

BrokerCheck Report

JAY SHELDON GOLDSMITH

CRD# 224459

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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



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.

JAY S. GOLDSMITH

CRD# 224459

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
- 2 General Industry/Product Exams
- 0 State Securities Law Exams

Registration History

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

B **BALFOUR INVESTORS INC.**
CRD# 7382

NEW YORK, NY
04/1977 - 10/2006

B **DEAN WITTER & CO. INCORPORATED**
CRD# 6466

03/1974 - 12/1975

B **E. F. HUTTON & COMPANY INC**
CRD# 235

09/1973 - 05/1974

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

Principal/Supervisory Exams

Exam	Category	Date
B Registered Principal Examination	Series 40	04/29/1976

General Industry/Product Exams

Exam	Category	Date
B AMEX Put and Call Exam	PC	06/16/1977
B Registered Representative Examination	Series 1	10/02/1967

State Securities Law Exams

Exam	Category	Date
No information reported.		

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.

Registration and Employment History



Registration History

The broker previously was registered with the following securities firms:

Registration Dates	Firm Name	CRD#	Branch Location
B 04/1977 - 10/2006	BALFOUR INVESTORS INC.	7382	NEW YORK, NY
B 03/1974 - 12/1975	DEAN WITTER & CO. INCORPORATED	6466	
B 09/1973 - 05/1974	E. F. HUTTON & COMPANY INC	235	
B 08/1973 - 09/1973	DEAN WITTER & CO. INCORPORATED	6466	
B 10/1967 - 07/1973	HAYDEN STONE INC.	6567	

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
10/1975 - Present	BALFOUR INVESTORS INC.	OTHER - Principal	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
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 4

Reporting Source:	Regulator
Regulatory Action Initiated By:	NASD
Sanction(s) Sought:	
Date Initiated:	01/11/2006
Docket/Case Number:	E102004102201
Employing firm when activity occurred which led to the regulatory action:	BALFOUR INVESTORS, INCORPORATED
Product Type:	No Product
Allegations:	NASD CONDUCT RULE 2110; RESPONDENT, ACTING ON BEHALF OF THE FIRM, WHILE CONDUCTING SECURITIES BUSINESS, FAILED TO MAINTAIN FIRM'S MINIMUM NET CAPITAL.
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:	01/11/2006
Sanctions Ordered:	Censure Civil and Administrative Penalty(ies)/Fine(s)
Regulator Statement	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF



FINDINGS; THEREFORE, HE IS CENSURED AND FINED \$10,000 JOINTLY AND SEVERALLY. FINES PAID.

Reporting Source: Broker
Regulatory Action Initiated By: NASD
Sanction(s) Sought: Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s) Sought:
Date Initiated: 11/28/2005
Docket/Case Number: E1020041022-01
Employing firm when activity occurred which led to the regulatory action: BALFOUR INVESTORS, INCORPORATED
Product Type: Equity Listed (Common & Preferred Stock)
Other Product Type(s):
Allegations: PURSUANT TO RULE 15C3-1, BALFOUR HAD NOT MET THE MINIMUM NET CAPITAL REQUIREMENT OF \$100,000
Current Status: Final
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 01/11/2006
Sanctions Ordered: Censure
Monetary/Fine \$10,000.00
Other Sanctions Ordered:
Sanction Details: GOLDSMITH AND THE FIRM WERE JOINTLY SEVERALLY FINED

Disclosure 2 of 4

Reporting Source: Regulator
Regulatory Action Initiated By: NASD
Sanction(s) Sought:

**Other Sanction(s) Sought:****Date Initiated:** 11/18/2003**Docket/Case Number:** C10030103**Employing firm when activity occurred which led to the regulatory action:** BALFOUR INVESTORS, INC.**Product Type:** No Product**Other Product Type(s):****Allegations:** NASD RULES 1032(F), 2110 - ACTED AS A LIMITED REPRESENTATIVE-EQUITY TRADER AND EXECUTED TRANSACTIONS IN AN EQUITY SECURITY ON THE NASDAQ STOCK MARKET WITHOUT BEING REGISTERED AS AN EQUITY TRADER.**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?****Resolution Date:** 11/18/2003**Sanctions Ordered:** Monetary/Fine \$2,500.00**Other Sanctions Ordered:****Sanction Details:** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, GOLDSMITH CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS, THEREFORE, HE IS FINED \$2,500, JOINTLY AND SEVERALLY.

Reporting Source: Broker**Regulatory Action Initiated By:** NATIONALASSOCIATION OF SECURITIES DEALERS,DISTRICT 10 INITIATED THE ACTION AGAINST THE FIRM**Sanction(s) Sought:** Other**Other Sanction(s) Sought:**



Date Initiated:	06/28/2001
Docket/Case Number:	E10010217
Employing firm when activity occurred which led to the regulatory action:	BALFOUR INVESTORS, INC.
Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Allegations:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, MR. GOLDSMITH CONSENTED TO THE ENTRY OF FINDINGS THAT HE CAUSED BALFOUR INVESTORS, INC. TO VIOLATE NASD RULES 1032(F) AND 2110 BY NOT REGISTERING AS AN EQUITY TRADER WHILE PERFORMING ACTIVITIES REQUIRING SUCH REGISTRATION.
Current Status:	Final
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	09/25/2003
Sanctions Ordered:	Monetary/Fine \$2,500.00
Other Sanctions Ordered:	NONE
Sanction Details:	MR. GOLDSMITH AGREED TO A FINE OF \$2500 WHICH HAS BEEN PAID IN FULL.

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:	12/07/1993
Docket/Case Number:	C10930087
Employing firm when activity occurred which led to the regulatory action:	BALFOUR INVESTORS INC.



Product Type:

Other Product Type(s):

Allegations:

Current Status:

Final

Resolution:

Acceptance, Waiver & Consent(AWC)

Resolution Date:

12/07/1993

Sanctions Ordered:

Censure
Monetary/Fine \$2,500.00

Other Sanctions Ordered:

Sanction Details:

Regulator Statement

ON DECEMBER 7, 1993, DISTRICT NO. 10 NOTIFIED BALFOUR INVESTORS, INC., JAY GOLDSMITH AND HARRY FREUND THAT THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. C10930087 WAS ACCEPTED; THEREFORE, THEY ARE CENSURED AND FINED \$2,500, JOINTLY AND SEVERALLY - (ARTICLE III, SECTION 1 OF THE RULES OF FAIR PRACTICE - RESPONDENT MEMBER, ACTING THROUGH RESPONDENTS GOLDSMITH AND FREUND, FAILED TO COMPLY WITH SEC RULE 15c3-3(e)(1) AND (e)(3) IN THAT THE FIRM FAILED TO COMPUTE CUSTOMER RESERVE COMPUTATIONS; AND, FAILED TO ESTABLISH A CUSTOMER RESERVE BANK ACCOUNT).

\$2,500.00 J&S PAID ON 1/19/94 INVOICE #93-10-973

Reporting Source: Broker

Regulatory Action Initiated By: NASD, DISTRICT NO.10 INITIATED THE ACTION AGAINST THE FIRM.

Sanction(s) Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s) Sought: NONE.

Date Initiated: 06/25/1993

Docket/Case Number: C10930087

Employing firm when activity occurred which led to the regulatory action: BALFOUR INVESTORS INC.

Product Type: Equity Listed (Common & Preferred Stock)

**Other Product Type(s):**

Allegations: THE FIRM VIOLATED THE CUSTOMER PROTECTION RULE ON SEPTEMBER AND OCTOBER 30 AND NOVEMBER 30, 1992 BY NOT ESTABLISHING A CUSTOMER RESERVE ACCOUNT NOR COMPUTING THE RESERVE FORMULA.

Current Status: Final

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/07/1993

Sanctions Ordered: Monetary/Fine \$2,500.00

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS FINED OF \$2,500. THE FINE IS PAID IN FULL.

Broker Statement
THE VIOLATION WAS DUE TO THE ACCEPTANCE OF \$50,000 FROM AN ESTABLISHED CUSTOMER WHO WISHED TO PARTICIPATE IN A TRADE CLAIM PURCHASE WHICH WAS NEVER CONSUMMATED. THE FIRM DEPOSITED THE FUNDS INTO ITS TRADING ACCOUNT AT PERSHING WHERE THEY WERE HELD FROM SEPTEMBER 1, 1992 THROUGH DECEMBER 30, 1992. IN THE FUTURE ALL CUSTOMER DEPOSITS WILL BE DIRECTED ONLY INTO ACCOUNTS IN THE CUSTOMER'S NAME AND NOT, UNDER ANY CIRCUMSTANCES, TO THE FIRM'S ACCOUNT.

Disclosure 4 of 4

Reporting Source: Regulator

Regulatory Action Initiated By: AMERICAN STOCK EXCHANGE

Sanction(s) Sought:**Other Sanction(s) Sought:**

Date Initiated: 08/30/1985

Docket/Case Number:

Employing firm when activity occurred which led to the regulatory action: BALFOUR SECURITIES INC.

Product Type:**Other Product Type(s):**

**Allegations:****Current Status:** Final**Resolution:** Settled**Resolution Date:** 08/30/1985**Sanctions Ordered:** Monetary/Fine \$2,500.00**Other Sanctions Ordered:****Sanction Details:**

Regulator Statement AMERICAN STOCK EXCHANGE WEEKLY BULLETIN, AUGUST 30, 1985:
JAY S. GOLDSMITH, CURRENTLY PRESIDENT OF BALFOUR SECURITIES, INC., A REGULAR MEMBER ORGANIZATION OF THE EXCHANGE WAS DISCIPLINED FOR VIOLATING EXCHANGE RULE 5 BY EFFECTING BACK-OFFICE CROSS TRADES AWAY FROM THE AUCTION MARKET THROUGH IMPROPER USE OF THE OCC POSITION ADJUSTMENT PROCESS TO CLOSE OUT POSITIONS IN TEI OPTIONS FOR HIS PERSONAL SECURITIES ACCOUNTS. GOLDSMITH WAS FINED \$2,500. HE SETTLED THE CHARGES WITHOUT ADMITTING OR DENYING THE EXCHANGE'S ALLEGATIONS.

Reporting Source: Broker**Regulatory Action Initiated By:** AMERICAN STOCK EXCHANGE**Sanction(s) Sought:** Civil and Administrative Penalt(ies) /Fine(s)**Other Sanction(s) Sought:** NONE.**Date Initiated:** 03/20/1985**Docket/Case Number:** UNKNOWN**Employing firm when activity occurred which led to the regulatory action:** BALFOUR SECURITIES INC.**Product Type:** Options**Other Product Type(s):** NONE.**Allegations:** MR. GOLDSMITH ALLEGEDLY VIOLATED AMEX RULE 5 BY AFFECTING BACK-OFFICE CROSS TRADES AWAY FROM THE AUCTION MARKET BY IMPROPER USE OF THE OCC POSITION ADJUSTMENT PROCESS TO CLOSE OUT



POSITIONS IN THE OPTIONS FOR HIS PERSONAL ACCOUNT.

Current Status: Final
Resolution: Settled
Resolution Date: 03/20/1985
Sanctions Ordered: Monetary/Fine \$2,500.00
Other Sanctions Ordered: NONE.
Sanction Details: MR.GOLDSMITH AGREED TO A FINE OF \$2,500 WHICH HAS BEEN PAID IN FULL.



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:	Broker
Initiated By:	RICHARD MOREALES ON BEHALF OF ISSUER NEW VALLEY CORP.
Relief Sought:	Money Damages (Private/Civil Complaint)
Other Relief Sought:	NONE KNOWN.
Date Court Action Filed:	02/02/1995
Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Types:	NONE KNOWN.
Court Details:	95 CIV. 1246 U.S. DISTRICT COURT FOR THE DISTRICT OF NY.
Employing firm when activity occurred which led to the action:	BALFOUR INVESTORS INCORPORATED
Allegations:	PLAINTIFF ALLEGED THAT GOLDSMITH AND ANOTHER PURCHASED AND SOLD SHARES OF NEW VALLEY PREFERRED STOCK WITHIN A SIX MONTH PERIOD AT A PROFIT IN VIOLATION OF SECTION 16(B) OF THE 34' ACT.
Current Status:	Final
Resolution:	Judgment Rendered
Resolution Date:	01/28/1999
Sanctions Ordered or Relief Granted:	Monetary/Fine \$894,910.95
Other Sanctions:	NONE KNOWN.
Sanction Details:	JUDGMENT FOR PLAINTIFF \$894,910 AFFIRMED BY COURT OF APPEALS. JUDGMENT IS PAID IN FULL.
Broker Statement	NOT PROVIDED.

End of Report



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