

BrokerCheck Report

LAWRENCE ST JOHN YORK

CRD# 1264745

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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.

LAWRENCE S. YORK

CRD# 1264745

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

Registration History

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

- B SECURITIES SERVICE NETWORK, INC.**
CRD# 13318
LEXINGTON, KY
12/2005 - 06/2008
- B INTERACTIVE PLANNING CORP.**
CRD# 40261
LEXINGTON, KY
01/1999 - 12/2005
- B B/D HOLDINGS, INC.**
CRD# 16076
CLEVELAND, OH
09/1998 - 12/1998

Disclosure Events

This broker has been involved in one or more disclosure events involving certain final criminal matters, regulatory actions, civil judicial proceedings, or arbitrations or civil litigations.

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), states and U.S. territories the broker is currently registered and licensed with, the category of each registration, and the date on which the registration became effective. This section also provides, for each 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, 1 general industry/product exam, and 2 state securities law exams.

Principal/Supervisory Exams

| Exam | Category | Date |
|---|-----------|------------|
| B Municipal Securities Principal Examination | Series 53 | 03/28/2003 |
| B Introducing Broker/Dealer Financial Operations Principal Examination | Series 28 | 04/10/1995 |
| B General Securities Principal Examination | Series 24 | 03/23/1989 |

General Industry/Product Exams

| Exam | Category | Date |
|--|----------|------------|
| B General Securities Representative Examination | Series 7 | 05/19/1984 |

State Securities Law Exams

| Exam | Category | Date |
|---|-----------|------------|
| IA Uniform Investment Adviser Law Examination | Series 65 | 09/11/2012 |
| B Uniform Securities Agent State Law Examination | Series 63 | 05/25/1984 |

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 securities firms:

| Registration Dates | Firm Name | CRD# | Branch Location |
|----------------------------|----------------------------------|-------|-----------------|
| B 12/2005 - 06/2008 | SECURITIES SERVICE NETWORK, INC. | 13318 | LEXINGTON, KY |
| B 01/1999 - 12/2005 | INTERACTIVE PLANNING CORP. | 40261 | LEXINGTON, KY |
| B 09/1998 - 12/1998 | B/D HOLDINGS, INC. | 16076 | CLEVELAND, OH |
| B 01/1994 - 09/1998 | R. H. YORK & COMPANY, INC. | 30099 | COVINGTON, KY |
| B 01/1989 - 02/1994 | LINSCO/PRIVATE LEDGER CORP. | 6413 | FORT MILL, SC |
| B 11/1987 - 12/1988 | J.C. BRADFORD & CO. | 1287 | |
| B 06/1986 - 12/1987 | E. F. HUTTON & COMPANY INC | 235 | |
| B 06/1984 - 06/1986 | DEAN WITTER REYNOLDS INC. | 7556 | |

Employment History

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 |
|-------------------|-------------------------|-------------------|--------------------|------------------------------|
| 06/2008 - Present | PROACTIVE ADVISORS, LLC | MANAGING DIRECTOR | Y | LEXINGTON, KY, United States |

Disclosure Events



What you should know about reported disclosure events:

- 1. **Disclosure events in BrokerCheck reports come from different sources:**
 - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, their employing firms, and regulators. When more than one source reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions are separated by a solid line with the reporting source labeled.

For your convenience, below is a matrix of the number and status of regulatory 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.

| | Final | On Appeal |
|------------------|-------|-----------|
| Regulatory Event | 2 | 0 |



Disclosure Event Details

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 involves a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations.

Disclosure 1 of 2

| | |
|--|---|
| Reporting Source: | Regulator |
| Regulatory Action Initiated By: | NASD |
| Sanction(s) Sought: | |
| Date Initiated: | 07/22/2005 |
| Docket/Case Number: | E052003037401 |
| Employing firm when activity occurred which led to the regulatory action: | INTERACTIVE PLANNING CORP. |
| Product Type: | No Product |
| Allegations: | NASD BY-LAWS ARTICLE V, SECTION 2(C), NASD RULES 2110, 3070(A)(2) AND IM-3110-(D) - RESPONDENT ACTING ON BEHALF OF HIS MEMBER FIRM, ENTERED INTO AN ACCOUNT PURCHASE CONTRACT WITH A PUBLIC CUSTOMER THAT CONTAINED RESTRICTIVE LANGUAGE PROHIBITING CUSTOMER FROM DISCLOSING ANY INFORMATION REGARDING THE CONTRACT TO SECURITIES REGULATORS. THE FINDINGS ALSO STATED THAT YORK, ACTING THROUGH HIS MEMBER FIRM, FAILED AND NEGLECTED TO MAINTAIN A RECORD OF THE COMPLAINTS FILED BY A CUSTOMER, FAILED AND NEGLECTED TO FILE CUSTOMER'S COMPLAINT WITH NASD WITHIN 10 BUSINESS DAYS, AND FAILED AND NEGLECTED TO AMEND HIS UNIFORM APPLICATION FOR REGISTRATION (U4) AS A SECURITIES REPRESENTATIVE TO DISCLOSE A CUSTOMER'S COMPLAINT. |
| 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: 07/22/2005

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

Regulator Statement WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, YORK, CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE HE IS CENSURED AND FINED \$10,000, JOINTLY AND SEVERALLY. FINE PAID.

Reporting Source: Broker

Regulatory Action Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Sanction(s) Sought: Censure
Monetary Penalty other than Fines
Other: MONETARY FINE JOINTLY AND SEVERALLY AGAINST INTERACTIVE PLANNING CORP AND LAWRENCE S. YORK

Date Initiated: 09/15/2003

Docket/Case Number: E052003037401

Employing firm when activity occurred which led to the regulatory action: INTERACTIVE PLANNING CORP.

Product Type: Other: MUTUAL FUNDS, EQUITIES AND MUNICIPAL BONDS

Allegations: MR. YORK WAS THE PRESIDENT AND PRINCIPAL OF BROKER DEALER (BD) INTERACTIVE PLANNING CORP. AND CAPITAL ADVISORS GROUP, HIS STATE REGISTERED ADVISORY FIRM, HAD ENTERED INTO AN ACCOUNT PURCHASE CONTRACT WITH A CUSTOMER OF THE BD THAT CONTAINED A CONFIDENTIALITY CLAUSE PROHIBITING DISCLOSURE ABOUT DETAILS OF THE CONTRACT. THE NASD (NOW FINRA) DEEMED THE LANGUAGE TOO RESTRICTIVE AS IT PREVENTED DISCLOSURE EVEN TO REGULATORS. THE NASD ALSO ALLEGED YORK AS PRINCIPAL OF THE BD HAD FAILED TO MAINTAIN A RECORD OF A CUSTOMER COMPLAINT IN THE BD'S COMPLAINT FILE AND FAILED TO FILE THE COMPLAINT WITHIN 10



BUSINESS DAYS AS REQUIRED BY MEMBERSHIP RULES. RESPONDENT YORK HAD MAINTAINED THE COMPLAINT BUT ONLY IN THE FIRM'S CORRESPONDENCE FILE BECAUSE IT WAS WITHDRAWN WHEN THE CUSTOMER UNDERSTOOD THE FEES CHARGED WERE NOT MANAGEMENT FEES ON AN ADVISORY CONTRACT THAT WAS TERMINATED, BUT MUNICIPAL BOND REDEMPTION CALL FEE CHARGES BY THE CUSTODIAN. VIEWING THE WITHDRAWN COMPLAINT AS CORRESPONDENCE, THE FIRM ALSO DID NOT AMEND FORM U-4 TO MAKE A COMPLAINT DISCLOSURE WHICH YORK DEEMED UNNECESSARY. THE PARTIES SETTLED THE MATTER IN A WAIVER AND CONSENT DECREE WITHOUT YORK OR HIS BD ADMITTING OR DENYING FAULT AND THEM PAYING A CIVIL PENALTY FINE TO THE NASD.

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:

07/22/2005

Sanctions Ordered:Censure
Other: NONE**Broker Statement**

MR. YORK WAS THE PRESIDENT AND PRINCIPAL OF BROKER DEALER (BD) (INTERACTIVE PLANNING CORP). AND CAPITAL ADVISORS GROUP, HIS STATE REGISTERED ADVISORY FIRM, HAD ENTERED INTO AN ACCOUNT PURCHASE CONTRACT WITH A CUSTOMER OF THE BD THAT CONTAINED A CONFIDENTIALITY CLAUSE PROHIBITING DISCLOSURE ABOUT DETAILS OF THE CONTRACT. THE NASD (NOW FINRA) DEEMED THE LANGUAGE TOO RESTRICTIVE AS IT PREVENTED DISCLOSURE EVEN TO REGULATORS. THE NASD ALSO ALLEGED YORK AS PRINCIPAL OF THE BD HAD FAILED TO MAINTAIN A RECORD OF A COMPLAINT IN THE FIRM'S COMPLAINT FILE AND FAILED TO FILE THE COMPLAINT WITHIN 10 BUSINESS DAYS AS REQUIRED BY MEMBERSHIP RULES. RESPONDENT YORK HAD MAINTAINED THE COMPLAINT BUT IN THE FIRM'S CORRESPONDENCE FILE BECAUSE IT WAS WITHDRAWN WHEN THE CUSTOMER UNDERSTOOD THE FEES CHARGED WERE NOT MANAGEMENT FEES ON AN ADVISORY CONTRACT THAT WAS TERMINATED, BUT MUNICIPAL BOND CALL REDEMPTION CHARGES BY THE CUSTODIAN. VIEWING THE WITHDRAWN COMPLAINT AS CORRESPONDENCE, THE FIRM ALSO DID NOT AMEND FORM U-4 TO MAKE A COMPLAINT DISCLOSURE WHICH YORK DEEMED UNNECESSARY. THE



PARTIES SETTLED THE MATTER IN A WAIVER AND CONSENT DECREE WITHOUT YORK OR HIS BD ADMITTING OR DENYING FAULT AND THEM PAYING A CIVIL PENALTY FINE TO THE NASD.

Disclosure 2 of 2

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|---|--|
| Reporting Source: | Regulator |
| Regulatory Action Initiated By: | KENTUCKY DIVISION OF SECURITIES |
| Sanction(s) Sought: | Cease and Desist |
| Other Sanction(s) Sought: | REVOCATION |
| Date Initiated: | 10/15/2003 |
| Docket/Case Number: | 03-AH-015 |
| Employing firm when activity occurred which led to the regulatory action: | CAPTIAL ADVISERS GROUP, INC. & INTERACTIVE PLANNING CORPORATION |
| Product Type: | No Product |
| Other Product Type(s): | |
| Allegations: | 1. INSOLVENCY OF INVESTMENT ADVISER, CAPITAL ADVISORS GROUP, INC. 2. A DISHONEST AND UNETHICAL PRACTICE BY ENTERING INTO AN ACCOUNT PURCHASE AGREEMENT WHICH AMOUNTED TO A LOAN OWED A CLIENT. 3. FRAUD BY HAVING THE CLIENT SIGN A CONTRACT AGREEING NOT TO SPEAK WITH OR COOPERATE WITH ANY REGULATORS. 4. FAILURE TO MAINTAIN REQUIRED RECORDS. |
| Current Status: | Final |
| Resolution: | Order |
| Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? | Yes |
| Resolution Date: | 04/23/2004 |
| Sanctions Ordered: | |
| Other Sanctions Ordered: | THE RESPONDENTS ENTERED INTO A SETTLEMENT AGREEMENT WITH |



THE DIVISION UNDER WHICH YORK VOLUNTARILY WITHDREW THE INVESTMENT ADVISER REGISTRATION OF CAPITAL ADVISORS GROUP, INC. AND OFFERED RESCISSION TO HIS CLIENT. YORK ALSO AGREED TO NOT ACCEPT A LOAN FROM A CLIENT OR ISSUE A PROMISSORY NOTE TO A CLIENT. THE TERMS OF THE SETTLEMENT AGREEMENT ARE INCORPORATED BY REFERENCE INTO A FINAL ORDER AGAINST THE RESPONDENTS

Sanction Details:

THE RESPONDENTS ENTERED INTO A SETTLEMENT AGREEMENT WITH THE DIVISION UNDER WHICH YORK VOLUNTARILY WITHDREW THE INVESTMENT ADVISER REGISTRATION OF CAPITAL ADVISORS GROUP, INC. AND OFFERED RESCISSION TO HIS CLIENT. YORK ALSO AGREED TO NOT ACCEPT A LOAN FROM A CLIENT OR ISSUE A PROMISSORY NOTE TO A CLIENT. THE TERMS OF THE SETTLEMENT AGREEMENT ARE INCORPORATED BY REFERENCE INTO A FINAL ORDER AGAINST THE RESPONDENTS

| | |
|--|--|
| Reporting Source: | Broker |
| Regulatory Action Initiated By: | COMMONWEALTH OF KENTUCKY THE DEPARTMENT OF FINANCIAL INSTITUTIONS |
| Sanction(s) Sought: | Undertaking |
| Date Initiated: | 10/15/2003 |
| Docket/Case Number: | 03-AH-015 |
| Employing firm when activity occurred which led to the regulatory action: | CAPITAL ADVISORS GROUP, INC. |
| Product Type: | Other: INVESTMENT ADVISORY SERVICES |
| Allegations: | IN 2003 UPON SEEING A LONG TERM LIABILITY ON THE BALANCE SHEET OF CAPITAL ADVISORS GROUP, INC., A STATE REGISTERED ADVISORY FIRM OWNED BY YORK, THE KY DEPT OF FINANCIAL INSTITUTIONS (DFI) ALLEGED THE LIABILITY MADE THE ADVISOR INSOLVENT AND THE ACCOUNT PURCHASE CONTRACT ENTERED INTO BY THE ADVISOR WITH A FORMER CLIENT WAS A DISGUISED LOAN AND THEREFORE A DISHONEST AND UNETHICAL ACT AND BREACH OF FIDUCIARY DUTY. YORK DISPUTED THE ALLEGATIONS ARGUING THE CONTRACT WAS DULY EXECUTED, NOTARIZED, COLLATERIALIZED, AND A UCC FILING OF COLLATERAL WAS OF RECORD, NOT A LOAN AND THAT THE FIRM'S CONTRACT REQUIRED NO PRINCIPAL OR INTEREST PAYMENTS UNTIL THE END OF ITS FIVE YEAR |



TERM SO HIS FIRM WAS NOT INSOLVENT. YORK ADDITIONALLY ARGUED THERE COULD BE NO BREACH OF FIDUCIARY DUTY WHEN THE ADVISORY RELATIONSHIP WITH THE CLIENT HAD ENDED LONG AGO. YORK SOUGHT TO APPEASE THE SITUATION BY VOLUNTARILY OFFERING RECISSION OF THE CONTRACT AND LATER VOLUNTARILY WITHDRAWING HIS STATE ADVISORY REGISTRATION AS THE SEC HAD ASKED HIM TO CONSOLIDATE HIS STATE ADVISORY FIRM WITH HIS FEDERAL ONE. THE PARTIES FINALLY SETTLED THEIR ALLEGATIONS WITH THE STATE RECOGNIZING THE FORTHRIGHT ACTIONS TAKEN BY YORK BY AN UNDERTAKING SETTLEMENT AGREEMENT STATING: "THEIR ARE NO FACTS, ONLY ALLEGATIONS AND DENIALS AND AT THIS JUNCTURE NETIHER SIDE CAN CLAIM ITS POSITION IS ANYTHING BUT A SERIES OF ALLEGATIONS, NO MATTER HOW FIRMLY IT BELIEVES ITS POSITION" AND YORK AGREEING NOT TO ACCEPT A LOAN OR ISSUE A NOTE TO A CLIENT. THE NASD (NOW FINRA) AND THE SEC WHO ALSO REVIEWED THE MATTER AT THE STATE'S INVITATION AND BOTH CONCLUDED THE CONTRACT WAS NOT DISGUISED LOAN AND THERE WAS NO BREACH OF FIDUCIARY DUTY, ALTHOUGH THE NASD DID ALEGE YORK AND HIS BROKER DEALER HAD VIOLATED SOME MEMBERSHIP RULES WHICH LED TO A RELATED SETTLEMENT WITH THE NASD (NOW FINRA) OVER THIS SAME MATTER.

Current Status: Final

Resolution: Settled

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: 04/20/2004

Sanctions Ordered: Undertaking

Broker Statement IN 2003 MR. YORK WAS THE PRESIDENT OF A BROKER DEALER AND OWNER OF TWO ADVISORY FIRMS, ONE REGISTERED WITH THE STATE AND ONE WITH THE SEC. UPON SEEING A LONG TERM LIABILTY ON THE BALANCE SHEET OF CAPTIAL ADVISORS GROUP, INC., THE STATE REGISTERED ADVISORY FIRM , THE KY DEPT OF FINANCIAL INSTITUTIONS (DFI) ALLEGED THE LIABILITY MADE THE ADVISOR NSOLVENT AND THE ACCOUNT PURCHASE CONTRACT ENTERED INTO WITH A FORMER CLIENT WAS A DESGUISED LOAN AND THEREFORE A DISHONEST AND UNETHICAL ACT AND BREACH OF FIDUCIARY DUTY. YORK DISPUTED THE ALLEGATIONS ARGUING THE CONTRACT WAS DULY EXECUTED, NOTARIZED, COLLATERIALIED, AND A UCC FILING OF COLLATERAL WAS



OF RECORD, AND FURTHER THAT NO PRINCIPAL OR INTEREST WERE REQUIRED UNTIL THE END OF A FIVE YEAR TERM SO HIS FIRM COULD NOT BE DEEMED INSOLVENT. YORK ADDITIONALLY ARGUED THERE COULD BE NO BREACH OF FIDUCIARY DUTY WHEN THE ADVISORY RELATIONSHIP WITH THE CLIENT HAD ENDED LONG BEFORE. YORK APPEASED THE SITUATION BY VOLUNTARILY OFFERING RECISSION OF THE CONTRACT AND LATER VOLUNTARILY WITHDREW HIS STATE ADVISORY REGISTRATION AS THE SEC HAD ASKED HIM TO CONSOLIDATE HIS STATE ADVISORY FIRM WITH HIS FEDERAL ONE. THE PARTIES FINALLY SETTLED THE DISPUTE BY AN UNDERTAKING SETTLEMENT AGREEMENT WHICH STATED: "THEIR ARE NO FACTS, ONLY ALLEGATIONS AND DENIALS AND AT THIS JUNCTURE NEITHER SIDE CAN CLAIM ITS POSITION IS ANYTHING BUT A SERIES OF ALLEGATIONS, NO MATTER HOW FIRMLY IT BELIEVES ITS POSITION" AND WITH YORK AGREEING TO ACCEPT A LOAN OR ISSUE A NOTE TO CLIENTS. AT THE STATE'S INVITATION, THE NASD (NOW FINRA) AND THE SEC ALSO REVIEWED THE MATTER WITH BOTH CONCLUDING THE CONTRACT WAS NOT DISGUISED LOAN AND THERE WAS NO BREACH OF FIDUCIARY DUTY, ALTHOUGH THE NASD DID ALLEGY YORK AND HIS BROKER DEALER HAD VIOLATED SOME MEMBERSHIP RULES. SEE THE SUBSEQUENT SETTLEMENT WITH THE THE NASD WHEREBY YORK AND HIS BROKER DEALER PAID A FINE WITHOUT ADMITTING OR DENYING FAULT.

End of Report



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