

**BrokerCheck Report**

**PAUL FRANK MAUCELI JR**

CRD# 2330829

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## 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.**



## PAUL F. MAUCELI JR

CRD# 2330829

### Currently employed by and registered with the following Firm(s):

#### REEF SECURITIES, INC.

1901 N CENTRAL EXPRESSWAY, SUITE 400  
RICHARDSON, TX 75080

CRD# 31951

Registered with this firm since: 04/30/1993

## 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 registered with:

- 1 Self-Regulatory Organization
- 51 U.S. states and territories

#### This broker has passed:

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

### Registration History

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

No information reported.

### 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 | 4     |
| Customer Dispute | 3     |
| Judgment/Lien    | 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 individual is currently registered with 1 SRO and is licensed in 51 U.S. states and territories through his or her employer.**

### Employment 1 of 1

Firm Name: **REEF SECURITIES, INC.**

Main Office Address: **1901 N CENTRAL EXPRESSWAY, SUITE 400  
RICHARDSON, TX 75080-3558**

Firm CRD#: **31951**

| SRO   | Category                                | Status   | Date       |
|-------|---|----------|------------|
| FINRA | Direct Participation Programs           | APPROVED | 04/30/1993 |
| FINRA | Direct Participation Programs Principal | APPROVED | 04/30/1993 |

| U.S. State/<br>Territory | Category | Status   | Date       | U.S. State/<br>Territory | Category | Status   | Date       |
|--------------------------|----------|----------|------------|--------------------------|----------|----------|------------|
| Alabama                  | Agent    | APPROVED | 09/08/2000 | Idaho                    | Agent    | APPROVED | 05/02/2000 |
| Alaska                   | Agent    | APPROVED | 04/13/2001 | Illinois                 | Agent    | APPROVED | 01/22/1999 |
| Arizona                  | Agent    | APPROVED | 10/20/1993 | Indiana                  | Agent    | APPROVED | 08/30/2001 |
| Arkansas                 | Agent    | APPROVED | 05/23/2000 | Iowa                     | Agent    | APPROVED | 04/16/2001 |
| California               | Agent    | APPROVED | 09/07/2001 | Kansas                   | Agent    | APPROVED | 06/12/2001 |
| Colorado                 | Agent    | APPROVED | 07/15/1993 | Kentucky                 | Agent    | APPROVED | 04/10/2001 |
| Connecticut              | Agent    | APPROVED | 04/25/1996 | Louisiana                | Agent    | APPROVED | 04/17/2001 |
| Delaware                 | Agent    | APPROVED | 05/15/2001 | Maine                    | Agent    | APPROVED | 07/09/2001 |
| District of<br>Columbia  | Agent    | APPROVED | 07/27/1993 | Maryland                 | Agent    | APPROVED | 07/26/1993 |
| Florida                  | Agent    | APPROVED | 08/12/1993 | Massachusetts            | Agent    | APPROVED | 04/09/2001 |
| Georgia                  | Agent    | APPROVED | 02/23/1995 | Michigan                 | Agent    | APPROVED | 04/21/1995 |
| Hawaii                   | Agent    | APPROVED | 07/02/2001 | Minnesota                | Agent    | APPROVED | 10/26/2000 |



## Broker Qualifications

### Employment 1 of 1, continued

| U.S. State/<br>Territory | Category | Status   | Date       |
|--------------------------|----------|----------|------------|
| Mississippi              | Agent    | APPROVED | 05/12/1995 |
| Missouri                 | Agent    | APPROVED | 07/26/1993 |
| Montana                  | Agent    | APPROVED | 04/19/2001 |
| Nebraska                 | Agent    | APPROVED | 06/19/2001 |
| Nevada                   | Agent    | APPROVED | 07/13/2000 |
| New Hampshire            | Agent    | APPROVED | 05/09/2001 |
| New Jersey               | Agent    | APPROVED | 08/25/1993 |
| New Mexico               | Agent    | APPROVED | 07/20/1993 |
| New York                 | Agent    | APPROVED | 08/30/1993 |
| North Carolina           | Agent    | APPROVED | 04/25/1996 |
| North Dakota             | Agent    | APPROVED | 10/25/2004 |
| Ohio                     | Agent    | APPROVED | 07/19/1993 |
| Oklahoma                 | Agent    | APPROVED | 07/06/1993 |
| Pennsylvania             | Agent    | APPROVED | 07/23/1993 |
| Puerto Rico              | Agent    | APPROVED | 01/16/2007 |
| Rhode Island             | Agent    | APPROVED | 05/10/2001 |
| South Carolina           | Agent    | APPROVED | 08/18/1993 |
| South Dakota             | Agent    | APPROVED | 08/20/2004 |
| Tennessee                | Agent    | APPROVED | 11/20/1996 |
| Texas                    | Agent    | APPROVED | 03/31/1993 |
| Utah                     | Agent    | APPROVED | 03/28/2001 |
| Vermont                  | Agent    | APPROVED | 05/07/2001 |
| Virginia                 | Agent    | APPROVED | 07/16/1993 |
| Washington               | Agent    | APPROVED | 02/16/1995 |
| West Virginia            | Agent    | APPROVED | 07/16/1993 |

| U.S. State/<br>Territory | Category | Status   | Date       |
|--------------------------|----------|----------|------------|
| Wisconsin                | Agent    | APPROVED | 08/08/2000 |
| Wyoming                  | Agent    | APPROVED | 04/12/2001 |

## Broker Qualifications



### Employment 1 of 1, continued

#### Branch Office Locations

**REEF SECURITIES, INC.**  
1901 N CENTRAL EXPRESSWAY, SUITE 400  
RICHARDSON, TX 75080

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

### Principal/Supervisory Exams

| Exam  | Category  | Date       |
|---|-----------|------------|
| Direct Participation Programs Principal Examination | Series 39 | 03/25/1993 |

### General Industry/Product Exams

| Exam   | Category  | Date       |
|--|-----------|------------|
| Securities Industry Essentials Examination               | SIE       | 10/01/2018 |
| Direct Participation Programs Representative Examination | Series 22 | 03/23/1993 |

### State Securities Law Exams

| Exam   | Category  | Date       |
|--|-----------|------------|
| Uniform Securities Agent State Law Examination | Series 63 | 03/23/1993 |

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/).



## Registration and Employment History

### Registration History

The broker previously was registered with the following firms:

| Registration Dates       | Firm Name | CRD# | Branch Location |
|--------------------------|-----------|------|-----------------|
| No information reported. |           |      |                 |

### 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 Dates  | Employer Name                           | Employer Location |
|-------------------|---|-------------------|
| 02/1993 - Present | WESTERN AMERICAN SECURITIES CORPORATION | RICHARDSON, TX    |
| 04/1986 - Present | DAZZLE CARPET                           | HOUSTON, TX       |

### 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.

Reef Exploration - consultant. 12 hours a week - investment related.





## 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       | 4     | 0         |



|                  |   |     |     |
|------------------|---|-----|-----|
| Customer Dispute | 1 | 2   | N/A |
| Judgment/Lien    | 1 | N/A | 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 4

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:**

**Date Initiated:** 04/11/2018

**Docket/Case Number:** [2015043469001](#)

**Employing firm when activity occurred which led to the regulatory action:** Reef Securities, Inc.

**Product Type:** Other: investment offerings

**Allegations:** Without admitting or denying the findings, Mauceli consented to the sanctions and to the entry of findings that acting through Mauceli, his member firm failed to timely notify investors of a right of rescission following the issuance of an updated general partners audited balance sheet and approval of a revised prospectus. The findings stated that the firm served as the broker dealer selling an oil and gas drilling and income fund limited partnership for an issuer. Acting through Mauceli and the issuer, the firm decided not to send the revised prospectus and a notice offering each investor an opportunity to confirm or rescind his or her investment decision, despite the requirements of the prospectus, due to low prices in the oil and gas market. Later, FINRA discovered that the firm had not provided the



revised prospectus and notice to the vast majority of the investors in the income fund. After FINRA raised the issue, the firm eventually sent the revised prospectus and notice to the remaining investors, whereupon several investors rescinded their investment.

**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:** 04/11/2018

**Sanctions Ordered:** Civil and Administrative Penalty(ies)/Fine(s)  
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> | Any principal capacity |
| <b>Duration:</b>            | Four months            |
| <b>Start Date:</b>          | 05/07/2018             |
| <b>End Date:</b>            | 09/06/2018             |

**Monetary Sanction 1 of 1****Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)**Total Amount:** \$5,000.00**Portion Levied against individual:** \$5,000.00**Payment Plan:****Is Payment Plan Current:****Date Paid by individual:****Was any portion of penalty waived?** No**Amount Waived:****Reporting Source:** Broker**Regulatory Action Initiated By:** FINRA**Sanction(s) Sought:** Civil and Administrative Penalty(ies)/Fine(s)  
Suspension**Date Initiated:** 04/11/2018**Docket/Case Number:** [2015043469001](#)**Employing firm when activity occurred which led to the regulatory action:** Reef Securities**Product Type:** Direct Investment-DPP & LP Interests  
Oil & Gas**Allegations:** Without admitting or denying the findings, Mr. Mauceli consented to the sanctions and to the entry of findings that the broker-dealer, acting through Mr. Mauceli, failed to timely notify certain investors in a public offering for which the broker-dealer was the dealer manager of a right of rescission following the issuance of an updated general partner's audited balance sheet dated December 31, 2013 and approval of a revised prospectus. The revised prospectus was first available in December 2014, and the notice to investors was provided to two investors in February 2015 and to the remaining investors in August 2015.**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?** Yes

**Resolution Date:** 04/11/2018

**Sanctions Ordered:** Monetary Penalty other than Fines  
Suspension

**Sanction 1 of 1**

**Sanction Type:** Suspension

**Capacities Affected:** Principal

**Duration:** Four Months

**Start Date:** 05/07/2018

**End Date:** 09/06/2018

**Monetary Sanction 1 of 1**

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

**Total Amount:** \$5,000.00

**Portion Levied against individual:** \$5,000.00

**Payment Plan:**

**Is Payment Plan Current:** No

**Date Paid by individual:** 04/11/2018

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

**Amount Waived:**

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#### Disclosure 2 of 4

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** NASD

**Sanction(s) Sought:****Date Initiated:** 12/09/2004**Docket/Case Number:** C06040037**Employing firm when activity occurred which led to the regulatory action:** REEF SECURITIES, INC.**Product Type:** No Product**Allegations:** NASD MEMBERSHIP AND REGISTRATION RULE 1120(B) AND NASD CONDUCT RULE 2110 - PAUL F. MAUCELI, JR., ACTING ON BEHALF OF HIS MEMBER FIRM, FAILED TO CONDUCT FOLLOW-UP ANNUAL NEEDS ANALYSIS OR TO DEVELOP WRITTEN TRAINING PLANS FOR THE YEARS 2000, 2001, 2002 AND 2003 FOR IT COVERED REGISTERED REPRESENTATIVES.**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:** 12/09/2004**Sanctions Ordered:** Censure  
Civil and Administrative Penalty(ies)/Fine(s)**Regulator Statement** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, PAUL F. MAUCELI, JR. CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, HE IS CENSURED AND FINED \$7,500 JOINTLY AND SEVERALLY. FINES PAID.**Reporting Source:** Broker**Regulatory Action Initiated By:** NASD**Sanction(s) Sought:** Censure**Other Sanction(s) Sought:**





**Date Initiated:** 12/09/2004  
**Docket/Case Number:** C06040037  
**Employing firm when activity occurred which led to the regulatory action:** REEF SECURITIES, INC  
**Product Type:** Investment Contract(s)  
**Other Product Type(s):**  
**Allegations:** CE NEEDS ANALYSIS DEFICIENCY  
**Current Status:** Final  
**Resolution:** Acceptance, Waiver & Consent(AWC)  
**Resolution Date:** 12/09/2004  
**Sanctions Ordered:** Censure  
 Monetary/Fine \$7,500.00  
**Other Sanctions Ordered:**  
**Sanction Details:** NO ADMISSION OR DENIAL OF ALLEGATIONS. PAUL F. MAUCELI, JR PAID FINE.

#### Disclosure 3 of 4

**Reporting Source:** Regulator  
**Regulatory Action Initiated By:** NATIONAL ASSOCIATION OF SECURITIES DEALERS  
**Sanction(s) Sought:** Other: N/A  
**Date Initiated:** 10/06/2000  
**Docket/Case Number:** C06000025  
**Employing firm when activity occurred which led to the regulatory action:** WESTERN AMERICAN SECURITIES CORPORATION  
**Product Type:** No Product  
**Allegations:** NASD RULES 1120(B) AND 2110 - RESPONDENT MEMBER, ACTING THROUGH MAUCELI, FAILED TO ADEQUATELY IMPLEMENT THE FIRM ELEMENT OF THE NASD'S CONTINUING EDUCATION PROGRAM, IN THAT



THE FIRM FAILED TO DEVELOP A NEEDS ANALYSIS AND A WRITTEN TRAINING PLAN FOR THE FIRM'S COVERED REGISTERED PERSONS.

**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:** 10/06/2000

**Sanctions Ordered:** Civil and Administrative Penalty(ies)/Fine(s)

**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?**

**Monetary Sanction 1 of 1**

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

**Total Amount:** \$5,000.00

**Portion Levied against individual:** \$5,000.00

**Payment Plan:**

**Is Payment Plan Current:****Date Paid by individual:** 11/06/2000**Was any portion of penalty waived?** No**Amount Waived:****Regulator Statement**

WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, HE IS FINED \$5,000.00, JOINTLY AND SEVERALLY.

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**Reporting Source:** Broker**Regulatory Action Initiated By:** NATIONAL ASSOCIATION OF SECURITIES DEALERS**Sanction(s) Sought:** Civil and Administrative Penalt(ies) /Fine(s)**Other Sanction(s) Sought:****Date Initiated:** 10/06/2000**Docket/Case Number:** C06000025**Employing firm when activity occurred which led to the regulatory action:** WESTERN AMERICAN SECURITIES CORPORATION**Product Type:** Direct Investment(s) - DPP & LP Interest(s)**Other Product Type(s):****Allegations:** RESPONDENT MEMBER ACTION THROUGH AN INDIVIDUAL, FAILED TO ADEQUATELY IMPLEMENT THE FIRM ELEMENT OF THE NASD'S CONTINUING EDUCATION PROGRAM, IN THAT THE FIRM FAILED TO DEVELOP A NEEDS ANALYSIS AND A WRITTEN TRAINING PLAN FOR THE FIRM'S COVERED REGISTERED REPRESENTATIVES.**Current Status:** Final**Resolution:** Acceptance, Waiver & Consent(AWC)**Resolution Date:** 12/01/2000**Sanctions Ordered:** Monetary/Fine \$5,000.00**Other Sanctions Ordered:** NONE



**Sanction Details:** N/A

**Broker Statement** WE AGREED TO IMPLEMENT AND HAVE IMPLEMENTED THE CHANGES TO CORRECT THE DEFICIENCY.

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#### Disclosure 4 of 4

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** TEXAS STATE SECURITIES BOARD

**Sanction(s) Sought:**

**Other Sanction(s) Sought:**

**Date Initiated:** 12/21/1995

**Docket/Case Number:** CEN/SSO-1076

**Employing firm when activity occurred which led to the regulatory action:** WESTERN AMERICAN SECURITIES CORPORATION

**Product Type:**

**Other Product Type(s):**

**Allegations:** Not Provided

**Current Status:** Final

**Resolution:** Decision

**Resolution Date:** 12/21/1995

**Sanctions Ordered:**

**Other Sanctions Ordered:**

**Sanction Details:** WESTERN AMERICAN SECURITIES CORP. (WASC) IS A LICENSED BROKER/DEALER OFFERING AND SELLING WORKING INTERESTS IN OIL AND GAS WELLS. WASC OFFERED AND SOLD SECURITIES THAT WERE NOT REGISTERED AND USED UNREGISTERED AGENTS TO OFFER AND SELL THE SECURITIES. THEY ALSO FAILED TO GRANT IMMEDIATE AND FREE ACCESS TO WASC RECORDS AND FAILED TO MAINTAIN RECORDS AS REQUIRED BY THE RULES AND REGULATIONS OF THE SECURITIES ACT. WASC AND PAUL MAUCELI WERE PLACED ON PROBATION FOR 180 DAYS &



REPRIMANDED. WASC WAS ORDERED TO PAY A FEE OF \$15,000.

**Regulator Statement**

Not Provided

**Reporting Source:**

Broker

**Regulatory Action Initiated By:**

TEXAS STATE SECURITIES COMMISSION

**Sanction(s) Sought:**

**Other Sanction(s) Sought:**

**Date Initiated:**

12/21/1995

**Docket/Case Number:**

CEN/SSO-1076

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

WESTERN AMERICAN SECURITIES CORPORATION

**Product Type:**

**Other Product Type(s):**

**Allegations:**

STATE SECURITIES COMMISSION ALLEGED REGISTRATION VIOLATIONS AS WELL AS FAILURE TO PROVIDE ACCESS TO RECORDS AND RECORD KEEPING VIOLATIONS.

**Current Status:**

Final

**Resolution:**

Decision

**Resolution Date:**

12/21/1995

**Sanctions Ordered:**

**Other Sanctions Ordered:**

**Sanction Details:**

WITHOUT ADMITTING OR DENYING ANY OF THE ALLEGATION CONTAINED HEREIN IN AN EFFORT TO AVOID PROTRACTED COST AND EXPENSES.

**Broker Statement**

Not Provided



## Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

### Disclosure 1 of 2

|  |  |
|--|--|
| <b>Reporting Source:</b>   | Broker   |
| <b>Employing firm when activities occurred which led to the complaint:</b> | REEF SECURITIES, INC.  |
| <b>Allegations:</b>  | ALLLEDGED MISREPRESENTATION OF RISK AND RETURN IN DIRECT PARTICIPATION PROGRAM |
| <b>Product Type:</b>   | Oil & Gas  |
| <b>Alleged Damages:</b>  | \$60,000.00  |
| <b>Is this an oral complaint?</b>  | No   |
| <b>Is this a written complaint?</b>  | Yes  |
| <b>Is this an arbitration/CFTC reparation or civil litigation?</b>         | Yes  |
| <b>Arbitration/Reparation forum or court name and location:</b>            | PHILADELPHIA   |
| <b>Docket/Case #:</b>  | 13-01987   |
| <b>Filing date of arbitration/CFTC reparation or civil litigation:</b>     | 07/02/2013   |

### Customer Complaint Information

|  |             |
|--|-------------|
| <b>Date Complaint Received:</b>        | 07/15/2013  |
| <b>Complaint Pending?</b>              | No          |
| <b>Status:</b>                         | Settled     |
| <b>Status Date:</b>                    | 09/09/2013  |
| <b>Settlement Amount:</b>              | \$15,000.00 |
| <b>Individual Contribution Amount:</b> | \$0.00      |

### Arbitration Information



**Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):** PHILADELPHIA

**Docket/Case #:** 13-01987

**Date Notice/Process Served:** 07/15/2013

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 09/09/2013

**Monetary Compensation Amount:** \$15,000.00

**Individual Contribution Amount:** \$0.00

#### Disclosure 2 of 2

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** REEF SECURITIES, INC.

**Allegations:** CLAIMANTS INVESTED IN REEF GLOBAL ENERGY VII, L.P. IN APRIL OF 2006 THROUGH A REGISTERED REPRESENTATIVE NOT EMPLOYED BY REEF SECURITIES, INC. ("RSI"). REGISTERED REPRESENTATIVE WAS EMPLOYED BY AND FINRA-REGISTERED WITH MULTI-FINANCIAL SECURITIES CORPORATION ("MFSC") AT THE TIME OF THE ALLEGED ACTIVITIES, WHEN MFSC HAD A SOLICITING DEALER AGREEMENT WITH RSI. CLAIMANTS ALLEGE "USE OF UNREGISTERED AGENTS TO OFFER AND SELL SECURITIES (AS TO RESPONDENT REEF SECURITIES ONLY)." MR. MAUCELI HAD NO INTERACTION WITH THE REGISTERED REPRESENTATIVE OR CLAIMANTS.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$20,000.00

**Alleged Damages Amount Explanation (if amount not exact):** CLAIMANTS SEEK ORIGINAL INVESTMENT OF \$20,000.00 PLUS INTEREST AT SEVEN PERCENT (7%) PER ANNUM FROM APRIL 2006 LESS AMOUNT OF DISTRIBUTIONS.

**Is this an oral complaint?** No

**Is this a written complaint?** Yes





**Is this an arbitration/CFTC reparation or civil litigation?** Yes

**Arbitration/Reparation forum or court name and location:** FINRA LOS ANGELES CA

**Docket/Case #:** 11-01690

**Filing date of arbitration/CFTC reparation or civil litigation:** 04/20/2011

**Customer Complaint Information**

**Date Complaint Received:** 05/09/2011

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/15/2011

**Settlement Amount:** \$115,000.00

**Individual Contribution Amount:** \$0.00



## Customer Dispute - Pending

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, consumer-initiated, investment-related written complaint containing allegations that the broker engaged in, sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities.

### Disclosure 1 of 1

|  |   |
|--|---|
| <b>Reporting Source:</b>   | Broker  |
| <b>Employing firm when activities occurred which led to the complaint:</b> | Reef Securities                                   |
| <b>Allegations:</b>  | Unsuitable Investment                             |
| <b>Product Type:</b>   | Direct Investment-DPP & LP Interests<br>Oil & Gas |
| <b>Alleged Damages:</b>  | \$50,000.00                                       |
| <b>Is this an oral complaint?</b>  | No  |
| <b>Is this a written complaint?</b>  | Yes   |
| <b>Is this an arbitration/CFTC reparation or civil litigation?</b>         | Yes   |
| <b>Arbitration/Reparation forum or court name and location:</b>            | South East Regional Office                        |
| <b>Docket/Case #:</b>  | 18-03659  |
| <b>Filing date of arbitration/CFTC reparation or civil litigation:</b>     | 10/23/2018  |

### Customer Complaint Information

|  |            |
|--|------------|
| <b>Date Complaint Received:</b>        | 11/01/2018 |
| <b>Complaint Pending?</b>              | Yes        |
| <b>Settlement Amount:</b>              |            |
| <b>Individual Contribution Amount:</b> |            |



## Judgment / Lien

This type of disclosure event involves an unsatisfied and outstanding judgments or liens against the broker.

### Disclosure 1 of 1

|                                   |   |
|-----------------------------------|---|
| <b>Reporting Source:</b>          | Broker  |
| <b>Judgment/Lien Holder:</b>      | American Express  |
| <b>Judgment/Lien Amount:</b>      | \$7,082.10  |
| <b>Judgment/Lien Type:</b>        | Civil   |
| <b>Date Filed with Court:</b>     | 02/17/2017  |
| <b>Date Individual Learned:</b>   | 02/27/2017  |
| <b>Type of Court:</b>             | State Court   |
| <b>Name of Court:</b>             | Law No. 2 County Court                                    |
| <b>Location of Court:</b>         | Dallas county   |
| <b>Docket/Case #:</b>             | CC-16-04381-B   |
| <b>Judgment/Lien Outstanding?</b> | Yes   |
| <b>Broker Statement</b>           | Currently making payments to satisfy outstanding balance. |

## End of Report



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