



BrokerCheck Report

HOWARD MILLER APPEL

CRD# 1293152

Dear Investor:

FINRA has generated the following BrokerCheck report for **HOWARD MILLER APPEL**. The information contained within this report has been provided by a FINRA member firm(s) and securities regulators as part of the securities industry's registration and licensing process and represents the most current information reported to the Central Registration Depository (CRD®) system.

FINRA regulates the securities markets for the ultimate benefit and protection of the investor. FINRA believes the general public should have access to information that will help them determine whether to conduct, or continue to conduct, business with a FINRA member or any of the member's associated persons. To that end, FINRA has adopted a public disclosure policy to make certain types of information available to you. Examples of information FINRA provides on currently registered individuals and individuals who were registered during the past two years include: actions by regulators, investment-related civil suits, customer disputes that contain allegations of sales practice violations against brokers, all felony charges and convictions, misdemeanor charges and convictions relating to securities violations, and financial events such as bankruptcies, compromises with creditors, judgments, and liens. FINRA also provides certain information on individuals whose registrations terminated more than two years ago.

The information in this report is not the only resource you should consult. FINRA recommends that you learn as much as possible about the individual broker or brokerage firm from other sources, such as professional references, local consumer and investment groups, or friends and family members who already have established investment business relationships.

FINRA BrokerCheck is governed by federal law, Securities and Exchange Commission (SEC) regulations and FINRA rules approved by the SEC. State disclosure programs are governed by state law, and may provide additional information on brokers and firms licensed by the state. Therefore, you should also consider requesting information from your state securities regulator. Refer to www.nasaa.org for a complete list of state securities regulators.

Thank you for using FINRA BrokerCheck.



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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.

HOWARD MILLER APPEL

CRD# 1293152

This individual is no longer registered with FINRA. The individual's registration with FINRA was terminated prior to August 1999 when the enhanced CRD system was implemented. As a result, since the individual was not required to update their CRD record via the submission of a Form U4 to CRD since August 1999, BrokerCheck contains only limited information about this individual.

Report Summary for this Broker

The report summary provides an overview of the broker's professional background and conduct. The individual broker, a FINRA-registered firm(s), and/or securities regulator(s) have provided the information contained in this report as part of the securities industry's registration and licensing process.

Broker Qualifications

This broker is not currently registered with a FINRA firm.

This broker has passed:

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

Registration History

This broker was previously registered with the following FINRA member firms:

FINANCIAL EQUITIES RESOURCES, INC.

CRD# 13810
PHILADELPHIA PA
04/23/1990 to 02/25/1991

JOHN BURTON & CO., INC.

CRD# 1357
WILMINGTON DE
03/03/1989 to 09/06/1989

BAILEY, MARTIN & APPEL, INC.

CRD# 15833
PHILADELPHIA PA
01/03/1985 to 03/05/1990

For additional registration details as reported by the individual broker, refer to the Registration History Section of this report.

Disclosure of Regulatory Events

This section includes details regarding final regulatory events reported by or about this broker to CRD as part of the securities industry registration and licensing process.

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

The following type of disclosure was reported:

Regulatory Event

Broker Qualifications

Industry Exams this Broker has Passed

This section includes all principal/supervisory, general product/industry, and/or state securities law exams that the broker has passed. Under certain, limited circumstances, a broker may receive a waiver of an exam requirement based on a combination of previous exams passed and qualifying work experience. Likewise, a new exam requirement may be grandfathered based on a broker's specific qualifying work experience. Information regarding instances of exam waivers or the grandfathering of an exam requirement are not included as part of the BrokerCheck report.

This individual has passed 5 principal/supervisory exams, 2 general industry/product exams, and 1 state securities law exam.

Exam Class	Exam Name	Category	Date
Principal/Supervisory Exams	Municipal Securities Principal Examination	Series 53	3/7/1988
Principal/Supervisory Exams	Registered Options Principal Examination	Series 4	5/12/1987
Principal/Supervisory Exams	General Securities Principal Examination	Series 24	9/15/1986
Principal/Supervisory Exams	Financial and Operations Principal Examination	Series 27	8/25/1986
Principal/Supervisory Exams	Direct Participation Programs Principal Examination	Series 39	1/17/1985
General Industry/Product Exams	General Securities Representative Examination	Series 7	12/15/1984
General Industry/Product Exams	Direct Participation Programs Representative Examination	Series 22	8/8/1984
State Securities Law Exams	Uniform Securities Agent State Law Examination	Series 63	8/4/1984

Additional information about the securities industry's qualifications and continuing education requirements, as well as the examinations administered by FINRA to brokers and other securities professionals can be found at <http://www.finra.org/Industry/Compliance/Registration/QualificationsExams/index.htm>.



Registration History

Previously Registered with the Following FINRA Firms

FINRA records show this broker previously held FINRA registrations with the following firms:

Registration Dates	Firm Name	CRD #	Branch Location
04/23/1990 to 02/25/1991	FINANCIAL EQUITIES RESOURCES, INC.	13810	PHILADELPHIA PA
03/03/1989 to 09/06/1989	JOHN BURTON & CO., INC.	1357	WILMINGTON DE
01/03/1985 to 03/05/1990	BAILEY, MARTIN & APPEL, INC.	15833	PHILADELPHIA PA
11/29/1984 to 01/27/1986	BARTEL SECURITIES, INC.	8269	CHERRY HILL NJ
08/21/1984 to 03/29/1985	EQUITY SEARCH SECURITIES, INC.	13163	DALLAS TX

Disclosure of Regulatory Events

Disclosures in BrokerCheck reports come from different sources:

- **Self–disclosure:** Brokers are required to answer a series of questions on their application requesting securities industry registration (Form U4). For example, brokers are asked whether they have been involved in certain regulatory matters.
- **Regulator/Employer postings:** In addition, regulators and firms that have employed a broker also may contribute relevant information about such matters. All of this information is maintained in CRD.

Certain Thresholds must be met before an event is reported to CRD; for example:

- **A regulatory agency** must meet established standards before initiating a regulatory action and/or issuing sanctions. These standards typically include a reasonable basis for initiating the action after engaging in a fact-finding process.

Disclosure Event Details

This report provides the information as it was reported to CRD by the individual broker, a member firm(s), and/or by securities industry regulators. Some of the specific data fields contained in the report may be blank if the information was not provided to CRD.



Possible multiple reporting sources
– please note:

Disclosure event details may be reported by more than one source (i.e., regulator or firm). When this occurs, all versions of the reported event will appear in the firm's BrokerCheck report.

Regulatory - Final

This section provides information regarding a final, regulatory action that was reported to CRD by the individual broker, a member firm and/or a securities regulator. The event may include a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a self-regulatory organization, a federal regulator such as the SEC or the Commodity Futures Trading Commission (CFTC), or a foreign financial regulatory body) for a violation of investment-related rules or regulations.

Disclosure 1 of 6 ~ Entry 1 of 3

Reporting Source: Regulator

Details:

COMPLAINT NO. PHL-909 (NASD DISTRICT NO. 11) FILED SEPTEMBER 28, 1990 AGAINST RESPONDENTS BAILEY, MARTIN & APPEL, INC., HOWARD M. APPEL, STEPHEN P. HARRINGTON AND JOHN J. STOFFERE ALLEGING VIOLATIONS OF ARTICLE III, SECTIONS 1, 4, 21(a), 21(b)(ii), 27(b)(1) AND 33 OF THE RULES OF FAIR PRACTICE IN THAT RESPONDENT MEMBER, ACTING THROUGH RESPONDENTS APPEL AND HARRINGTON, EFFECTED PRINCIPAL SALES OF EQUITIES SECURITIES AND MUNICIPAL SECURITIES TO PUBLIC CUSTOMERS AT PRICES WHICH WERE NOT FAIR; EFFECTED AGENCY CROSS TRANSACTIONS AT PRICES HIGHER THAN THE ACTUAL MARKET VALUE OF THE SECURITIES; FAILED TO COMPLY WITH SECURITIES AND EXCHANGE COMMISSION RULE 10b-10 IN THAT REPORTED PRICES AND PAYMENTS FOR ORDER FLOW WERE NOT DISCLOSED CAUSING CONFIRMATION DEFICIENCIES; RESPONDENT MEMBER, ACTING THROUGH RESPONDENT APPEL, OFFERED AND SOLD SHARES OF COMMON STOCK TO THE PUBLIC WHEN NO REGISTRATION STATEMENT WAS FILED OR IN EFFECT AS TO SAID SECURITIES; OFFER AND SOLD LIMITED PARTNERSHIP INTERESTS ON AN "ALL OR NOTHING" BASIS AND CAUSED FUNDS TO BE DISBURSED FROM THE ESCROW ACCOUNT BEFORE ALL UNITS HAD BEEN BOUGHT AND PAID FOR IN BONA FIDE INVESTMENT TRANSACTIONS; FAILED TO MAINTAIN REQUIRED INFORMATION CONCERNING OPTION ACCOUNTS, FAILED TO TIMELY OBTAIN VERIFICATION OF FINANCIAL DATA, PERMITTED OPTION ACCOUNTS TO TRADE BEYOND THEIR LEVEL OF APPROVED TRANSACTIONS AND PERMITTED OPTIONS ACCOUNTS TO EFFECT TRANSACTIONS PRIOR TO APPROVAL BY A REGISTERED OPTIONS PRINCIPAL; RESPONDENT MEMBER, ACTING THROUGH RESPONDENT HARRINGTON, FAILED TO RECORD ON ITS ORDER TICKETS THE NAMES OF THE DEALERS CONTACTED AND THE QUOTATIONS RECEIVED FOR TRANSACTION IN NON-NASDAQ SECURITIES; RESPONDENT MEMBER, ACTING THROUGH RESPONDENT APPEL, FAILED TO MAINTAIN A PROGRAM OF WRITTEN SUPERVISORY PROCEDURES CONCERNING NATIONAL MARKET SYSTEM TRADE REPORTING, SMALL ORDER EXECUTION SYSTEM, LIMITED ORDERS, AND THE BOARD OF GOVERNORS' FREE-RIDING AND WITHHOLDING INTERPRETATION; RESPONDENT MEMBER, ACTING THROUGH RESPONDENTS APPEL AND STOFFERE, FAILED TO MAINTAIN ACCURATE BOOKS AND RECORDS; AND, FILED FOCUS REPORTS WHICH INACCURATELY REPORTED ITS NET CAPITAL.

DECISION RENDERED JUNE 14, 1991, C9A00011 (PHL-909) WHEREIN THE OFFER OF SETTLEMENT SUBMITTED BY RESPONDENTS MEMBER AND APPEL WAS ACCEPTED; THEREFORE, RESPONDENT MEMBER IS CENSURED AND FINED \$125,000; RESPONDENT APPEL IS CENSURED, FINED \$125,000 AND BARRED FROM ASSOCIATION WITH ANY MEMBER OF THE NASD IN ANY CAPACITY. THE REMAINING RESPONDENTS SUBMITTED A SEPARATE OFFER OF SETTLEMENT.

A SEPARATE DECISION WAS RENDERED JUNE 14, 1991, C9A900011 (PHL-909) WHEREIN THE OFFER OF SETTLEMENT SUBMITTED BY RESPONDENTS HARRINGTON AND STOFFERE WAS ACCEPTED; THEREFORE, RESPONDENT HARRINGTON IS CENSURED AND FINED \$7,500. THE COMPLAINT WAS DISMISSED AS TO RESPONDENT STOFFERE IN THAT THE COMMITTEE DETERMINED THAT THE ALLEGATIONS AGAINST HIM

WERE LIMITED IN EXTENT AND ARE THE TYPE NORMALLY DEALT WITH BY MEANS OF A LETTER OF CAUTION; THEREFORE, THIS DECISION SHALL SERVE AS A LETTER OF CAUTION AS TO HIM.

Disclosure 1 of 6 ~ Entry 2 of 3

Reporting Source: Firm

Details:

1. Questions: 14 13A
2. Update: No
3. Initiated by: DISTRICT BUSINESS CONDUCT COMMITTEE - NASD DISTRICT NO 11
4. Type of Event/Proceeding: ADMINISTRATIVE
5. Date Initiated: 9-28-90
6. Docket/Case#: PHL-909
7. Allegations: WHILE A PRINCIPAL OF BAILEY MARTIN & APPEL INC., RESPONDENT HOWARD APPEL IS ALLEGED TO HAVE VIOLATED NASD RULES (1) MARKUPS (2) INADEQUATE RECORDKEEPING (3) INACCURATE FOCUS REPORTS (4) OPTION ACCOUNT VIOLATIONS (4) ORDER TICKET INFORMATION (5) VIOLATIONS REGARDING THE OFFERING LIMITED PARTNERSHIPS VIOLATIONS ON SEC RULE 16b-9 AND 15c2-4 REGARDING THE OFFERING OF LIMITED PARTNERSHIPS. 6) FAILURE TO RECORD REQUIRED INFORMATION OR CONTAIN ORDER-TICKETS IN NON-NASDAQ SECURITIES. 7) UNLAWFUL DISTRIBUTION OF SECURITIES REGARDING THE ALLGED OFFERING OF UNREGISTERED SECURITIES... AND SUPREVISORY PROCEDURES IN CONNECTION WITH CERTAIN TRANSACTIONS OF NORTHGATE COMMON STOCK BETWEEN 4-18-86 AND 6-30-86.
- 8a. Current Status: PENDING
- 8b. Status Date: N/A
- 8c. Results: N/A
9. Summary: HOWARD APPEL AND BAILEY, MARTIN & APPEL, INC. RIGOROUSLY DETEST THE ABOVE ALLEGATIONS. THESE ALLEGATIONS ARE INACCURATE AND UNJUSTIFIABLE. WE ARE CURRENTLY RESPNDING TO THE NASD THROUGH SUBMITTING A "WRITTEN ANSWER" TO THIS COMPLAINT. WE BELIEVE THAT A MAJORITY OF THESE ALLEGATIONS WILL BE TOTALLY DISMISSED.
10. Attachments: NOT APPLICABLE

Disclosure 1 of 6 ~ Entry 3 of 3

Reporting Source: Individual

Details:

JDS 556-29290; Form U4; Amend 3; BROKER/DEALER 13810

1. Questions: 221
2. Update: No
3. Initiated by: NASD DISTRICT BUSINESS CONDUCT COMMITTEE - NASD DISTRICT NO. 11
4. Type of Event/Proceeding: ADMINISTRATIVE
5. Date Initiated: SEPTEMBER 28, 1990
6. Docket/Case#: PHL-909
7. Allegations: WHILE A PRINCIPAL OF BAILEY, MARTIN & APPEL, INC., HOWARD APPEL IS NAMED AS A RESPONDENT IN THIS COMPLAINT WHICH RESULTED FROM THE ANNUAL NASD EXAMINATION OF THE FIRM, THE NASD ALLEGES THE FOLLOWING: 1) VIOLATION INVOLVING EXCESSIVE MARKUPS ON EQUITY SECURITIES AND MUNICIPAL BONDS 2) INADEQUATE RECORDKEEPING AND WRITTEN SUPERVISORY PROCEDURES 3) INACCURATE FOCUS REPORT FILINGS 4) VARIOUS VIOLATIONS ON OPTION ACCOUNTS 5) VIOLATIONS ON SECURITIES AND EXCHANGE COMMISSION RULE 116B-9 AND 15C2-4 REGARDING THE OFFERING OF LIMITED PARTNERSHIPS 6) FAILURE TO RECORD REQUIRED INFORMATION OR CONTAIN ORDER-TICKETS IN NON-NASDAQ SECURITIES 7) UNLAWFUL NASD DISTRIBUTION OF SECURITIES REGARDING THE ALLEGED OFFERING OF UNREGISTERED SECURITIES.
- 8a. Current Status: PENDING
- 8b. Status Date: N/A
- 8c. Results: N/A
9. Summary: HOWARD APPEL AND BAILEY, MARTIN & APPEL, INC. RIGOROUSLY DETEST THE ABOVE ALLEGATIONS. THESE ALLEGATIONS ARE INACURATE AND UNJUSTIFIABLE. WE ARE CURRENTLY RESPONDING TO THE NASD THROUGH SUBMITTING A "WRITTEN ANSWER" TO THIS COMPLAINT. WE BELIEVE THAT A MAJORITY OF THESE ALLEGATIONS WILL BE TOTALLY DISMISSED.
10. Attachments: Not Applicable

Disclosure 2 of 6 ~ Entry 1 of 3

Reporting Source: Regulator

Details:

U-6 ELECTRONICALLY ENTERED BY PA; TRANS #400007-20890

1. Action Codes: BAR REV
2. Action Date: 7/06/90
3. Proviso: AC
4. Previously Reported: No
- 4a. Occurrence Number: Not Provided
5. Initiated by: PENNSYLVANIA SECURITIES COMMISSION
- 6a. Docket/Case#: 8910-7
- 6b. Court Name/Location: Not Provided
7. Allegations: RESPONDENTS VIOLATED SECTIONS 305(a)(iv), 305(a)(vii) AND 403 OF THE 1972 ACT AND REGULATION 403.010.
8. Results: BMS'S BD REGISTRATION REVOKED; BAILEY BARRED FOR 60 DAYS; MARTIN BARRED FOR 6 MOS. FROM AGENT REGISTRATION AND 12 MOS. FROM ACTING AS A SUPERVISOR OR PRINCIPAL; APPEL BARRED FOR 5 MOS. AND AGENT REGISTRATION SUSPENDED FOR 30 DAYS; SEGAL BARRED FOR 5 MOS.
9. Subject Wanted for Prosecution: No
10. Summary: RESPONDENTS' VIOLATIONS RELATED TO EXCESSIVE MARKUPS OF THE COMMON STOCK OF NORTHGATE INDUSTRIES, INC.

Disclosure 2 of 6 ~ Entry 2 of 3

Reporting Source: Firm

Details:

JDS 215-05291; Form U5; Full; B/D 13810

1. Questions: 13A
2. Update: No
3. Initiated by: STATE OF PENNSYLVANIA

4. Type of Event/Proceeding: ADMINISTRATIVE - STATE OF PENNSYLVANIA
5. Date Initiated: 10-30-89
6. Docket/Case#: ORDER TO SHOW CAUSE 8910-7
7. Allegations: HOWARD APPEL IS NAMED AS A RESPONDENT IN THIS ORDER TO SHOW CAUSE. AS A PRINCIPAL AND CONTROL PERSON OF BAILEY, MARTIN & APPEL, INC., THE PENNSYLVANIA SECURITIES COMMISSION ALLEGED VIOLATIONS BASED ON CONDUCT REGARDING THE ISSUANCE, PRICING, AND SUPERVISORY PROCEDURES IN CONNECTION WITH CERTAIN TRANSACTIONS OF NORTHGATE COMMON STOCK BETWEEN 4-18-86 AND 6-30-86.
- 8a. Current Status: SETTLED (OFFER OF SETTLEMENT)
- 8b. Status Date: 7-6-90
- 8c. Results: SUSPENDED AS AN AGENT IN PENNSYLVANIA FROM JULY 6, 1990 TO AUGUST 6, 1990. SUSPENDED 5 MONTHS FROM JULY 6, 1990 FROM ACTING IN A SUPERVISORY OR PRINCIPAL CAPACITY.
9. Summary: THIS PROCEEDING RESULTED FROM AN OFFER OF SETTLEMENT PREVIOUSLY ACCEPTED BY THE NASD MARKET SURVEILLANCE COMMITTEE WITH BAILEY, MARTIN & APPEL, INC. AND RESPONDENT HOWARD M. APPEL (COMPLAINT NO. MS-810)
10. Attachments: Not Applicable

Disclosure 2 of 6 ~ Entry 3 of 3

Reporting Source: Individual

Details:

JDS 877-22090; Form U4; Amend 3; BROKER/DEALER 13810

1. Questions: Not Provided
2. Update: Yes
3. Initiated by: PENNSYLVANIA SECURITIES COMMISSION
4. Type of Event/Proceeding: ADMINISTRATIVE
5. Date Initiated: 10-30-89
6. Docket/Case#: DOCKET NO 8910-7
7. Allegations: HOWARD APPEL WAS NAMED AS A RESPONDENT IN THIS ORDER. AS A PRINCIPAL AND CONTROL PERSON OF BAILEY, MARTIN E APPEL, INC, THE PENNSYLVANIA SECURITIES COMMISSION ALLEGED VIOLATIONS BASED ON CONDUCT REGARDING THE ISSUANCE, PRICING AND SUPERVISORY PROCEDURES IN CONNECTION WITH CERTAIN TRANSACTIONS OF NORTHGATE COMMON STOCK BETWEEN 4-18-86 AND 6-30-86

8a. Current Status: SETTLED (7-6-90)

8b. Status Date: 7-6-90

8c. Results: APPEL'S REGISTRATION AS A PENNSYLVANIA AGENT IS SUSPENDED FOR 30 DAYS. FURTHER, APPEL IS BANNED FOR A PERIOD OF (5) MONTHS FROM ACTING IN A SUPERVISORY OR PRINCIPAL CAPACITY FOR A BROKER-DEALER OFFERING OR SELLING SECURITIES IN THE COMMON WEALTH OF PENNSYLVANIA

9. Summary: THIS ORDER RESULTS FROM AN INVESTIGATION BY THE NASD MARKET SURVEILLANCE COMMITTEE (MS-810) IN WHICH AN OFFER OF SETTLEMENT WAS ACCEPTED ON SEPTEMBER 6, 1989.

10. Attachments: Not Applicable

Disclosure 3 of 6 ~ Entry 1 of 2

Reporting Source: Regulator

Details:

1. Regulatory Action initiated by: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

2. Principal Sanction/Relief Sought:

Other Sanctions/Relief Sought:

3. Date Initiated (MM/DD/YYYY): 09/16/1988

4. Docket/Case Number: PHL-784

5. Employing Firm when activity occurred which led to the regulatory action:

6. Principal Product Type: No Product

Other Product Types:

7. Describe the allegations related to this regulatory action:

VIOLATIONS OF ARTICLE III, SECTIONS 1, 4, 21(A), 21(B), 28 AND 33 OF THE RULES OF FAIR PRACTICE

8. Current status ? Final

9. If on appeal, regulatory action appealed to: (SEC, SRO, Federal or State Court) and Date Appeal Filed:

If Final or On Appeal, complete all items below. For Pending Actions, complete Item 13 only.

10. How was matter resolved: Decision

11. Resolution Date (MM/DD/YYYY): 03/30/1990

12. Resolution Detail:

A. Were any of the following Sanctions Ordered? (Check all appropriate items):

Monetary/Fine Amount: \$ 7,500.00

Censure

B. Other Sanctions Ordered:

C. Sanction detail: if suspended, enjoined or barred, provide duration including start date and capacities affected (General Securities Principal, Financial Operations Principal, etc.). If requalification by exam/retraining was a condition of the sanction, provide length of time given to requalify/retrain, type of exam required and whether condition has been satisfied. If disposition resulted in a fine, penalty, restitution, disgorgement or monetary compensation, provide total amount, portion levied against the subject, date paid and if any portion of penalty was waived:

THE FIRM, MARTIN AND APPEL ARE CENSURED AND FINED \$7,500, J&S. ***\$7,500.00 J&S PAID ON 6/11/90 INVOICE #90-11-431***

13. Provide a brief summary of details related to the action status and (or) disposition and include relevant terms, conditions and dates. Include the number of investors in the reporting jurisdiction, the total number of investors in the program, the amount invested in the reporting jurisdiction and the total amount invested.

[TOP] COMPLAINT NO. PHL-784 FILED 9/16/88 BY DISTRICT NO. 11 AGAINST BAILEY, MARTIN & APPEL, INC., FRANCIS MARTIN AND HOWARD M. APPEL ALLEGING VIOLATIONS OF ARTICLE III, SECTIONS 1, 4, 21(A), 21(B), 28 AND 33 OF THE RULES OF FAIR PRACTICE IN THAT THE FIRM THROUGH APPEL FAILED TO ACCURATELY MAINTAIN THE GENERAL LEDGER; INACCURATELY PREPARED ITS COMPUTATION OF NET CAPITAL; INACCURATELY REPORTED ITS AGGREGATE INDEBTEDNESS; FAILED TO PREPARE A COMPLETE MEMORANDUM RECORD OF CHECKS RECEIVED AND FORWARDED IN CONNECTION WITH MUTUAL FUND TRANSACTIONS; FAILED TO PREPARE A COMPLETE ORDER MEMORANDUM; FILED FOCUS PART I AND II A REPORTS WHICH INACCURATELY REPORTED ITS NET CAPITAL; FILED THE 9/30/87 ANNUAL AUDIT 3 DAYS LATE; FILED REQUIRED FOCUS PART IIA REPORTS LATE; PERMITTED CERTAIN ACCOUNTS TO ENGAGE IN OPTIONS TRANSACTIONS WITHOUT HAVING AN OPTIONS AGREEMENT ON FILE; THE DATE OF REGISTERED OPTION PRINCIPAL APPROVAL WAS NOT NOTED IN CERTAIN INSTANCES; ALLOWED CERTAIN ACCOUNTS TO ENGAGE IN OPTIONS TRANSACTIONS WITHOUT REGISTERED OPTION PRINCIPAL APPROVAL AND FAILED TO OBTAIN THE ESSENTIAL FACTS FOR VARIOUS ACCOUNTS; FAILED TO PROMPTLY REGISTER TWO BRANCH OFFICES; FAILED TO PROVIDE AN OTHER MEMBER FIRM DUPLICATE CONFIRMATIONS OF TRANSACTIONS BY ONE OF ITS EMPLOYEES; EFFECTED SALES TO CUSTOMERS OF EQUITY SECURITIES AT UNFAIR PRICES; CHARGED COMMISSION AND A MARK-UP ON CERTAIN OUT OF TRANSACTIONS REVIEWED; FAILED TO DISCLOSE REQUIRED INFORMATION ON CUSTOMER CONFIRMATIONS; FAILED TO MARK ORDER MEMORANDA FOR CUSTOMER SALE TRANSACTIONS "LONG" OR "SHORT"; FAILED TO OBTAIN EXECUTION OF CUSTOMER AGENCY ORDERS AT THE BEST AVAILABLE MARKET AND, FAILED TO COMPLY WITH THE FILING REQUIREMENTS OF THE INTERPRETATION OF THE BOARD OF GOVERNORS. DECISION RENDERED 3/30/90, RESPONDENTS' OFFER OF SETTLEMENT WAS ACCEPTED; THE FIRM, MARTIN AND APPEL ARE CENSURED AND FINED \$7,500, J&S. ***\$7,500.00 J&S PAID ON 6/11/90 INVOICE #90-11-431***

Disclosure 3 of 6 ~ Entry 2 of 2

Reporting Source: Individual

Details:

4/19/90* REQ'D AMENDED PG. 3 REC'D FROM FINANCIAL EQUITIES RESOURCES, INC. DISCLOSES;

1. Questions: 22F2

2. Update: Yes

3. Initiated by: NASD DISTRICTRICT BUSINESS CONDUCT COMMITTEE - NASD DISTRICTRICT NO. 11

4. Type of Event/Proceeding: ADMINISTRATIVE - NASD

5. Date Initiated: 9-16-88

6. Docket/Case#: PHL-784

7. Allegations: AS A PRINCIPAL AND CONTROL PERSON OF BAILEY, MARTIN & APPEL, INC., HOWARD APPEL WAS NAMED AS A RESPONDENT IN THIS COMPLAINT, RESULTING FROM A NASD ROUTINE EXAMINATION. THE COMPLAINT ALLEGED VARIOUS VIOLATIONS OF THE NASD RULES OF FAIR PRACTICE INVOLVING RECORDKEEPING, GENERAL COMPLIANCE, SUPERVISION.

8a. Current Status: ACCEPTANCE OF OFFER OF SETTLEMENT

8b. Status Date: 3-30-90

8c. Results: BASED UPON THE ACCEPTANCE OF THE OFFER OF SETTLEMENT, IT WAS THE DECISION OF THE COMMITTEE THAT RESPONDENTS BAILEY, MARTIN & APPEL, INC., FRANCIS A. MARTIN & HOWARD M. APPEL BE CENSURED AND FINED, JOINTLY AND SEVERALLY, IN THE AMOUNT OF \$7,500.

9. Summary:

Disclosure 4 of 6 ~ Entry 1 of 2

Reporting Source: Regulator

Details:

1. Regulatory Action initiated by: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

2. Principal Sanction/Relief Sought:

Other Sanctions/Relief Sought:

3. Date Initiated (MM/DD/YYYY): 09/30/1987

4. Docket/Case Number: COMPLAINT NO. PHL-689
5. Employing Firm when activity occurred which led to the regulatory action:
6. Principal Product Type: No Product

Other Product Types:

7. Describe the allegations related to this regulatory action:

VIOLATIONS OF ARTICLE III, SECTION 1 OF THE RULES OF FAIR PRACTICE IN THAT RESPONDENT MEMBER, ACTING THROUGH RESPONDENTS MARTIN AND APPEL, EFFECTED SECURITIES TRANSACTIONS WHILE FAILING TO MAINTAIN MINIMUM REQUIRED NET CAPITAL; RESPONDENT MEMBER ACTING THROUGH RESPONDENT APPEL, FILED A FOCUS PART I REPORT WHICH INACCURATELY REPORTED NET CAPITAL; RESPONDENT MEMBER ACTING THROUGH RESPONDENT MARTIN FAILED TO TIMELY GIVE TELEGRAPHIC NOTICE OF ITS NET CAPITAL DEFICIENCY; FAILED TO HAVE ASSOCIATED WITH IT A FINANCIAL PRINCIPAL AND FALSELY REPRESENTED TO THE ASSOCIATION THAT AN INDIVIDUAL CONTINUED TO SERVE AS THE MEMBER'S FINANCIAL PRINCIPAL AFTER THE TERMINATION OF HER REGISTRATION; FAILED TO ENDORSE IN WRITING ITS REVIEW OF SECURITIES TRANSACTIONS; FAILED TO ESTABLISH WRITTEN SUPERVISORY PROCEDURES FOR UNDERWRITINGS, MUNICIPAL SECURITIES, AND OPTION SECURITIES; FAILED TO DESIGNATE THE MUNICIPAL SECURITIES PRINCIPAL RESPONSIBLE FOR SUPERVISION; AND FAILED TO MAINTAIN IN ITS OFFICE A COPY OF THE RULES OF THE MSRB; RESPONDENT MEMBER, ACTING THROUGH RESPONDENT APPEL EXTENDED CREDIT TO A CUSTOMER IN CONNECTION WITH THE PURCHASE OF A NEW ISSUE OF SECURITIES; RESPONDENT MEMBER ACTING THROUGH RESPONDENT MARTIN, FAILED TO PROVIDE TO A CUSTOMER ACCOUNT EXECUTION AT THE BEST AVAILABLE MARKET PRICE; AND, FAILED TO DISCLOSE ON ITS CONFIRMATIONS TO CUSTOMERS THE ADDITIONAL COMPENSATION IT RECEIVED FOR DIRECTING ORDER FLOW TO ANOTHER DEALER

8. Current status ? Final

9. If on appeal, regulatory action appealed to: (SEC, SRO, Federal or State Court) and Date Appeal Filed:

If Final or On Appeal, complete all items below. For Pending Actions, complete Item 13 only.

10. How was matter resolved: Decision & Order of Offer of Settlement

11. Resolution Date (MM/DD/YYYY): 03/30/1990

12. Resolution Detail:

- A. Were any of the following Sanctions Ordered? (Check all appropriate items):

Monetary/Fine Amount: \$ 5,000.00

Censure

- B. Other Sanctions Ordered:

C. Sanction detail: if suspended, enjoined or barred, provide duration including start date and capacities affected (General Securities Principal, Financial Operations Principal, etc.). If requalification by exam/retraining was a condition of the sanction, provide length of time given to requalify/retrain, type of exam required and whether condition has been satisfied. If disposition resulted in a fine, penalty, restitution, disgorgement or monetary compensation, provide total amount, portion levied against the subject, date paid and if any portion of penalty was waived:

THE OFFER OF SETTLEMENT SUBMITTED BY RESPONDENTS WAS ACCEPTED; THEREFORE, RESPONDENTS MEMBER, MARTIN, APPEL AND BAILEY ARE CENSURED AND FINED \$5,000, JOINTLY AND SEVERALLY. ***\$5,000.00 J&S PAID ON 6/11/90 INVOICE #90-11-429***

13. Provide a brief summary of details related to the action status and (or) disposition and include relevant terms, conditions and dates. Include the number of investors in the reporting jurisdiction, the total number of investors in the program, the amount invested in the reporting jurisdiction and the total amount invested.

[TOP] COMPLAINT NO. PHL-689 FILED SEPTEMBER 30, 1987 BY DISTRICT NO. 11 AGAINST BAILEY, MARTIN & APPEL, INC. AND RESPONDENTS FRANCIS A. MARTIN, HOWARD M. APPEL AND DONALD A. BAILEY ALLEGING VIOLATIONS OF ARTICLE III, SECTION 1 OF THE RULES OF FAIR PRACTICE IN THAT RESPONDENT MEMBER, ACTING THROUGH RESPONDENTS MARTIN AND APPEL, EFFECTED SECURITIES TRANSACTIONS WHILE FAILING TO MAINTAIN MINIMUM REQUIRED NET CAPITAL; RESPONDENT MEMBER ACTING THROUGH RESPONDENT APPEL, FILED A FOCUS PART I REPORT WHICH INACCURATELY REPORTED NET CAPITAL; RESPONDENT MEMBER ACTING THROUGH RESPONDENT MARTIN FAILED TO TIMELY GIVE TELEGRAPHIC NOTICE OF ITS NET CAPITAL DEFICIENCY; FAILED TO HAVE ASSOCIATED WITH IT A FINANCIAL PRINCIPAL AND FALSELY REPRESENTED TO THE ASSOCIATION THAT AN INDIVIDUAL CONTINUED TO SERVE AS THE MEMBER'S FINANCIAL PRINCIPAL AFTER THE TERMINATION OF HER REGISTRATION; FAILED TO ENDORSE IN WRITING ITS REVIEW OF SECURITIES TRANSACTIONS; FAILED TO ESTABLISH WRITTEN SUPERVISORY PROCEDURES FOR UNDERWRITINGS, MUNICIPAL SECURITIES, AND OPTION SECURITIES; FAILED TO DESIGNATE THE MUNICIPAL SECURITIES PRINCIPAL RESPONSIBLE FOR SUPERVISION; AND FAILED TO MAINTAIN IN ITS OFFICE A COPY OF THE RULES OF THE MSRB; RESPONDENT MEMBER, ACTING THROUGH RESPONDENT APPEL EXTENDED CREDIT TO A CUSTOMER IN CONNECTION WITH THE PURCHASE OF A NEW ISSUE OF SECURITIES; RESPONDENT MEMBER ACTING THROUGH RESPONDENT MARTIN, FAILED TO PROVIDE TO A CUSTOMER ACCOUNT EXECUTION AT THE BEST AVAILABLE MARKET PRICE; AND, FAILED TO DISCLOSE ON ITS CONFIRMATIONS TO CUSTOMERS THE ADDITIONAL COMPENSATION IT RECEIVED FOR DIRECTING ORDER FLOW TO ANOTHER DEALER. DECISION RENDERED MARCH 30, 1990, WHEREIN THE OFFER OF SETTLEMENT SUBMITTED BY RESPONDENTS WAS ACCEPTED; THEREFORE, RESPONDENTS MEMBER, MARTIN, APPEL AND BAILEY ARE CENSURED AND FINED \$5,000, JOINTLY AND SEVERALLY. ***\$5,000.00 J&S PAID ON 6/11/90 INVOICE #90-11-429***

Disclosure 4 of 6 ~ Entry 2 of 2

Reporting Source: Individual

Details:

4/19/90* REQ'D AMENDED PG. 3 REC'D FROM FINANCIAL EQUITIES RESOURCES, INC. DISCLOSES;

1. Questions: 22F2

2. Update: Yes

3. Initiated by: DISTRICT BUSINESS CONDUCT COMMITTEE - DISTRICT NO. 11

4. Type of Event/Proceeding: ADMINISTRATIVE - NASD

5. Date Initiated: 7-30-87

6. Docket/Case#: PHL-689

7. Allegations: AS A PRINCIPAL AND CONTROL PERSON OF BAILEY, MARTIN & APPEL, INC., HOWARD APPEL WAS NAMED AS A RESPONDENT IN THIS COMPLAINT RESULTING FROM A NASD ROUTINE EXAMINATION. THE COMPLAINT ALLEGED VARIOUS VIOLATIONS OF THE NASD RULES OF

FAIR PRACTICE AND CERTAIN MSRB RULES INVOLVING RECORDKEEPING, COMPLIANCE, FAIR PRICING.

8a. Current Status: ACCEPTANCE OF OFFER OF SETTLEMENT (3-30-90).

8b. Status date: 3-30-90

8c. Results: BASED UPON THE ACCEPTANCE OF THE OFFER OF SETTLEMENT, IT WAS THE DECISION OF THE DISTRICT COMMITTEE THAT RESPONDENTS BAILEY, MARTIN & APPEL, INC. FRANCIS A. MARTIN, HOWARD M. APPEL AND DONALD A. BAILEY BE CENSURED AND FINED, JOINTLY AND SEVERALLY, \$5,000.

9. Summary:

Disclosure 5 of 6 ~ Entry 1 of 3

Reporting Source: Regulator

Details:

1. Regulatory Action initiated by: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

2. Principal Sanction/Relief Sought:

Other Sanctions/Relief Sought:

3. Date Initiated (MM/DD/YYYY): 07/21/1989

4. Docket/Case Number: COMPLAINT #MS-810

5. Employing Firm when activity occurred which led to the regulatory action:

6. Principal Product Type: No Product

Other Product Types:

7. Describe the allegations related to this regulatory action:

THAT FROM ABOUT APRIL 18, 1986 TO ABOUT JUNE 30, 1986, BMA, BAILEY, MARTIN AND/OR APPEL NAD SEGAL EFFECTED TRANSACTIONS IN NORTHGATE INDUSTRIES INC. COMMON STOCK (NGCS), A NON-NASDAQ-OTC STOCK AND INDUCED AND ATTEMPTED TO INDUCE OTHERS TO PURCHASE NGCS BY: A) ENTERING QUOTES IN THE PINK SHEETS UNRELATED TO THE FREE FORCES OF SUPPLY AND DEMAND; B) DOMINATING THE MARKET FOR NGCS; C) CONTROLLING THE MARKET FOR NGCS; D) BIDDING FOR AND PURCHASING NGCS AT HIGHER PRICES WHILE MAINTAINING SUBSTANTIAL LONG INVENTORY POSITIONS; E) BIDDING FOR, PURCHASING AND SELLING NGCS AT HIGHER PRICES WHILE THERE WAS LIMITED WHOLESALE AND RETAIL DEMAND FOR STOCK; AND F) OMITTING TO STATE MATERIAL FACTS WHEN SOLICITING CUSTOMERS AT EXCESSIVE MARK-UPS RANGING FROM 18% TO 67% ABOVE THE PREVAILING MARKET PRICE. APPEL, ET AL, ENGAGED IN SEPARATE AND DISTINCT VIOLATIONS OF ARTICLE III, SECTIONS 1, 4 AND 18 OF THE RULES OF FAIR PRACTICE.

8. Current status ? Final

9. If on appeal, regulatory action appealed to: (SEC, SRO, Federal or State Court) and Date Appeal Filed:

If Final or On Appeal, complete all items below. For Pending Actions, complete Item 13 only.

10. How was matter resolved: Decision & Order of Offer of Settlement

11. Resolution Date (MM/DD/YYYY): 08/24/1989

12. Resolution Detail:

A. Were any of the following Sanctions Ordered? (Check all appropriate items):

Monetary/Fine Amount: \$ 50,000.00

Censure

Suspension

B. Other Sanctions Ordered:

C. Sanction detail: if suspended, enjoined or barred, provide duration including start date and capacities affected (General Securities Principal, Financial Operations Principal, etc.). If requalification by exam/retraining was a condition of the sanction, provide length of time given to requalify/retrain, type of exam required and whether condition has been satisfied. If disposition resulted in a fine, penalty, restitution, disgorgement or monetary compensation, provide total amount, portion levied against the subject, date paid and if any portion of penalty was waived:

PURSUANT TO THE SETTLEMENT OFFERS, ALL RESPONDENTS WERE CENSURED AND FINED \$50,000 JOINTLY AND SEVERALLY. APPEL WAS SUSPENDED FROM ASSOCIATION WITH ANY NASD MEMBER IN A SUPERVISORY PRINCIPAL CAPACITY. ***\$50,000 J&S FULLY PAID ON 11/19/91 INVOICE #89-MS-650***

13. Provide a brief summary of details related to the action status and (or) disposition and include relevant terms, conditions and dates. Include the number of investors in the reporting jurisdiction, the total number of investors in the program, the amount invested in the reporting jurisdiction and the total amount invested.

[TOP] MARKET SURVEILLANCE COMMITTEE COMPLAINT #MS-810 FILED ON JULY 21, 1989 AGAINST BAILEY, MARTIN AND APPEL, INC. (BMA), DONALD A. BAILEY, FRANCIS A. MARTIN, HOWARD M. APPEL, GENERAL SECURITIES PRINCIPAL AND LEONARD D SEGAL. THE 1ST CAUSE OF COMPLAINT ALLEGES THAT FROM ABOUT APRIL 18, 1986 TO ABOUT JUNE 30, 1986, BMA, BAILEY, MARTIN AND/OR APPEL NAD SEGAL EFFECTED TRANSACTIONS IN NORTHGATE INDUSTRIES INC. COMMON STOCK (NGCS), A NON-NASDAQ-OTC STOCK AND INDUCED AND ATTEMPTED TO INDUCE OTHERS TO PURCHASE NGCS BY: A) ENTERING QUOTES IN THE PINK SHEETS UNRELATED TO THE FREE FORCES OF SUPPLY AND DEMAND; B) DOMINATING THE MARKET FOR NGCS; C) CONTROLLING THE MARKET FOR NGCS; D) BIDDING FOR AND PURCHASING NGCS AT HIGHER PRICES WHILE MAINTAINING SUBSTANTIAL LONG INVENTORY POSITIONS; E) BIDDING FOR, PURCHASING AND SELLING NGCS AT HIGHER PRICES WHILE THERE WAS LIMITED WHOLESALE AND RETAIL DEMAND FOR STOCK; AND F) OMITTING TO STATE MATERIAL FACTS WHEN SOLICITING CUSTOMERS AT EXCESSIVE MARK-UPS RANGING FROM 18% TO 67% ABOVE THE PREVAILING MARKET PRICE. APPEL, ET AL, ENGAGED IN SEPARATE AND DISTINCT VIOLATIONS OF ARTICLE III, SECTIONS 1, 4 AND 18 OF THE RULES OF FAIR PRACTICE. THE RESPONDENTS SUBMITTED AN OFFER OF SETTLEMENT ON JULY 7, 1989 WHICH THE MARKET SURVEILLANCE COMMITTEE ACCEPTED ON JULY 11, 1989 AND THE NATIONAL BUSINESS CONDUCT COMMITTEE ON AUGUST 24, 1989. PURSUANT TO THE SETTLEMENT OFFERS, ALL RESPONDENTS WERE CENSURED AND FINED \$50,000 JOINTLY AND SEVERALLY. APPEL WAS SUSPENDED FROM ASSOCIATION WITH ANY NASD MEMBER IN A SUPERVISORY PRINCIPAL CAPACITY. ***\$50,000 J&S FULLY PAID ON 11/19/91 INVOICE #89-MS-650***

Disclosure 5 of 6 ~ Entry 2 of 3

Reporting Source: Firm

Details:

9/15/89^ U5 FROM JOHN BURTON & CO., INC. DISCLOSES THAT APPEL IS THE SUBJECT OF NASD COMPLAINT #MS-810, WHICH WAS INITIATED ON 7/21/89. IT IS ALLEGED THAT APPEL VIOLATED ARTICLE III, SECTIONS 1 AND 18 OF THE RULES OF FAIR PRACTICE IN CONNECTION WITH THE ALLEGED VIOLATIONS SET FORTH IN SAME COMPLAINT AGAINST BAILEY, MARTIN & APPEL, INC. THIS RELATES TO THE ARTIFICIAL PRICING AND EXCESSIVE MARKUPS AND LACK OF SUPERVISORY PROCEDURES IN CONNECTION WITH TRANSACTIONS IN NORTHGAGE COMMON STOCK BETWEEN APRIL 18, 1986 AND JUNE, 1986. SETTLEMENT DISCUSSIONS ARE CONTINUING.

Disclosure 5 of 6 ~ Entry 3 of 3

Reporting Source: Individual

Details:

10/10/89}AMENDED PG.3 REC'D FROM BAILEY, MARTIN & APPEL, INC. DISCLOSES:

1. Questions: 22F2 22F3 22F4

2. Update: Yes

3. Initiated by: NASD - MARKET SURVEILLANCE COMMITTEE.

4. Type of Event/Proceeding: ADMINISTRATIVE COMPLAINT - MARKET SURVEILLANCE COMMITTEE.

5. Date Initiated: 7-21-89.

6. Docket/Case#: MS-810.

7. Allegations: THE NASD IN COMPLAINT MS-810 DATED 7/21/89 ALLEGES THAT APPEL: VIOLATED ARTICLE III, SECTIONS 1, 4, & 18 OF THE RULES OF FAIR PRACTICE IN CONNECTION WITH THE FIRM'S ALLEGED VIOLATIONS SET FORTH IN THE SAME COMPLAINT RELATING TO ARTIFICIAL PARKING; EXCESSIVE MARKUPS; AND LACK OF SUPERVISORY PROCEDURES IN CONNECTION WITH TRANSACTIONS IN NORTHGATE COMMON STOCK BETWEEN APRIL 18, 1986 & JUNE 23, 1986.

8a. Current Status: * ACCEPTANCE OF OFFER OF SETTLEMENT.

8b. Status date: * SEPTEMBER 6, 1989.

8c. Results: * SUSPENDED FROM ASSOCIATING WITH ANY NASD MEMBER IN ANY CAPACITY COMMENCING ON OCTOBER 2, 1989 AND CONCLUDING AT THE CLOSE OF BUSINESS ON NOVEMBER 1, 1989, AND AN ADDITIONAL SUSPENSION FROM ASSOCIATING WITH ANY MEMBER IN A PRINCIPAL OR SUPERVISORY CAPACITY COMMENCING ON NOVEMBER 2 1989 AND CONCLUDING AT THE CLOSE OF BUSINESS ON DECEMBER 1, 1989. BAILEY, MARTIN & APPEL, DONALD A. BAILEY, FRANK A. MARTIN, HOWARD M. APPEL, & LEONARD D. SEGAL (RESPONDENTS) WERE FINED \$50,000

JOINTLY AND SEVERALLY.

9. Summary:

Disclosure 6 of 6 ~ Entry 1 of 2

Reporting Source: Regulator

Details:

ON MAY 28, 1986, THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. PHL-630-AWC (NASD DISTRICTRICT NO. 11) SUBMITTED BY RESPONDENTS HOWARD M. APPEL AND FRANK A. MARTIN WAS ACCEPTED; THEREFORE, THEY ARE CENSURED (ARTICLE III, SECTIONS 1 AND 21(a) OF THE RULES OF FAIR PRACTICE, IN THAT RESPONDENTS FAILED TO MAINTAIN BOOKS AND RECORDS ON A CURRENT BASIS; FAILED TO MAINTAIN MINIMUM REQUIRED NET CAPITAL; AND FAILED TO GIVE TELEGRAPHIC NOTICE AND/OR FILE A FOCUS PART IIA REPORT WITHIN THE REQUIRED TIME PERIOD, RELATIVE TO THE BOOKS AND RECORDS AND NET CAPITAL DEFICIENCIES).

Disclosure 6 of 6 ~ Entry 2 of 2

Reporting Source: Individual

Details:

4/23/90; REQ'D AMENDED PG.3 REC'D FROM FINANCIAL EQUITIES RESOURCES, INC. DISCLOSES:

1. Questions: 22F2

2. Update:

3. Initiated by: DISTRICT BUSINESS CONDUCT COMMITTEE (DIST. 11)

4. Type of Event/Proceeding: ADMINISTRATIVE (NASD)

5. Date Initiated: 12/18/85

6. Docket/Case#: PHL-630-AWC

7. Allegations: WHILE A PRINCIPAL AND CONTROL PERSON OF BANTEL SECURITIES, INC. HOWARD APPEL WAS ALLEGED TO HAVE VIOLATED THE FOLLOWING AS A RESULT OF A ROUTINE EXAMINATION OF THE FIRM ON 4/25/85-4/26/85: THE FIRM FAILED TO MAINTAIN BOOKS/RECORDS ON A CURRENT BASIS, FAILED TO MAINTAIN REQUIRED NET CAPITAL, AND FAILED TO GIVE TELEGRAPHIC NOTICE AND FILE A FOCUS IIA WITHIN THE REQUIRED TIME.

8a. Current Status: LETTER OF ACCEPTANCE, WAIVER AND CONSENT FILED

8b. Status date: 2/25/86

8c. Results: BANTEL SECURITIES, INC. (PRINCIPAL: HOWARD M. APPEL AND FRANK A. MANTINI) CONSENTED TO FINDINGS BY THE DISTRICT BY

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FILING A LETTER OF ACCEPTANCE, WAIVER AND CONSENT. TO ASSUME A REOCCURENCE OF THE VIOLAITONS, THE FIRM'S CONNECTIVE ACTION INCLUDED THE HIRING OF A FINANCIAL OPERATIONS PRINCIPAL AND AN IN-HOUSE CONTROLLER TO KEEP BETTER RECORDS ON A DAILY BASIS.

9. Summary:



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