

## BrokerCheck Report

**BRENDA ANN SMITH**

CRD# 4348518

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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.

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)

**BRENDA A. SMITH**

CRD# 4348518

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:

- 3 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):**

- B CV BROKERAGE, INC**  
CRD# 462  
WEST CONSHOHOCKEN, PA  
05/2010 - 06/2019
- B MCG SECURITIES LLC**  
CRD# 163144  
WAYNE, PA  
10/2012 - 02/2013
- B CRETUS SECURITIES**  
CRD# 148231  
REDDING, CT  
04/2009 - 06/2011

### 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	2
Criminal	1
Investigation	1
Civil Event	1
Customer Dispute	1
Termination	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 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 3 principal/supervisory exams, 3 general industry/product exams, and 1 state securities law exam.**

### Principal/Supervisory Exams

Exam	Category	Date
<b>B</b> Municipal Securities Principal Examination	Series 53	09/27/2010
<b>B</b> General Securities Principal Examination	Series 24	03/15/2010
<b>B</b> Financial and Operations Principal Examination	Series 27	10/03/2006

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> Securities Industry Essentials Examination	SIE	10/01/2018
<b>B</b> Investment Banking Registered Representative Examination	Series 79	05/29/2011
<b>B</b> General Securities Representative Examination	Series 7	12/20/2007

### State Securities Law Exams

Exam	Category	Date
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	05/03/2007

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/](http://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>B</b> 05/2010 - 06/2019	CV BROKERAGE, INC	462	WEST CONSHOHOCKEN, PA
<b>B</b> 10/2012 - 02/2013	MCG SECURITIES LLC	163144	WAYNE, PA
<b>B</b> 04/2009 - 06/2011	CRETUS SECURITIES	148231	REDDING, CT
<b>B</b> 03/2010 - 02/2011	DSRM BROKERAGE, LLC	149479	SAN FRANCISCO, CA
<b>B</b> 09/2007 - 11/2010	DREXEL HAMILTON, LLC	143570	PHILADELPHIA, PA
<b>B</b> 10/2006 - 01/2008	KILDARE CAPITAL	45796	RADNOR, PA

### 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
05/2010 - Present	CV BROKERAGE, INC.	PRESIDENT	Y	WEST CONSHOHOCKEN, PA, United States
01/1995 - Present	BA SMITH & ASSOCIATES, LLC	OWNER	N	NATALBANY, LA, United States
07/2012 - 02/2013	MCG SECURITIES LLC	CFO AND FINOP	Y	WAYNE, PA, 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.

BA SMITH & ASSOCIATES, LLC  
 300 CONSHOHOCKEN STATE ROAD  
 WEST CONSHOHOCKEN, PA 19428  
 ACCOUNTING & CONSULTING  
 NOT INVESTMENT RELATED

## Registration and Employment History



### Other Business Activities, continued

PART TIME

CV BROKERAGE, INC.  
PRESIDENT OF THIS FINRA MEMBER FIRM  
WEST CONSHOHOCKEN, PA

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## 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	2	0
Criminal	1	0	0
Civil Event	1	0	0
Customer Dispute	1	0	N/A
Investigation	1	N/A	N/A



Termination	N/A	1	N/A
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## 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 2

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	
<b>Date Initiated:</b>	07/02/2019
<b>Docket/Case Number:</b>	<a href="#">2017052325901</a>
<b>Employing firm when activity occurred which led to the regulatory action:</b>	CV Brokerage, Inc.
<b>Product Type:</b>	No Product
<b>Allegations:</b>	Without admitting or denying the findings, Smith consented to the sanction and to the entry of findings that she refused to provide documents and information requested by FINRA in connection with an ongoing FINRA investigation into potential misstatements about the financial performance of an investment fund that were made during the course of private securities transactions in which she participated.
<b>Current Status:</b>	Final
<b>Resolution:</b>	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:**

07/02/2019

**Sanctions Ordered:**

Bar (Permanent)

**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**

<b>Sanction Type:</b>	Bar (Permanent)
<b>Capacities Affected:</b>	All capacities
<b>Duration:</b>	Indefinite
<b>Start Date:</b>	07/02/2019
<b>End Date:</b>	



## Disclosure 2 of 2

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	
<b>Date Initiated:</b>	01/09/2014
<b>Docket/Case Number:</b>	<a href="#">2012034900402</a>
<b>Employing firm when activity occurred which led to the regulatory action:</b>	CV BROKERAGE, INC.
<b>Product Type:</b>	No Product
<b>Allegations:</b>	FINRA BY-LAWS ARTICLE V, SECTION 2(C); FINRA RULES 1122 AND 2010: SMITH, WHILE ASSOCIATED WITH A MEMBER FIRM, FAILED TO TIMELY AMEND HER UNIFORM APPLICATION FOR SECURITIES INDUSTRY REGISTRATION OR TRANSFER (FORM U4) TO DISCLOSE MATERIAL INFORMATION, NAMELY AN UNSATISFIED TAX LIEN IN THE AMOUNT OF \$6,250.90.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Resolution Date:</b>	01/09/2014
<b>Sanctions Ordered:</b>	Civil and Administrative Penalty(ies)/Fine(s) Suspension
<b>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?</b>	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:** ANY CAPACITY  
**Duration:** 10 BUSINESS DAYS  
**Start Date:** 02/03/2014  
**End Date:** 02/14/2014

**Monetary Sanction 1 of 1**

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)  
**Total Amount:** \$5,000.00  
**Portion Levied against individual:** \$5,000.00  
**Payment Plan:**  
**Is Payment Plan Current:**  
**Date Paid by individual:** 02/10/2014  
**Was any portion of penalty waived?** No

**Amount Waived:**

**Regulator Statement** WITHOUT ADMITTING OR DENYING THE FINDINGS, SMITH CONSENTED TO





THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE SHE IS FINED \$5,000 AND SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY CAPACITY FOR 10 BUSINESS DAYS.

THE SUSPENSION IS IN EFFECT FROM FEBRUARY 3, 2014, THROUGH FEBRUARY 14, 2014.

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<b>Reporting Source:</b>	Firm
<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	Suspension
<b>Date Initiated:</b>	01/09/2014
<b>Docket/Case Number:</b>	<a href="#">2012034900402</a>
<b>Employing firm when activity occurred which led to the regulatory action:</b>	CV Brokerage Inc.
<b>Product Type:</b>	No Product
<b>Allegations:</b>	FINRA by laws article V Section 2(C); FINRA Rules 1122 and 2010. Smith, while associated with a member firm, failed to timely amend her Form U-4 to disclose material information, namely an unsatisfied tax lien in the amount of \$6,250.90.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Resolution Date:</b>	01/09/2014
<b>Sanctions Ordered:</b>	Civil and Administrative Penalty(ies)/Fine(s) Suspension
<b>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?</b>	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 Capacity  
**Duration:** 10 Business Days  
**Start Date:** 02/03/2014  
**End Date:** 02/14/2014

**Monetary Sanction 1 of 1**

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)  
**Total Amount:** \$5,000.00  
**Portion Levied against individual:** \$5,000.00  
**Payment Plan:**  
**Is Payment Plan Current:**  
**Date Paid by individual:** 02/10/2014  
**Was any portion of penalty waived?** No

**Amount Waived:**



**Reporting Source:** Broker  
**Regulatory Action Initiated By:** FINRA  
**Sanction(s) Sought:** Suspension  
**Date Initiated:** 01/09/2014  
**Docket/Case Number:** [2012034900402](#)  
**Employing firm when activity occurred which led to the regulatory action:** CV BROKERAGE INC  
**Product Type:** No Product  
**Allegations:** FINRA BY LAWS ARTICLE V SECTION 2(C); FINRA RULES 1122 AND 2010. SMITH, WHILE ASSOCIATED WITH A MEMBER FIRM, FAILED TO TIMELY AMEND HER UNIFORM APPLICATION FOR SECURITIES INDUSTRY REGISTRATION OR TRANSFER (FORM U4) TO DISCLOSE MATERIAL INFORMATION, NAMELY AN UNSATISFIED TAX LIEN IN THE AMOUNT OF \$6,250.90.  
**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:** 01/09/2014  
**Sanctions Ordered:** Civil and Administrative Penalty(ies)/Fine(s)  
 Suspension  
**Sanction 1 of 1**  
**Sanction Type:** Suspension  
**Capacities Affected:** ANY CAPACITY  
**Duration:** 10 BUSINESS DAYS  
**Start Date:** 02/03/2014



**End Date:** 02/14/2014

**Monetary Sanction 1 of 1**

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)

**Total Amount:** \$5,000.00

**Portion Levied against individual:** \$5,000.00

**Payment Plan:**

**Is Payment Plan Current:**

**Date Paid by individual:** 01/18/2014

**Was any portion of penalty waived?** No

**Amount Waived:**

**Broker Statement** SMITH BELIEVED THE PENNSYLVANIA TAX LIEN TO BE IN ERROR AND DID NOT DISCLOSE. FINRA DETERMINED THE LIEN SHOULD HAVE BEEN DISCLOSED.



## Criminal - Pending Charge

This type of disclosure event involves a formal charge for a crime involving a felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property that is currently pending.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Formal Charges were brought in:</b>	Federal Court
<b>Name of Court:</b>	U.S. District Court for the District of New Jersey
<b>Location of Court:</b>	Newark, NJ
<b>Docket/Case #:</b>	2:19mj3377
<b>Charge Date:</b>	08/22/2019
<b>Charge(s) 1 of 2</b>	
<b>Formal Charge(s)/Description:</b>	SECURITIES FRAUD
<b>No of Counts:</b>	1
<b>Felony or Misdemeanor:</b>	Felony
<b>Plea for each charge:</b>	no plea
<b>Disposition of charge:</b>	
<b>Charge(s) 2 of 2</b>	
<b>Formal Charge(s)/Description:</b>	WIRE FRAUD
<b>No of Counts:</b>	4
<b>Felony or Misdemeanor:</b>	Felony
<b>Plea for each charge:</b>	no plea
<b>Disposition of charge:</b>	
<b>Current Status:</b>	Pending
<b>Status Date:</b>	08/22/2019



## Investigation

This type of disclosure event involves any ongoing formal investigation by an entity such as a grand jury state or federal agency, self-regulatory organization or foreign regulatory authority. Subpoenas, preliminary or routine regulatory inquiries, and general requests by a regulatory entity for information are not considered investigations and therefore are not included in a BrokerCheck report.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Firm
<b>Initiated By:</b>	FINRA
<b>Notice Date:</b>	05/23/2019
<b>Details:</b>	Non-compliance with FINRA Rules 8210 and 2010 in that Ms. Smith failed to provide documents and information requested in connection with a FINRA investigation into potential misstatements about the financial performance of an investment fund that were made during the course of private securities transactions in which Ms. Smith participated.
<b>Is Investigation pending?</b>	Yes



## Civil - Pending

This type of disclosure event involves a pending civil court action that seeks an injunction in connection with any investment-related activity or alleges a violation of any investment-related statute or regulation.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Relief Sought:</b>	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines
<b>Date Court Action Filed:</b>	08/27/2019
<b>Product Type:</b>	Other: Unspecified Securities
<b>Type of Court:</b>	Federal Court
<b>Name of Court:</b>	United States District Court for the District of New Jersey
<b>Location of Court:</b>	Trenton, New Jersey
<b>Docket/Case #:</b>	2:19-cv-17213
<b>Employing firm when activity occurred which led to the action:</b>	Broad Reach Capital, LP, Broad Reach Partners, LLC, and Bristol Advisors, LLC
<b>Allegations:</b>	On August 27, 2019, the U.S. District Court for the District of New Jersey issued this complaint as to Respondent Brenda A. Smith. Plaintiff SEC files this Complaint against defendant Smith and alleges as follows: This case involves an investment advisory fraud in which Smith and the other Defendants solicited over \$100 million from investors for purported investment in sophisticated securities trading strategies. However, Smith took the vast majority of these funds for unrelated companies, to pay back other investors, and for personal use and confronted with at least one investor trying to redeem its investment, Smith created a fictitious valuation of assets backed by false claims that she held billions of dollars in assets through a company she owned. Smith, defendant Broad Reach Capital, LP ("Broad Reach Fund" or the "Fund"), defendant Broad Reach Partners, LLC ("Partners"), and defendant Bristol Advisors, LLC ("Bristol") (collectively, without Smith, the "Entity Defendants"), engaged in this fraud. Smith dominated and controlled the Entity Defendants such that they were essentially her alter egos. Through the Entity Defendants, Smith offered limited partnership interests in the Fund to investors. Since the Fund's inception, Smith raised approximately \$105 million from at least 40 investors, and investors are still owed more than \$63 million in principal. The Defendants engaged in a fraudulent scheme and made material





misrepresentations and omissions to investors and prospective investors. Smith and Bristol also abused their position and breached their fiduciary duties as investment advisers by making material misrepresentations and omissions and failing to act in the best interest of the Fund. By engaging in the conduct described in the Complaint, Smith violated, directly or indirectly, and unless enjoined will continue to violate, Section 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder. In addition, because Smith and Bristol are investment advisers, by engaging in the conduct described in this Complaint, Smith also violated, directly or indirectly, and unless enjoined will continue to violate, Sections 206(1), (2), and (4) of the Investment Advisers Act of 1940 ("Advisers Act") and Rule 206(4)-8 thereunder.

**Current Status:** Pending

**Limitations or Restrictions in Effect During Appeal:** n/a



## Customer Dispute - Pending

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, 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.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	CV Brokerage
<b>Allegations:</b>	Fraud, breach of fiduciary duty, breach of contract, unlawful conversion, violation of section 5104 of PA uniform voidable transaction act and permanent injunctive relief.
<b>Product Type:</b>	No Product
<b>Alleged Damages:</b>	\$3,341,500.00

### Arbitration Information

<b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b>	FINRA
<b>Docket/Case #:</b>	18-03955
<b>Date Notice/Process Served:</b>	12/11/2018
<b>Arbitration Pending?</b>	Yes

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<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	CV Brokerage
<b>Allegations:</b>	Fraud, Breach of fiduciary duty, breach of contract, unlawful conversion, violation of section 5104 of Pennsylvania uniform voidable transaction act and permanent injunctive relief
<b>Product Type:</b>	No Product
<b>Alleged Damages:</b>	\$3,341,500.00

### Arbitration Information



**Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):** 18-03955

**Docket/Case #:** 18-03955

**Date Notice/Process Served:** 12/11/2018

**Arbitration Pending?** Yes

**Broker Statement**

Registered Representative is in complete disagreement with this allegation and will defend herself including counterclaims. FINRA does not have authority over this arbitration as [REDACTED] is not and never was a customer of CV Brokerage. [REDACTED] has served a prison term for securities fraud himself. [REDACTED] alleges that Brenda Smith committed actions noted above. All are denied. [REDACTED] was redeemed involuntarily because of his hostile actions against Brenda Smith. His filing of this arbitration is retaliatory as he has no method to make the same level of returns as he received from Smith's Fund. This Fund is NOT governed by FINRA and Ms. Smith is confident this arbitration will be thrown out in its entirety.



## 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

<b>Reporting Source:</b>	Firm
<b>Employer Name:</b>	CV Brokerage Inc.
<b>Termination Type:</b>	Voluntary Resignation
<b>Termination Date:</b>	06/14/2019
<b>Allegations:</b>	Non-compliance with FINRA Rules 8210 and 2010 in that Ms. Smith failed to provide documents and information requested in connection with a FINRA investigation into potential misstatements about the financial performance of an investment fund that were made during the course of private securities transactions in which Ms. Smith participated.
<b>Product Type:</b>	No Product

## End of Report



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