



**BrokerCheck Report**

**JOHN KEITH WATTON**

CRD# 1497275

## Dear Investor:

FINRA has generated the following BrokerCheck report for **JOHN KEITH WATTON**. 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<sup>®</sup>) 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](http://www.nasaa.org) for a complete list of state securities regulators.

**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).

## JOHN KEITH WATTON

**CRD# 1497275**

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:

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

### Registration History

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

#### **CHATFIELD DEAN & CO., INC.**

CRD# 14714  
GREENWOOD VILLAGE CO  
06/26/1989 to 11/04/1993

#### **BLINDER, ROBINSON & CO., INC.**

CRD# 5096  
ENGLEWOOD CO  
04/28/1986 to 08/16/1989

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 1 principal/supervisory exams, 1 general industry/product exams, and 1 state securities law exam.**

Exam Class	Exam Name	Category	Date
Principal/Supervisory Exams	General Securities Principal Examination	Series 24	4/6/1990
General Industry/Product Exams	General Securities Representative Examination	Series 7	4/19/1986
State Securities Law Exams	Uniform Securities Agent State Law Examination	Series 63	5/5/1986

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
06/26/1989 to 11/04/1993	CHATFIELD DEAN & CO., INC.	14714	GREENWOOD VILLAGE CO
04/28/1986 to 08/16/1989	BLINDER, ROBINSON & CO., INC.	5096	ENGLEWOOD CO

## 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 4 ~ Entry 1 of 1

**Reporting Source:** Firm

**Details:**

1. Questions: 13A
2. Update: No
3. Initiated by: STATE OF COLORADO SECURITIES COMMISSION
4. Type of Event/Proceeding: ADMINISTRATIVE
5. Date Initiated: 1/24/95
6. Docket/Case#: CASE #XY94-03
7. Allegations: AN ENTRY OF DEFAULT WAS FILED AGAINST THE RESPONDENT, THE RESPONDENT WAS SERVED WITH SUCH DECISION, NO EXCEPTIONS WERE FILED BY THE DIVISION OR RESPONDENT.
- 8a. Current Status: CLOSED
- 8b. Status Date: 4/19/95
- 8c. Results: THE COLORADO SECURITIES LICENSE OF JOHN K. WATTON WAS REVOKED.
9. Summary: Not Provided
10. Attachments: Not Applicable

### Disclosure 2 of 4 ~ Entry 1 of 1

**Reporting Source:** Regulator

**Details:**

\*\*\*NASD REGISTRATION REVOKED ON 11/14/94.\*\*\* \*FOR NON-PAYMENT OF FINES AND/OR COSTS.\*\*\* \*IN NASD COMPLAINT #CMS930090.\*\*\*\*

## Disclosure 3 of 4 ~ Entry 1 of 2

**Reporting Source:** Regulator

**Details:**

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST, ISSUE 94-24, DATED FEBRUARY 7, 1994 DISCLOSES; " CHATFIELD DEAN & CO., INC., SANFORD GREENBERG, ROBERT LEMON, KENNETH BERSTEIN, WILLIAM MACCALLUM, KEVIN GROM, JOHN WATTON AND ANTHONY DECAMILLIS SANCTIONED. THE COMMISSION ENTERED CEASE AND DESIST ORDERS, BARRED AND ASSESSED PENALTIES TOTALLING \$125,000 AGAINST KEVIN C. GROM AND JOHN K WATTON, FORMER BRANCH MANAGERS. THE COMMISSION FOUND THAT GROM AND WATTON WILLGULLY VIOLATED THE ANTIFRAUD PROVSIONS OF THE FEDERAL SECURITIES LAWS BY FALLING TO PROMPTLY EXCUTE CUSTOMER ORDERS. THE COMMISIPN ALSO ENTERED CEASE AND DESIST ORDERS, BARRED AND ASSESSED PENALTIES TOTALLING \$75,000 AGAINST HEAD TRADER WILLIAM R. MACCALLUM AND ASSISTANT MANAGER ANTHONY G. DECAMILIS FOR AIDING AND ABETTING GROM AND WATTON; CENSURED, IMPOSED UNDERTAKING AND ASSESSED A \$750,000 PENALTY AGAINST THE FIRM, IMPOSED A SUPERVISORY BAR AGAINST KENNETH S. BERNSTEIN, HEAD OF COMPLIANCE, SUPERVISORY SUPENSIONS AND ASSESSED PENALTIES TOTALLING \$200,000 AGAINST SANFORD D. GRENBERG AND ROBERT L. LEMON, THE PRESIDENT AND SENIOR VICE PRESIDENT OF THE FIRM REPRESENTIVELY, FINDING THAT THEY FAILED TO SUPERVISE THE OTHER RESPONDENTGS. THE COMMISSION ISSUED ITS ORDER AFTER ACCEPTING OFFERS OF SETTLEMENT SUBMITTED BY THE COMPANY AND INDIVIDUALS IN AN ADMINISTRATIVE PROCEEDING INSTITUTED FEBRUARY 2, 1994. IN EACH CASE, THE COMPANY AND INDIVIDUALS CONSENTED TO ENTRY OF THE ORDER BY THE COMMISSION WITHOUT ADMITTING OR DENYING THE ALLEGATIONS IN THE ORDER FOR PROCEEDINGS. (REL. 33572)

SECURITIES AND EXCHANGE COMMISSION DOCKET VOLUME 55, NO. 20, DATED FEBRUARY 22, 1994, PAGE 3197, DISCLOSES; ORDER CONTAINING SANCTIONS AGAINST ESPONDENTS DATED 2/2/94. WATTON MAY REAPPLY AFTER 2 YEARS FROM THE DATE OF THIS ORDER.

(LINE 31 CONT'D). WATTON FURTHER ORDERED TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATION, OR COMMITTING OR CAUSING ANY FUTURE VIOLATION, OF SECTION 17(a) OF THE SECURITIES ACT AND SECTION 10(b) OF THE EXCHANGE ACT AND RULE 10b-5 THEREUNDER. HE WAS ALSO ORDERED TO PAY A CIVIL PENALTY IN THE AMOUNT OF \$50,000.

## Disclosure 3 of 4 ~ Entry 2 of 2

**Reporting Source:** Firm

**Details:**

1. Questions: 14
2. Update: No
3. Initiated by: SECURITIES & EXCHANGE COMMISSION
4. Type of Event/Proceeding: ADMINISTRATIVE



5. Date Initiated: 2/2/94

6. Docket/Case#: FILE NO. 3-8280

7. Allegations: IN HIS CAPACITY AS ENGLEWOOD BRANCH MANAGER, WATTON VIOLATED SECTION 17(A) OF THE SECURITIES ACT AND SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5 THEREUNDER.

8a. Current Status: CLOSED

8b. Status Date: 2/2/94

8c. Results: AN OFFER OF SETTLEMENT WAS MADE WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THE OFFER WAS ACCEPTED AND WATTON WAS ENJOINED FROM COMMITTING OR CAUSING ANY VIOLATION, OR COMMITTING OR CAUSING ANY FUTURE VIOLATION, OF SECTION 17(A) OF THE SECURITIES ACT AND SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5 THEREUNDER, WAS BARRED FROM ASSOCIATION WITH ANY BROKER, DEALER INVESTMENT COMPANY, INVESTMENT ADVISOR OR MUNICIPAL SECURITIES DEALER WAS A RIGHT TO REAPPLY AFTER TWO YEAR AND WAS FINED \$50,000.00

9. Summary: Not Provided

10. Attachments: Not Applicable

#### Disclosure 4 of 4 ~ Entry 1 of 1

**Reporting Source:** Regulator

**Details:**

COMPLAINT #CMS930090

LETTER OF ACCEPTANCE, WAIVER AND CONSENT:

CHATFIELD DEAN & CO., INC., MEMBER (BROKER/DEALER 14714) (CHAD), SANFORD D. GREENBERG, GENERAL SECURITIES PRINCIPAL AND GENERAL SECURITIES REPRESENTATIVE, (CRD #1014129) (GREENBERG), ROBERT L. LEMON, GENERAL SECURITIES PRINCIPAL AND GENERAL SECURITIES REPRESENTATIVE, (CRD #1214992) (LEMON), KENNETH S. BERNSTEIN, GENERAL SECURITIES PRINCIPAL, GENERAL SECURITIES REPRESENTATIVE, FINANCIAL AND OPERATIONS PRINCIPAL, (CRD #1394135) (BERNSTEIN), WILLIAMS R. MACCALLUM (JR), GENERAL SECURITIES REPRESENTATIVE AND MUNICIPAL SECURITIES PRINCIPAL, (CRD #1620173) (MACCALLUM), JOHN K. WATTON, GENERAL SECURITIES REPRESENTATIVE, (CRD #1497275) (WATTON), ANTHONY G. DECAMILLIS, GENERAL SECURITIES PRINCIPAL AND GENERAL SECURITIES REPRESENTATIVE, (CRD #1572118) (DECAMILLIS), KEVIN C. GROM, GENERAL SECURITIES PRINCIPAL AND GENERAL SECURITIES PRINCIPAL AND GENERAL SECURITIES REPRESENTATIVE, (CRD #1795589) (GROM), STEVEN H. CAROLUS, GENERAL SECURITIES REPRESENTATIVE, (CRD #1489854) (CAROLUS).

THE ABOVE REFERENCED LETTER OF ACCEPTANCE, WAIVER AND CONSENT (AWC) WAS ACCEPTED BY THE MARKET SURVEILLANCE COMMITTEE (COMMITTEE) ON DECEMBER 6, 1993.

THE ALLEGED RULE VIOLATIONS AND FINDINGS ARE CONTAINED IN SECTION 11, A,B, AND D OF THE AWC AS FOLLOWS:

SECTION II A, CHARGE CHAD, GREENBERG, LEMON, MACCALLUM, GROM, WATTON AND DECAMILLIS WITH VIOLATIONS OF ARTICLE III, SECTIONS 1 AND 18 OF THE ASSOCIATION'S RULES OF FAIR PRACTICE (RFP) IN THAT DURING THE PERIOD MAY 13 THROUGH MAY 15, 1991, CHAD, THROUGH ITS AGENTS WROTE QUOTES THAT WERE AWAY FROM THE INSIDE MARKET ON ORDER TICKETS FOR THE PURCHASE AND SALE OF PLANTS FOR TOMORROW INC. UNITS (PLANTS) AND MARKED THE SECURITIES UP AND DOWN BASED UPON THE INACCURATE QUOTE. EACH UNIT CONSISTED OF TWO SHARES OF COMMON AND A CLASS AA AND CLASS BB REDEEMABLE WARRANT. ALSO CHAD, THROUGH ITS AGENTS DELAYED AND ENCOURAGED OTHER ASSOCIATED PERSONS TO DELAY, THROUGH INCREASED SALES COMMISSIONS, SENDING CUSTOMERS' ORDERS TO THE TRADING DEPARTMENT SO THAT PURCHASE ORDERS COULD BE MATCHED AGAINST SALES ORDERS WHICH IN EFFECT, RESULTED IN RISKLESS PRINCIPAL TRADES BY CHAD IN APPROXIMATELY 80% OF THE PURCHASE AND SALE TRANSACTIONS. ADDITIONALLY, CHAD, GREENBERG, LEMON AND BERNSTEIN ARE CHARGED WITH VIOLATIONS OF ARTICLE III, SECTION 1 AND 27 OF THE RFP FOR A FAILURE TO ENFORCE WRITTEN SUPERVISORY PROCEDURES WHICH WOULD HAVE ENABLE THEM TO PROPERLY SUPERVISE THE ACTIVITIES OF CHAD'S PERSONS DURING THE PERIOD.

SECTION 11 B, C AND D ALLEGES VIOLATIONS OF ARTICLE III, SECTIONS 1, 4 AND 18 OF THE RFP BY CHAD, GREENBERG, LEMON, MACCALUM AND CAROLUS FOR CHARGING EXCESSIVE MARK-UP IN; PLANTS COMMON AND WARRANTS DURING THE PERIOD MAY 16, THROUGH JUNE 14, 1991 (SECTION 11 B); MICROENERGY DURING THE PERIOD SEPTEMBER 3 THROUGH DECEMBER 31, 1991 ( SECTION 11 C); AND KUSHNER-LOCKE AND DRS INDUSTRIES DURING THE PERIOD AUGUST 23 THROUGH OCTOBER 6, 1992, CHAD, GREENBERG, LEMON AND BERNSTEIN ARE ALSO CHARGED WITH VIOLATIONS OF ARTICLE III, SECTIONS 1 AND 27 FOR A FAILURE TO ENFORCE WRITTEN SUPERVISORY PROCEDURE DURING THE ABOVE PERIODS.

BASED UPON ITS FINDINGS OF THE ABOVE RULE VIOLATIONS, THE COMMITTEE IMPOSED THE FOLLOWING SANCTIONS;

WATTON: CENSURE, FINED \$25,000.00, SUSPENSION FROM ASSOCIATING WITH ANY MEMBER FIRM OF THE ASSOCIATION IN ANY CAPACITY FOR (4) MONTHS REQUALIFY BY EXAMINATION FOR ANY AND ALL REGISTRATIONS WITH THE ASSOCIATION IN WHICH HE WILL FUNCTION FOLLOWING THE CONCLUSION OF HIS SUSPENSION.

PRESS RELEASE JANUARY 1994: THE SUSPENSION WILL COMMENCE WITH THE OPENING OF BUSINESS JANUARY 3, 1994 AND WILL CONLCUDE AT THE CLOSE OF BUSINESS MAY 3, 1994.

\*\*REVOKED FOR NON-PAYMENT OF FINES AND/OR COSTS ON 11/14/94.



## About this BrokerCheck Report

BrokerCheck reports are part of a FINRA initiative to disclose information about FINRA-registered firms and individual brokers to help investors determine whether to conduct, or continue to conduct, business with these firms and brokers. The information contained within these reports is collected through the securities industry's registration and licensing process.

### Who provides the information in BrokerCheck?

Information made available through BrokerCheck is obtained from CRD as reported through the industry registration and licensing process.

The forms used by brokerage firms, to report information as part of the firms registration and licensing process, Forms BD and BDW, are established by the SEC and adopted by all state securities regulators and SROs. FINRA and the North American Securities Administrators Association (NASAA) establish the Forms U4 and U5, the forms that are used for the registration and licensing process for individual brokers. These forms are approved by the SEC. Regulators report disciplinary information for firms and individual brokers via Form U6.

### How current is the information contained in BrokerCheck?

Brokerage firms and brokers are required to keep this information accurate and up-to-date (typically not later than 30 days after learning of the event). BrokerCheck data is updated when a firm, broker, or regulator submits new or revised information to CRD. Generally, updated information is available on BrokerCheck Monday through Friday.

### What information is NOT disclosed through BrokerCheck?

Information that has not been reported to CRD or that is not required to be reported is not disclosed through BrokerCheck, such as vacated regulatory actions.

Additional information not disclosed through BrokerCheck includes Social Security Numbers, residential history information, and physical descriptive information. On a case-by-case basis, FINRA reserves the right to exclude information that contains confidential customer information, offensive and potentially defamatory language or information that raises significant identity theft or privacy concerns that are not outweighed by investor protection concerns. FINRA Rule 8312 describes in detail what information is and is not disclosed through BrokerCheck.

Under FINRA's current public disclosure policy, in certain limited circumstances, most often pursuant to a court order, information is expunged from CRD. Further information about expungement from CRD is available in FINRA Notices 99-09, 99-54, 01-65, and 04-16 at [www.finra.org](http://www.finra.org).

For further information regarding FINRA's BrokerCheck program, please visit FINRA's Web Site at [www.finra.org/brokercheck](http://www.finra.org/brokercheck) or call the FINRA BrokerCheck Hotline at (800) 289-9999. The hotline is open Monday through Friday from 8 a.m. to 8 p.m., Eastern Time (ET).

For more information about the following, select the associated link:

- About BrokerCheck Reports: [http://www.finra.org/brokercheck\\_reports](http://www.finra.org/brokercheck_reports)
- Glossary: [http://www.finra.org/brokercheck\\_glossary](http://www.finra.org/brokercheck_glossary)
- Questions Frequently Asked about BrokerCheck Reports: [http://www.finra.org/brokercheck\\_faq](http://www.finra.org/brokercheck_faq)
- Terms and Conditions: <http://brokercheck.finra.org/terms.aspx>