

BrokerCheck Report

ALEXYS ULANDO MCKENZIE

CRD# 2642827

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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.



ALEXYS U. MCKENZIE

CRD# 2642827

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

IA SB ADVISORY, LLC
3424 PEACHTREE ROAD NE
SUITE 2200
ATLANTA, GA 30326
CRD# 154680
Registered with this firm since: 03/17/2021

B SAN BLAS SECURITIES LLC
3424 Peachtree RD NE
SUITE 2200
ATLANTA, GA 30326
CRD# 290605
Registered with this firm since: 06/21/2018

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:

- 2 Self-Regulatory Organizations
- 7 U.S. states and territories

This broker has passed:

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

Registration History

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

- IA SB ADVISORY, LLC**
CRD# 154680
ATLANTA, GA
09/2011 - 12/2020
- B IFS SECURITIES**
CRD# 40375
ATLANTA, GA
12/2006 - 01/2020
- B DELTA EQUITY SERVICES CORPORATION**
CRD# 15650
ATLANTA, GA
06/2005 - 12/2006

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	1
Customer Dispute	1
Termination	1
Financial	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 2 SROs and is licensed in 7 U.S. states and territories through his or her employer.

Employment 1 of 2

Firm Name: **SAN BLAS SECURITIES LLC**

Main Office Address: **233 S WACKER DR
SUITE 4400
CHICAGO, IL 60606**

Firm CRD#: **290605**

	SRO	Category	Status	Date
B	FINRA	General Securities Principal	Approved	06/21/2018
B	FINRA	General Securities Representative	Approved	06/21/2018
B	FINRA	Investment Banking Representative	Approved	06/21/2018
B	FINRA	Compliance Officer	Approved	10/01/2018
B	FINRA	Investment Banking Principal	Approved	10/01/2018
B	Nasdaq Stock Market	General Securities Principal	Approved	08/01/2024
B	Nasdaq Stock Market	General Securities Representative	Approved	08/01/2024

	U.S. State/ Territory	Category	Status	Date
B	California	Agent	Approved	04/23/2021
B	Connecticut	Agent	Approved	10/17/2019
B	Georgia	Agent	Approved	08/10/2018
B	Illinois	Agent	Approved	04/28/2021
B	New York	Agent	Approved	05/08/2021
B	Pennsylvania	Agent	Approved	04/30/2021



Broker Qualifications

Employment 1 of 2, continued

	U.S. State/ Territory	Category	Status	Date
B	Wisconsin	Agent	Approved	05/12/2021

Branch Office Locations

SAN BLAS SECURITIES LLC

233 S WACKER DR
SUITE 4400
CHICAGO, IL 60606

SAN BLAS SECURITIES LLC

3424 Peachtree RD NE
SUITE 2200
ATLANTA, GA 30326

Employment 2 of 2

Firm Name: **SB ADVISORY, LLC**
Main Office Address: **3424 PEACHTREE ROAD NE**
SUITE 2200
ATLANTA, GA 30326-1184
Firm CRD#: **154680**

	U.S. State/ Territory	Category	Status	Date
IA	Georgia	Investment Adviser Representative	Approved	03/17/2021

Branch Office Locations

3424 PEACHTREE ROAD NE
SUITE 2200
ATLANTA, GA 30326-1184



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 2 principal/supervisory exams, 3 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
B Compliance Officer Examination	Series 14	01/02/2023
B General Securities Principal Examination	Series 24	10/06/1997

General Industry/Product Exams

Exam	Category	Date
B Investment Banking Registered Representative Examination	Series 79TO	01/02/2023
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	09/09/1995

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	09/22/1995

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 firms:

Registration Dates	Firm Name	CRD#	Branch Location
IA 09/2011 - 12/2020	SB ADVISORY, LLC	154680	ATLANTA, GA
B 12/2006 - 01/2020	IFS SECURITIES	40375	ATLANTA, GA
B 06/2005 - 12/2006	DELTA EQUITY SERVICES CORPORATION	15650	ATLANTA, GA
B 05/2000 - 07/2005	VANGUARD CAPITAL	22081	DEL MAR, CA
B 08/1998 - 06/2000	MORGAN WILSHIRE SECURITIES, INC.	44807	GARDEN CITY, NY
B 12/1996 - 08/1998	WALSH MANNING SECURITIES, LLC	30826	
B 01/1996 - 12/1996	E. C. CAPITAL, LTD.	37447	MINEOLA, NY
B 09/1995 - 12/1995	SOVEREIGN EQUITY MANAGEMENT CORP.	20016	DEERFIELD BEACH, FL

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
12/2006 - Present	INTERNATIONAL FINANCIAL SOLUTIONS, INC.	PRESIDENT	Y	ATLANTA, GA, United States

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.

C&A PROPERTIES - MEMBER, NOT INVESTMENT RELATED-REAL ESTATE HOLDING COMPANY-8/2003 START DATE-NO HOURS DEVOTED- SILENT PARTNER; PARTNER OF NEW EDGE LOGISTICS, LLC, NON-INVESTMENT RELATED TRUCKING BUSINESS, APPROX. 5 HOURS PER WEEK WILL BE SPENT ON THIS VENTURE.

IFS Group Inc, AS DISCLOSED ON FORM BD Is investment related,1311 Ave. Ponce de Leon, Suite 304 San Juan, PR 00909, Holding



Registration and Employment History

Other Business Activities, continued

Company for IFS Securities, Advisory, Planning, and Capital Markets,CEO, 09/17/2015, 5 hrs, 0 hrs during trading hours.

SAN BLAS FUND I AM A PARTNER THIS IS INVESTMENT RELATED, THE ADDRESS IS 3414 PEACHTREE RD SUITE 1020 ATLANTA GA 30326

THE NATURE IS A HEDGE FUND. MY TITLE IS PRINCIPLE THE BUSINESS START DATE IS 1/27/12015

I DEVOTE ABOUT 20 HRS A WEEK. AS THE MOST SENIOR PERSON MY JOB IS TO ASSIST WITH THE MANAGEMENT OF THE ENTIRE FUND AND PLANNING THE BUSINESS STRATEGY.

A&Y LLC formed last quarter 2017 Nature the buy ugly homes currently not officially in business but intent to spend weekends helping run the business i assume only 5 hours a month

Baru Properties, LLC, non-investment-related,343 Alderwood Lane,Sandy Springs GA 30328, handyman services, remodeling, consultant,11/19.2019, 5 hours per/month,none during trading hours, broad advice on operational issues.

Baru Management, LLC non-investment-related, 215 Riveremere Way Sandy Springs GA 30350, Handy man services, remodeling, consultant/ operations assistant, 5/1/2020, 5 hours per month, none during trading, advice operational issues.

Baru Network, I am a partner complete start up, non-investment-related, 3424 Peachtree Rd Suite 2200 Atlanta GA 30328, telecom repairs services, consultant/ operations , 5/1/2020, 5 hours per month, none during trading, advice operational issues, no compensation received.

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:**
 - A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
 - 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.
 -
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - 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.
 -
4. **There are different statuses and dispositions for disclosure events:**
 - 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.
 - 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	1	0
Customer Dispute	0	1	N/A
Termination	N/A	1	N/A
Financial	0	1	N/A



Disclosure Event Details

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

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

Regulatory - Final

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

Disclosure 1 of 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	NASD
Sanction(s) Sought:	
Other Sanction(s) Sought:	
Date Initiated:	07/30/2003
Docket/Case Number:	CAF030040
Employing firm when activity occurred which led to the regulatory action:	MORGAN WILSHIRE SECURITIES, INC.
Product Type:	Other
Other Product Type(s):	HIGHLY LIQUID SECURITIES
Allegations:	NASD RULES 2110, 2440 - RESPONDENT CHARGED EXCESSIVE COMMISSIONS AND MARKUPS ON PRINCIPAL OR AGENCY TRANSACTIONS TOTALLING \$507,062.50 AND IN DETERMINING THE AMOUNT OF COMMISSION OR MARKUP, FAILED TO TAKE INTO ACCOUNT THE FACTORS IDENTIFIED IN CONDUCT RULE IM-2440 WHICH SHOULD BE CONSIDERED IN DETERMINING THE FAIRNESS OF COMMISSIONS AND MARKUPS.
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: 07/30/2003

Sanctions Ordered: Disgorgement/Restitution
Monetary/Fine \$25,000.00
Suspension

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, MCKENZIE CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, HE IS FINED \$25,000, SUSPENDED FROM ASSOCIATION WITH ANY NASD MEMBER IN ANY CAPACITY FOR TWO WEEKS, AND ORDERED TO PAY \$78,575.53 IN RESTITUTION TO PUBLIC CUSTOMERS. THE PAYMENT OF RESTITUTION SHALL OCCUR BEFORE PAYMENT OF THE FINE. FAILURE BY RESPONDENT TO MAKE TIMELY AND CONSECUTIVE MONTHLY PAYMENT OF RESTITUTION OR TO PROVIDE PROOF OF PAYMENT BY THE 20TH DAY OF THE MONTH UNTIL RESTITUTION HAS BEEN PAID IN FULL WILL RESULT IN THE REVOCATION OF ALL RESPONDENT'S NASD REGISTRATIONS. ANY UNDISTRIBUTED RESTITUTION SHALL BE FORWARDED TO THE APPROPRIATE ESCHEAT, UNCLAIMED PROPERTY, OR ABANDONED PROPERTY FUND FOR THE STATE OR COUNTRY IN WHICH THE CUSTOMER LAST RESIDED. SUSPENSION EFFECTIVE SEPTEMBER 2, 2003 TO CLOSE OF BUSINESS SEPTEMBER 15, 2003.

Reporting Source: Broker

Regulatory Action Initiated By: NASD

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 07/30/2003

Docket/Case Number: CAF030040



Employing firm when activity occurred which led to the regulatory action:	MORGAN WILSHIRE SECURITIES, INC.
Product Type:	Other
Other Product Type(s):	HIGHLY LIQUID SECURITIES
Allegations:	NASD RULES 2110,2440 - ALLEGATION THAT MR. MCKENZIE CHARGED EXCESSIVE COMMISSIONS AND MARKUPS ON PRINCIPAL OR AGENCY TRANSACTIONS TOTALLING \$507,062.50. IN DETERMINING THE AMOUNT OF COMMISSION OR MARKUP, MR. MCKENZIE FAILED TO TAKE INTO ACCOUNT THE FACTORS IDENTIFIED IN CONDUCT RULE IM-2440 WHICH WHOULD BE CONSIDERED IN DETERMINING THE FAIRNESS OF COMMISSIONS OR MARKUPS.
Current Status:	Final
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	07/30/2003
Sanctions Ordered:	Disgorgement/Restitution Monetary/Fine \$25,000.00 Suspension
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, MR. MCKENZIE CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF THE FINDINGS. THEREFORE, HE IS FINED \$25,000, SUSPENDED FROM ASSOCIATION WITH ANY NASD MEMBER IN ANY CAPACITY FOR TWO WEEKS, AND ORDERED TO PAY \$78,575,53 IN RESTITUTION TO PUBLIC CUSTOMERS. THE PAYMENT OF RESTITUTION SHALL OCCUR BEFORE PAYMENT OF THE FINE. FAILURE TO MAKE TIMELY AND CONSECUTIVE MONTHLY PAYMENTS OF RESTITUTION OR TO PROVIDE PROOF OF PAYMENT BY THE 20TH DAY OF THE MONTH UNTIL RESTITUTION HAS BEEN PAID IN FULL WILL RESULT IN THE REVOCATION OF ALL NASD REGISTRATIONS. ANY UNDISTRIBUTED RESTITUTION SHALL BE FORWARDED TO THE APPROPRIATE ESCHEAT, UNCLAIMED PROPERTY, OR ABANDONED PROPERTY FUND FOR THE STATE OR COUNTRY IN WHICH THE CUSTOMER LAST RESIDED. SUSPENSION EFFECTIVE FROM SEPTEMBER 2, 2003 TO CLOSE OF BUSINESS SEPTEMBER 15, 2003.



Customer Dispute - Closed-No Action / Withdrawn / Dismissed / Denied

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a 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, which was closed without action, withdrawn, or denied.

Disclosure 1 of 1

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	INTERNATIONAL FINANCIAL SOLUTIONS, INC.
Allegations:	THE FIRM RECEIVED IN DECEMBER 2008 COMMUNICATIONS REQUESTING LIQUIDATION OF A POSITION AND THE FORWARDING OF FUNDS TO A COMMERCIAL BANK. WITHIN THE COMMUNICATIONS, THE CUSTOMER INDICATES "THAT I STRONGLY BELIEVE YOU SHOULD REIMBURSE ME FOR THE LOSS ON THE ROYAL BANK OF SCOTLAND OF \$5,000" TO BE FOLLOWED WITH SAYING EFFECTIVELY THAT THE BROKER DID NOT FOLLOW HIS INSTRUCTIONS.
Product Type:	Equity-OTC
Alleged Damages:	\$5,000.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	12/03/2008
Complaint Pending?	No
Status:	Closed/No Action
Status Date:	10/22/2009
Settlement Amount:	
Individual Contribution Amount:	
Broker Statement	DRP IS NO LONGER REPORTABLE AS OF 12/03/2010. CLIENT CALLED AND MADE A UNSOLICITED TRADE. THE INSTRUCTIONS WAS VERY CLEAR IT WAS TO PURCHASE A SPECIFIC AMOUNT OF SHARES NOT DOLLAR



AMOUNT AT THE MARKET. AFTER FUNDS WERE WIRED BACK TO CLIENT 6 MONTHS LATER CLIENT REINVESTED \$100,000 WITH ME WHICH I BELIEVE IF HE REALLY THOUGHT I WAS NEGLIGENT THAT WOULDN'T HAVE HAPPEN! BUT IN FAITH OF FULL DISCLOSURE HERE WE ARE.



Employment Separation After Allegations

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

Disclosure 1 of 1

Reporting Source: Firm

Employer Name: VANGUARD CAPITAL

Termination Type: Permitted to Resign

Termination Date: 07/18/2005

Allegations: FAILURE TO SUPERVISE

Product Type: Equity - OTC

Other Product Types:

Firm Statement INDIVIDUAL IN MR. MCKENZIES BRANCH CONTACTED VANGUARD SEEKING A WAIVER IN ORDER TO PREVENTY HIS SERIES 7 LICs FROM EXPIRING. HOWEVER VANGUARD FOUND TO RECORD OF ASSOCIATION.

Reporting Source: Broker

Employer Name: VANGUARD CAPITAL

Termination Type: Permitted to Resign

Termination Date: 07/18/2005

Allegations: FAILURE TO SUPERVISE

Product Type: Equity - OTC

Other Product Types:

Broker Statement IN RESPONSE TO THE U-5 EVENT CITED BY VANGUARD CAPITAL, AN INDIVIDUAL-JOHN SCIAFANI-SUBMITTED HIS U-4 TO THE COMPLIANCE DEPARTMENT AT VANGUARD CAPITAL. BOTH MR. SCIAFANI AND I RECEIVED CONFIRMATION FROM BRIAN ZAID, COMPLIANCE OFFICER AT VANGUARD CAPITAL, THAT MR. SCIAFANI'S REGISTRATION HAD BECOME EFFECTIVE.



Financial - Final

This type of disclosure event involves a bankruptcy, compromise with one or more creditors, or Securities Investor Protection Corporation liquidation involving the broker or an organization/brokerage firm the broker controlled that occurred within the last 10 years.

Disclosure 1 of 1

Reporting Source: Broker

Action Type: Bankruptcy

Bankruptcy: Chapter 11

Action Date: 04/24/2020

Organization Name: IFS Securities, Inc

Individual Position: CEO

Organization Investment-Related? Yes

Type of Court: Federal Court

Name of Court: U.S. Bankruptcy Court

Location of Court: Northern District of Georgia

Docket/Case #: 20-65841

Action Pending? No

Disposition: Plan of Liquidation approved by Court

Disposition Date: 09/22/2020

Broker Statement

I became President and CEO of IFS Securities, a registered-broker-dealer and FINRA member, in 2006. In August 2019 IFS management discovered that a trusted senior employee, who was in charge of the firm's fixed income group, had been engaged in unauthorized speculation (primarily through short selling) in U.S. Treasuries, which were cleared and settled by IFS's clearing broker for fixed income, and that this employee had been hiding this speculation from IFS management through falsification of trading records and similar acts of fraud and dishonesty. This speculative trading resulted in market losses that eliminated the firm's capital. IFS was forced to cease business operations in August 2019. IFS filed a voluntary petition for reorganization under Chapter 11 of the U.S. Bankruptcy Code in April 2020.

End of Report



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