE PAID IN FULL ON MAY 24, 2023.

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 SOLD MUNICIPAL BONDS TO AN AFFILIATED BANK WHILE PROHIBITING MARKUPS WHEN SELLING BONDS TO THE AFFILIATE. THE FINDINGS STATED THAT THE FIRM FAILED TO IMPLEMENT A REASONABLE SUPERVISORY SYSTEM, INCLUDING WSPS, TO ADDRESS THE CONFLICT OF INTEREST IN THE SELLING ARRANGEMENT BETWEEN THE FIRM AND ITS AFFILIATE AND, THUS, TO MONITOR FOR POTENTIAL VIOLATIONS OF MSRB RULES G-18 AND G-17 IN CONNECTION WITH CHARGING SUCH MARKUPS. THE FIRM AGREED WITH ITS AFFILIATE TO NOT SELL IT SECONDARY MARKET BONDS WITH A MARKUP. THE FIRM THEREFORE CREATED TWO TRADING ACCOUNTS FOR TRADERS INVOLVED IN SOURCING BONDS FOR THE AFFILIATE: (I) AN ACCOUNT FOR BONDS THE FIRM INTENDED TO SELL TO ITS AFFILIATE, IN WHICH MARKUPS WERE NOT ADDED, AND (II) A GENERAL INVENTORY ACCOUNT, IN WHICH THE FIRM ADDED MARKUPS, INTENDED FOR USE WHEN SELLING TO OTHER CUSTOMERS. THE FIRM DID NOT DISCOVER, AND THEREFORE DID NOT REVIEW FOR, POTENTIAL INDIRECT SALES OF BONDS IN GENERAL INVENTORY TO ITS AFFILIATE THROUGH THIRD-PARTY INTERMEDIARIES UNTIL LATER. IN ADDITION, THE FIRM'S WSPS TO DATE DO NOT ADDRESS THE CONFLICT PRESENTED WHEN PLACING BONDS IN THE AFFILIATE-RELATED ACCOUNT (PRECLUDING A



MARKUP) VERSUS GENERAL INVENTORY (ENTAILING A MARKUP). THE FIRM, THROUGH ITS FORMER HEAD TRADER, FAILED TO ABIDE BY THE ARRANGEMENT WITH THE AFFILIATE BANK AND THIRD-PARTY BROKER-DEALERS WERE INTERPOSED IN 94 TRANSACTIONS. SPECIFICALLY, BONDS WERE ALLOCATED TO GENERAL INVENTORY, A MARKUP WAS ADDED, AND THEN THE BONDS WERE INDIRECTLY SOLD TO THE FIRM'S AFFILIATE BANK USING THIRD-PARTY BROKER-DEALERS AS INTERMEDIARIES. THE FIRM, AFTER DISCOVER OF THESE TRANSACTIONS, PERMITTED THE TRADER TO RESIGN AND REIMBURSED ITS AFFILIATE \$918,476 FOR MARKUPS AND FEES RESULTING FROM THE TRADER'S ACTIONS.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA)

Date Initiated: 05/16/2023

Docket/Case Number: [2021072487002](#)

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: MONETARY/FINE \$50,000.00

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/16/2023

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

Other Sanctions Ordered: AN UNDERTAKING THAT, WITHIN 60 DAYS OF THE DATE OF THE NOTICE OF ACCEPTANCE OF THIS AWC, A MEMBER OF RESPONDENT'S SENIOR MANAGEMENT WHO IS A REGISTERED PRINCIPAL OF THE FIRM SHALL CERTIFY IN WRITING THAT, AS OF THE DATE OF THE CERTIFICATION, THE FIRM HAS REMEDIATED THE ISSUES IDENTIFIED IN THIS AWC AND IMPLEMENTED A SUPERVISORY SYSTEM, INCLUDING WRITTEN SUPERVISORY PROCEDURES, REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH MSRB RULES G-18 AND G-17 REGARDING THE ISSUES IDENTIFIED IN THIS AWC.

Sanction Details: \$50,000 05-23-2023.

Firm Statement ON 05-23-2023, THE FIRM PAID A FINE OF \$50,000.00. WITHIN 60 DAYS OF THE DATE OF THE NOTICE OF THE 05-16-2023 ACCEPTANCE OF THE AWC, THE FIRM WILL CERTIFY IN WRITING THAT THE FIRM REMEDIATED THE ISSUES IDENTIFIED IN THE AWC AND IMPLEMENTED A SUPERVISORY



SYSTEM, INCLUDING WSPS, REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH MSRB RULES G-17 AND G-18.

Disclosure 2 of 15

Reporting Source: Regulator

Current Status: Final

Allegations: THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED PURSUANT TO SECTIONS 15(B), 15B(C) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AGAINST CREWS & ASSOCIATES, INC. ("CREWS" OR "RESPONDENT"). THIS MATTER INVOLVES UNFAIR DEALING BY CREWS, A REGIONAL BROKER-DEALER HEADQUARTERED IN LITTLE ROCK, ARKANSAS. CREWS WORKS WITH LOCAL MUNICIPALITIES, ACROSS MULTIPLE STATES, THAT ISSUE MUNICIPAL SECURITIES, AND OFTEN SERVES AS UNDERWRITER ON NEW ISSUE MUNICIPAL SECURITIES. CREWS ALSO TRADES MUNICIPAL SECURITIES IN THE SECONDARY MARKET ON BEHALF OF ITSELF AND ITS CUSTOMERS. CREWS, AT THE DIRECTION OF ITS THEN-CEO, RECOMMENDED TO THE COUNTY COMMISSION OF OHIO COUNTY, WEST VIRGINIA (THE "COUNTY") THAT THE COUNTY ATTEMPT TO REDUCE THE AMOUNT OF ITS OUTSTANDING DEBT SERVICE EXPENSE THROUGH A TENDER OFFER FOR BONDS ISSUED IN 2006. THE COUNTY HAD PREVIOUSLY RETAINED CREWS TO COMPLETE TENDER OFFERS FOR THE SAME SERIES OF BONDS. CREWS AND ITS THEN-CEO RECOMMENDED THAT THE COUNTY OFFER TO PAY BONDHOLDERS A PRICE HIGHER THAN THE CURRENT MARKET PRICE OF ITS OUTSTANDING BONDS, AND SUFFICIENTLY HIGH TO INCENTIVIZE BONDHOLDERS TO TENDER THEIR BONDS. CREWS ALSO RECOMMENDED THAT THE COUNTY FUND ITS PURCHASE OF THOSE PREVIOUSLY ISSUED BONDS THROUGH THE SALE OF NEW, LOWER INTEREST RATE BONDS, WHICH CREWS WOULD UNDERWRITE. WHEN CREWS MADE THESE RECOMMENDATIONS, CREWS AND ITS THEN-CEO DID NOT DISCLOSE TO THE COUNTY THAT CREWS HAD RECENTLY ACQUIRED MORE THAN \$1 MILLION PRINCIPAL AMOUNT OF THE COUNTY'S OUTSTANDING BONDS AT MARKET PRICES AND THEN SOLD THEM TO TWO CUSTOMERS. IN THE MONTHS FOLLOWING CREWS' AND THE COUNTY'S INITIAL DISCUSSIONS OF THE TENDER OFFER, AS CREWS AND THE COUNTY FINALIZED THE TERMS OF THE PROPOSED TRANSACTION, CREWS PURCHASED APPROXIMATELY \$4.8 MILLION MORE OF THE COUNTY'S OUTSTANDING BONDS AT MARKET PRICES AND SOLD THEM TO AN AFFILIATED ENTITY (THE "AFFILIATE") AND TO CREWS' CUSTOMERS. ALMOST ALL OF THE BONDS CREWS ACQUIRED (INCLUDING THOSE ORIGINALLY SOLD TO CUSTOMERS) WERE EVENTUALLY SOLD TO



THE AFFILIATE AND TENDERED BACK TO THE COUNTY BY THE AFFILIATE AT A PRICE THAT CREWS HAD RECOMMENDED TO THE COUNTY. IN RECOMMENDING THE PURCHASE PRICE, CREWS DID NOT DISCLOSE TO THE COUNTY THAT THE AFFILIATE HAD ACQUIRED BONDS TO BE TENDERED, OR THE RESULTING CONFLICT OF INTEREST CREATED BY THE AFFILIATE'S FINANCIAL INTEREST IN THE TENDER OFFER. AS A RESULT OF ITS CONDUCT, CREWS WILLFULLY VIOLATED MUNICIPAL SECURITIES RULEMAKING BOARD ("MSRB") RULES G-17 AND G-27, AND BY REASON OF THOSE VIOLATIONS, SECTION 15B(C)(1) OF THE EXCHANGE ACT.

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 08/26/2021

Docket/Case Number: 3-20480

Principal Product Type: Debt - Municipal

Other Product Type(s):

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

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 08/26/2021

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 \$200,000.00
Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions Ordered: PREJUDGMENT INTEREST ON DISGORGEMENT

Sanction Details: THE FIRM WAS CENSURED, FINED \$200,000, OF WHICH \$66,667 SHALL BE TRANSFERRED TO THE MSRB, ORDERED TO PAY DISGORGEMENT IN THE AMOUNT OF \$34,631, PLUS PREJUDGMENT INTEREST OF \$9,441, TO THE SEC AND SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 15B(C)(1) OF THE EXCHANGE ACT.

**Regulator Statement**

RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT (THE "OFFER") WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. AS A RESULT OF ITS CONDUCT, CREWS WILLFULLY VIOLATED MSRB RULES G-17 AND G-27, AND BY REASON OF THOSE VIOLATIONS, SECTION 15B(C)(1) OF THE EXCHANGE ACT. ACCORDINGLY, IT IS HEREBY ORDERED THAT RESPONDENT CREWS: CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 15B(C)(1) OF THE EXCHANGE ACT; IS CENSURED; SHALL, WITHIN 10 DAYS OF THE ENTRY OF THIS ORDER, PAY DISGORGEMENT OF \$34,631 AND PREJUDGMENT INTEREST OF \$9,441 TO THE SECURITIES AND EXCHANGE COMMISSION; AND SHALL, WITHIN 10 DAYS OF THE ENTRY OF THIS ORDER, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$200,000 TO THE SECURITIES AND EXCHANGE COMMISSION, OF WHICH \$66,667 SHALL BE TRANSFERRED TO THE MSRB. PURSUANT TO SECTION 308(A) OF THE SARBANES-OXLEY ACT OF 2002, A FAIR FUND IS CREATED FOR THE DISGORGEMENT, PREJUDGMENT INTEREST AND CIVIL MONEY PENALTY.

Reporting Source:	Firm
Current Status:	Final
Appealed To and Date Appeal Filed:	N/A
Allegations:	WILLFULL VIOLATION OF MSRB RULES G-17 AND G-27 AND BY REASON THEREOF, SECTION 15B(C)(1) OF THE EXCHANGE ACT.
Initiated By:	SEC
Date Initiated:	08/26/2021
Docket/Case Number:	3-20480
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	CENSURE; DISGORGEMENT OF \$34,631 PLUS INTEREST OF \$9,441; CIVIL MONEY PENALTY OF \$200,000
Resolution:	Settled
Resolution Date:	08/26/2021
Sanctions Ordered:	Censure Monetary/Fine \$200,000.00



	Disgorgement/Restitution Cease and Desist/Injunction
Other Sanctions Ordered:	DISGORGEMENT OF \$34,631 AND PREJUDGMENT INTEREST OF \$9,441"
Sanction Details:	N/A
Firm Statement	CIVIL MONEY PENALTY AND DISGORGEMENT PAID IN FULL ON AUGUST 26, 2021.

Disclosure 3 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	CREWS & ASSOCIATES' FAILURE TO MAKE APPROPRIATE TIMELY APPLICATION FILINGS FOR TWO BROKER-DEALER AGENTS WITH THE COMMISSIONER FOLLOWING COMPLETION OF NECESSARY EXAM REQUIREMENTS WAS A FAILURE TO COMPLY WITH THE COMMISSIONER'S BOOKS AND RECORDS REQUIREMENTS AS SET FORTH IN RULE 306.01.
Initiated By:	ARKANSAS
Date Initiated:	11/14/2018
Docket/Case Number:	S-19-0005-19-OR01
URL for Regulatory Action:	HTTP://WWW.SECURITIES.ARKANSAS.GOV/!USERFILES/CREWS%20AND%20ASSOCIATES,%20INC_%20S-19-0005-19-OR01.PDF
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:	Consent
Resolution Date:	04/12/2019
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: CREWS AND ASSOCIATES PAID A FINE IN THE AMOUNT OF \$5,000.00.

Regulator Statement IN LATE 2018, CREWS & ASSOCIATES NOTIFIED THE COMMISSIONER OF A MATTER INVOLVING THE REGISTRATION OF TWO BROKER-DEALER AGENTS EMPLOYED BY THE FIRM. THE REGISTRATION APPLICATIONS OF BOTH APPLICANTS AS BROKER-DEALER AGENTS OF CREWS AND ASSOCIATES WERE APPROVED IN ARKANSAS ON 4/12/2019.

Reporting Source: Firm

Current Status: Final

Allegations: IN THE MATTER OF CREWS & ASSOCIATES, INC.; ARKANSAS SECURITIES DEPARTMENT CASE NO. S-19-0005; ORDER NO. S-19-0005-19-OR01.

CONSENT ORDER ENTERED WITH CREWS & ASSOCIATES, INC. FOR CERTAIN BOOKS AND RECORDS VIOLATIONS OF THE ARKANSAS SECURITIES ACT AND THE RULES OF THE ARKANSAS SECURITIES COMMISSIONER. CREWS SELF-REPORTED CRD FILING ISSUES TO THE STAFF OF THE ARKANSAS SECURITIES DEPARTMENT WHICH HAD CAUSED ITS APPLICATIONS FOR REGISTRATION IN ARKANSAS FOR TWO NON-SALES, FINRA-REGISTERED BROKER-DEALER AGENTS TO BE UNTIMELY FILED AFTER THE AGENTS PASSED THE SERIES 63 EXAMINATION. THE DEPARTMENT APPROVED THE APPLICATIONS OF BOTH AGENTS UPON ENTRY OF THIS CONSENT ORDER WITH CREWS.

Initiated By: ARKANSAS SECURITIES DEPARTMENT

Date Initiated: 04/12/2019

Docket/Case Number: S-19-0005

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: Consent

Resolution Date: 04/12/2019

Sanctions Ordered: Monetary/Fine \$5,000.00

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

FINE OF \$5,000.00 PAID TO THE ARKANSAS SECURITIES DEPARTMENT
DATED APRIL 11, 2019.

Firm Statement

IN THE MATTER OF CREWS & ASSOCIATES, INC.; ARKANSAS SECURITIES
DEPARTMENT CASE NO. S-19-0005; ORDER NO. S-19-0005-19-OR01.

CONSENT ORDER ENTERED WITH CREWS & ASSOCIATES, INC. FOR
CERTAIN BOOKS AND RECORDS VIOLATIONS OF THE ARKANSAS
SECURITIES ACT AND THE RULES OF THE ARKANSAS SECURITIES
COMMISSIONER. CREWS SELF-REPORTED CRD FILING ISSUES TO THE
STAFF OF THE ARKANSAS SECURITIES DEPARTMENT WHICH HAD CAUSED
ITS APPLICATIONS FOR REGISTRATION IN ARKANSAS FOR TWO NON-
SALES, FINRA-REGISTERED BROKER-DEALER AGENTS TO BE UNTIMELY
FILED AFTER THE AGENTS PASSED THE SERIES 63 EXAMINATION. THE
DEPARTMENT APPROVED THE APPLICATIONS OF BOTH AGENTS UPON
ENTRY OF THIS CONSENT ORDER WITH CREWS.

Disclosure 4 of 15**Reporting Source:**

Regulator

Current Status:

Final

Allegations:

SEC ADMIN RELEASES 33-9953; 34-76050; SEPTEMBER 30, 2015: THE
SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE AND
IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-
DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED AGAINST
CREWS & ASSOCIATES, INC., ("RESPONDENT"). RESPONDENT WILLFULLY
VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT. THIS MATTER
INVOLVES VIOLATIONS OF AN ANTIFRAUD PROVISION OF THE FEDERAL
SECURITIES LAWS IN CONNECTION WITH RESPONDENT'S UNDERWRITING
OF CERTAIN MUNICIPAL SECURITIES OFFERINGS. RESPONDENT, A
REGISTERED BROKER-DEALER, CONDUCTED INADEQUATE DUE
DILIGENCE IN CERTAIN OFFERINGS AND AS A RESULT, FAILED TO FORM A
REASONABLE BASIS FOR BELIEVING THE TRUTHFULNESS OF CERTAIN
MATERIAL REPRESENTATIONS IN OFFICIAL STATEMENTS ISSUED IN
CONNECTION WITH THOSE OFFERINGS. THIS RESULTED IN RESPONDENT
OFFERING AND SELLING MUNICIPAL SECURITIES ON THE BASIS OF
MATERIALLY MISLEADING DISCLOSURE DOCUMENTS.
THE VIOLATIONS WERE SELF-REPORTED BY RESPONDENT TO THE
COMMISSION PURSUANT TO THE DIVISION OF ENFORCEMENT'S (THE
"DIVISION") MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION
(MCDC) INITIATIVE.

Initiated By:

UNITED STATES SECURITIES AND EXCHANGE COMMISSION



Date Initiated:	09/30/2015
Docket/Case Number:	3-16865
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	09/30/2015
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:	Monetary/Fine \$250,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	UNDERTAKINGS
Sanction Details:	THE RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$250,000.00 AND COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT.
Regulator Statement	IN ANTICIPATION OF THE INSTITUTION OF THESE PROCEEDINGS, RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT (THE "OFFER") WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER IT AND THE SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED, RESPONDENT CONSENTS TO THE ENTRY OF THIS ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 AND SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER. IN VIEW OF THE FOREGOING, THE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN



RESPONDENT'S OFFER. ACCORDINGLY, IT IS HEREBY ORDERED THAT RESPONDENT SHALL, CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF 17(A)(2) OF THE SECURITIES ACT; WITHIN TEN (10) DAYS OF THE ENTRY OF THIS ORDER, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$250,000.00 TO THE SECURITIES AND EXCHANGE COMMISSION; AND RETAIN AN INDEPENDENT CONSULTANT TO CONDUCT A REVIEW OF RESPONDENT'S POLICIES AND PROCEDURES AS THEY RELATE TO MUNICIPAL SECURITIES UNDERWRITING DUE DILIGENCE.

Reporting Source:	Firm
Current Status:	Final
Allegations:	SEC ADMIN RELEASES 33-9953; 34-76050; SEPTEMBER 30, 2015: THE SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED AGAINST CREWS & ASSOCIATES, INC., ("RESPONDENT"). RESPONDENT WILLFULLY VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT. THIS MATTER INVOLVES VIOLATIONS OF AN ANTIFRAUD PROVISION OF THE FEDERAL SECURITIES LAWS IN CONNECTION WITH RESPONDENT'S UNDERWRITING OF CERTAIN MUNICIPAL SECURITIES OFFERINGS. RESPONDENT, A REGISTERED BROKER-DEALER, CONDUCTED INADEQUATE DUE DILIGENCE IN CERTAIN OFFERINGS AND AS A RESULT, FAILED TO FORM A REASONABLE BASIS FOR BELIEVING THE TRUTHFULNESS OF CERTAIN MATERIAL REPRESENTATIONS IN OFFICIAL STATEMENTS ISSUED IN CONNECTION WITH THOSE OFFERINGS. THIS RESULTED IN RESPONDENT OFFERING AND SELLING MUNICIPAL SECURITIES ON THE BASIS OF MATERIALLY MISLEADING DISCLOSURE DOCUMENTS. THE VIOLATIONS WERE SELF-REPORTED BY RESPONDENT TO THE COMMISSION PURSUANT TO THE DIVISION OF ENFORCEMENT'S (THE "DIVISION") MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION (MCDC) INITIATIVE.
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Date Initiated:	09/30/2015
Docket/Case Number:	3-16865
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist



Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 09/30/2015

Sanctions Ordered: Monetary/Fine \$250,000.00
Cease and Desist/Injunction

Other Sanctions Ordered: UNDERTAKINGS

Sanction Details: THE RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$250,000.00 AND COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT.

Firm Statement IN ANTICIPATION OF THESE PROCEEDINGS, RESPONDENT SUBMITTED AN OFFER OF SETTLEMENT (THE "OFFER") WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER IT AND THE SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED, RESPONDENT CONSENTED TO THE ENTRY OF THIS ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 AND SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER. IN VIEW OF THE FOREGOING, THE COMMISSION DEEMED IT APPROPRIATE AND IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS ALREADY AGREED TO IN OUR OFFER. RESPONDENT WILL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF 17(A)(2) OF THE SECURITIES ACT; RESPONDENT PAID A CIVIL MONEY PENALTY IN THE AMOUNT OF \$250,000.00 TO THE COMMISSION; AND RETAINED AN INDEPENDENT CONSULTANT TO CONDUCT A REVIEW OF RESPONDENT'S POLICIES AND PROCEDURES AS THEY RELATE TO MUNICIPAL SECURITIES UNDERWRITING DUE DILIGENCE.

Disclosure 5 of 15

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 ERRONEOUSLY BELIEVED THAT THE LIST OFFERING PRICE/TAKEDOWN SPECIAL CONDITION INDICATOR (SCI) WAS ONLY NECESSARY FOR TRADES REPORTED OUTSIDE OF THE GENERAL 15-MINUTE REQUIREMENT. CONSEQUENTLY, BETWEEN JANUARY 1, 2013 AND DECEMBER 31, 2013, THE FIRM REPORTED 197 LIST OFFERING PRICE/TAKEDOWN TRANSACTIONS TO THE MUNICIPAL SECURITIES RULEMAKING BOARD'S (MSRB) REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) WITHIN 15 MINUTES OF EXECUTION, BUT WITHOUT THE REQUIRED SPECIAL CONDITION INDICATOR. THE FINDINGS STATED THAT BETWEEN OCTOBER 1, 2013 AND DECEMBER 31, 2013, THE FIRM INCORRECTLY STATED ITS CAPACITY ON 50 CUSTOMER CONFIRMATIONS. IN ALL INSTANCES, THE FIRM INCORRECTLY STATED THE CAPACITY AS "BROKER ONLY" WHEN THE CAPACITY SHOULD HAVE BEEN STATED AS "PRINCIPAL." THE FINDINGS ALSO STATED THAT IN 2012, THE FIRM RECEIVED A LETTER OF CAUTION WITH REGARDS TO INACCURATE CAPACITY REPORTING TO MSRB'S RTRS. ALTHOUGH THE FIRM CORRECTED THE TRADE REPORTING OF ITS CAPACITY, THE FIRM NEVER CONDUCTED ANY TESTING OF THE ACCURACY OF ITS CUSTOMER CONFIRMATIONS. THE FIRM SHOULD HAVE HAD CONTROLS IN PLACE TO TEST ITS OWN CONFIRMATION PROCESS TO ENSURE THE ACCURACY OF INFORMATION ON THE CONFIRMATIONS AND ITS COMPLIANCE WITH MSRB RULE G-15.

Initiated By: FINRA

Date Initiated: 07/30/2015

Docket/Case Number: [2014039416301](#)

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/30/2015

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: Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED AND FINED \$15,000.

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 ERRONEOUSLY BELIEVED THAT THE LIST OFFERING PRICE/TAKEDOWN SPECIAL CONDITION INDICATOR (SCI) WAS ONLY NECESSARY FOR TRADES REPORTED OUTSIDE OF THE GENERAL 15-MINUTE REQUIREMENT. CONSEQUENTLY, BETWEEN JANUARY 1, 2013 AND DECEMBER 31, 2013, THE FIRM REPORTED 197 LIST OFFERING PRICE/TAKEDOWN TRANSACTIONS TO THE MUNICIPAL SECURITIES RULEMAKING BOARD'S (MSRB) REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) WITHIN 15 MINUTES OF EXECUTION, BUT WITHOUT THE REQUIRED SPECIAL CONDITION INDICATOR. THE FINDINGS STATED THAT BETWEEN OCTOBER 1, 2013 AND DECEMBER 31, 2013, THE FIRM INCORRECTLY STATED ITS CAPACITY ON 50 CUSTOMER CONFIRMATIONS. IN ALL INSTANCES, THE FIRM INCORRECTLY STATED THE CAPACITY AS "BROKER ONLY" WHEN THE CAPACITY SHOULD HAVE BEEN STATED AS "PRINCIPAL." THE FINDINGS ALSO STATED THAT IN 2012, THE FIRM RECEIVED A LETTER OF CAUTION WITH REGARDS TO INACCURATE CAPACITY REPORTING TO MSRB'S RTRS. ALTHOUGH THE FIRM CORRECTED THE TRADE REPORTING OF ITS CAPACITY, THE FIRM NEVER CONDUCTED ANY TESTING OF THE ACCURACY OF ITS CUSTOMER CONFIRMATIONS. THE FIRM SHOULD HAVE HAD CONTROLS IN PLACE TO TEST ITS OWN CONFIRMATION PROCESS TO ENSURE THE ACCURACY OF INFORMATION ON THE CONFIRMATIONS AND ITS COMPLIANCE WITH MSRB RULE G-15.

Initiated By: FINRA

Date Initiated: 07/30/2015

Docket/Case Number: [2014039416301](#)

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure



Other Sanction(s)/Relief Sought:	MONETARY/FINE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	07/30/2015
Sanctions Ordered:	Censure Monetary/Fine \$15,000.00
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS CENSURED AND FINED \$15,000

Disclosure 6 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	<p>A CONSENT ORDER ("ORDER") APPROVED BY THE ARKANSAS SECURITIES COMMISSIONER ON JULY 9, 2013, FOUND THAT CREWS & ASSOCIATES, INC. ("CREWS") (CRD# 8052) VIOLATED THE ARKANSAS SECURITIES ACT ("ACT"), THE RULES OF THE ARKANSAS SECURITIES COMMISSIONER ("RULES"), AND CERTAIN FINRA RULES IN ITS RECOMMENDATION OF AND ROLE AS THE PLACEMENT AGENT FOR PRIVATE PLACEMENT SECURITIES OFFERINGS OF DEBENTURES FOR BAMCO GAS, LLC ("BAMCO"), IN 2005 ("SENIOR DEBENTURE OFFERING") AND 2008 ("SUBORDINATE DEBENTURE OFFERING"). CREWS NEITHER ADMITTED NOR DENIED THE FINDINGS OF FACT OR CONCLUSIONS OF LAW IN THE ORDER.</p> <p>THE ORDER FOUND THAT CREWS VIOLATED NASD CONDUCT RULE 2310 (RECOMMENDATIONS TO CUSTOMERS - SUITABILITY), ARK. CODE ANN. § 23-42-308(A)(2)(G), AND RULES 308.01(D) AND (X) OF THE RULES BY RECOMMENDING ITS CUSTOMERS PURCHASE THE BAMCO DEBENTURES AFTER CREWS FAILED TO CONDUCT A REASONABLE DUE DILIGENCE INVESTIGATION FOR THE SENIOR DEBENTURE OFFERING OR THE SUBORDINATE DEBENTURE OFFERING. CREWS DID NOT HAVE AN ADEQUATE AND REASONABLE BASIS FOR BELIEVING THAT THE RECOMMENDATIONS OF THE BAMCO DEBENTURES WERE SUITABLE FOR AT LEAST SOME CUSTOMERS OF CREWS. AS A RESULT, THE BAMCO DEBENTURES WERE NOT SUITABLE FOR CREWS' CUSTOMERS UNDER A REASONABLE-BASIS SUITABILITY ANALYSIS. FURTHER, CREWS VIOLATED ARK. CODE ANN. § 23-42-308(A)(2)(G) AND RULE 308.01(Y) OF THE RULES WHEN CREWS FAILED TO DISCLOSE CERTAIN INFORMATION ABOUT BAMCO, BAMCO'S CONTROL PERSONS, AND THE BAMCO DEBENTURES IN THE PRIVATE PLACEMENT MEMORANDA FOR THE BAMCO DEBENTURES, WHICH WERE DRAFTED BY CREWS, CREWS' OUTSIDE COUNSEL, AND</p>



BAMCO. CREWS FAILED TO ENFORCE A SUPERVISORY SYSTEM REASONABLY DESIGNED TO ENABLE CREWS AND ITS AGENTS TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, RULES, AND REGULATIONS IN THE BAMCO DEBENTURE OFFERINGS. CREWS' VIOLATIONS RESULTED, IN PART, FROM CREWS' SUPERVISORY FAILURES. CREWS' FAILURE TO REASONABLY SUPERVISE THE BAMCO DEBENTURE OFFERINGS WAS FOUND TO BE IN VIOLATION OF NASD CONDUCT RULE 3010 (SUPERVISION), ARK. CODE ANN. § 23-42-308(A)(2)(G) AND (J), AND RULE 308.01(X) OF THE RULES.

PURSUANT TO ARK. CODE ANN. § 23-42-209(A)(1)(A), CREWS WAS ORDERED TO CEASE AND DESIST FROM FURTHER VIOLATIONS OF ARK. CODE ANN. § 23-42-308(A)(2)(G) AND (J); AND RULE 308.01(D), (X), AND (Y) OF THE RULES. IN RECOGNITION OF CREWS' EFFORTS TO REPURCHASE THE BAMCO DEBENTURES FROM ITS CUSTOMERS AND ITS DONATION OF \$150,000.00 ON JULY 8, 2013, TO THE NORTH AMERICAN SECURITIES ADMINISTRATORS ASSOCIATION ("NASAA") TO ADVANCE THE TRAINING AND INVESTOR-PROTECTION PROGRAMS OFFERED BY NASAA, NO FINE WAS LEVIED AGAINST CREWS. CREWS WAS FURTHER ORDERED TO, UPON REQUEST BY THE DEPARTMENT, NOTIFY THE DEPARTMENT IN WRITING OF ANY PRIVATE PLACEMENT OFFERINGS FOR WHICH IT ACTS AS THE PLACEMENT AGENT AND PROVIDE CERTAIN SUPPORTING DOCUMENTATION TO THE DEPARTMENT. ADDITIONALLY, CREWS WAS ORDERED TO RETAIN AN INDEPENDENT BROKER-DEALER SUPERVISORY COMPLIANCE EXPERT TO EVALUATE AND SUBMIT AN OPINION THAT THE PORTION OF CREWS' WRITTEN SUPERVISORY PROCEDURES ADDRESSING PRIVATE PLACEMENT OFFERINGS IS IN A FORM CONSISTENT WITH INDUSTRY STANDARDS AND COMPLIANT WITH RELEVANT FINRA CONDUCT RULES, THE ACT, AND THE RULES.

THE ORDER IS ACCESSIBLE AT WWW.SECURITIES.ARKANSAS.GOV, ORDER NO. S-10-0060-13-OR03.

Initiated By:	ARKANSAS SECURITIES DEPARTMENT
Date Initiated:	07/09/2013
Docket/Case Number:	S-10-0060-13-OR03
URL for Regulatory Action:	
Principal Product Type:	Debt - Corporate
Other Product Type(s):	OIL & GAS
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief	RETENTION OF COMPLIANCE EXPERT TO REVIEW WRITTEN



Sought: SUPERVISORY PROCEDURES AND PROVIDE RECOMMENDATIONS.

Resolution: Consent

Resolution Date: 07/09/2013

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: Cease and Desist/Injunction

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS OF FACT AND CONCLUSIONS OF LAW IN THE ORDER, PURSUANT TO ARK. CODE ANN. § 23-42-209(A)(1)(A), CREWS WAS ORDERED TO CEASE AND DESIST FROM FURTHER VIOLATIONS OF ARK. CODE ANN. § 23-42-308(A)(2)(G) AND (J); AND RULE 308.01(D), (X), AND (Y) OF THE RULES. CREWS WAS FURTHER ORDERED TO, UPON REQUEST BY THE DEPARTMENT, NOTIFY THE DEPARTMENT IN WRITING OF ANY PRIVATE PLACEMENT OFFERINGS FOR WHICH IT ACTS AS THE PLACEMENT AGENT AND PROVIDE CERTAIN SUPPORTING DOCUMENTATION TO THE DEPARTMENT. ADDITIONALLY, CREWS WAS ORDERED TO RETAIN AN INDEPENDENT BROKER-DEALER SUPERVISORY COMPLIANCE EXPERT TO EVALUATE AND SUBMIT AN OPINION THAT THE PORTION OF CREWS' WRITTEN SUPERVISORY PROCEDURES ADDRESSING PRIVATE PLACEMENT OFFERINGS IS IN A FORM CONSISTENT WITH INDUSTRY STANDARDS AND COMPLIANT WITH RELEVANT FINRA CONDUCT RULES, THE ACT, AND THE RULES.

Reporting Source: Firm

Current Status: Final

Allegations: A CONSENT ORDER ("ORDER") APPROVED BY THE ARKANSAS SECURITIES COMMISSIONER ON JULY 9, 2013, FOUND THAT CREWS & ASSOCIATES, INC. ("CREWS") (CRD# 8052) VIOLATED THE ARKANSAS SECURITIES ACT ("ACT"), THE RULES OF THE ARKANSAS SECURITIES COMMISSIONER ("RULES"), AND CERTAIN FINRA RULES IN ITS RECOMMENDATION OF AND ROLE SPECIFICALLY AS THE PLACEMENT AGENT FOR PRIVATE PLACEMENT SECURITIES OFFERINGS REGARDING DEBENTURES FOR BAMCO GAS, LLC ("BAMCO"), IN 2005 ("SENIOR DEBENTURE OFFERING") AND 2008 ("SUBORDINATE DEBENTURE OFFERING"). CREWS NEITHER ADMITTED



NOR DENIED THE FINDINGS OF FACT OR CONCLUSIONS OF LAW IN THE ORDER. THE ORDER FOUND THAT CREWS VIOLATED NASD CONDUCT RULE 2310 (RECOMMENDATIONS TO CUSTOMERS - SUITABILITY), ARK. CODE ANN. § 23-42-308(A)(2)(G), AND RULES 308.01(D) AND (X) OF THE RULES BY RECOMMENDING ITS CUSTOMERS PURCHASE THE BAMCO DEBENTURES AFTER CREWS FAILED TO CONDUCT A REASONABLE DUE DILIGENCE INVESTIGATION FOR THE SENIOR DEBENTURE OFFERING OR THE SUBORDINATE DEBENTURE OFFERING. CREWS DID NOT HAVE AN ADEQUATE AND REASONABLE BASIS FOR BELIEVING THAT THE RECOMMENDATIONS OF THE BAMCO DEBENTURES WERE SUITABLE FOR AT LEAST SOME CUSTOMERS OF CREWS. AS A RESULT, THE BAMCO DEBENTURES WERE NOT SUITABLE FOR CREWS' CUSTOMERS UNDER A REASONABLE-BASIS SUITABILITY ANALYSIS. FURTHER, CREWS VIOLATED ARK. CODE ANN. § 23-42-308(A)(2)(G) AND RULE 308.01(Y) OF THE RULES WHEN CREWS FAILED TO DISCLOSE CERTAIN INFORMATION ABOUT BAMCO, BAMCO'S CONTROL PERSONS, AND THE BAMCO DEBENTURES IN THE PRIVATE PLACEMENT MEMORANDA FOR THE BAMCO DEBENTURES, WHICH WERE DRAFTED BY CREWS, CREWS' OUTSIDE COUNSEL, AND BAMCO. ON THIS OFFERING CREWS FAILED TO ENFORCE A SUPERVISORY SYSTEM REASONABLY DESIGNED TO ENABLE CREWS AND ITS AGENTS TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, RULES, AND REGULATIONS IN THE BAMCO DEBENTURE OFFERINGS. CREWS' VIOLATIONS RESULTED, IN PART, FROM CREWS' SUPERVISORY FAILURES. CREWS' FAILURE TO REASONABLY SUPERVISE THE BAMCO DEBENTURE OFFERINGS WAS FOUND TO BE IN VIOLATION OF NASD CONDUCT RULE 3010 (SUPERVISION), ARK. CODE ANN. § 23-42-308(A)(2)(G) AND (J), AND RULE 308.01(X) OF THE RULES. PURSUANT TO ARK. CODE ANN. § 23-42-209(A)(1)(A), CREWS WAS ORDERED TO CEASE AND DESIST FROM FURTHER VIOLATIONS OF ARK. CODE ANN. § 23-42-308(A)(2)(G) AND (J); AND RULE 308.01(D), (X), AND (Y) OF THE RULES. IN RECOGNITION OF CREWS' SUCCESSFUL EFFORTS TO REPURCHASE THE BAMCO DEBENTURES FROM ITS CUSTOMERS AND ITS DONATION OF \$150,000.00 ON JULY 8, 2013, TO THE NORTH AMERICAN SECURITIES ADMINISTRATORS ASSOCIATION ("NASAA") TO ADVANCE THE TRAINING AND INVESTOR-PROTECTION PROGRAMS OFFERED BY NASAA, NO FINE WAS LEVIED AGAINST CREWS. CREWS WAS FURTHER ORDERED TO, UPON REQUEST BY THE DEPARTMENT, NOTIFY THE DEPARTMENT IN WRITING OF ANY PRIVATE PLACEMENT OFFERINGS FOR WHICH IT ACTS AS THE PLACEMENT AGENT AND PROVIDE CERTAIN SUPPORTING DOCUMENTATION TO THE DEPARTMENT. ADDITIONALLY, CREWS WAS ORDERED TO RETAIN AN INDEPENDENT BROKER-DEALER SUPERVISORY COMPLIANCE EXPERT TO EVALUATE AND SUBMIT AN OPINION THAT THE PORTION OF CREWS' WRITTEN SUPERVISORY PROCEDURES ADDRESSING PRIVATE PLACEMENT



OFFERINGS IS IN A FORM CONSISTENT WITH INDUSTRY STANDARDS AND COMPLIANT WITH RELEVANT FINRA CONDUCT RULES, THE ACT, AND THE RULES.

Initiated By: ARKANSAS SECURITIES DEPARTMENT

Date Initiated: 07/09/2013

Docket/Case Number: S-10-0060-13-OR03

Principal Product Type: Debt - Corporate

Other Product Type(s): OIL & GAS.

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: RETENTION OF COMPLIANCE EXPERT TO REVIEW SUPERVISORY PROCEDURES AND PROVIDE RECOMMENDATIONS.
OTHER SANCTIONS/RELIEF SOUGHT: CEASE & DESIST.

Resolution: Consent

Resolution Date: 07/09/2013

Sanctions Ordered: Cease and Desist/Injunction

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS OF FACT AND CONCLUSIONS OF LAW IN THE ORDER, PURSUANT TO ARK. CODE ANN. § 23-42-209(A)(1)(A), CREWS WAS ORDERED TO CEASE AND DESIST FROM FURTHER VIOLATIONS OF ARK. CODE ANN. § 23-42-308(A)(2)(G) AND (J); AND RULE 308.01(D), (X), AND (Y) OF THE RULES. CREWS WAS FURTHER ORDERED TO, UPON REQUEST BY THE DEPARTMENT, NOTIFY THE DEPARTMENT IN WRITING OF ANY PRIVATE PLACEMENT OFFERINGS FOR WHICH IT ACTS AS THE PLACEMENT AGENT AND PROVIDE CERTAIN SUPPORTING DOCUMENTATION TO THE DEPARTMENT. ADDITIONALLY, CREWS WAS ORDERED TO RETAIN AN INDEPENDENT BROKER-DEALER SUPERVISORY COMPLIANCE EXPERT TO EVALUATE AND SUBMIT AN OPINION THAT THE PORTION OF CREWS' WRITTEN SUPERVISORY PROCEDURES ADDRESSING PRIVATE PLACEMENT OFFERINGS IS IN A FORM CONSISTENT WITH INDUSTRY STANDARDS AND COMPLIANT WITH RELEVANT FINRA CONDUCT RULES, THE ACT, AND THE RULES.

Disclosure 7 of 15

Reporting Source: Regulator

Current Status: Final



Allegations:	MSRB RULES G-8, G-14 - CREWS & ASSOCIATES, INC. DID NOT ACCURATELY CAPTURE THE CORRECT EXECUTION TIME FOR CERTAIN MUNICIPAL SECURITIES TRANSACTIONS AND, AS A RESULT, THE FIRM FAILED TO REPORT THE CORRECT TRADE TIME TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) IN MUNICIPAL SECURITIES TRANSACTIONS; AND FAILED TO SHOW THE CORRECT EXECUTION TIME ON THE TRADE MEMORANDUM FOR MUNICIPAL SECURITIES TRANSACTIONS.
Initiated By:	FINRA
Date Initiated:	04/20/2012
Docket/Case Number:	2009019444401
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	04/20/2012
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:	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 FOR MSRB RULE VIOLATIONS. FINE PAID IN FULL ON MAY 1, 2012.
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Reporting Source:	Firm
Current Status:	Final
Allegations:	MSRB RULES G-8, G-14 - CREWS & ASSOCIATES, INC. DID NOT ACCURATELY CAPTURE THE CORRECT EXECUTION TIME FOR CERTAIN



MUNICIPAL SECURITIES TRANSACTIONS AND, AS A RESULT, THE FIRM FAILED TO REPORT THE CORRECT TRADE TIME TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) IN MUNICIPAL SECURITIES TRANSACTIONS; AND FAILED TO SHOW THE CORRECT EXECUTION TIME ON THE TRADE MEMORANDUM FOR MUNICIPAL SECURITIES TRANSACTIONS.

Initiated By:	FINRA
Date Initiated:	04/20/2012
Docket/Case Number:	2009019444401
Principal Product Type:	Debt - Municipal
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:	04/20/2012
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 FOR MSRB RULE VIOLATIONS.
Firm Statement	IT WAS DETERMINED THAT THERE WERE 80 TRANSACTIONS WHICH WERE NOT IN SYNC WITH THE CONTRA-PARTIES' REPORTING TIMES. THE 80 TRADES WERE PART OF 2,736 REPORTED OVER A PERIOD OF 3 MONTHS. TO MITIGATE FUTURE MISMATCHES, CREWS CONDUCTED SPECIAL TRAINING FOR ITS TRADERS AND ASSISTANTS TO RE-EMPHASIZE RESPONSIBILITY AND IMPORTANCE OF RECORDING AND REPORTING THE CORRECT TIME OF EXECUTION FOR MUNICIPAL TRADES. TRAINING CONSISTED OF EACH TRADER TAKING OWNERSHIP OF THE 'TIME OF TRADE' (TOT) WITH THE CONTRA-PARTY AND UNDERSTANDING EXACTLY HOW OUR INTERNAL TRADING SYSTEMS MANAGE DATA INPUT. WE ALSO SOLICITED AND ENCOURAGED THOSE DEALERS WHICH PROVIDE ELECTRONIC NOTIFICATION TO TAKE RESPONSIBILITY FOR PROVIDING EMAIL NOTIFICATIONS TO TRADING AND SUPPORT PERSONNEL WHEN THERE IS AN AUTOMATIC EXECUTION. ADDITIONALLY, THE 'TIME OF EXECUTION' FOR EACH MUNICIPAL TRANSACTION IS BEING MONITORED DAILY BY CREWS MANAGEMENT AND



OPERATIONS PERSONNEL USING THE MSRB DISCREPANCY ERROR CODE REPORT. IF ANY TRANSACTION SHOWS A 'TIME OF EXECUTION' DIFFERENCE GREATER THAN 15 MINUTES, THE TRADER IS IMMEDIATELY CONTACTED BY HIS SUPERVISOR AND REQUIRED TO PROVIDE A REASON FOR THE DIFFERENCE TO COMPLIANCE.

Disclosure 8 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	NASD RULES 2110, 6230(A), 6230(C)(8) - CREWS & ASSOCIATES, INC. FAILED TO REPORT TO THE TRADE REPORTING AND COMPLIANCE ENGINE (TRACE) TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES WITHIN 15 MINUTES OF THE TIME OF EXECUTION. THIS CONDUCT CONSTITUTES SEPARATE AND DISTINCT VIOLATIONS OF NASD RULE 6230(A) AND A PATTERN OR PRACTICE OF LATE REPORTING WITHOUT EXCEPTIONAL CIRCUMSTANCES IN VIOLATION OF NASD RULE 2110. THE FIRM FAILED TO REPORT TO TRACE THE CORRECT TIME OF TRADE EXECUTIONS FOR TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES.
Initiated By:	FINRA
Date Initiated:	03/24/2010
Docket/Case Number:	2008015489701
Principal Product Type:	Other
Other Product Type(s):	TRACE-ELIGIBLE SECURITIES
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/24/2010
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.

Reporting Source: Firm

Current Status: Final

Allegations: NASD RULES 2110, 6230(A), 6230(C)(8) - CREWS & ASSOCIATES, INC. FAILED TO REPORT TO THE TRADE REPORTING AND COMPLIANCE ENGINE (TRACE) TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES WITHIN 15 MINUTES OF THE TIME OF EXECUTION.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY

Date Initiated: 03/24/2010

Docket/Case Number: 2008015489701

Principal Product Type: Debt - Corporate

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: MONETARY FINE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/24/2010

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

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

Disclosure 9 of 15

Reporting Source: Regulator

Current Status: Final

Allegations: MSRB RULES G-14, G-17, G-27, G-30 - CREWS & ASSOCIATES, INC. FAILED TO PURCHASE MUNICIPAL SECURITIES FOR ITS OWN ACCOUNT FROM A



CUSTOMER OR SELL MUNICIPAL SECURITIES FOR ITS OWN ACCOUNT TO A CUSTOMER AN AGGREGATE PRICE (INCLUDING ANY MARKDOWN OR MARKUP) THAT WAS FAIR AND REASONABLE, TAKING INTO CONSIDERATION ALL RELEVANT FACTS, INCLUDING THE BEST JUDGMENT OF THE FIRM AS TO THE FAIR MARKET VALUE OF THE SECURITIES AT THE TIME OF TRANSACTION AND OF ANY SECURITIES EXCHANGED OR TRADED IN CONNECTION WITH THE TRANSACTION, THE EXPENSE INVOLVED IN EFFECTING THE TRANSACTION, THE FACT THAT THE FIRM WAS ENTITLED TO A PROFIT, AND THE TOTAL AMOUNT OF THE TRANSACTION. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS AND NASD RULES CONCERNING FAIR PRICING AND MARKUPS. THE FIRM FAILED TO REPORT INFORMATION REGARDING TRANSACTIONS EFFECTED IN MUNICIPAL SECURITIES TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) IN THE MANNER PRESCRIBED BY RULE G-14 RTRS PROCEDURES AND THE RTRS USERS MANUAL. THE FIRM FAILED TO REPORT INFORMATION ABOUT THE TRANSACTIONS WITHIN 15 MINUTES OF TIME OF TRADE TO AN RTRS PORTAL.

Initiated By: FINRA

Date Initiated: 12/18/2007

Docket/Case Number: [2005000112102](#)

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/18/2007

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: 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, FINED \$27,500 AND REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING FAIR PRICING AND MARKUPS WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.

Reporting Source: Firm

Current Status: Final

Allegations: DURING THE CALENDAR YEARS 2003 AND 2004 FINRA DECIDED THERE WERE 14 INSTANCES CREWS EXECUTED TRANSACTIONS WITH CUSTOMERS AT PRICES DETERMINED BY FINRA TO BE UNFAIR AND UNREASONABLE WHILE TAKING INTO CONSIDERATION ALL RELEVANT FACTS SURROUNDING THE MARKET FOR SUCH TRANSACTIONS IN VIOLATION OF MSRB RULES G-17 AND G-30. AS A RESULT OF THESE TRANSACTIONS, FINRA CITED THE FIRM FOR FAILING TO MAINTAIN A SUPERVISORY SYSTEM REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH MSRB RULE G-27. CREWS FAILED TO REPORT CERTAIN MUNICIPAL SECURITIES TRANSACTIONS IN A TIMELY MANNER AS PRESCRIBED BY MSRB RULE G-14 RTRS PROCEDURES.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA)

Date Initiated: 12/18/2007

Docket/Case Number: 20050001121-02

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: MONETARY / FINE \$27,500

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/18/2007

Sanctions Ordered: Censure
Monetary/Fine \$27,500.00

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, FINED \$27,500 AND REQUIRED TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES REGARDING FAIR PRICING AND MARKUPS WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.

Disclosure 10 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	MSRB RULE G-36 - RESPONDENT MEMBER FAILED TO TIMELY REPORT MUNICIPAL SECURITIES RULEMAKING BOARD FORMS G-36S WITH THE MSRB.
Initiated By:	NASD
Date Initiated:	06/23/2006
Docket/Case Number:	E052005001801
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:	06/23/2006
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:	Monetary/Fine \$5,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, CREWS & ASSOCIATES, INC., CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS FINED \$5,000.



Reporting Source: Firm

Current Status: Final

Allegations: MSRB RULE G-36 - RESPONDENT MEMBER FAILED TO TIMELY REPORT MUNICIPAL SECURITIES RULEMAKING BOARD FORMS G-36S WITH THE MSRB.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 06/23/2006

Docket/Case Number: E052005001801

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: MONETARY FINE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/23/2006

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

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

Disclosure 11 of 15

Reporting Source: Regulator

Current Status: Final

Allegations: 12-15-99, DECEMBER 16, 1999, THE DEPARTMENT OF ENFORCEMENT ACCEPTED THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT SUBMITTED BY CREWS & ASSOCIATES, INC. WHEREBY THE FIRM FAILED TO REPORT MUNICIPAL SECURITIES TRADES ON A TIMELY AND ACCURATE BASIS DURING THE PERIOD JANUARY THROUGH JUNE 1999 IN VIOLATION OF MUNICIPAL SECURITIES RULEMAKING BOARD RULES G-12 AND G-14.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 12/16/1999



Docket/Case Number: CAF990038

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: 12/16/1999

Sanctions Ordered:

Other Sanctions Ordered:

Sanction Details: FINED \$1,000

Regulator Statement 05-22-00, \$1,000 PAID ON 1/03/00, INVOICE #99-AF-1059

Reporting Source: Firm

Current Status: Final

Allegations: ALLEDGED VIOLATION MSRV RULE G12 REQUIRED PROCEDURES IN CLEARING TRADES NOT FOLLOWED PROVIDING TIMELY AND ACCURATE INFORMATION, RESULTING IN VIOLATION MSRB RULE G14 REPORTING TO SHOW EQUALITY TO INDUSTRY T-INPUT PERCENTAGE

Initiated By: NASD REGULATION, INC.

Date Initiated: 11/09/1999

Docket/Case Number: CAF990038

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: FINE \$1000

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/16/1999



Sanctions Ordered: Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details: AWC ACCEPTED NASD REGULATION INC. AND NATIONAL ADJUDICATORY COUNCIL. \$1000.00 FINED APPLICANT, PAID AS BILLED. NONE WAIVED.

Disclosure 12 of 15

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 06/18/1997

Docket/Case Number: C05970014

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/18/1997

Sanctions Ordered: Monetary/Fine \$250.00

Other Sanctions Ordered:

Sanction Details:

Regulator Statement ON JUNE 18, 1997, DISTRICT NO. 5 NOTIFIED RESPONDENT CREWS & ASSOCIATES, INC. THAT THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. C05970014 WAS ACCEPTED; THEREFORE; THE FIRM IS FINED \$250 - (MSRB RULE G-37 - RESPONDENT MEMBER FAILED TO FILE AN ACCURATE MSRB FORM G-37 IN THAT THE FIRM FAILED TO DISCLOSE ITS PARTICIPATION IN AN UNDERWRITING).

\$250.00 PAID ON 6/30/97, INVOICE #97-05-523

Reporting Source: Firm



Current Status:	Final
Allegations:	VIOLATIONS OF MSRB G-37
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. MSRB
Date Initiated:	04/24/1997
Docket/Case Number:	C05970014
Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	PROCEDURAL CHANGES
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	06/25/1997
Sanctions Ordered:	Monetary/Fine \$250.00
Other Sanctions Ordered:	
Sanction Details:	\$250.00 FINED THE APPLICANT, PAID ON RESOLUTION AND NONE WAS WAIVED.
Firm Statement	IN FIRTS MSRB REPORTING YR, TWO UNDERWRITINGS QTRLY PERIOD 9/30/95 1. ADFA SERIES 95 FROM SEQUENTIAL POSITION CO-MANAGER WITH THREE OTHERS AND SR-NO ADD ACTIVITY INCLUDING CLOSING NOTICE TO CREWS. 2. POCAHANTAS CNTY WV SERIES 95 A. B. C. WAS AN IN-PROCESS OMISSION. BOTH HAVE BEEN ADDRESSED IN ADDED CHECK OFF PROCEDURES TO ENSURE ACCURATE REPORTING.

Disclosure 13 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated:	10/09/1996
Docket/Case Number:	C05960042



Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/09/1996

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

Other Sanctions Ordered:

Sanction Details:

Regulator Statement ON OCTOBER 9, 1996, DISTRICT NO. 5 NOTIFIED CREWS & ASSOCIATES, INC. THAT THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. C05960042 WAS ACCEPTED; THEREFORE, RESPONDENT MEMBER IS CENSURED AND FINED \$5,000 - (NASD RULE 2110 (FORMERLY ARTICLE III, SECTION 1 OF THE RULES OF FAIR PRACTICE) - RESPONDENT MEMBER EXECUTED A SERIES OF TRANSACTIONS INVOLVING THE PLACEMENT OF CERTAIN DEBT SECURITIES IN THE ACCOUNT OF A PUBLIC CUSTOMER INSTEAD OF IN THE SPECIAL HOUSE ACCOUNT TO BE USED BY THE FIRM PURSUANT TO THE TERMS OF TRADING GUIDELINES SUBMITTED TO THE NASD).

\$5,000.00 PAID ON 10/28/96, INVOICE #96-05-785

Reporting Source: Firm

Current Status: Final

Allegations: PLACEMENT OF SECURITIES IN A CUSTOMER LIEU A SPECIAL HOUSE ACCOUNT (PROVIDED BY AN AGREEMENT CREWS WITH DISTRICT 5) VIOLATED CONDUCT RULE 2110 FORMERLY ARTICLE III SECTION 1, NASD "RULES OF FAIR PRACTICE".

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC

Date Initiated: 07/17/1996

Docket/Case Number: C05960042



Principal Product Type:	Debt - Municipal
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	MONETARY FINE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	10/09/1996
Sanctions Ordered:	Monetary/Fine \$5,000.00
Other Sanctions Ordered:	
Sanction Details:	\$5,000.00 WAS FINED APPLICANT AND PAID ON RESOLUTION NO PORTION WAIVED.
Firm Statement	DURING PERIOD 02/25/94-12/20/94, CREWS EXECUTED A SERIES OF TRANSACTIONS PLACING DEBT SECURITIES INTO AN INDIVIDUAL PUBLIC ACCOUNT RATHER THAN A SPECIAL HOUSE ACCOUNT TO BE USED PURSUANT TO TERMS OF TRADING GUIDELINES DATED 6/25/93. THIS PLACEMENT WAS DESIGNED TO REMOVE PERCEIVED APPEARANCE OF INTERPOSING OR IMPLICATION OF SPECIAL CONSIDERATION.

Disclosure 14 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	THE FIRM SOLD SECURITIES WHILE NOT REGISTERED AS A BROKER-DEALER IN MASSACHUSETTS.
Initiated By:	MASSACHUSETTS SECURITIES DIVISION
Date Initiated:	01/03/1996
Docket/Case Number:	R-95-156
URL for Regulatory Action:	
Principal Product Type:	
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	



Resolution: Consent

Resolution Date: 01/03/1996

Sanctions Ordered: Monetary/Fine \$1,700.00

Other Sanctions Ordered:

Sanction Details: Not Provided

Regulator Statement ON JANUARY 3, 1996 THE MASSACHUSETTS SECURITIES DIVISION ENTERED A CONSENT ORDER WHEREBY CREWS & ASSOCIATES, INC. WAS ORDERED TO NOTIFY ITS CUSTOMERS OF ITS UNREGISTERED ACITIVITY AND TO PAY A \$1700 FINE. CONTACT: GEORGE MALLEY 617-727-3548

Reporting Source: Firm

Current Status: Final

Allegations: NON ALLOWABLE SALES PRIOR TO REGISTRATION

Initiated By: SECURITIES DIVISION MASSACHUSETTS

Date Initiated: 12/27/1995

Docket/Case Number: R-95-156

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: MONETARY FINE

Resolution: Decision & Order of Offer of Settlement

Resolution Date: 01/03/1996

Sanctions Ordered: Monetary/Fine \$1,700.00

Other Sanctions Ordered:

Sanction Details: FINE OF \$1700.00 WAS LEVIED AGAINST THE APPLICANT NONE WAS WAIVED, PAID IN FULL ON RESOLUTION.

Firm Statement ALTHOUGH CREWS, WITH EXCEPTION OF SIX TRANSACTIONS IN EXEMPT SECURITIES WHICH IT BELIEVED PERMITTED BY THE MASSACHUSETTS ACT. BY INTERPRETATION, THE DIVISION APPLIED NO ALLOWANCE FOR



SALES. ON THIS BASE, THE DIVISION ALLOWED CREWS ITS APPLICATION FOR REGISTRATION. NO ADDITIONAL ACTION OCCURED EXCEPT MONETARY FINE.

Disclosure 15 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated:	08/29/1986
Docket/Case Number:	NEW-506-AWC
Principal Product Type:	
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Consent
Resolution Date:	02/12/1987
Sanctions Ordered:	Censure Monetary/Fine \$5,000.00
Other Sanctions Ordered:	
Sanction Details:	
Regulator Statement	<p>ON AUGUST 29, 1986, THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. NEW-506-AWC (DISTRICT NO. 5) SUBMITTED BY RESPONDENTS CREWS & ASSOCIATES, INC., L. ADRON CREWS AND RICHARD B. CHITWOOD WAS ACCEPTED; THEREFORE, THEY ARE CENSURED</p> <p>AND FINED \$5,000.00, JOINTLY AND SEVERALLY (ARTICLE III, SECTIONS 1, 21 AND 27 OF THE RULES OF FAIR PRACTICE - RESPONDENT MEMBER, ACTING THROUGH RESPONDENT CHITWOOD, FAILED</p> <p>TO ACCURATELY COMPUTE THE AMOUNT REQUIRED TO BE ON DEPOSIT IN</p> <p>THE SPECIAL RESERVE BANK ACCOUNT FOR THE EXCLUSIVE BENEFIT OF</p>



CUSTOMERS; FAILED TO DEPOSIT THE REQUIRED AMOUNTS; FAILED TO REDUCE CERTAIN CUSTOMER FULLY PAID SECURITIES TO POSSESSION AND CONTROL AND IMPROPERLY HYPOTHECATED SUCH SECURITIES; INACCURATELY REPORTED THE MEMBER'S RESERVE ACCOUNT REQUIREMENT; RESPONDENT MEMBER, ACTING THROUGH RESPONDENT CREWS, IN CONNECTION WITH A CONTINGENCY OFFERING, TERMINATED THE ESCROW AGREEMENT AND RELEASED FUNDS PRIOR TO SAID CONTINGENCY BEING MET; LOANED FUNDS TO THE MANAGING GENERAL PARTNER OF SAID OFFERING TO CLOSE THE OFFERING; AND FAILED TO PROPERLY SUPERVISE THE ACTIVITIES OF A REGISTERED REPRESENTATIVE). *****
2/12/87-FC# 9533 PAID IN FULL 9-16-86.

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATION OF ARTICLE III SECTION 1, 21 AND 27 "RULES OF FAIR PRACTICE", DURING PERIOD 06/21/83-08/16/83 PERTAINING TO DISTRIBUTION OF DPP OFFERING; 02/28/85, 03/29/85, 04/12/85 DEPOSIT RELATING TO RESERVE 15C3-3 COMPUTATIONS; 11/01/84-04/18/85 - POSSESSION & CONTROL

Initiated By: NATIONAL ASSOC OF SECURITIES DEALERS, INC.

Date Initiated: 04/18/1985

Docket/Case Number: NEW-506-AWC

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

Other Product Type(s): DEBT MUNICIPALS

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: MONETARY FINE \$5,000 JOINTLY AND SEVERALLY CREWS & ASSOCIATES, INC., L ADRON CREWS & RICHARD BOYD CHITWOOD.

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 08/29/1986

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



Other Sanctions Ordered:

Sanction Details:

\$5,000.00 WAS FINED THE APPLICANT. THE AMOUNT WAS PAID BY APPLICANT ON RESOLUTION WITH NO PORTION WAIVED.



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-OTHER; ACCOUNT RELATED-BREACH OF CONTRACT; NO OTHER CONTROVERSY INVOLVED
Arbitration Forum:	NASD
Case Initiated:	12/20/1994
Case Number:	94-04575
Disputed Product Type:	NO OTHER TYPE OF SEC INVOLVE; MUNICIPAL BOND FUNDS
Sum of All Relief Requested:	\$1,800,000.02
Disposition:	AWARD AGAINST PARTY
Disposition Date:	03/25/1996
Sum of All Relief Awarded:	\$2,331,743.78

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



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