



**BrokerCheck Report**

**DAVID SCOTT HEREDIA**

CRD# 2413606

## Dear Investor:

FINRA has generated the following BrokerCheck report for **DAVID SCOTT HEREDIA**. The information contained within this report has been provided by a FINRA member firm(s) and securities regulators as part of the securities industry's registration and licensing process and represents the most current information reported to the Central Registration Depository (CRD<sup>®</sup>) system.

FINRA regulates the securities markets for the ultimate benefit and protection of the investor. FINRA believes the general public should have access to information that will help them determine whether to conduct, or continue to conduct, business with a FINRA member or any of the member's associated persons. To that end, FINRA has adopted a public disclosure policy to make certain types of information available to you. Examples of information FINRA provides on currently registered individuals and individuals who were registered during the past two years include: actions by regulators, investment-related civil suits, customer disputes that contain allegations of sales practice violations against brokers, all felony charges and convictions, misdemeanor charges and convictions relating to securities violations, and financial events such as bankruptcies, compromises with creditors, judgments, and liens. FINRA also provides certain information on individuals whose registrations terminated more than two years ago.

The information in this report is not the only resource you should consult. FINRA recommends that you learn as much as possible about the individual broker or brokerage firm from other sources, such as professional references, local consumer and investment groups, or friends and family members who already have established investment business relationships.

FINRA BrokerCheck is governed by federal law, Securities and Exchange Commission (SEC) regulations and FINRA rules approved by the SEC. State disclosure programs are governed by state law, and may provide additional information on brokers and firms licensed by the state. Therefore, you should also consider requesting information from your state securities regulator. Refer to [www.nasaa.org](http://www.nasaa.org) for a complete list of state securities regulators.

**Thank you for using FINRA BrokerCheck.**



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



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

## DAVID SCOTT HEREDIA

CRD# 2413606

This individual is no longer registered with FINRA. The individual's registration with FINRA was terminated prior to August 1999 when the enhanced CRD system was implemented. As a result, since the individual was not required to update their CRD record via the submission of a Form U4 to CRD since August 1999, BrokerCheck contains only limited information about this individual.

### Report Summary for this Broker

The report summary provides an overview of the broker's professional background and conduct. The individual broker, a FINRA-registered firm(s), and/or securities regulator(s) have provided the information contained in this report as part of the securities industry's registration and licensing process.

### Broker Qualifications

This broker is not currently registered with a FINRA firm.

This broker has passed:

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

### Registration History

This broker was previously registered with the following FINRA member firms:

#### **R.T.G. RICHARDS AND COMPANY, INC.**

CRD# 30991  
GARDEN CITY NY  
07/20/1995 to 01/18/1996

#### **THE HARRIMAN GROUP, INC.**

CRD# 14079  
SYOSSET NY  
06/05/1995 to 06/27/1995

#### **CHATFIELD DEAN & CO., INC.**

CRD# 14714  
ORLANDO FL  
03/28/1995 to 05/22/1995

For additional registration details as reported by the individual broker, refer to the Registration History Section of this report.

### Disclosure of Regulatory Events

This section includes details regarding final regulatory events reported by or about this broker to CRD as part of the securities industry registration and licensing process.

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

#### **The following type of disclosure was reported:**

Regulatory Event

## Broker Qualifications

### Industry Exams this Broker has Passed

This section includes all principal/supervisory, general product/industry, and/or state securities law exams that the broker has passed. Under certain, limited circumstances, a broker may receive a waiver of an exam requirement based on a combination of previous exams passed and qualifying work experience. Likewise, a new exam requirement may be grandfathered based on a broker's specific qualifying work experience. Information regarding instances of exam waivers or the grandfathering of an exam requirement are not included as part of the BrokerCheck report.

**This individual has passed 0 principal/supervisory exams, 1 general industry/product exams, and 1 state securities law exam.**

Exam Class	Exam Name	Category	Date
General Industry/Product Exams	General Securities Representative Examination	Series 7	2/23/1994
State Securities Law Exams	Uniform Securities Agent State Law Examination	Series 63	3/5/1994

Additional information about the securities industry's qualifications and continuing education requirements, as well as the examinations administered by FINRA to brokers and other securities professionals can be found at <http://www.finra.org/Industry/Compliance/Registration/QualificationsExams/index.htm>.

## Registration History

### Previously Registered with the Following FINRA Firms

FINRA records show this broker previously held FINRA registrations with the following firms:

Registration Dates	Firm Name	CRD #	Branch Location
07/20/1995 to 01/18/1996	R.T.G. RICHARDS AND COMPANY, INC.	30991	GARDEN CITY NY
06/05/1995 to 06/27/1995	THE HARRIMAN GROUP, INC.	14079	SYOSSET NY
03/28/1995 to 05/22/1995	CHATFIELD DEAN & CO., INC.	14714	ORLANDO FL
02/24/1994 to 03/29/1995	STRATTON OAKMONT INC.	18692	LAKE SUCCESS NY

## Disclosure of Regulatory Events

Disclosures in BrokerCheck reports come from different sources:

- **Self-disclosure:** Brokers are required to answer a series of questions on their application requesting securities industry registration (Form U4). For example, brokers are asked whether they have been involved in certain regulatory matters.
- **Regulator/Employer postings:** In addition, regulators and firms that have employed a broker also may contribute relevant information about such matters. All of this information is maintained in CRD.

Certain Thresholds must be met before an event is reported to CRD; for example:

- **A regulatory agency** must meet established standards before initiating a regulatory action and/or issuing sanctions. These standards typically include a reasonable basis for initiating the action after engaging in a fact-finding process.

## Disclosure Event Details

This report provides the information as it was reported to CRD by the individual broker, a member firm(s), and/or by securities industry regulators. Some of the specific data fields contained in the report may be blank if the information was not provided to CRD.



Possible multiple reporting sources  
– please note:

Disclosure event details may be reported by more than one source (i.e., regulator or firm). When this occurs, all versions of the reported event will appear in the firm's BrokerCheck report.

## Regulatory - Final

This section provides information regarding a final, regulatory action that was reported to CRD by the individual broker, a member firm and/or a securities regulator. The event may include a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a self-regulatory organization, a federal regulator such as the SEC or the Commodity Futures Trading Commission (CFTC), or a foreign financial regulatory body) for a violation of investment-related rules or regulations.

### Disclosure 1 of 4 ~ Entry 1 of 1

**Reporting Source:** Regulator

**Details:**

1. Regulatory Action initiated by: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

2. Principal Sanction/Relief Sought: Bar

Other Sanctions/Relief Sought:

3. Date Initiated (MM/DD/YYYY): 09/23/1999

4. Docket/Case Number: REL. 34-42513; FILE NO. 3-10025

5. Employing Firm when activity occurred which led to the regulatory action: STRATTON OAKMONT, INC.

6. Principal Product Type: Other

Other Product Types: SECURITIES

7. Describe the allegations related to this regulatory action:

THE COMPLAINT ALLEGED THE FOLLOWING. FROM AT LEAST OCTOBER 4, 1993 THROUGH MARCH 17, 1995, HEREDIA WAS A REGISTERED REPRESENTATIVE OF STRATTON OAKMONT, INC., A NOW DEFUNCT BROKER-DEALER. HEREDIA FRAUDULENTLY MADE MATERIAL MISREPRESENTATIONS AND OMITTED TO DISCLOSE MATERIAL FACTS TO CUSTOMERS IN AN EFFORT TO SOLICIT TRANSACTIONS IN THE SECURITIES OF AT LEAST THREE ISSUERS. HEREDIA MADE BASELESS PRICE PREDICTIONS AND FRAUDULENTLY CLAIMED TO POSSESS MATERIAL NONPUBLIC INFORMATION, AND HE ALSO MADE UNAUTHORIZED PURCHASES OF CERTAIN OF THESE SECURITIES IN CUSTOMER ACCOUNTS. AS A RESULT OF HIS FRAUDULENT ACTIVITIES, HEREDIA'S CUSTOMERS SUFFERED COMBINED NET LOSSES OF AT LEAST \$250,000.

8. Current status ? Final

9. If on appeal, regulatory action appealed to: (SEC, SRO, Federal or State Court) and Date Appeal Filed:

If Final or On Appeal, complete all items below. For Pending Actions, complete Item 13 only.

10. How was matter resolved: Consent

11. Resolution Date (MM/DD/YYYY): 03/09/2000

12. Resolution Detail:

A. Were any of the following Sanctions Ordered? (Check all appropriate items):

Bar

B. Other Sanctions Ordered:

C. Sanction detail: if suspended, enjoined or barred, provide duration including start date and capacities affected (General Securities Principal, Financial Operations Principal, etc.). If requalification by exam/retraining was a condition of the sanction, provide length of time given to requalify/retrain, type of exam required and whether condition has been satisfied. If disposition resulted in a fine, penalty, restitution, disgorgement or monetary compensation, provide total amount, portion levied against the subject, date paid and if any portion of penalty was waived:

(1) BARRED FROM ASSOCIATION WITH ANY BROKER OR DEALER, AND ALSO (2) BARRED FROM PARTICIPATING IN ANY OFFERING OF PENNY STOCK.

13. Provide a brief summary of details related to the action status and (or) disposition and include relevant terms, conditions and dates. Include the number of investors in the reporting jurisdiction, the total number of investors in the program, the amount invested in the reporting jurisdiction and the total amount invested.

+03/17/2000+ SEC NEWS DIGEST, ISSUE #2000-47, DATED 3/13/2000, ENFORCEMENT PROCEEDINGS DISCLOSES: THE SEC ANNOUNCED TODAY THAT AN ORDER MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS (ORDER) WAS ENTERED, BY CONSENT, AGAINST DAVID SCOTT HEREDIA (HEREDIA) BARRING HIM FROM ASSOCIATION WITH ANY BROKER OR DEALER AND FROM PARTICIPATING IN ANY OFFERING OF PENNY STOCK. THE ORDER FINDS THAT ON 4/20/1998, THE U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK, IN CIVIL CASE #CV-97-6091 (JM) (INJUNCTIVE ACTION), PERMANENTLY ENJOINED HEREDIA FROM VIOLATING SEC. 17(A) OF THE SECURITIES ACT OF 1933 AND SEC. 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 & RULE 10B-5 THEREUNDER. THE SEC, IN THE INJUNCTIVE ACTION, ALLEGED THAT FROM AT LEAST 5/1994 THROUGH AT LEAST 02/21/1995, WHILE HEREDIA WAS EMPLOYED AS A REGISTERED REPRESENTATIVE OF BROKER-DEALER FIRM, A NOW DEFUNCT BROKER-DEALER, HEREDIA REPEATEDLY AND FRAUDULENTLY MADE MATERIAL MISREPRESENTATIONS AND OMITTED TO DISCLOSE MATERIAL FACTS TO CUSTOMERS IN AN EFFORT TO SOLICIT TRANSACTIONS IN THE SECURITIES OF AT LEAST THREE ISSUERS, AT LEAST ONE OF WHICH WAS AN ISSUER OF PENNY STOCK. OFTEN, HEREDIA MADE BASELESS PRICE PREDICTIONS AND FRAUDULENTLY CLAIMED TO POSSESS MATERIAL NONPUBLIC INFORMATION. HEREDIA ALSO MADE UNAUTHORIZED PURCHASES OF CERTAIN OF THESE SECURITIES IN CUSTOMER ACCOUNTS AND FAILED TO EXECUTE CUSTOMER SELL ORDERS. AS A RESULT OF HIS FRAUDULENT ACTIVITIES, HEREDIA'S CUSTOMERS SUFFERED COMBINED NET LOSSES OF AT LEAST \$250,000. HEREDIA CONSENTED TO THE ENTRY OF THIS ORDER WITHOUT ADMITTING OR DENYING THE FINDINGS, EXCEPT FOR THE FINDING THAT AN INJUNCTION HAD PREVIOUSLY BEEN ENTERED AGAINST HIM. THE ORDER DIRECTS THAT HEREDIA BE BARRED FROM ASSOCIATION WITH ANY BROKER OR DEALER, AND THAT HEREDIA BE BARRED FROM PARTICIPATING IN ANY OFFERING OF PENNY STOCK. (REL. 34-42513; FILE #3-10025) \*\* +01/08/2001+ SEC DOCKET, VOL. 71, NO. 18, DATED 4/4/2000, PAGE #2463, DISCLOSES: THE ORDER BARRING DATED MARCH 09, 2000.



## Disclosure 2 of 4 ~ Entry 1 of 1

**Reporting Source:** Regulator

**Details:**

1. Regulatory Action initiated by: NASD

2. Principal Sanction/Relief Sought:

Other Sanctions/Relief Sought:

3. Date Initiated (MM/DD/YYYY): 11/15/1997

4. Docket/Case Number: COMPLAINT NO. CAF970002

5. Employing Firm when activity occurred which led to the regulatory action:

6. Principal Product Type: Other

Other Product Types:

7. Describe the allegations related to this regulatory action:

ALLEGING VIOLATIONS OF NASD RULES 2110, 2120, 2310 (A), 2330(E), 3010, AND 3110. IN THE SPECIFICS, FRAUDULENT SALES PRACTICES AND UNAUTHORIZED TRANSACTIONS ARE ALLEGED WHEREIN RESPONDENTS HEREDIA, ET AL. ENGAGED IN BASELESS AND IMPROPER PRICE PREDICTIONS; MADE INADEQUATE OR INACCURATE RISK DISCLOSURE WHEN PERSUADING CUSTOMERS TO PURCHASE RECOMMENDED SECURITIES; MADE FALSE PROMISES TO LIMIT LOSSES; MADE MISREPRESENTATIONS AS TO SPECIFIC ISSUERS; MADE UNFOUNDED COMPARISONS TO OTHER SECURITIES; ENGAGED IN UNAUTHORIZED TRADING IN CUSTOMER ACCOUNTS; REFUSED OR FAILED TO EXECUTE CUSTOMER SELL ORDERS.

8. Current status ? Final

9. If on appeal, regulatory action appealed to: (SEC, SRO, Federal or State Court) and Date Appeal Filed:

If Final or On Appeal, complete all items below. For Pending Actions, complete Item 13 only.

10. How was matter resolved: Decision & Order of Offer of Settlement

11. Resolution Date (MM/DD/YYYY): 03/06/1998

12. Resolution Detail:

A. Were any of the following Sanctions Ordered? (Check all appropriate items):

Monetary/Fine Amount: \$ 100,000.00

Censure

Bar

**B. Other Sanctions Ordered:**

C. Sanction detail: if suspended, enjoined or barred, provide duration including start date and capacities affected (General Securities Principal, Financial Operations Principal, etc.). If requalification by exam/retraining was a condition of the sanction, provide length of time given to requalify/retrain, type of exam required and whether condition has been satisfied. If disposition resulted in a fine, penalty, restitution, disgorgement or monetary compensation, provide total amount, portion levied against the subject, date paid and if any portion of penalty was waived:

ON 03/06/1998, THE DECISION AND ORDER OF ACCEPTANCE OF OFFER OF SETTLEMENT SUBMITTED BY RESPONDENT HEREDIA WAS ISSUED; THEREFORE, HE IS CENSURED, FINED \$100,000, AND BARRED FROM ASSOCIATION WITH ANY NASD MEMBER IN ANY CAPACITY. THE FINE COLLECTION EFFORTS WILL BE SUSPENDED UNTIL RESPONDENT HEREDIA SEEKS RE-ENTRY TO THE SECURITIES INDUSTRY. PAYMENT OF THE FINE SHALL BE A PREREQUISITE FOR ANY APPLICATION FOR ASSOCIATION WITH A MEMBER FIRM.

13. Provide a brief summary of details related to the action status and (or) disposition and include relevant terms, conditions and dates. Include the number of investors in the reporting jurisdiction, the total number of investors in the program, the amount invested in the reporting jurisdiction and the total amount invested.

[TOP] COMPLAINT NO. CAF970002 FILED 11/15/1997 AGAINST RESPONDENTS MICHAEL J. ALBINO, HOWARD S. GELFAND, ANDREW T. GREENE, DANIEL M. PORUSH, JORDAN I. SHAMAH, CHAD J. BEANLAND, ERIC BLUMAN, IRA A. BOSHACK, STEPHEN G. BUXTON, ANDREW S. FRIEDMAN, DEAN S. FRIEDMAN, KENNETH J. FUINA, DANIEL J. GALLAGHER, JAMES W. GAROFALO, JR., PAUL J. GRECO, DAVID S. HEREDIA, ROBERT W. KOCH, II, THOMAS A. NIEMCZYK, GEORGE PATSIS, MICHAEL J. RASKIN, FRANK RICCUITI, JR. RICHARD L. RINGEL, ROBERT J. ROSATO, PETER T. RUBENSTEIN, LAWRENCE T. SMITH, ROBERT F. SMITH, EDWARD C. SPARACIO, MICHAEL A. TALIERCIO, JOSEPH TESEO, PETER T. TSADILAS, BONINE C. VANDENBERG, APRIL WIENER, AND CLIFFORD B. OLSHAKER ALLEGING VIOLATIONS OF NASD RULES 2110, 2120, 2310 (A), 2330(E), 3010, AND 3110. IN THE SPECIFICS, FRAUDULENT SALES PRACTICES AND UNAUTHORIZED TRANSACTIONS ARE ALLEGED WHEREIN RESPONDENTS HEREDIA, ET AL. ENGAGED IN BASELESS AND IMPROPER PRICE PREDICTIONS; MADE INADEQUATE OR INACCURATE RISK DISCLOSURE WHEN PERSUADING CUSTOMERS TO PURCHASE RECOMMENDED SECURITIES; MADE FALSE PROMISES TO LIMIT LOSSES; MADE MISREPRESENTATIONS AS TO SPECIFIC ISSUERS; MADE UNFOUNDED COMPARISONS TO OTHER SECURITIES; ENGAGED IN UNAUTHORIZED TRADING IN CUSTOMER ACCOUNTS; REFUSED OR FAILED TO EXECUTE CUSTOMER SELL ORDERS. ON 03/06/1998, THE DECISION AND ORDER OF ACCEPTANCE OF OFFER OF SETTLEMENT SUBMITTED BY RESPONDENT HEREDIA WAS ISSUED; THEREFORE, HE IS CENSURED, FINED \$100,000, AND BARRED FROM ASSOCIATION WITH ANY NASD MEMBER IN ANY CAPACITY. THE FINE COLLECTION EFFORTS WILL BE SUSPENDED UNTIL RESPONDENT HEREDIA SEEKS RE-ENTRY TO THE SECURITIES INDUSTRY. PAYMENT OF THE FINE SHALL BE A PREREQUISITE FOR ANY APPLICATION FOR ASSOCIATION WITH A MEMBER FIRM.

**Disclosure 3 of 4 ~ Entry 1 of 1**

**Reporting Source: Regulator**

**Details:**

\*\*\*\*\*NASD REGISTRATION SUSPENDED ON 02/10/97\*\*\*\*\*

\*\*\*\*\*FOR FAILING TO PAY ARBITRATION AWARD\*\*\*\*\*

\*\*\*\*\*IN ARBITRATION CASE # 95-00733\*\*\*\*\*

## Disclosure 4 of 4 ~ Entry 1 of 1

**Reporting Source:** Individual

**Details:**

U-6 ELECTRONICALLY ENTERED BY GA; TRANS #400001-19496

1. Action Codes: BAR CDO OTH

2. Action Date: 7/10/96

3. Proviso: Not Provided

4. Previously Reported: No

4a. Occurrence Number: Not Provided

5. Initiated by: GEORGIA SECURITIES DIVISION

6a. Docket/Case#: 50-95-0050(B)

6b. Court Name/Location: NONE

7. Allegations: DAVID S. HEREDIA HAS AN EXTENSIVE DISCIPLINARY RECORD WITH 12 INCIDENTS REPORTED TO CRD. HE MISREPRESENTED AND OMITTED MATERIAL FACTS TO GEORGIA CITIZENS. HE ENGAGED IN ACTS THAT OPERATED AS A FRAUD AND DECEIT. HE ENGAGED IN A PATTERN OF UNREASONABLE AND UNJUSTIFIABLE DELAYS IN THE DELIVERY OF SECURITIES. HE FAILED TO FURNISH INFORMATION TO A GEORGIA CITIZEN.

8. Results: DAVID S. HEREDIA'S REGISTRATION AS A SECURITIES SALESMAN IS HEREBY REVOKED IN THE STATE OF GEORGIA. A CEASE AND DESIST ORDER IS IMPOSED. HE IS BARRED FOREVER FROM ANY ASSOCIATION WITH ANY DEALER, LIMITED DEALER OR INVESTMENT ADVISOR REGISTERED IN THIS STATE.

9. Subject Wanted for Prosecution: No

10. Summary: FOR FURTHER DETAILS CALL GEORGIA SECURITIES ENFORCEMENT 404/656-6409.

## About this BrokerCheck Report

BrokerCheck reports are part of a FINRA initiative to disclose information about FINRA-registered firms and individual brokers to help investors determine whether to conduct, or continue to conduct, business with these firms and brokers. The information contained within these reports is collected through the securities industry's registration and licensing process.

### Who provides the information in BrokerCheck?

Information made available through BrokerCheck is obtained from CRD as reported through the industry registration and licensing process.

The forms used by brokerage firms, to report information as part of the firms registration and licensing process, Forms BD and BDW, are established by the SEC and adopted by all state securities regulators and SROs. FINRA and the North American Securities Administrators Association (NASAA) establish the Forms U4 and U5, the forms that are used for the registration and licensing process for individual brokers. These forms are approved by the SEC. Regulators report disciplinary information for firms and individual brokers via Form U6.

### How current is the information contained in BrokerCheck?

Brokerage firms and brokers are required to keep this information accurate and up-to-date (typically not later than 30 days after learning of the event). BrokerCheck data is updated when a firm, broker, or regulator submits new or revised information to CRD. Generally, updated information is available on BrokerCheck Monday through Friday.

### What information is NOT disclosed through BrokerCheck?

Information that has not been reported to CRD or that is not required to be reported is not disclosed through BrokerCheck, such as vacated regulatory actions.

Additional information not disclosed through BrokerCheck includes Social Security Numbers, residential history information, and physical descriptive information. On a case-by-case basis, FINRA reserves the right to exclude information that contains confidential customer information, offensive and potentially defamatory language or information that raises significant identity theft or privacy concerns that are not outweighed by investor protection concerns. FINRA Rule 8312 describes in detail what information is and is not disclosed through BrokerCheck.

Under FINRA's current public disclosure policy, in certain limited circumstances, most often pursuant to a court order, information is expunged from CRD. Further information about expungement from CRD is available in FINRA Notices 99-09, 99-54, 01-65, and 04-16 at [www.finra.org](http://www.finra.org).

For further information regarding FINRA's BrokerCheck program, please visit FINRA's Web Site at [www.finra.org/brokercheck](http://www.finra.org/brokercheck) or call the FINRA BrokerCheck Hotline at (800) 289-9999. The hotline is open Monday through Friday from 8 a.m. to 8 p.m., Eastern Time (ET).

For more information about the following, select the associated link:

- About BrokerCheck Reports: [http://www.finra.org/brokercheck\\_reports](http://www.finra.org/brokercheck_reports)
- Glossary: [http://www.finra.org/brokercheck\\_glossary](http://www.finra.org/brokercheck_glossary)
- Questions Frequently Asked about BrokerCheck Reports: [http://www.finra.org/brokercheck\\_faq](http://www.finra.org/brokercheck_faq)
- Terms and Conditions: <http://brokercheck.finra.org/terms.aspx>