

BrokerCheck Report

HASKEL PAUL STONE III

CRD# 3035254

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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.

HASKEL P. STONE III

CRD# 3035254

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:

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

Registration History

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

- B MAKEFIELD SECURITIES CORPORATION**
CRD# 15271
STUART, FL
08/1999 - 10/1999
- B BAXTER BANKS & SMITH, LTD.**
CRD# 40771
ST. PETERSBURG, FL
11/1998 - 07/1999
- B FIRST SECURITIES USA, INC.**
CRD# 39986
IRVINE, CA
03/1998 - 11/1998

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

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B General Securities Representative Examination	Series 7	03/26/1998

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	04/06/1998

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 08/1999 - 10/1999	MAKEFIELD SECURITIES CORPORATION	15271	STUART, FL
B 11/1998 - 07/1999	BAXTER BANKS & SMITH, LTD.	40771	ST. PETERSBURG, FL
B 03/1998 - 11/1998	FIRST SECURITIES USA, INC.	39986	IRVINE, CA

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
07/1999 - Present	MAKEFIELD SECURITIES CORPORATION	NOT PROVIDED	Y	STUART, FL, 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	3	0
Criminal	1	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 3

Reporting Source:	Regulator
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	
Other Sanction(s) Sought:	
Date Initiated:	12/01/2003
Docket/Case Number:	SEC ADMIN FILE NO. 3-11347/REL 34-48862
Employing firm when activity occurred which led to the regulatory action:	
Product Type:	Penny Stock(s)
Other Product Type(s):	
Allegations:	SEC ADMIN PROCEEDINGS FILE NO. 3-11347, REL 34-48862, DATED DECEMBER 1, 2003 - ON DECEMBER 1, 2003, THE COMMISSION ENTERED AN ORDER INSTITUTING PUBLIC ADMINISTRATIVE PROCEEDINGS PURSUANT TO SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934 (ORDER) AGAINST HASKEL P. STONE (H. STONE) AND OTHERS OF SOUTH FLORIDA, BASED ON THEIR CRIMINAL CONVICTIONS FOR CONSPIRACY TO COMMIT SECURITIES FRAUD, MAIL FRAUD AND WIRE FRAUD IN CONNECTION WITH A PENNY STOCK MANIPULATION SCHEME. THE CRIMINAL INDICTMENT FILED ON APRIL 20, 2001 ALLEGED THAT WHILE EMPLOYED AS REGISTERED REPRESENTATIVES AT TWO REGISTERED BROKER-DEALERS, H. STONE AND OTHERS ACCEPTED SECRET CASH PAYMENTS FROM AN UNREGISTERED PERSON, TO MANIPULATE THE SECURITIES OF PENNY STOCK ISSUERS. THE ORDER FURTHER ALLEGES THAT H. STONE PLED GUILTY TO ONE COUNT OF THE INDICTMENT CHARGING HIM WITH CONSPIRACY TO COMMIT SECURITIES FRAUD, MAIL FRAUD AND WIRE FRAUD AND WAS SENTENCED TO FIVE YEARS OF



PROBATION, 200 HOURS OF COMMUNITY SERVICE, AND ORDERED TO PAY \$3,831,099.

Current Status:

Final

Resolution:

Order

Resolution Date:

02/13/2004

Sanctions Ordered:

Bar

Other Sanctions Ordered:**Sanction Details:**

SEC ADMINISTRATIVE RELEASE NO. 34-49245, DATED 02/13/04; THE SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE TO ACCEPT THE OFFERS OF SETTLEMENT ("OFFERS") SUBMITTED BY HASKEL P. STONE. ACCORDINGLY, IT IS HEREBY ORDERED: PURSUANT TO SECTION 15(B)(6) OF THE EXCHANGE ACT, RESPONDENT STONE BE, AND HEREBY IS BARRED FROM ASSOCIATION WITH ANY BROKER OR DEALER. ANY REAPPLICATION FOR ASSOCIATION BY THE RESPONDENTS WILL BE SUBJECT TO THE APPLICABLE LAWS AND REGULATIONS GOVERNING THE REENTRY PROCESS, AND REENTRY MAY BE CONDITIONED UPON A NUMBER OF FACTORS, INCLUDING, BUT NOT LIMITED TO, THE SATISFACTION OF ANY OR ALL OF THE FOLLOWING: (A) ANY DISGORGEMENT ORDERED AGAINST THE RESPONDENTS, WHETHER OR NOT THE COMMISSION HAS FULLY OR PARTIALLY WAIVED PAYMENT OF SUCH DISGORGEMENT; (B) ANY ARBITRATION AWARD RELATED TO THE CONDUCT THAT SERVED AS THE BASIS FOR THE COMMISSION ORDER; (C) ANY SELF-REGULATORY ORGANIZATION ARBITRATION AWARD TO A CUSTOMER, WHETHER OR NOT RELATED TO THE CONDUCT THAT SERVED AS THE BASIS FOR THE COMMISSION ORDER; AND (D) ANY RESTITUTION ORDER BY A SELF-REGULATORY ORGANIZATION, WHETHER OR NOT RELATED TO THE CONDUCT THAT SERVED AS THE BASIS FOR THE COMMISSION ORDER.

Regulator Statement

A HEARING WILL BE SCHEDULED BEFORE AN ADMINISTRATIVE LAW JUDGE TO DETERMINE WHETHER THE ALLEGATIONS CONTAINED IN THE ORDER ARE TRUE, TO PROVIDE THE RESPONDENTS AN OPPORTUNITY TO DISPUTE THESE ALLEGATIONS, AND TO DETERMINE WHAT REMEDIAL SANCTIONS, IF ANY, ARE APPROPRIATE AND IN THE PUBLIC INTEREST.

Disclosure 2 of 3**Reporting Source:**

Regulator

Regulatory Action Initiated By:

NATIONAL ASSOCIATION OF SECURITIES DEALERS

Sanction(s) Sought:

**Other Sanction(s) Sought:****Date Initiated:** 06/28/2001**Docket/Case Number:** C07010051**Employing firm when activity occurred which led to the regulatory action:** FIRST SECURITIES USA, INC. (AND) BAXTER, BANKS & SMITH, LTD.**Product Type:** Penny Stock(s)**Other Product Type(s):**

Allegations: 07/06/01GS: NASD RULES 2110, 2120, 2310 AND SEC RULE 10B-5 - ENGAGED IN WIDESPREAD, FRAUDULENT SALES PRACTICE AND LURED CUSTOMERS INTO HIGHLY SPECULATIVE INVESTMENTS IN RISKY SECURITIES BY MAKING MISREPRESENTATIONS AND OMISSIONS TO THE CUSTOMERS INCLUDING BASELESS PRICE PREDICTIONS, PROVIDING FALSE STATEMENTS TO CUSTOMERS WITHOUT PROVIDING ADEQUATE AND ACCURATE INFORMATION REGARDING THE SECURITIES, AND WITHOUT HAVING A REASONABLE BASIS FOR SUCH REPRESENTATIONS. THE COMPLAINT ALSO ALLEGES THAT STONE RECOMMENDED AND IMPLEMENTED A COURSE OF TRADING IN A CUSTOMER'S ACCOUNT THAT WAS UNSUITABLE BASED UPON THE CUSTOMER'S LACK OF INVESTMENT EXPERIENCE AND THE USE OF BORROWED FUNDS.

Current Status: Final**Resolution:** Decision**Resolution Date:** 12/05/2001

Sanctions Ordered: Bar
Monetary/Fine \$15,000.00
Suspension

Other Sanctions Ordered:

Sanction Details: DEFAULT DECISION RENDERED NOVEMBER 7, 2001, WHEREIN, RESPONDENT STONE II, IS FINED \$15,000, SUSPENDED FOR ONE YEAR FROM ASSOCIATING WITH ANY MEMBER FIRM IN ANY CAPACITY AND BARRED FROM ASSOCIATION WITH ANY NASD MEMBER IN ANY CAPACITY. THE FINE SHALL BECOME DUE AND PAYABLE UPON STONE'S RE-ENTRY INTO THE SECURITIES INDUSTRY. IN LIGHT OF THE BAR, THE SUSPENSION WILL NOT BECOME EFFECTIVE. IF NO FURTHER ACTION, DECISION WILL BECOME FINAL DECEMBER 5, 2001. DECISION IS NOW FINAL.



Disclosure 3 of 3

Reporting Source:	Regulator
Regulatory Action Initiated By:	FLORIDA DIVISION OF SECURITIES
Sanction(s) Sought:	
Other Sanction(s) Sought:	
Date Initiated:	11/03/1999
Docket/Case Number:	2871-S-10/99
Employing firm when activity occurred which led to the regulatory action:	BAXTER BANKS & SMITH, INC.
Product Type:	Penny Stock(s)
Other Product Type(s):	
Allegations:	MISREPRESENTATION IN THE SALE OF LIFEKEEPERS INTERNATIONAL, INC. STOCK, UNWARRANTED PRICE PREDICTIONS, FAILURE TO CONDUCT SUFFICIENT DUE DILIGENCE PRIOR TO MAKING A RECOMMENDATION.
Current Status:	Final
Resolution:	Stipulation and Consent
Resolution Date:	11/03/1999
Sanctions Ordered:	Bar Cease and Desist/Injunction Monetary/Fine \$500.00 Revocation/Expulsion/Denial
Other Sanctions Ordered:	FIVE YEAR BAR FROM WORKING IN THE SECURITIES INDUSTRY IN FLORIDA. SHOULD STONE REAPPLY FOR REGISTRATION AFTER HIS BAR EXPIRES, HE SHALL BE SUBJECT TO RESTRICTED REGISTRATION.
Sanction Details:	STONE'S APPLICATION WITH MAKEFIELD SECURITIES CORPORATION IS DENIED. STONE AGREES TO COOPERATE WITH THE DEPARTMENT'S ONGOING EXAMINATION OF BAXTER BANKS & SMITH, INC.



Criminal - Final Disposition

This type of disclosure event involves a conviction or guilty plea for any felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property that is currently on appeal.

Disclosure 1 of 1

Reporting Source:	Regulator
Formal Charges were brought in:	Federal Court
Name of Court:	U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA
Location of Court:	WEST PALM BEACH, FLORIDA
Docket/Case #:	9:01CR8060
Charge Date:	04/20/2001
Charge(s) 1 of 1	
Formal Charge(s)/Description:	18:371.F CONSPIRACY TO DEFRAUD THE UNITED STATES
No of Counts:	5
Felony or Misdemeanor:	Felony
Plea for each charge:	GUILTY
Disposition of charge:	Pled guilty
Current Status:	Final
Status Date:	03/01/2002
Disposition Date:	03/01/2002
Sentence/Penalty:	PROBATION 60 MONTHS; ASSESSMENT \$100.00; RESTITUTION \$3,831,099.41
Regulator Statement	CORRESPONDENCE REC'D 04/29/02 FROM NASDR OFFICE OF GENERAL COUNSEL.



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: BAXTER BANKS & SMITH LTD.

Allegations: >02/21/01 BREACH OF FIDUCIARY DUTY, FRAUDULENT MISREPRESENTATION, NEGLIGENCE

Product Type: Other

Other Product Type(s): STOCK

Alleged Damages: \$48,378.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [NASD - CASE #00-00819](#)

Date Notice/Process Served: 02/21/2000

Arbitration Pending? No

Disposition: Award

Disposition Date: 01/30/2001

Disposition Detail: RESPONDENT HASKEL P STONE III, IS JOINTLY AND SEVERALLY LIABLE FOR AND SHALL PAY TO CLAIMANT THE SUM OF \$48,378.00 IN COMPENSATORY DAMAGES.

03-28-01, RESPONDENT STONE HAS FAILED TO COMPLY WITH THE ARBITRATION AWARD. PROOF OF COMPLIANCE WITH THIS AWARD IS REQUIRED BEFORE RE-ASSOCIATING WITH A MEMBER FIRM.[011004 08701]

End of Report



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