

BrokerCheck Report

NICHOLAS WILLIAM CIOFFI

CRD# 1090646

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Broker Qualifications	2 - 3
Registration and Employment History	5 - 6
Disclosure Events	7



Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

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:

- o 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
- o 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.



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

brokercheck.finra.org



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

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)

Thank you for using FINRA BrokerCheck.

NICHOLAS W. CIOFFI

CRD# 1090646

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:

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

Registration History

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

- B AMERICAN INDEPENDENT SECURITIES GROUP, LLC**
CRD# 135288
EAGLE, ID
06/2011 - 02/2021
- B U.S. BANCORP INVESTMENTS, INC.**
CRD# 17868
BOISE, ID
06/2007 - 06/2011
- B DBSI SECURITIES CORPORATION**
CRD# 11687
MERIDIAN, ID
05/2005 - 02/2007

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	1

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.

This individual has passed 1 principal/supervisory exam, 3 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
B General Securities Principal Examination	Series 24	12/17/1992

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	02/18/1984
B Investment Company Products/Variable Contracts Representative Examination	Series 6	01/31/1983

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	10/19/2007
B Uniform Securities Agent State Law Examination	Series 63	02/17/1984

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/.

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 06/2011 - 02/2021	AMERICAN INDEPENDENT SECURITIES GROUP, LLC	135288	EAGLE, ID
B 06/2007 - 06/2011	U.S. BANCORP INVESTMENTS, INC.	17868	BOISE, ID
B 05/2005 - 02/2007	DBSI SECURITIES CORPORATION	11687	MERIDIAN, ID
B 01/2002 - 02/2005	UNITED HERITAGE FINANCIAL SERVICES, INC.	35316	MERIDIAN, ID
B 08/2000 - 01/2002	MULTI-FINANCIAL SECURITIES CORPORATION	10299	SAINT CLOUD, MN
B 01/2000 - 06/2000	CUNA BROKERAGE SERVICES, INC.	13941	WAVERLY, IA
B 11/1999 - 12/1999	EDWARD JONES	250	ST. LOUIS, MO
B 07/1999 - 10/1999	JACKSON NATIONAL LIFE DISTRIBUTORS, INC.	40178	FRANKLIN, TN
B 04/1992 - 02/1998	KEY INVESTMENTS INC.	15873	CLEVELAND, OH
B 07/1990 - 04/1992	INDEPENDENT FINANCIAL SECURITIES, INC.	19924	
B 04/1989 - 08/1990	TUCKER ANTHONY INCORPORATED	837	BOSTON, MA
B 06/1984 - 04/1989	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	
B 05/1988 - 05/1988	MCGINN, SMITH & CO., INC.	8453	
B 02/1984 - 06/1984	FIRST JERSEY SECURITIES, INC.	6621	
B 03/1983 - 11/1983	FIRST INVESTORS CORPORATION	305	

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
06/2011 - Present	AMERICAN INDEPENDENT SECURITIES GROUP LLC	SALES DIRECTOR	Y	EAGLE, ID, 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.

No information reported.



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:**
 - o A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
 - o 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.
 - o
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - o 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.
 - o
4. **There are different statuses and dispositions for disclosure events:**
 - o 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.
 - o 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	1	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 1

Reporting Source: Regulator

Regulatory Action Initiated By: FINRA

Sanction(s) Sought:

Date Initiated: 03/29/2021

Docket/Case Number: [2018060267902](#)

Employing firm when activity occurred which led to the regulatory action: American Independent Securities Group, LLC

Product Type: Other: CMOs

Allegations: Without admitting or denying the findings, Cioffi consented to the sanction and to the entry of findings that he failed to reasonably supervise a registered representative. The firm's chief compliance officer delegated to Cioffi the responsibility of supervising the representative. Although the firm did not have any WSPs addressing collateralized mortgage obligation (CMO) transactions, Cioffi ignored multiple red flags that should have alerted him that the representative's inverse floater recommendations were potentially unsuitable. In particular, inverse floaters were risky and illiquid products that were inconsistent with his customers' conservative investment objectives and risk tolerances, the representative's customer accounts were entirely concentrated in inverse floaters, transactions were flagged in the firm's trade review system for over concentration of non-



investment grade holdings in accounts, a majority of his customers were seniors and held their securities in retirement accounts, many account holders had limited income and net worth, and irrespective of age, financial situations, investment experience, and risk tolerances, the representative's customers purchased the same CMOs at the same time. Cioffi should have followed up on these red flags because reasonable supervision entails investigation of red flags that suggest misconduct may be occurring and taking any appropriate steps following such investigation. Cioffi, however, failed to take reasonable action. He rarely questioned a transaction, never initiated a customer contact, and never escalated any suitability concern to firm senior management.

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:	03/29/2021
Sanctions Ordered:	Suspension Other: In light of Cioffi's financial status, no monetary sanction has been imposed.
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?	No



(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?

(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

Sanction Type: Suspension
Capacities Affected: any principal capacity
Duration: 45 days
Start Date: 04/05/2021
End Date: 05/19/2021

Reporting Source: Firm
Regulatory Action Initiated By: FINRA
Sanction(s) Sought: Censure
 Suspension
Date Initiated: 03/29/2021
Docket/Case Number: [2018060267902](#)
Employing firm when activity occurred which led to the regulatory action: American Independent Securities Group, LLC
Product Type: Debt-Asset Backed



Allegations:	Without admitting or denying the findings, Cioffi consented to the sanction and to the entry of findings that he failed to reasonably supervise a registered representative. The firm's chief compliance officer delegated to Cioffi the responsibility of supervising the representative. Although the firm did not have any WSPs addressing collateralized mortgage obligation (CMO) transactions, Cioffi ignored multiple red flags that should have alerted him that the representative's inverse floater recommendations were potentially unsuitable. In particular, inverse floaters were risky and illiquid products that were inconsistent with his customers' conservative investment objectives and risk tolerances, the representative's customer accounts were entirely concentrated in inverse floaters, transactions were flagged in the firm's trade review system for over concentration of non-investment grade holdings in accounts, a majority of his customers were seniors and held their securities in retirement accounts, many account holders had limited income and net worth, and irrespective of age, financial situations, investment experience, and risk tolerances, the representative's customers purchased the same CMOs at the same time. Cioffi should have followed up on these red flags because reasonable supervision entails investigation of red flags that suggest misconduct may be occurring and taking any appropriate steps following such investigation. Cioffi, however, failed to take reasonable action. He rarely questioned a transaction, never initiated a customer contact, and never escalated any suitability concern to firm senior management.
Current Status:	Final
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/29/2021
Sanctions Ordered:	Suspension
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?	No



(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?

No

(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

No



(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?

No

Sanction 1 of 1

Sanction Type:	Suspension
Capacities Affected:	General Securities Principal
Duration:	45 Days
Start Date:	04/05/2021
End Date:	05/19/2021

End of Report



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