

BrokerCheck Report

DOUGLAS EDWARD SZEMPRUCH

CRD# 4159318

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Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

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.

DOUGLAS E. SZEMPRUCH

CRD# 4159318

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

Registration History

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

- B AEGIS CAPITAL CORP.**
CRD# 15007
MELVILLE, NY
06/2011 - 06/2021
- B GLOBAL ARENA CAPITAL CORP**
CRD# 16871
NEW YORK, NY
11/2010 - 06/2011
- B PRESTIGE FINANCIAL CENTER, INC.**
CRD# 30407
NEW YORK, NY
03/2007 - 11/2010

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
Criminal	1
Customer Dispute	2

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

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	05/12/2000

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	05/22/2000

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
B 06/2011 - 06/2021	AEGIS CAPITAL CORP.	15007	MELVILLE, NY
B 11/2010 - 06/2011	GLOBAL ARENA CAPITAL CORP	16871	NEW YORK, NY
B 03/2007 - 11/2010	PRESTIGE FINANCIAL CENTER, INC.	30407	NEW YORK, NY
B 04/2004 - 03/2007	S.W. BACH & COMPANY	43522	PORT WASHINGTON, NY
B 10/2001 - 04/2004	HARRISON SECURITIES, INC.	14103	PORT WASHINGTON, NY
B 05/2000 - 10/2001	WEATHERLY SECURITIES CORPORATION	11081	NEW YORK, NY

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
06/2011 - Present	AEGIS CAPITAL CORP	REGISTERED REP	Y	NEW YORK, NY, 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.

No information reported.



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	1	0
Criminal	0	1	0
Customer Dispute	0	2	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: FINRA

Sanction(s) Sought:

Date Initiated: 07/09/2021

Docket/Case Number: [2017054317401](#)

Employing firm when activity occurred which led to the regulatory action: AEGIS CAPITAL CORP.

Product Type: Other: Unspecified Securities

Allegations: Without admitting or denying the findings, Szempruch consented to the sanctions and to the entry of findings that he engaged in quantitatively unsuitable trading in customer accounts. The findings stated that each customer had an investment objective of growth or balanced growth and a risk tolerance of moderate. Szempruch recommended the trading in the customer accounts and the customers routinely followed his recommendations. In addition, Szempruch exercised discretion when executing trades in these customers' accounts and, as a result, exercised de facto control over their accounts. Szempruch's trading in the accounts was excessive and unsuitable given the customers' investment profiles. The customers paid \$127,198 in commissions and suffered \$157,605 in losses. The findings also stated that Szempruch exercised discretion to effect trades in



customer accounts without the customers providing prior written authorization for him to exercise discretion and without his member firm accepting any of the accounts as discretionary accounts. The findings also included that Szempruch sent emails to prospective customers making misleading statements concerning investments in a company. Specifically, Szempruch inaccurately represented that he had visited the company's production facility, met with and was in direct communication with the company's management, was participating in weekly calls with the company's management, and had first-hand information about the company. In fact, although Szempruch was invited to visit the company's facilities, he did not attend and was instead briefed later by colleagues who did make the trip. Szempruch also did not directly communicate with the company's management but instead closely followed the company. Although Szempruch understood that colleagues at the firm had begun conducting periodic status conferences with the company's management, the company's management ceased participating in the conferences shortly after executing an agreement with the firm. Szempruch thus did not have direct or first-hand information about the company, and misleadingly described his relationship and interactions with the company and its management.

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:	07/09/2021
Sanctions Ordered:	Restitution Suspension Other: In light of Szempruch's financial status, the sanctions do not include a monetary fine.
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

Sanction Type: Suspension
Capacities Affected: All Capacities
Duration: 12 Months
Start Date: 07/19/2021
End Date: 07/18/2022

Monetary Sanction 1 of 1

Monetary Related Sanction: Restitution
Total Amount: \$99,720.87
Portion Levied against individual: \$99,720.87
Payment Plan: Plus interest
Is Payment Plan Current:
Date Paid by individual:
Was any portion of penalty waived? No

Amount Waived:



Criminal - Final Disposition

This type of disclosure event involves a criminal charge against the broker that has resulted in a conviction, acquittal, dismissal, or plea. The criminal matter may pertain to any felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property.

Disclosure 1 of 1

Reporting Source:	Broker
Organization Name (if charge(s) were brought against an organization over which broker exercised control):	N/A
Court Details:	NEW YORK STATE FIRST DISTRICT COURT, NASSAU COUNTY, CR#205CR0077240, COURT DOCKET-019611
Charge Date:	09/18/2005
Charge Details:	APPLICANT WAS CHARGED WITH ONE COUNT OF BRIBERY, 200.00, WHICH IS A CLASS D FELONY AND ONE COUNT OF CRIMINAL POSSESSION OF STOLEN PROPERTY, 165.40, WHICH IS A CLASS A MISDEMEANOR. APPLICANT PLEAD GUILTY TO A REDUCED CHARGE OF 110-195.05, ATTEMPTING TO OBSTRUCT GOVERNMENT ADMINISTRATION, WHICH IS A CLASS B MISDEMEANOR.
Felony?	Yes
Current Status:	Final
Status Date:	01/09/2006
Disposition Details:	PLEAD GUILTY TO AND WAS CONVICTED OF 110-195.05 ATTEMPTING TO OBSTRUCT GOVERNMENT ADMINISTRATION, WHICH IS A CLASS B MISDEMEANOR. RECEIVED AND PAID A FINE IN THE AMOUNT OF \$250.00 AND RECEIVED CONDITIONAL DISCHARGE OF ONE YEAR.
Broker Statement	ORIGINAL PENDING CHARGE HAS BEEN REDUCED TO A SECTION 195.05 OFFENSE-(ATTEMPTING TO OBSTRUCTING GOVERNMENTAL ADMINISTRATION IN THE SECOND DEGREE, WHICH IS CLASIFIED AS A CLASS "B" MISDEMEANOR.



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

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	AEGIS CAPITAL CORP
Allegations:	TIME FRAME: MAY 21, 2015 TO OCTOBER 21, 2016. CLIENT ALLEGES POOR PERFORMANCE AND UNSUITABLE RECOMMENDATION.
Product Type:	Equity Listed (Common & Preferred Stock)
Alleged Damages:	\$30,000.00
Is this an oral complaint?	Yes
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	02/28/2018
Complaint Pending?	No
Status:	Settled
Status Date:	03/29/2018
Settlement Amount:	\$30,000.00
Individual Contribution Amount:	\$30,000.00
Broker Statement	This matter was a result of an unfortunate miscommunication between myself and the client. The matter has been fully resolved. The client and I continue to have a good relationship and he continues to maintain multiple accounts with me.

Disclosure 2 of 2

Reporting Source:	Broker
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Employing firm when activities occurred which led to the complaint: S.W. BACH & COMPANY

Allegations: UNAUTHORIZED TRADING

Product Type: Equity - OTC

Alleged Damages: \$5,994.35

Customer Complaint Information

Date Complaint Received: 05/28/2004

Complaint Pending? No

Status: Settled

Status Date: 06/09/2004

Settlement Amount: \$250.00

Individual Contribution Amount: \$250.00

Broker Statement MR. SZEMPRUCH DENIES THE ALLEGATIONS. THE CLIENT APPARENTLY FORGOT THAT THE DISCUSSED PAYMENT FOR HIS PURCHASE WITH HIS BROKER, WHICH WAS THE SALE OF HIS TWO POSITIONS THAT TRANSFERRED IN.

End of Report



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