

BrokerCheck Report

JOHN DAVID GERACI

CRD# 1679452

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



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.

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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.](http://www.finra.org)

JOHN D. GERACI

CRD# 1679452

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:

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

Registration History

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

- B** **CARDINAL CAPITAL MANAGEMENT, INC.**
CRD# 24605
MIAMI, FL
12/2000 - 02/2001
- B** **PREFERRED CAPITAL MARKETS, INC.**
CRD# 10993
SAN FRANCISCO, CA
01/1999 - 05/1999
- B** **HORTON FINANCIAL MANAGEMENT, INC.**
CRD# 16760
07/1988 - 11/1989

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	1
Criminal	1
Civil Event	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 0 principal/supervisory exams, 2 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B General Securities Representative Examination	Series 7	01/13/1999
B Direct Participation Programs Representative Examination	Series 22	07/28/1988

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	07/25/1988

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.

Only professional designations listed in Question 8 of the Form U4 will appear in this section if the appropriate box is checked and verified by the issuing organization at the time of the filing. Learn more about eligible designations at [IARD](#) and [NASAA](#).



Registration and Employment History

Registration History

The broker previously was registered with the following securities firms:

Registration Dates	Firm Name	CRD#	Branch Location
B 12/2000 - 02/2001	CARDINAL CAPITAL MANAGEMENT, INC.	24605	MIAMI, FL
B 01/1999 - 05/1999	PREFERRED CAPITAL MARKETS, INC.	10993	SAN FRANCISCO, CA
B 07/1988 - 11/1989	HORTON FINANCIAL MANAGEMENT, INC.	16760	

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
08/1997 - Present	PREFERRED CAPITAL MARKETS, INC.	OTHER - SR. MANAGING DIRECTOR	N	MIAMI, FL, United States
02/1993 - Present	FIRST EQUITY CORPORATION OF FLORIDA	OTHER - INDIRECT SHAREHOLDER	Y	MIAMI, FL, 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	1	0
Criminal	1	0
Civil Event	1	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 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Other: n/a
Date Initiated:	09/14/2020
Docket/Case Number:	3-19999
Employing firm when activity occurred which led to the regulatory action:	Meridian Asset Management
Product Type:	Other: Meridian Matrix Long Short Equity Fund
Allegations:	<p>The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(f) of the Investment Advisers Act of 1940 ("Advisers Act") against John Geraci ("Geraci" or "Respondent").</p> <p>The Commission finds that Geraci was the founder and Chief Executive Officer of Meridian Asset Management ("Meridian"), a Cayman Islands-based asset manager during the time of the alleged misconduct, from approximately the summer of 2015 to the fall of 2016 (the "Relevant Period"). Geraci was also the founder and director of the Meridian Matrix Long Short Equity Fund (the "Meridian Matrix Fund"), which was registered with the Cayman Islands Monetary Authority as a regulated fund and was managed by Meridian.</p> <p>On September 10, 2020, a final judgment was entered by consent against Geraci, permanently enjoining him from future violations of Sections 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Sections 206(1), 206(2), 206(4) of the Advisers Act and 206(4)-8 thereunder, in the civil action entitled Securities and Exchange Commission v. John Geraci, Civil Action Number 18-cv-6432, in the United States District Court</p>



for the Southern District of New York.

The Commission's complaint alleged, among other things, that during the Relevant Period, Geraci made false and misleading statements to investors that all of their funds were fully invested in the Meridian Matrix Fund and earning returns, when Geraci knew that the portfolio manager had misappropriated approximately \$800,000 of their money. The Complaint also alleged that Geraci misappropriated approximately \$1 million himself from the Meridian Matrix Fund.

On October 9, 2019, Geraci pled guilty to one count of conspiracy to commit securities fraud and wire fraud [15 U.S.C. § 78j(b), 15 U.S.C. § 78ff and 18 U.S.C. §1343] in violation of 18 U.S.C. § 371, before the United States District Court for the Southern District of New York, in United States v. John Geraci, 18-cr-715 (S.D.N.Y.). On January 24, 2020, the District Court entered a judgment and conviction based on these offenses. Geraci was sentenced to a prison term of 24 months followed by 3 years of supervised release and ordered to make restitution in the amount of \$1,098,971.38.

The count of the criminal information to which Geraci pled guilty alleged that Geraci, and others, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit securities fraud and wire fraud.

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?	No
Resolution Date:	09/14/2020
Sanctions Ordered:	Bar (Permanent)
If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?	No



(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?

(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or



(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?

Sanction 1 of 1

Sanction Type:	Bar (Permanent)
Capacities Affected:	association with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or NRSRO
Duration:	Indefinite
Start Date:	09/14/2020
End Date:	

Regulator Statement Respondent Geraci has submitted an Offer of Settlement, which the Commission has determined to accept. Accordingly, it is hereby ORDERED that Respondent Geraci be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.



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

Reporting Source: Regulator

If charge(s) were brought against an organization over which broker exercised control:

Organization Name:

Investment Related Business: No

Broker's Position:

Formal Charges were brought in: Federal Court

Name of Court: U.S. District Court for the Southern District of New York

Location of Court: New York, NY

Docket/Case #: 1:18cr715

Charge Date: 07/11/2018

Charge(s) 1 of 4

Formal Charge(s)/Description: CONSPIRACY TO COMMIT SECURITIES FRAUD AND WIRE FRAUD

No of Counts: 1

Felony or Misdemeanor: Felony

Plea for each charge: guilty

Disposition of charge: Pled guilty

Charge(s) 2 of 4

Formal Charge(s)/Description: WIRE FRAUD

No of Counts: 1

Felony or Misdemeanor: Felony

Plea for each charge: not guilty

**Disposition of charge:****Charge(s) 3 of 4**

Formal Charge(s)/Description: INVESTMENT ADVISOR FRAUD

No of Counts: 1

Felony or Misdemeanor: Felony

Plea for each charge: not guilty

Disposition of charge:**Charge(s) 4 of 4**

Formal Charge(s)/Description: SECURITIES FRAUD

No of Counts: 1

Felony or Misdemeanor: Felony

Plea for each charge: not guilty

Disposition of charge:

Current Status: Final

Status Date: 01/24/2020

Disposition Date: 01/24/2020

Sentence/Penalty: On January 24, 2020, the District Court entered a judgment and conviction based on these offenses. Geraci was sentenced to a prison term of 24 months followed by 3 years of supervised release and ordered to make restitution in the amount of \$1,098,971.38.

Regulator Statement

On October 9, 2019, Geraci pled guilty to one count of conspiracy to commit securities fraud and wire fraud [15 U.S.C. § 78j(b), 15 U.S.C. § 78ff and 18 U.S.C. §1343] in violation of 18 U.S.C. § 371, before the United States District Court for the Southern District of New York, in United States v. John Geraci, 18-cr-715 (S.D.N.Y.).



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

Reporting Source:	Regulator
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Relief Sought:	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines Other: an officer and director bar
Date Court Action Filed:	07/17/2018
Product Type:	Other: scheme to defraud prospective investors
Type of Court:	Federal Court
Name of Court:	The United States District Court for the Southern District of New York,
Location of Court:	New York
Docket/Case #:	1:18-cv-06432
Employing firm when activity occurred which led to the action:	Meridian Matrix Long Short Equity Fund, LP
Allegations:	Litigation Release No. 24205 / July 17, 2018: The Securities and Exchange Commission announced fraud charges against a Miami-based asset manager accused of perpetuating lies about his portfolio manager's investment performance and assets under management, and for stealing approximately \$1 million of client funds. The SEC alleges that John Geraci formed the Meridian Matrix Long Short Equity Fund in 2015, and hired Nicholas Mitsakos and his company, Matrix Capital Markets, as the fund's portfolio manager. Mitsakos had no assets under management, but falsely claimed that he managed millions of dollars of assets and that he had generated returns of up to 66 percent in preceding years. Rather than verifying these claims, the complaint alleges that Geraci used Mitsakos' false and unsubstantiated claims to market his fund, and eventually obtained \$2 million from investors. Geraci later learned of Mitsakos' deception, and that he had misappropriated approximately \$800,000 of the investors' money, but continued to market the fund and to let Mitsakos trade the clients' assets. Mitsakos returned approximately \$1 million of the funds to Geraci, which Geraci then misappropriated for his own use, telling his clients that Mitsakos had lost all of it. The SEC's complaint, filed in U.S. District Court for the Southern District of New York, charges



Geraci with violating the antifraud provisions of the federal securities laws. Geraci violated Sections 17(a)(1), (2), and (3) of the Securities Act of 1933; Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5(a), (b), and (c) thereunder; and Sections 206(1), 206(2), and 206(4) of the Investment Advisers Act of 1940 and Rule 206(4)-8 thereunder.

Current Status: Final

Resolution: Judgment Rendered

Resolution Date: 09/10/2020

Sanctions Ordered or Relief Granted: Disgorgement
Injunction
Monetary Penalty other than Fines
Other: Prohibited from acting as an officer or director of any issuer

Capacities 1 of 1

Capacities Affected: N/A

Duration: Permanent

Start Date: 09/10/2020

End Date:

Monetary Sanction 1 of 2

Monetary Sanction: prejudgment interest on disgorgement

Total Amount: \$229,740.24

Portion against individual: 229740.24

Date Paid:

Portion Waived: No

Amount Waived:

Monetary Sanction 2 of 2

Monetary Sanction: Disgorgement

Total Amount: \$1,098,971.38

Portion against individual: 1098971.38

Date Paid:

Portion Waived: No

Amount Waived:



Regulator Statement

In a parallel action, the U.S. Attorney's Office for the Southern District of New York announced criminal charges against Geraci. September 10, 2020, the United States District Court for the Southern District of New York issued a judgment, by consent, against defendant John Geraci. It is hereby ordered, adjudged, and decreed that Geraci is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder; permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933; and Sections 206(1), 206(2) and 206(4) of the Investment Advisers Act of 1940 and Rule 206(4)-8 thereunder. Geraci is prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Securities Exchange Act of 1934. Geraci is also liable for disgorgement of \$1,098,971.38 together with prejudgment interest thereon of \$229,740.24, for a total of \$1,328,711.62, which is deemed satisfied by the \$1,098,971.38 in restitution and an additional \$1,098,971.38 in forfeiture ordered against Geraci in the criminal case before the United States District Court of the Southern District of New York titled United States v. John Geraci, 18-cr-715 (S.D.N.Y.). Geraci shall comply with all the undertakings and agreements set forth in the Judgment.

End of Report



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