

## BrokerCheck Report

**JUDAH LIEV WERNICK**

CRD# 1633006

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

## About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.
- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
  - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
  - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

**Thank you for using FINRA BrokerCheck.**



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at [brokercheck.finra.org](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://www.finra.org/brokercheck). It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. For more information about FINRA, visit [www.finra.org](http://www.finra.org).

**JUDAH L. WERNICK**

CRD# 1633006

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:

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

### Registration History

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

- B PATTERSON TRAVIS, INC.**  
CRD# 16540  
ENGLEWOOD, CO  
08/1994 - 06/2000
- B S. B. CANTOR & CO., INC.**  
CRD# 1384  
NEW YORK, NY  
09/1991 - 09/1994
- B M. RIMSON & CO., INC.**  
CRD# 5250  
NEW YORK, NY  
07/1988 - 09/1991

### 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	4
Criminal	1
Civil Event	1
Customer Dispute	1

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

### Principal/Supervisory Exams

Exam	Category	Date
<b>B</b> Financial and Operations Principal Examination	Series 27	11/12/1992
<b>B</b> General Securities Principal Examination	Series 24	04/09/1987

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> General Securities Representative Examination	Series 7	02/23/1987

### State Securities Law Exams

Exam	Category	Date
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	03/12/1987

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

## Broker Qualifications



## Professional Designations

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

No information reported.



## Registration and Employment History

### Registration History

The broker previously was registered with the following securities firms:

Registration Dates	Firm Name	CRD#	Branch Location
<b>B</b> 08/1994 - 06/2000	PATTERSON TRAVIS, INC.	16540	ENGLEWOOD, CO
<b>B</b> 09/1991 - 09/1994	S. B. CANTOR & CO., INC.	1384	NEW YORK, NY
<b>B</b> 07/1988 - 09/1991	M. RIMSON & CO., INC.	5250	NEW YORK, NY
<b>B</b> 02/1987 - 07/1988	BROWNSTONE-SMITH SECURITIES CORP.	17118	

### 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
08/1994 - Present	PATTERSON TRAVIS, INC.	NOT PROVIDED	Y	NEW YORK, NY, 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	4	0
Criminal	1	0
Civil Event	1	0
Customer Dispute	1	N/A





## 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 4

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Sanction(s) Sought:</b>	Bar
<b>Other Sanction(s) Sought:</b>	
<b>Date Initiated:</b>	07/24/2001
<b>Docket/Case Number:</b>	REL. #34-44587; FILE #3-10539
<b>Employing firm when activity occurred which led to the regulatory action:</b>	
<b>Product Type:</b>	Other
<b>Other Product Type(s):</b>	STOCK
<b>Allegations:</b>	+07/31/2001+ SEC ADMINISTRATIVE PROCEEDING RELEASE #34-44587, DATED JULY 24, 2001, DISCLOSES: THE SEC INSTITUTED PUBLIC ADMINISTRATIVE PROCEEDINGS PURSUANT TO SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT"), AGAINST JUDAH WERNICK ("WERNICK").
<b>Current Status:</b>	Final
<b>Resolution:</b>	Order
<b>Resolution Date:</b>	07/24/2001
<b>Sanctions Ordered:</b>	Bar
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	IT IS ORDERED THAT RESPONDENT JUDAH WERNICK IS BARRED FROM ASSOCIATION WITH ANY BROKER OR DEALER.



## Regulator Statement

WERNICK HAS SUBMITTED AN OFFER OF SETTLEMENT WITHOUT ADMITTING OR DENYING THE FINDINGS, EXCEPT AS TO ENTRY OF THE INJUNCTION ENTERED AGAINST HIM AND THE SEC'S JURISDICTION, AND CONSENTED TO THIS ORDER. THE SEC FINDS THAT: (1) WERNICK WAS A TRADER ASSOCIATED WITH A BROKER-DEALER REGISTERED WITH THE SEC DURING THE RELEVANT TRADING PERIOD. (2) ON SEPTEMBER 30, 1997, THE SEC FILED A COMPLAINT IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AGAINST WERNICK, CAPTIONED SEC V. JUDAH WERNICK, CASE NO. 97 CIV. 7267 (MP). (3) THE SEC'S COMPLAINT ALLEGES THAT FROM JANUARY 1994 THROUGH APRIL 1994, WERNICK VIOLATED THE FEDERAL SECURITIES LAWS BY ENGAGING IN THE FRAUDULENT MANIPULATION OF THE MARKET PRICE OF THE STOCK OF A COMPANY ("COMPANY") FROM \$1 TO \$7 PER SHARE. THE COMPLAINT ALLEGES THAT WERNICK ACCOMPLISHED THE MANIPULATION BY CONTROLLING THE SUPPLY OF COMPANY STOCK THAT WAS AVAILABLE TO THE MARKET; BY ACCUMULATING OVER TWO-THIRDS OF THE FREELY-TRADABLE COMPANY STOCK IN WEGARD'S FIRM PROPRIETARY ACCOUNT; BY EXERTING PRICE LEADERSHIP TO INCREASE THE MARKET PRICE OF COMPANY STOCK; AND BY GENERATING RETAIL DEMAND FOR COMPANY STOCK. THE COMPLAINT ALLEGES THAT WERNICK PROFITED BY AT LEAST \$207,000 BY TRADING COMPANY SECURITIES IN THIS SCHEME. (4) ON JUNE 5, 2001, IN SEC V. WERNICK, ET AL., THE COURT ENTERED AN ORDER ENJOINING WERNICK FROM VIOLATIONS OF SECTION 17(A) OF THE SECURITIES ACT OF 1933 AND SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5 THEREUNDER. WERNICK CONSENTED TO THE ENTRY OF THE ORDER, WITHOUT ADMITTING OR DENYING THE ALLEGATIONS IN THE COMPLAINT. IN VIEW OF THE FOREGOING, THE SEC ISSUED THIS ORDER.

## Disclosure 2 of 4

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
<b>Sanction(s) Sought:</b>	Revocation
<b>Other Sanction(s) Sought:</b>	
<b>Date Initiated:</b>	10/02/2000
<b>Docket/Case Number:</b>	C8A980095

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



**Product Type:** Other

**Other Product Type(s):**

**Allegations:** FAILED TO PAY FINES AND/OR COSTS

**Current Status:** Final

**Resolution:** Other

**Resolution Date:** 10/02/2000

**Sanctions Ordered:** Revocation/Expulsion/Denial

**Other Sanctions Ordered:**

**Sanction Details:** 10-05-00, NASD REGISTRATION REVOKED 10/02/00 FOR FAILURE TO PAY FINES AND/OR COSTS IN NASD CASE #C8A980095.

#### Disclosure 3 of 4

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

**Sanction(s) Sought:**

**Other Sanction(s) Sought:**

**Date Initiated:** 12/23/1998

**Docket/Case Number:** C8A980095

**Employing firm when activity occurred which led to the regulatory action:** PATTERSON TRAVIS, INC.

**Product Type:** Other

**Other Product Type(s):**

**Allegations:** 1/4/99GS: COMPLAINT NO. C8A980095 FILED DECEMBER 23, 1998 BY DISTRICT NO. 8 AGAINST AND JUDAH L. WERNICK ALLEGING VIOLATIONS OF NASD RULES 2110, 3110(A), AND 4642 IN THAT A MEMBER FIRM, DIRECTLY AND ACTING THROUGH WERNICK, FAILED TO COMPLY WITH SEC RULE 15C3-1, IN THAT IT EFFECTED TRANSACTIONS IN SECURITIES WHEN IT FAILED TO MAINTAIN THE MINIMUM REQUIRED NET CAPITAL; PREPARED INACCURATE TRIAL BALANCES AND NET CAPITAL COMPUTATIONS IN VIOLATION OF SEC RULE



17A-3(A)(11); FAILED TO COMPLY WITH SEC RULE 17A-5, IN THAT IT FILED WITH THE NASD FOCUS PART I REPORTS AND A FOCUS PART IIA REPORT THAT WERE INACCURATE IN THAT, AMONG OTHER THINGS, THEY OVERSTATED RESPONDENT MEMBER'S NET CAPITAL; RECEIVED PAYMENTS FOR THE PURCHASE OF COMMON STOCK FROM PUBLIC CUSTOMERS IN AN INITIAL PUBLIC OFFERING PRIOR TO THE EFFECTIVE DATE OF THE OFFERING; REFUSED TO RESPOND PROMPTLY TO NASD REQUESTS FOR INFORMATION PURSUANT TO NASD RULE 8210; FAILED TO PROMPTLY EXECUTE CUSTOMER ORDERS TO PURCHASE OR SELL SHARES OF COMMON STOCK; AND, FAILED TO PROMPTLY AND/OR ACCURATELY REPORT ITS TRANSACTIONS IN SECURITIES.

**Current Status:**

Final

**Resolution:**

Decision &amp; Order of Offer of Settlement

**Resolution Date:**

07/01/1999

**Sanctions Ordered:**

Censure  
Monetary/Fine \$60,000.00  
Suspension

**Other Sanctions Ordered:****Sanction Details:**

7/23/99GS: ON JULY 1, 1999, THE DECISION AND ORDER OF ACCEPTANCE OF OFFER OF SETTLEMENT SUBMITTED BY WERNICK WAS ISSUED; THEREFORE, HE IS CENSURED AND FINED \$10,000, JOINTLY AND SEVERALLY, AND ORDERED TO COMPLY WITH THE UNDERTAKINGS WHICH INCLUDE, AMONG OTHER THINGS, SUBMITTING A WRITTEN AGREEMENT TO THE NASD. THE WRITTEN AGREEMENT WILL CLEARLY DELINEATE ALL OF THE TERMS OF AN EXPENSE ARRANGEMENT INVOLVING THE EXPENSES FOR THE FIRM'S OFFICE AMONG THE FIRM AND WERNICK, AND WILL PERMIT THE NASD THE RIGHT TO REVIEW THE FINANCIAL INFORMATION CONCERNING THE PAYMENT OF EXPENSES. RESPONDENT WERNICK IS FINED AN ADDITIONAL \$30,000, JOINTLY AND SEVERALLY, AND FINED AN ADDITIONAL \$20,000, SUSPENDED FROM ASSOCIATION WITH ANY NASD MEMBER IN ANY CAPACITY FOR 10 BUSINESS DAYS, AND SUSPENDED FROM ASSOCIATION WITH ANY NASD MEMBER IN ANY MANAGERIAL OR SUPERVISORY CAPACITY FOR 60 DAYS THEREAFTER.

THE ALLEGATIONS WITH RESPECT TO THE SPECIFIC TIME PERIOD, CONDUCT AND VIOLATIONS CONTAINED IN THE FIRST AND THIRD CAUSES OF COMPLAINT (NET CAPITAL VIOLATIONS AND INACCURATE FOCUS REPORTS) ARE DISMISSED WITH PREJUDICE.

THE SUSPENSION IN ALL CAPACITIES WILL COMMENCE WITH THE



OPENING OF BUSINESS ON AUGUST 16, 1999, AND CONCLUDE AT THE CLOSE OF BUSINESS ON AUGUST 27, 1999; THE SUSPENSION IN ANY MANAGERIAL OR SUPERVISORY CAPACITY WILL COMMENCE WITH THE OPENING OF BUSINESS ON AUGUST 16, 1999, AND CONCLUDE AT THE CLOSE OF BUSINESS ON OCTOBER 27, 1999.

#### Regulator Statement

06-27-00, \$30,000 FULLY PAID J&S AS OF 1/6/00, INVOICE #99-8A-626.  
06-27-00, \$10,000 FULLY PAID AS OF 1/6/00, INVOICE #99-8A-613.

10-05-00, REVOKED FOR NON-PAYMENT OF FINES AND OR COSTS ON 10/02/00.

#### Disclosure 4 of 4

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
<b>Sanction(s) Sought:</b>	
<b>Other Sanction(s) Sought:</b>	
<b>Date Initiated:</b>	10/23/1995
<b>Docket/Case Number:</b>	C3A950062
<b>Employing firm when activity occurred which led to the regulatory action:</b>	PATTERSON TRAVIS, INC.
<b>Product Type:</b>	
<b>Other Product Type(s):</b>	
<b>Allegations:</b>	
<b>Current Status:</b>	Final
<b>Resolution:</b>	Decision & Order of Offer of Settlement
<b>Resolution Date:</b>	01/13/1997
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$5,000.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	
<b>Regulator Statement</b>	COMPLAINT NO. C3A950062 FILED OCTOBER 23, 1995 BY DISTRICT NO.



3 AGAINST RESPONDENTS PATTERSON TRAVIS, INC., DAVID T. TRAVIS, JUDAH L. WERNICK, ANTHONY J. HOBAN, ROBERT X. MOSIER, AND MICHAEL R. SANTORO ALLEGING VIOLATIONS OF ARTICLE III, SECTIONS 1 AND 27 OF THE RULES OF FAIR PRACTICE IN THAT RESPONDENT MEMBER, ACTING THROUGH RESPONDENT TRAVIS, PERMITTED THE FIRM'S INVENTORY LEVEL AND NUMBER OF REGISTERED REPRESENTATIVES TO EXCEED THE LIMITATIONS IMPOSED BY ITS RESTRICTION AGREEMENT AND AMENDED RESTRICTION AGREEMENT WITH THE NASD; CONDUCTED A BEST-EFFORTS INITIAL PUBLIC OFFERING OF SECURITIES AND FAILED TO COMPLY WITH THE REQUIREMENTS OF THE PENNY STOCK RULES; RESPONDENTS HOBAN, MOSIER AND SANTORO ENGAGED IN THE SECURITIES BUSINESS THROUGH RESPONDENT MEMBER WHEN THEIR REGISTRATIONS WITH THE FIRM AS REPRESENTATIVES HAD NOT BEEN APPROVED BY THE NASD IN THAT THEY CONTACTED MEMBERS OF THE PUBLIC AND SOLICITED THE PURCHASE OF, AND EFFECTED TRANSACTIONS IN, THE SECURITIES; RESPONDENT MEMBER, ACTING THROUGH RESPONDENT TRAVIS, FAILED TO ESTABLISH, MAINTAIN AND ENFORCE WRITTEN SUPERVISORY PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REQUIREMENTS OF THE NASD CONCERNING THE CONDUCT OF BUSINESS BY PERSONS WHOSE REGISTRATIONS HAVE NOT BEEN APPROVED; AND, RESPONDENT MEMBER, ACTING THROUGH RESPONDENTS TRAVIS AND WERNICK, FAILED TO SUPERVISE RESPONDENTS HOBAN, MOSIER AND SANTORO IN A MANNER REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE NASD'S RULES REGARDING THE CONDUCT OF BUSINESS BY UNREGISTERED PERSONS AND REASONABLY DESIGNED TO PREVENT THE VIOLATIONS DESCRIBED ABOVE.

ON JANUARY 13, 1997, THE DECISION AND ORDER OF ACCEPTANCE OF OFFER OF SETTLEMENT SUBMITTED BY RESPONDENT WERNICK WAS ISSUED; THEREFORE, HE IS CENSURED AND FINED \$5,000.

\*\*\*\$5,000.00 FULLY PAID AS OF 5/22/97, INVOICE #97-3A-096\*\*\*



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**Reporting Source:** Firm

**Regulatory Action Initiated By:** NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

**Sanction(s) Sought:**

**Other Sanction(s) Sought:**

**Date Initiated:** 10/23/1995

**Docket/Case Number:** C3A950062

**Employing firm when activity occurred which led to the regulatory action:** PATTERSON TRAVIS, INC.

**Product Type:**

**Other Product Type(s):**

**Allegations:**

**Current Status:** Final

**Resolution:** Decision & Order of Offer of Settlement

**Resolution Date:** 01/13/1997

**Sanctions Ordered:** Censure  
Monetary/Fine \$5,000.00

**Other Sanctions Ordered:**

**Sanction Details:**

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**Reporting Source:** Broker

**Regulatory Action Initiated By:** NASD-DISTRICT #3-DBCC

**Sanction(s) Sought:**

**Other Sanction(s) Sought:**

**Date Initiated:** 10/23/1995

**Docket/Case Number:** C3A950062



<b>Employing firm when activity occurred which led to the regulatory action:</b>	PATTERSON TRAVIS, INC.
<b>Product Type:</b>	
<b>Other Product Type(s):</b>	
<b>Allegations:</b>	FAILURE TO SUPERVISE
<b>Current Status:</b>	Final
<b>Resolution:</b>	Decision & Order of Offer of Settlement
<b>Resolution Date:</b>	01/13/1997
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$5,000.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	FINE-\$5,000.00, CENSURE
<b>Broker Statement</b>	Not Provided





## Criminal - Final Disposition

This type of disclosure event involves a conviction or guilty plea for any felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property that is currently on appeal.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Formal Charges were brought in:</b>	Federal Court
<b>Name of Court:</b>	UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK
<b>Location of Court:</b>	NEW YORK, NY
<b>Docket/Case #:</b>	1:98CR1247
<b>Charge Date:</b>	01/01/1998
<b>Charge(s) 1 of 5</b>	
<b>Formal Charge(s)/Description:</b>	18:371.F CONSPIRACY TO DEFRAUD THE UNITED STATES (COUNT 1)
<b>No of Counts:</b>	1
<b>Felony or Misdemeanor:</b>	Felony
<b>Plea for each charge:</b>	GUILTY
<b>Disposition of charge:</b>	FINAL DISPOSITION UNKNOWN
<b>Charge(s) 2 of 5</b>	
<b>Formal Charge(s)/Description:</b>	18:371.F CONSPIRACY TO DEFRAUD THE UNITED STATES (COUNT 1S)
<b>No of Counts:</b>	1
<b>Felony or Misdemeanor:</b>	Felony
<b>Plea for each charge:</b>	GUILTY
<b>Disposition of charge:</b>	DISPOSITION UNKNOWN
<b>Charge(s) 3 of 5</b>	
<b>Formal Charge(s)/Description:</b>	15:78J.F MANIPULATIVE AND DECEPTIVE DEVICES-TITLE 15 USC SECT. 78J(B) AND 78FF; TITLE 17 CODE OF FEDERAL REGULATIONS SECT. 240.10B-5; TITLE 18 USC SECT. 2 (COUNT 21)
<b>No of Counts:</b>	1



<b>Felony or Misdemeanor:</b>	Felony
<b>Plea for each charge:</b>	GUILTY
<b>Disposition of charge:</b>	DISPOSITION UNKNOWN
<b>Charge(s) 4 of 5</b>	
<b>Formal Charge(s)/Description:</b>	15:78J.F MANIPULATIVE AND DECEPTIVE DEVICES-TITLE 15 USC SECT. 78J(B) AND 78FF; TITLE 17 CODE OF FEDERAL REGULATIONS SECT. 240.10B-5; TITLE 18 USC SECT. 2 (COUNT 19)
<b>No of Counts:</b>	1
<b>Felony or Misdemeanor:</b>	Felony
<b>Plea for each charge:</b>	GUILTY
<b>Disposition of charge:</b>	DISPOSITION UNKNOWN
<b>Charge(s) 5 of 5</b>	
<b>Formal Charge(s)/Description:</b>	15:78J.F MANIPULATIVE AND DECEPTIVE DEVICES-TITLE 15 USC SECT. 78J(B) AND 78FF; TITLE 17 CODE OF FEDERAL REGULATIONS SECT. 240.10B-5; TITLE 18 SECT. 2 (COUNT 12)
<b>No of Counts:</b>	1
<b>Felony or Misdemeanor:</b>	Felony
<b>Plea for each charge:</b>	GUILTY
<b>Disposition of charge:</b>	DISPOSITION UNKNOWN
<b>Current Status:</b>	Final
<b>Status Date:</b>	06/24/2002
<b>Disposition Date:</b>	06/24/2002
<b>Sentence/Penalty:</b>	RESTITUTION TO THE VICTIMS OF HIS CRIMES
<b>Regulator Statement</b>	ON OR ABOUT 11/30/00, JUDAH WERNICK, ENTERED A PLEA OF GUILTY, PURSUANT TO A COOPERATION AGREEMENT, TO COUNTS 1,12,19 AND 21 OF THE INDICTMENT, AND TO THE SOLE COUNT OF A SUPERCEDING INFORMATION.



## Civil - Final

This type of disclosure event involves an injunction issued by a court in connection with investment-related activity or a finding by a court of a violation of any investment-related statute or regulation.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Relief Sought:</b>	Injunction
<b>Other Relief Sought:</b>	DISGORGEMENT, PLUS PREJUDGMENT AND POST JUDGMENT INTEREST
<b>Date Court Action Filed:</b>	09/30/1997
<b>Product Type:</b>	Other
<b>Other Product Types:</b>	COMMON STOCK AND WARRANTS
<b>Court Details:</b>	THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK - [CIVIL ACTION NO. 97 CV 7267] - (LR-15516) AND (LR-17026)
<b>Employing firm when activity occurred which led to the action:</b>	S.B. CANTOR & COMPANY, INC.
<b>Allegations:</b>	<p>10-04-97, SEC NEWS DIGEST ISSUE #97-190, DATED OCTOBER 1, 1997, ENFORCEMENT PROCEEDINGS DISCLOSE: THE COMMISSION ANNOUNCED THAT ON SEPTEMBER 30, 1997, A COMPLAINT WAS FILED IN THE U.S. DISTRICT COURT AGAINST JUDAH WERNICK SEEKING AN ORDER OF PERMANENT INJUNCTION BASED ON DEFENDANT'S VIOLATIONS OF THE ANTIFRAUD PROVISIONS OF THE FEDERAL SECURITIES LAWS, BY MANIPULATING THE PRICE OF COMMON STOCK.</p> <p>THE COMMISSION'S COMPLAINT ALLEGES THAT FROM APPROXIMATELY JANUARY 14, 1994 THROUGH APRIL 19, 1994, WERNICK ENGAGED IN A SCHEME TO MANIPULATE THE PRICE OF COMMON STOCK FROM APPROXIMATELY \$1 PER SHARE TO APPROXIMATELY \$7 PER SHARE. WERNICK, BY TRADING COMMON STOCK AND WARRANTS THROUGH HIS WIFE'S ACCOUNT, RECEIVED A PROFIT OF AT LEAST \$207,500 FROM THE MANIPULATIVE SCHEME. ** +06/08/2001+ SEC LITIGATION RELEASE #17026, DATED 06/05/2001, DISCLOSES: IN ITS COMPLAINT, FILED ON SEPTEMBER 30, 1997, THE SEC ALLEGED THAT, FROM JANUARY 1994 THROUGH APRIL 1994, WERNICK FRAUDULENTLY MANIPULATED THE MARKET PRICE OF THE STOCK OF A COMPANY ("COMPANY") FROM \$1 TO \$7 PER SHARE. THE SEC ALLEGED THAT WERNICK ACCOMPLISHED THE MANIPULATION BY CONTROLLING THE SUPPLY OF COMPANY STOCK THAT WAS AVAILABLE TO THE MARKET; BY ACCUMULATING OVER TWO-THIRDS OF THE FREELY-TRADABLE COMPANY STOCK IN THE PROPRIETARY ACCOUNT OF OTHER</p>



FIRMS; BY EXERTING PRICE LEADERSHIP TO INCREASE THE MARKET PRICE OF COMPANY STOCK; AND BY GENERATING RETAIL DEMAND FOR COMPANY STOCK. THE SEC ALSO ALLEGED THAT WERNICK PROFITED BY SELLING COMPANY SECURITIES TO OTHER.

**Current Status:** Final

**Resolution:** Judgment Rendered

**Resolution Date:** 06/05/2001

**Sanctions Ordered or Relief Granted:** Cease and Desist/Injunction  
Disgorgement/Restitution

**Other Sanctions:**

**Sanction Details:** ON JUNE 5, 2001, THE U.S. DISTRICT COURT ENTERED FINAL JUDGMENT AND ORDER OF PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF AGAINST JUDAH WERNICK IN A MARKET MANIPULATION CASE. THE FINAL JUDGMENTS ENJOIN WERNICK FROM VIOLATING SECTION 17(A) OF THE SECURITIES ACT OF 1933, SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 10B-5 THEREUNDER, THE PRINCIPAL ANTIFRAUD PROVISIONS OF THE FEDERAL SECURITIES LAWS. WERNICK WAS ALSO ORDERED TO DISGORGE \$218,149.71, PLUS PREJUDGMENT INTEREST OF \$172,936.58 AND POST JUDGMENT INTEREST.

**Regulator Statement** WERNICK CONSENTED TO THE ENTRY OF THE FINAL JUDGMENT WITHOUT ADMITTING OR DENYING THE ALLEGATIONS OF THE COMPLAINT.

**Reporting Source:** Broker

**Initiated By:** S.E.C.

**Relief Sought:**

**Other Relief Sought:**

**Date Court Action Filed:** 09/30/1997

**Product Type:**

**Other Product Types:**

**Court Details:** 97 CIV. 7367

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



<b>Allegations:</b>	MARKET MANIPULATION VIOLATING THE ANTI-FRAUD PROVISIONS OF THE FEDERAL SECURITIES LAWS.
<b>Current Status:</b>	Pending
<b>Resolution:</b>	
<b>Resolution Date:</b>	
<b>Sanctions Ordered or Relief Granted:</b>	
<b>Other Sanctions:</b>	
<b>Sanction Details:</b>	PENDING
<b>Broker Statement</b>	REGISTRANT DISPUTES THE CHARGES AND WILL FILE AN ANSWER AND CONTEST THE PROCEEDING.



## Customer Dispute - Award / Judgment

This type of disclosure event involves a final, consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the named broker that resulted in an arbitration award or civil judgment for the customer.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Employing firm when activities occurred which led to the complaint:</b>	PATTERSON TRAVIS, INC.
<b>Allegations:</b>	BREACH OF CONTRACT, NEGLIGENCE, BREACH OF FIDUCIARY DUTY, UNAUTHORIZED TRADING, UNSUITABILITY, CHURNING AND SECURITIES FRAUD.
<b>Product Type:</b>	Other
<b>Other Product Type(s):</b>	UNKNOWN TYPE OF SECURITIES
<b>Alleged Damages:</b>	\$148,595.00

### Arbitration Information

<b>Arbitration/Reparation Claim filed with and Docket/Case No.:</b>	<a href="#">NASD - CASE #99-01552</a>
<b>Date Notice/Process Served:</b>	04/01/1999
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Award
<b>Disposition Date:</b>	06/30/2000
<b>Disposition Detail:</b>	08/02/00EC RESPONDENT WERNICK AND OTHERS ARE JOINTLY AND SEVERALLY LIABLE TO CLAIMANT IN THE AMOUNT OF \$30,000.00 COMPENSATORY DAMAGES AND INTEREST ON SUCH AMOUNT FOR THE PERIOD OF JULY 15, 1998 UNTIL PAID AT THE LEGAL RATE IN ILLINOIS RECOVERABLE ON JUDGMENTS.

## End of Report



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