

## BrokerCheck Report

**DUDLEY MUTH**

CRD# 1013651

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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).

**DUDLEY MUTH**

CRD# 1013651

This broker is not currently registered.

**Report Summary for this Broker**

This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

**Broker Qualifications**

**This broker is not currently registered.**

**This broker has passed:**

- 3 Principal/Supervisory Exams
- 3 General Industry/Product Exams
- 1 State Securities Law Exam

**Registration History**

**This broker was previously registered with the following securities firm(s):**

- B WILSON-DAVIS & CO., INC.**  
CRD# 3777  
SALT LAKE CITY, UT  
04/2019 - 04/2024
- B BMA SECURITIES, LLC**  
CRD# 108219  
EL SEGUNDO, CA  
01/2009 - 02/2019
- B FINANCIAL WEST GROUP**  
CRD# 16668  
RENO, NV  
01/2008 - 02/2009

**Disclosure Events**

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

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

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

Type	Count
Regulatory Event	2

**Investment Adviser Representative Information**

The information below represents the individual's record as a broker. For details on this individual's record as an investment adviser representative, visit the SEC's Investment Adviser Public Disclosure website at

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

## Broker Qualifications



### Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

This broker is not currently registered.



## Broker Qualifications

### Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below. A passed exam or exam waiver does not permit a broker to do business without an active SRO or state registration.

**This individual has passed 3 principal/supervisory exams, 3 general industry/product exams, and 1 state securities law exam.**

### Principal/Supervisory Exams

Exam	Category	Date
<b>B</b> Financial and Operations Principal Examination	Series 27	02/20/2001
<b>B</b> Registered Options Principal Examination	Series 4	11/15/1997
<b>B</b> General Securities Principal Examination	Series 24	08/27/1997

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> Operations Professional Examination	Series 99TO	01/02/2023
<b>B</b> Securities Industry Essentials Examination	SIE	10/01/2018
<b>B</b> General Securities Representative Examination	Series 7	07/01/1997

### State Securities Law Exams

Exam	Category	Date
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	07/28/1997

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at [www.finra.org/brokerqualifications/registeredrep/](http://www.finra.org/brokerqualifications/registeredrep/).

## Broker Qualifications



## Professional Designations

This section details that the representative has reported **0** professional designation(s).

No information reported.



## Registration and Employment History

### Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
<b>B</b> 04/2019 - 04/2024	WILSON-DAVIS & CO., INC.	3777	SALT LAKE CITY, UT
<b>B</b> 01/2009 - 02/2019	BMA SECURITIES, LLC	108219	EL SEGUNDO, CA
<b>B</b> 01/2008 - 02/2009	FINANCIAL WEST GROUP	16668	RENO, NV
<b>B</b> 10/2002 - 07/2008	THE SHEMANO GROUP, INC.	35528	LOS ANGELES, CA
<b>B</b> 05/2002 - 09/2007	GLOBAL CROWN CAPITAL, LLC	16761	LOS ANGELES, CA
<b>B</b> 10/2003 - 07/2004	SAN FRANCISCO SECURITIES, INC.	43629	CANOGA PARK, CA
<b>B</b> 08/2002 - 10/2002	FIRST ALLIED SECURITIES, INC.	32444	SAN DIEGO, CA
<b>B</b> 10/2001 - 05/2002	SINEX SECURITIES, LLC.	39455	AUSTIN, TX
<b>B</b> 10/2000 - 10/2001	SPIDER SECURITIES, INC.	18296	NEW YORK, NY
<b>B</b> 01/2000 - 09/2000	INTERFIRST CAPITAL CORPORATION	7659	LOS ANGELES, CA
<b>B</b> 07/1997 - 01/2000	DRAKE & COMPANY, INC.	16227	NEW YORK, NY
<b>B</b> 08/1993 - 07/1994	DRAKE CAPITAL SECURITIES, INC.	16227	NEW YORK, NY
<b>B</b> 08/1990 - 06/1992	VESTCORP SECURITIES, INC.	14746	IRVINE, CA
<b>B</b> 04/1985 - 02/1989	CAMBIO SECURITIES CORPORATION	14891	
<b>B</b> 11/1982 - 04/1985	ANGELES/QUINOCO SECURITIES, INC.	8083	
<b>B</b> 12/1981 - 10/1982	MCNEIL SECURITIES CORPORATION	5907	

### Employment History



## Registration and Employment History

### Employment History, continued

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

**Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.**

Employment	Employer Name	Position	Investment Related	Employer Location
04/2019 - Present	Wilson-Davis & Co. Inc.	Registered Rep	Y	Salt Lake City, UT, United States
02/2009 - 02/2019	BMA ADVISORS, LLC	REGISTERED AGENT	Y	ROLLING HILLS ESTATES, CA, United States
01/2009 - 02/2019	BMA SECURITIES	REGISTERED REPRESENTATIVE	Y	ROLLING HILLS ESTATES, CA, United States

### Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

OJAI OIL COMPANY, INVESTMENT RELATED, CAMARILLO, CA, REAL ESTATE/STORAGE/OIL & GAS, DIRECTOR SINCE 1977, 1 HOUR/PER MONTH.

Monnis Canal LLC, LLC is wholly owned by the Charles D & Angelas Monnis Irrevocable Trust, Nevada LLC, Manager on behalf of the trust, manage the LLC-Pay its bills for real estate projects. 0-5 hours.

Trustee of Charles D & Angela J Monnis Irrevocable Trust, Real Estate, Trust, Trustee, Approve real estate transactions on behalf of the trust. 15-20 hours.



## Disclosure Events



### What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
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 broker is required to disclose a particular criminal event.
  - A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
  -
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all 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.
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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 brokers and brokerage 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.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Regulatory Event	0	2	0



## Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

### Regulatory - Final

This type of disclosure event may involve (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of a broker's authority to act as an attorney, accountant, or federal contractor.

#### Disclosure 1 of 2

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:**

**Date Initiated:** 11/11/2014

**Docket/Case Number:** [2010023220504](#)

**Employing firm when activity occurred which led to the regulatory action:** BMA SECURITIES

**Product Type:** No Product

**Allegations:** WITHOUT ADMITTING OR DENYING THE FINDINGS, MUTH CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT HE FAILED TO ESTABLISH, MAINTAIN AND IMPLEMENT AN ADEQUATE SUPERVISORY SYSTEM AND WRITTEN SUPERVISORY PROCEDURES (WSPS) DESIGNED TO ACHIEVE COMPLIANCE WITH SECTION 5 OF THE SECURITIES ACT OF 1933. THE FINDINGS STATED THAT MUTH WAS HIS MEMBER FIRM'S CHIEF COMPLIANCE OFFICER AND WAS RESPONSIBLE FOR THE FIRM'S WSPS AND ENSURING THAT THE FIRM COMPLIED WITH APPLICABLE REGULATIONS AND STATUTES. THE FIRM, THROUGH MUTH, RELIED TOO HEAVILY ON THE STATEMENTS OF CUSTOMERS OR THIRD PARTIES FOR DETERMINATION OF MARKETABILITY OR RULE 144 QUALIFICATION



WITHOUT ADDITIONAL REVIEW. THE FINDINGS ALSO STATED THAT MUTH, AS HIS FIRM'S ANTI-MONEY LAUNDERING COMPLIANCE OFFICER (AMLCO), FAILED TO ESTABLISH AND IMPLEMENT AN ADEQUATE AML PROGRAM. MUTH FAILED TO INVESTIGATE VARIOUS RED FLAGS THAT SUGGESTED SUSPICIOUS ACTIVITY THAT MAY HAVE REQUIRED THE FILING OF A SUSPICIOUS ACTIVITY REPORT.

<b>Current Status:</b>	Final
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<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>Resolution Date:</b>	11/11/2014
<b>Sanctions Ordered:</b>	Civil and Administrative Penalty(ies)/Fine(s) Suspension
<b>If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?</b>	No
<b>(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?</b>	



**(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or**

**(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?**

#### **Sanction 1 of 1**

<b>Sanction Type:</b>	Suspension
<b>Capacities Affected:</b>	ALL PRINCIPAL CAPACITIES WITH THE EXCEPTION OF ANY ACTIVITIES REQUIRING A SERIES 27 LICENSE
<b>Duration:</b>	30 DAYS
<b>Start Date:</b>	01/05/2015
<b>End Date:</b>	02/03/2015

**Monetary Sanction 1 of 1****Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)**Total Amount:** \$20,000.00**Portion Levied against individual:** \$20,000.00**Payment Plan:****Is Payment Plan Current:****Date Paid by individual:** 12/09/2014**Was any portion of penalty waived?** No**Amount Waived:****Reporting Source:** Broker**Regulatory Action Initiated By:** FINRA**Sanction(s) Sought:****Date Initiated:** 11/11/2014**Docket/Case Number:** [2010023220504](#)**Employing firm when activity occurred which led to the regulatory action:** BMA SECURITIES**Product Type:** No Product

**Allegations:** WITHOUT ADMITTING OR DENYING THE FINDINGS, MUTH CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT HE FAILED TO ESTABLISH, MAINTAIN AND IMPLEMENT AN ADEQUATE SUPERVISORY SYSTEM AND WRITTEN SUPERVISORY PROCEDURES (WSPS) DESIGNED TO ACHIEVE COMPLIANCE WITH SECTION 5 OF THE SECURITIES ACT OF 1933. THE FINDINGS STATED THAT MUTH WAS HIS MEMBER FIRM'S CHIEF COMPLIANCE OFFICER AND WAS RESPONSIBLE FOR THE FIRM'S WSPS AND ENSURING THAT THE FIRM COMPLIED WITH APPLICABLE REGULATIONS AND STATUTES. THE FIRM, THROUGH MUTH, RELIED TOO HEAVILY ON THE STATEMENTS OF CUSTOMERS OR THIRD PARTIES FOR DETERMINATION OF MARKETABILITY OR RULE 144 QUALIFICATION



WITHOUT ADDITIONAL REVIEW. THE FINDINGS ALSO STATED THAT MUTH, AS HIS FIRM'S ANTI-MONEY LAUNDERING COMPLIANCE OFFICER (AMLCO), FAILED TO ESTABLISH AND IMPLEMENT AN ADEQUATE AML PROGRAM. MUTH FAILED TO INVESTIGATE VARIOUS RED FLAGS THAT SUGGESTED SUSPICIOUS ACTIVITY THAT MAY HAVE REQUIRED THE FILING OF A SUSPICIOUS ACTIVITY REPORT.

<b>Current Status:</b>	Final
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<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>Resolution Date:</b>	11/11/2014
<b>Sanctions Ordered:</b>	Civil and Administrative Penalty(ies)/Fine(s) Suspension
<b>Sanction 1 of 1</b>	
<b>Sanction Type:</b>	Suspension
<b>Capacities Affected:</b>	ALL PRINCIPAL CAPACITIES WITH THE EXCEPTION OF ANY ACTIVITIES REQUIRING A SERIES 27 LICENSE
<b>Duration:</b>	30 DAYS
<b>Start Date:</b>	01/05/2015
<b>End Date:</b>	02/03/2015
<b>Monetary Sanction 1 of 1</b>	
<b>Monetary Related Sanction:</b>	Civil and Administrative Penalty(ies)/Fine(s)
<b>Total Amount:</b>	\$20,000.00
<b>Portion Levied against individual:</b>	\$20,000.00
<b>Payment Plan:</b>	
<b>Is Payment Plan Current:</b>	
<b>Date Paid by individual:</b>	
<b>Was any portion of penalty waived?</b>	No

**Amount Waived:****Broker Statement**

IN CONNECTION WITH ISSUES DESCRIBED IN AWC, MR. MUTH SUBMITS THIS MITIGATION STATEMENT ("MS"). THIS MS IS SUBMITTED BY MR. MUTH. IT DOES NOT CONSTITUTE FACTUAL OR LEGAL FINDINGS BY FINRA, NOR DOES IT REFLECT THE VIEWS OF FINRA, OR ITS STAFF. MUTH'S EFFORTS TO COMPLY WITH FINRA'S RULES RELATING TO SUPERVISION AND AML INCLUDED CAREFULLY FOLLOWING ALL COMPLIANCE POLICIES AND PROCEDURES OF BMA SECURITIES RELATING TO COMPLIANCE WITH SECTION 5 OF THE SECURITIES ACT OF 1933. MUTH'S EFFORTS TO COMPLY INCLUDED: AWC ISSUES RELATING TO SECTION 5 AND SUPERVISION. MUTH'S EFFORTS TO COMPLY WITH AN EXEMPTION FROM REGISTRATION AND EFFORTS TO IMPLEMENT POLICIES AND PROCEDURES FOR COMPLIANCE WITH SECTION 5 INCLUDED THE FOLLOWING: BMA UTILIZED CLIENT QUESTIONNAIRE, DEPOSITED SECURITIES QUESTIONNAIRE OR ("DSQ") WITH QUESTIONS TO DETERMINE TRADEABILITY OF SHARES AND IDENTIFY REGULATORY RED FLAGS. MUTH HELPED CREATE SEVERAL ITERATIONS OF DSQ TO IMPROVE INFORMATION GATHERED FOR DUE DILIGENCE PACKAGES. IN AUGUST 2009, DSQ WAS EXPANDED FROM A 1-PAGE TO A 4-PAGE DOCUMENT THAT INCLUDED 21 QUESTIONS TO DETERMINE TRADEABILITY. ADDITIONAL QUESTIONS ASKED WERE: REASON FOR DEPOSIT; DATE SHARES ACQUIRED; AMOUNT/MANNER OF PAYMENT; WHO SHARES WERE ACQUIRED FROM; #OF SHARES OWNED/CONTROLLED; #OF SHARES SOLD IN PAST; WERE SHARES RESTRICTED; WERE ISSUER'S SEC FILINGS CURRENT; WAS ISSUER EVER A SHELL; HAD ACCOUNT HOLDER EVER BEEN AN AFFILIATE, CONTROL PERSON OR 5% OWNER OF ISSUER; DID ACCOUNT HOLDER HAVE RELATIONSHIP WITH ISSUER. DSQS WERE COMPLETED AND SIGNED BY ALL CLIENTS. IN 05/10, DSQ WAS REVISED AND EXPANDED FROM 4 TO 5 PAGES. THIS VERSION INCLUDES 38 QUESTIONS AND WAS ADOPTED BY BMA'S CLEARING FIRM. MUTH PREPARED AND IMPLEMENTED A "SECURITIES CHECKLIST" DOCUMENTING INFORMATION RELATIVE TO PROPOSED TRANSACTION. HE PREPARED AND REVIEWED DUE DILIGENCE PACKAGES COMPILED FOR EACH TRANSACTION, WHICH INCLUDED DSQ, SECURITIES CHECKLIST, NOTES/MEMOS TO FILE, POWERS OF ATTORNEY, EXISTING OPINION LETTERS, CORRESPONDENCE WITH CUSTOMER AND TRANSFER AGENT. PACKAGES WERE REVIEWED BY BROKER AND BY MUTH. THE CUSTOMERS WHO SOLD STOCK OF ISSUER REFERENCED IN AWC HAD UNDER 1% OF TOTAL VOTING STOCK. MUTH CONDUCTED MANDATORY COMPLIANCE MEETINGS, INCLUDING ONE WITH THE TWO BROKERS AND THEIR SUPERVISOR REFERENCED IN AWC. THE TRAINING OCCURRED ON 12/02/09, MUTH AND FIRM'S PRESIDENT DISCUSSED COMPLIANCE ISSUES RELATED TO RESALE OF RESTRICTED SECURITIES AND, SPECIFICALLY,



FINRA REG NOTICE 09-05 AND FINRA REG NOTICE 08-24, SUPERVISION AND SUPERVISORY CONTROLS. MUTH HAS NO PRIOR RELEVANT DISCIPLINARY HISTORY. HE COOPERATED WITH STAFF IN ITS ONGOING INVESTIGATIONS THROUGHOUT WITH REGARD TO ALL AWC ISSUES. FINALLY, HE INITIATED MULTIPLE ENHANCEMENTS TO BMA'S PROCEDURES AND SUPERVISORY SYSTEM FOR COMPLIANCE WITH SECTION 5, WHICH ARE DETAILED IN THE "CORRECTIVE ACTION STATEMENT," ATTACHED TO AWC. MITIGATING CIRCUMSTANCES-ISSUES RELATING TO AML & CIP PROCEDURES: MUTH'S EFFORTS TO IMPLEMENT ADEQUATE AML PROCEDURES & CIP INCLUDED: UNDERTAKING ALL ABOVE-LISTED EFFORTS WITH REGARD TO SECURITIES REGISTRATION COMPLIANCE. MUTH AND BMA OBTAIN DSQS FROM CUSTOMERS, INVESTIGATE RELIABILITY OF INFORMATION REPORTED ON QUESTIONNAIRES, PERFORM GOOGLE & OFAC CHECKS, INTERVIEW CUSTOMERS, REJECT EVASIVE CUSTOMERS, CONTACT TRANSFER AGENTS, CORPORATE COUNSEL, CONFER WITH OUTSIDE COUNSEL, REVIEW SEC FILINGS. ATTEMPTS TO OBTAIN TRUE IDENTITY OF CUSTOMERS INCLUDED THE FOLLOWING: A COMPLETED CHECKLIST OF ITEMS FOR FIRM'S CIP; AN OFAC SEARCH; COMPLETED AND EXECUTED FORMS AND AGREEMENTS OF THE FIRM 'S CLEARING AGENT; COMPLETED/EXECUTED TAX FORM W-8BEN; COPY OF ACCOUNT HOLDER'S DRIVER'S LICENSE WITH SIGNED CERTIFICATION FROM HOLDER; CERTIFICATE OF INCORPORATION, CORPORATE RESOLUTIONS AND ARTICLES OF ASSOCIATION. MUTH AND BMA INITIATED MULTIPLE ENHANCEMENTS TO BMA'S PROCEDURES AND SUPERVISORY SYSTEM FOR COMPLIANCE WITH AML & CIP, DETAILED IN THE "CORRECTIVE ACTION STATEMENT," ATTACHED TO THE AWC.

#### Disclosure 2 of 2

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	
<b>Date Initiated:</b>	03/03/2008
<b>Docket/Case Number:</b>	20060037540-01
<b>Employing firm when activity occurred which led to the regulatory action:</b>	GLOBAL CROWN CAPITAL, LLC
<b>Product Type:</b>	No Product





**Allegations:** NASD RULE 2110 - DUDLEY MUTH, AS HIS MEMBER FIRM'S FINANCIAL AND OPERATIONS PRINCIPAL, FAILED TO ENSURE THAT HIS FIRM CONDUCTED A SECURITIES BUSINESS WHILE MAINTAINING THE MINIMUM REQUIRED CAPITAL.

**Current Status:** Final

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

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

**Resolution Date:** 03/03/2008

**Sanctions Ordered:** Civil and Administrative Penalty(ies)/Fine(s)

**Regulator Statement** WITHOUT ADMITTING OR DENYING THE FINDINGS, MUTH CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, HE IS FINED \$2,500, JOINTLY AND SEVERALLY WITH HIS MEMBER FIRM. FINES PAID ON 03/25/2008.

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**Reporting Source:** Broker

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:** Other

**Other Sanction(s) Sought:**

**Date Initiated:** 03/03/2008

**Docket/Case Number:** 20060037540-01

**Employing firm when activity occurred which led to the regulatory action:** GLOBAL CROWN CAPITAL, LLC

**Product Type:** No Product

**Other Product Type(s):**

**Allegations:** NASD RULE 2110 - AS I WAS THE MEMBER FIRM'S FINOP, FAILED TO ENSURE THAT THE FIRM CONDUCTED A SECURITIES BUSINESS WHILE MAINTAINING THE MINIMUM REQUIRED CAPITAL.



<b>Current Status:</b>	Final
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	03/03/2008
<b>Sanctions Ordered:</b>	Monetary/Fine \$2,500.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	WITHOUT ADMITTING OR DENYING THE FINDINGS, I CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, I WAS FINED \$2,500, JOINTLY AND SEVERALLY WITH MEMBER FIRM.
<b>Broker Statement</b>	IN JUNE 2006, WHILE SERVING AS THE FINOP FOR GCC, THE FIRM FAILED TO ACCRUE CERTAIN PAYABLES AND CHARACTERIZED NON-ALLOWABLE RECEIVABLES AS AN ALLOWABLE ASSET, WHICH LED TO A VIOLATION OF CONDUCT RULE 2110.

## End of Report



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