

BrokerCheck Report

PAUL JUDE CASELLA

CRD# 2461957

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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



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources.

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)

Thank you for using FINRA BrokerCheck.

PAUL J. CASELLA

CRD# 2461957

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 MILESTONE GROUP MANAGEMENT LLC**
CRD# 44486
LAKE SUCCESS, NY
03/1999 - 05/2005
- B EISNER SECURITIES, INC.**
CRD# 40585
ST. LOUIS, MO
11/1996 - 04/1999
- B SECURITIES SERVICE NETWORK, INC.**
CRD# 13318
KNOXVILLE, TN
12/1995 - 12/1996

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
Customer Dispute	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.

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 General Securities Principal Examination	Series 24	01/19/1999

General Industry/Product Exams

Exam	Category	Date
B General Securities Representative Examination	Series 7	12/06/1994

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	01/12/1995

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 03/1999 - 05/2005	MILESTONE GROUP MANAGEMENT LLC	44486	LAKE SUCCESS, NY
B 11/1996 - 04/1999	EISNER SECURITIES, INC.	40585	ST. LOUIS, MO
B 12/1995 - 12/1996	SECURITIES SERVICE NETWORK, INC.	13318	KNOXVILLE, TN
B 07/1995 - 12/1995	VTR CAPITAL, INC.	21404	NEW YORK, NY
B 02/1995 - 07/1995	GKN SECURITIES CORP.	19415	NEW YORK, NY
B 12/1994 - 02/1995	REDSTONE SECURITIES, INC.	19628	DALLAS, TX

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
02/2001 - Present	MILESTONE GROUP MANAGEMENT	MANAGER	Y	LAKE SUCCESS, NY, United States
03/1999 - Present	MILESTONE GROUP MANAGEMENT LLC	REGISTERED REP	Y	LAKE SUCCESS, 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
Customer Dispute	1	N/A



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: FINRA

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 12/03/2008

Docket/Case Number: [05-00756](#)

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

Product Type: No Product

Other Product Type(s):

Allegations: CASELLA FAILED TO COMPLY WITH AN ARBITRATION AWARD OR SETTLEMENT AGREEMENT OR TO SATISFACTORILY RESPOND TO FINRA REQUEST TO PROVIDE INFORMATION CONCERNING THE STATUS OF COMPLIANCE.

Current Status: Final

Resolution: Other

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: 12/03/2008



Sanctions Ordered: Suspension

Other Sanctions Ordered:

Sanction Details: PURSUANT TO ARTICLE VI, SECTION 3 OF FINRA BY-LAWS AND NASD RULE 9554, RESPONDENT'S REGISTRATION WITH FINRA IS SUSPENDED ON DECEMBER 3, 2008, FOR FAILING TO COMPLY WITH AN ARBITRATION AWARD OR SETTLEMENT AGREEMENT IN ARBITRATION CASE #05-00756 OR TO SATISFACTORILY RESPOND TO FINRA REQUEST TO PROVIDE INFORMATION CONCERNING THE STATUS OF COMPLIANCE.

Disclosure 2 of 4

Reporting Source: Regulator

Regulatory Action Initiated By: FINRA

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 11/09/2007

Docket/Case Number: [ELI2004041101](#)

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

Product Type: No Product

Other Product Type(s):

Allegations: RESPONDENT FAILED TO PAY FINES AND/OR COSTS OF \$10,000.00 IN CONNECTION COMPLAINT NUMBER ELI2004041101.

Current Status: Final

Resolution: Other

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: 11/09/2007



Sanctions Ordered: Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details: IN ACCORDANCE WITH NASD RULE 8320, RESPONDENT'S FINRA REGISTRATION IS REVOKED FOR FAILURE TO PAY FINES AND/OR COSTS.

Disclosure 3 of 4

Reporting Source: Regulator

Regulatory Action Initiated By: NASD (N/K/A FINRA)

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 05/08/2007

Docket/Case Number: [2005000075701](#)

Employing firm when activity occurred which led to the regulatory action: MILESTONE GROUP MANAGEMENT LLC

Product Type: No Product

Other Product Type(s):

Allegations: NASD RULES 2110 AND 3010: DURING THE PERIOD FROM JUNE 2004 THROUGH MARCH 2005, RESPONDENT CASELLA FAILED TO SUPERVISE A REGISTERED REPRESENTATIVE IN A MANNER REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH SECTION 5 OF THE SECURITIES ACT OF 1933 AND NASD RULE 2110. AS A RESULT OF HIS SUPERVISORY FAILURE, THE REGISTERED REPRESENTATIVE SOLD, ON BEHALF OF A CUSTOMER, MORE THAN 3.1 MILLION UNREGISTERED SHARES OF STOCK IN A SINGLE ACCOUNT. THESE SALES RESULTED IN ILLICIT PROCEEDS OF MORE THAN \$275,000.

Current Status: Final

Resolution: Decision



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: 10/29/2007

Sanctions Ordered: Monetary/Fine \$50,000.00
Suspension

Other Sanctions Ordered:

Sanction Details: DEFAULT DECISION RENDERED OCTOBER 1, 2007, WHEREIN RESPONDENT CASELLA IS FINED \$50,000 AND SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY CAPACITY FOR ONE YEAR FOR FAILING TO TAKE REASONABLE ACTION TO SUPERVISE A REGISTERED REPRESENTATIVE, IN VIOLATION OF NASD RULES 2110 AND 3010. THE DECISION BECAME FINAL OCTOBER 29, 2007. THE SUSPENSION IN ANY CAPACITY WILL BE IN EFFECT FROM MAY 21, 2008 THROUGH MAY 20, 2009.

Disclosure 4 of 4

Reporting Source: Regulator

Regulatory Action Initiated By: NASD

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 11/22/2006

Docket/Case Number: [ELI2004041101](#)

Employing firm when activity occurred which led to the regulatory action: MILESTONE GROUP MANAGEMENT LLC

Product Type: No Product

Other Product Type(s):

Allegations: NASD RULES 2110 AND 2430 - RESPONDENT CASELLA, ACTING THROUGH HIS MEMBER FIRM, CHARGED APPROXIMATELY 613 CUSTOMER



ACCOUNTS AN UNREASONABLE FEE OF \$150. THE CHARGE WAS ASSESSED BY CASELLA MEMBER FIRM'S CLEARING FIRM AT HIS REQUEST. CASELLA ATTRIBUTED THE \$150 FEE TO COSTS ASSOCIATED WITH A CHANGE OF CLEARING FIRMS. NO PRIOR NOTIFICATION OR DISCLOSURE HAD BEEN MADE TO THE CUSTOMERS BEFORE THE FEE ASSESSMENT AND THERE WERE NO ANTICIPATED EXPENSES AT HIS MEMBER FIRM IN CONNECTION WITH THE ACCOUNT WHICH WOULD NECESSITATE A \$150 FEE PER ACCOUNT. THE 613 ACCOUNTS WERE ASSESSED THE FEE SOLELY BECAUSE THERE WAS SUFFICIENT EQUITY IN THE ACCOUNTS TO DO SO.

Current Status:

Final

Resolution:

Decision

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:

05/18/2007

Sanctions Ordered:

Monetary/Fine \$10,000.00
Suspension

Other Sanctions Ordered:**Sanction Details:**

DEFAULT DECISION RENDERED APRIL 20, 2007, WHEREIN RESPONDENT CASELLA IS FINED 10,000 AND SUSPENDED FROM ASSOCIATION WITH ANY NASD MEMBER FIRM IN ANY CAPACITY FOR ONE YEAR. IF NO FURTHER ACTION IS TAKEN, THE DECISION WILL BECOME FINAL MAY 18, 2007. RESPONDENT CASELLA'S SUSPENSION IN ANY CAPACITY IS IN EFFECT FROM MAY 21, 2007 THROUGH MAY 20, 2008.



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

Disclosure 1 of 1

Reporting Source:	Regulator
Employing firm when activities occurred which led to the complaint:	MILESTONE GROUP MANAGEMENT, LLC
Allegations:	BREACH OF FIDUCIARY DUTY, UNAUTHORIZED TRADING, UNSUITABLE RECOMMENDATIONS, FAILURE TO EXECUTE, CHURNING, MISREPRESENTATION, NEGLIGENT SUPERVISION.
Product Type:	Other
Other Product Type(s):	STOCK
Alleged Damages:	\$160,000.00
Arbitration Information	
Arbitration/Reparation Claim filed with and Docket/Case No.:	NASD - CASE #05-00756
Date Notice/Process Served:	02/10/2005
Arbitration Pending?	No
Disposition:	Award
Disposition Date:	10/03/2008
Disposition Detail:	CASELLA IS JOINTLY AND SEVERALLY LIABLE AND SHALL PAY TO CLAIMANT \$50,808.44 IN COMPENSATORY DAMAGES.

End of Report



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