

## BrokerCheck Report

# JOHN SCOTT MATTHEWS

CRD# 2082907

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Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

## 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:

- o 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
- o 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.



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)

**Thank you for using FINRA BrokerCheck.**

**JOHN S. MATTHEWS**

CRD# 2082907

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:**

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

**Registration History**

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

- B GLOBAL ARENA CAPITAL CORP**  
CRD# 16871  
NEW YORK, NY  
03/2007 - 08/2014
- B CLARK DODGE & CO., INC.**  
CRD# 23288  
NEW YORK, NY  
01/2006 - 04/2008
- B VFINANCE INVESTMENTS, INC**  
CRD# 44962  
BOCA RATON, FL  
01/2003 - 09/2005

**Disclosure Events**

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

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

**The following types of disclosures have been reported:**

| Type             | Count |
|------------------|-------|
| Regulatory Event | 2     |
| Customer Dispute | 2     |
| Termination      | 1     |

## Broker Qualifications



### Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage 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.

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

### Principal/Supervisory Exams

| Exam  | Category  | Date       |
|---|-----------|------------|
| <b>B</b> General Securities Principal Examination | Series 24 | 11/03/1992 |

### General Industry/Product Exams

| Exam   | Category | Date       |
|--|----------|------------|
| <b>B</b> General Securities Representative Examination | Series 7 | 11/01/1990 |

### State Securities Law Exams

| Exam  | Category  | Date       |
|---|-----------|------------|
| <b>B</b> Uniform Securities Agent State Law Examination | Series 63 | 11/07/1990 |

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 firms:

| Registration Dates  | Firm Name                          | CRD#   | Branch Location  |
|---------------------|------------------------------------|--------|------------------|
| B 03/2007 - 08/2014 | GLOBAL ARENA CAPITAL CORP          | 16871  | NEW YORK, NY     |
| B 01/2006 - 04/2008 | CLARK DODGE & CO., INC.            | 23288  | NEW YORK, NY     |
| B 01/2003 - 09/2005 | VFINANCE INVESTMENTS, INC          | 44962  | BOCA RATON, FL   |
| B 11/2001 - 08/2002 | EHRENKRANTZ KING NUSSBAUM, INC.    | 113525 | MELVILLE, NY     |
| B 02/2001 - 12/2001 | EHRENKRANTZ KING NUSSBAUM          | 31140  | NEW YORK, NY     |
| B 01/1997 - 12/2000 | WEATHERLY SECURITIES CORPORATION   | 11081  | NEW YORK, NY     |
| B 10/1996 - 02/1997 | COLEMAN & COMPANY SECURITIES, INC. | 1486   | NEW YORK, NY     |
| B 09/1996 - 11/1996 | SUN COAST CAPITAL CORP.            | 40133  | NEW YORK, NY     |
| B 09/1992 - 08/1996 | AMERICORP SECURITIES, INC.         | 30405  | NEW YORK, NY     |
| B 06/1991 - 08/1992 | VANTAGE SECURITIES, INC.           | 19611  |                  |
| B 11/1990 - 07/1991 | STRATTON OAKMONT INC.              | 18692  | LAKE SUCCESS, NY |

### 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           |
|-------------------|-----------------------------|-------------------------|--------------------|-----------------------------|
| 03/2008 - Present | BROAD SWORD HOLDINGS        | CHAIRMAN                | Y                  | NEW YORK, NY, United States |
| 03/2008 - Present | EQUITIES TRADING CORP       | CEO                     | Y                  | NEW YORK, NY, United States |
| 08/2005 - Present | JSM CAPITAL HOLDING COMPANY | CHIEF EXECUTIVE OFFICER | Y                  | NEW YORK, NY, United States |



## Registration and Employment History

### Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

#### INVESTMENT RELATED:

JSM CAPITAL HOLDING CORP  
555 MADISON AVE 12TH FLOOR NY, NY 10022  
POSITION: CEO 02/2001  
1 HOUR A MONTH NON-MARKET

BROAD SWORD HOLDINGS, LLC  
10 SHORT DRIVE ROSLYN NY 11576  
POSITION- CHAIRMAN 03/2008  
1 HOUR A MONTH NON-MARKET

GLOBAL ARENA HOLDING INC  
CHAIRMAN 01/2011  
555 MADISON AVE 12TH FLOOR NY, NY 10022  
10 HOURS A WEEK NON-MARKET

GLOBAL ARENA COMMODITIES CORP  
DIRECTOR AND SECRETARY 11/2008  
555 MADISON AVE 12TH FLOOR NY, NY 10022  
1 HOUR A MONTH NON-MARKET

LILLYBELL ENTERTAINMENT LLC  
555 MADISON AVE 12TH FLOOR NY, NY 10022 MEMBER 07/2012  
1 HOUR A MONTH NON-MARKET

LILLYBELL MANAGEMENT LLC  
555 MADISON AVE 12TH FLOOR NY, NY 10022  
MEMBER 07/2012  
1 HOUR A MONTH NON-MARKET

LILLYBELL ART FUND LLC  
555 MADISON AVE 12TH FLOOR NY, NY 10022  
07/2012  
1 HOUR A MONTH NON-MARKET

GLOBAL ARENA INVESTMENT MANAGEMENT  
555 MADISON AVE 12TH FLOOR NY, NY 10022 DIRECTOR, 04/2009  
2-3 HOUR A MONTH NON-MARKET





## Registration and Employment History

### Other Business Activities, continued

GLOBAL ARENA TRADING ADVISORS  
555 MADISON AVE 12TH FLOOR NY, NY 10022  
DIRECTOR, 12/2009  
1-2 HOUR A MONTH NON-MARKET

GLOBAL ARENA MACRO FUND LP,  
555 MADISON AVE 12TH FLOOR NY, NY 10022 DIRECTOR 07/2012  
1-2 HOUR A MONTH NON-MARKET

GLOBAL ARENA PARTNERS LLC  
555 MADISON AVE 12TH FLOOR NY, NY 10022 DIRECTOR 07/2012  
1-2 HOUR A MONTH NON-MARKET

GLOBAL ARENA MASTER FUND LTD  
MAPLES AND CALDER UGLAN HOUSE, PO BOX 309 GRAND CAYMAN KY1-1104, CAYMAN ISLANDS DIRECTOR 04/2012  
1-2 HOUR A MONTH NON-MARKET

GLOBAL ARENA MACRO FUND LTD  
MAPLES AND CALDER UGLAN HOUSE  
GRAND CAYMAN KY1-1104, CAYMAN ISLANDS  
DIRECTOR 04/2012  
1-2 HOURS PER MONTH NON MARKET

STRATEGIC DRAGON LIMITED  
10 SHORT DRIVE ROSLYN NY 11576  
DIRECTOR 04/2012  
1-2 HOUR A MONTH NON-MARKET

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## Disclosure Events

### What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
  - o A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
  - o A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
  - o
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - o As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
  - o
4. **There are different statuses and dispositions for disclosure events:**
  - o A disclosure event may have a status of *pending*, *on appeal*, or *final*.
    - § A "pending" event involves allegations that have not been proven or formally adjudicated.
    - § An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
    - § A "final" event has been concluded and its resolution is not subject to change.
  - o A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
    - § An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
    - § A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
    - § A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

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

|                  | Pending | Final | On Appeal |
|------------------|---------|-------|-----------|
| Regulatory Event | 0       | 2     | 0         |
| Customer Dispute | 0       | 2     | N/A       |
| Termination      | N/A     | 1     | N/A       |



## Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

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 may involve (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of a broker's authority to act as an attorney, accountant, or federal contractor.

#### Disclosure 1 of 2

|  |  |
|--|--|
| <b>Reporting Source:</b>   | Regulator  |
| <b>Regulatory Action Initiated By:</b>   | FINRA  |
| <b>Sanction(s) Sought:</b>   | Suspension   |
| <b>Date Initiated:</b>   | 09/18/2017   |
| <b>Docket/Case Number:</b>   | <a href="#">15-01784</a>   |
| <b>Employing firm when activity occurred which led to the regulatory action:</b> | N/A  |
| <b>Product Type:</b>   | No Product   |
| <b>Allegations:</b>  | Respondent Matthews failed to comply with an arbitration award or settlement agreement or to satisfactorily respond to a FINRA request to provide information concerning the status of compliance. |
| <b>Current Status:</b>   | Final  |
| <b>Resolution:</b>   | Letter   |



**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:** 09/18/2017

**Sanctions Ordered:** Suspension

**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**

|                             |                |
|-----------------------------|----------------|
| <b>Sanction Type:</b>       | Suspension     |
| <b>Capacities Affected:</b> | All Capacities |
| <b>Duration:</b>            | N/A            |
| <b>Start Date:</b>          | 09/18/2017     |
| <b>End Date:</b>            | 10/18/2017     |

**Regulator Statement**

Pursuant to Article VI, Section 3 of FINRA By-Laws, and FINRA Rule 9554, Respondent Matthews is suspended on September 18, 2017 for failure to comply with an arbitration award or settlement agreement or to satisfactorily respond to a FINRA request to provide information concerning the status of compliance.

Suspension lifted on October 18, 2017.

**Disclosure 2 of 2**

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:**

**Date Initiated:** 12/02/2015

**Docket/Case Number:** [2013037235102](#)

**Employing firm when activity occurred which led to the regulatory action:** Global Arena Capital Corp.

**Product Type:** Other: private securities with convertible promissory notes

**Allegations:** Without admitting or denying the findings, Matthews consented to the sanctions and to the entry of findings that he participated in private securities transactions without providing prior written notice to, or obtaining prior written approval from, his member firm. The findings stated that in his capacity as the CEO of his firm's parent company, Matthews sold approximately \$1.8 million in convertible promissory notes, issued by the parent company, away from his firm to investors, some of whom were customers of the firm. Matthews sold the promissory notes through the parent company, not the firm. Matthews received expense reimbursements from the parent company in connection with his promissory note sales, and some of his compensation was paid with the proceeds of the sales. Matthews discussed his efforts to sell the promissory notes with his supervisor, but failed to request or receive approval in writing from his firm prior to participating in the transactions. The findings also stated that Matthews sold convertible promissory notes to investors in an unregistered offering without disclosing in an offering document, the intended use of proceeds, the selling compensation he would receive, and the offering expenses, as required by FINRA Rule 5122. Some of the investors were not qualified purchasers as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, and the sales were not exempt from the requirements of FINRA Rule 5122. In addition, neither Matthews nor his firm filed with FINRA any offering documents related to the sales. The findings also included that Matthews willfully failed to disclose an unsatisfied \$35,590 federal tax lien filed



against him on his Form U4.

**Current Status:**

Final

**Resolution:**

Acceptance, Waiver & Consent(AWC)

**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?**

No

**Resolution Date:**

12/02/2015

**Sanctions Ordered:**

Civil and Administrative Penalty(ies)/Fine(s)

Suspension

Other: Respondent understands that this settlement includes a finding that he willfully omitted to state a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 and Article III, Section 4 of FINRA's By-Laws, this omission makes Respondent subject to a statutory disqualification with respect to association with a member.

**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**

|                             |              |
|-----------------------------|--------------|
| <b>Sanction Type:</b>       | Suspension   |
| <b>Capacities Affected:</b> | any capacity |
| <b>Duration:</b>            | Six months   |
| <b>Start Date:</b>          | 12/07/2015   |
| <b>End Date:</b>            | 06/06/2016   |





**Monetary Sanction 1 of 1**

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)

**Total Amount:** \$25,000.00

**Portion Levied against individual:** \$25,000.00

**Payment Plan:** deferred

**Is Payment Plan Current:**

**Date Paid by individual:**

**Was any portion of penalty waived?** No

**Amount Waived:**



## 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 broker that resulted in an arbitration award or civil judgment for the customer.

### Disclosure 1 of 2

|  |   |
|--|---|
| <b>Reporting Source:</b>   | Regulator                                 |
| <b>Employing firm when activities occurred which led to the complaint:</b> | Global Arena Capital Corp.                |
| <b>Allegations:</b>  | Suitability and breach of fiduciary duty. |
| <b>Product Type:</b>   | Other: Unspecified securities             |
| <b>Alleged Damages:</b>  | \$294,316.00                              |

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** [FINRA - CASE #16-00350](#)

|                                    |  |
|------------------------------------|--|
| <b>Date Notice/Process Served:</b> | 01/29/2016   |
| <b>Arbitration Pending?</b>        | No   |
| <b>Disposition:</b>                | Award  |
| <b>Disposition Date:</b>           | 02/24/2017   |
| <b>Disposition Detail:</b>         | Respondent John Scott Matthews is liable for and shall pay to Claimant the sum of \$20,000.00 in compensatory damages. |

### Disclosure 2 of 2

|  |  |
|--|--|
| <b>Reporting Source:</b>   | Regulator  |
| <b>Employing firm when activities occurred which led to the complaint:</b> | Global Arena Capital Corp  |
| <b>Allegations:</b>  | Negligence, unsuitable recommendations, breach of fiduciary duty, agency liability, and violation of Oregon Securities Laws (ORS) 59.115 and 59.135. |
| <b>Product Type:</b>   | Other: Company notes, other unspecified investments  |
| <b>Alleged Damages:</b>  | \$50,000.00  |

### Arbitration Information



**Arbitration/Reparation Claim filed with and Docket/Case No.:** [FINRA - CASE #15-01784](#)

**Date Notice/Process Served:** 07/20/2015

**Arbitration Pending?** No

**Disposition:** Award

**Disposition Date:** 05/19/2016

**Disposition Detail:** Respondent is jointly and severally liable for and shall pay to Claimant compensatory damages in the amount of \$37,828.00.



## Employment Separation After Allegations

This type of disclosure event involves a situation where the broker voluntarily resigned, was discharged, or was permitted to resign after being accused of (1) violating investment-related statutes, regulations, rules or industry standards of conduct; (2) fraud or the wrongful taking of property; or (3) failure to supervise in connection with investment-related statutes, regulations, rules, or industry standards of conduct.

### Disclosure 1 of 1

**Reporting Source:** Firm

**Employer Name:** VFINANCE INVESTMENTS, INC.

**Termination Type:** Discharged

**Termination Date:** 08/24/2005

**Allegations:** MR. MATTHEWS DISTRIBUTED AN UNAPPROVED PRIVATE PLACEMENT MEMORANDUM TO BROKERS IN HIS OFFICE, WITH THE ATTEMPT TO RAISE MONEY FOR HIS PRIVATE CORPORATION.

**Product Type:** Other

**Other Product Types:** PRIVATE PLACEMENT

**Reporting Source:** Broker

**Employer Name:** VFINANCE INVESTMENTS

**Termination Type:** Discharged

**Termination Date:** 08/25/2005

**Allegations:** VFINANCE ALLEGED I DISTRIBUTED AN UNAUTHORIZED PRIVATE PLACEMENT TO BROKERS IN MY OFFICE WITH THE ATTEMPT TO RAISE MONEY FOR MY PRIVATE CORPORATION.

**Product Type:** Banking Products (Other than CD(s))

**Other Product Types:**

**Broker Statement** I DENY THE ALLEGATION MADE BY VFINANCE. INDEED, I SERVED AS THE PRESIDENT OF VFIN AS A PRINCIPAL RESPONSIBLE FOR ALL RETAIL SALES FROM 1/03 TO 10/04. VFIN WAS A SHAREHOLDER IN MY HOLDING CORP WHICH OWNED AND OPERATED THE 2 LARGEST INDEPENDENT CONTRACTOR OFFICES OF VFIN. MY INDEPENDENT CONTRACTOR AGREEMENT WAS TO EXPIRE IN 1/06 AND I BELEIVE VFIN IMPROPERLY TERMINATED ME AS A PRETEXT TO AQUIRE THE HOLDING CO'S BROKERS AND INTRODUCED ACCOUNTS. I HAVE FILED AN NASD ARBITRATION SEEKING THE EXPUNGEMENT OF THIS DEFAMATORY ALLEGATION, AND FOR DAMAGES AS A RESULT OF THE LOSS OF PRODUCTION AVERAGING 6



MILLION A YEAR.

## End of Report



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