

**BrokerCheck Report**

**THOMAS H LAWS**

CRD# 4494448

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## About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:

- o information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
- o information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

[brokercheck.finra.org](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)

**Thank you for using FINRA BrokerCheck.**

**THOMAS H. LAWS**

CRD# 4494448

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
- 2 State Securities Law Exams

**Registration History**

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

- B HD VEST INVESTMENT SERVICES**  
CRD# 13686  
SILVER CITY, NM  
11/2006 - 11/2017
- B NYLIFE SECURITIES INC.**  
CRD# 5167  
SILVER CITY, NM  
02/2002 - 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	2
Criminal	1
Civil Event	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 2 state securities law exams.**

### Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> Securities Industry Essentials Examination	SIE	11/14/2017
<b>B</b> General Securities Representative Examination	Series 7	02/02/2002

### State Securities Law Exams

Exam	Category	Date
<b>IA</b> Uniform Investment Adviser Law Examination	Series 65	08/01/2008
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	02/22/2002

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> 11/2006 - 11/2017	HD VEST INVESTMENT SERVICES	13686	SILVER CITY, NM
<b>B</b> 02/2002 - 12/2006	NYLIFE SECURITIES INC.	5167	SILVER CITY, NM

### 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
11/2006 - Present	HD VEST	REGISTERED REP	Y	SILVER CITY, NM, United States
12/1989 - Present	LAWS CORPORATION	OWNER/CPA	N	SILVER CITY, NM, 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.

Manhattan Apartments Partnership~'NIR'~5064 Hwy 152~Santa Clara~NM~88026~Rental Property Owner/Management~Partner/General Partner~6/1/2007~10hrs~0hrs~Managing partner|OUTLAW HIDEAWAY RANCH, LLC~'NIR'~909 N Hudson St~Silver City~NM~88061~Other~Owner/Sole Proprietor~2/9/2004~1hrs~0hrs~Cattle Operation Ranch/Land Holdings|XYZ RANCH ESTATES LLC~'NIR'~909 N Hudson St~Silver City~NM~88061~Other~Owner/Sole Proprietor~2/9/2004~1hrs~0hrs~Cattle Operation Ranch/Land Holdings|



## 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	0	1	0
Customer Dispute	2	0	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 2

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Sanction(s) Sought:</b>	Other: n/a
<b>Date Initiated:</b>	07/10/2019
<b>Docket/Case Number:</b>	3-19244
<b>Employing firm when activity occurred which led to the regulatory action:</b>	Santa Fe Gold Corporation
<b>Product Type:</b>	Other: funds
<b>Allegations:</b>	<p>SEC Admin Release 34-86350, Accounting and Auditing Enforcement Release 4058 / July 10, 2019:</p> <p>The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Thomas H. Laws ("Respondent" or "Laws") pursuant to Section 15(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 102(e)(3)(i) of the Commission's Rules of Practice.</p> <p>The Commission finds that On June 28, 2019, a final judgment was entered by consent against Laws, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, Sections 10(b) and 13(b)(5) of the Exchange Act and Rules 10b-5, 13b2-1, 13b2-2, and 13a-14 thereunder, and from aiding and</p>



abetting violations of Sections 13(a) and 13(b)(2) of the Exchange Act and Rules 12b-20, 13a-1, and 13a-13 thereunder, in the civil action entitled Securities and Exchange Commission v. Thomas H. Laws, et al., Civil Action Number 1:18-cv-1063, in the United States District Court for the District of New Mexico. The Commission's complaint alleged, among other things, that from at least August 2016 through February 2018, Santa Fe transferred directly to Laws and an entity he controlled approximately \$1.1 million of investors' funds for various corporate purposes, including the purchase of a silver mine, the acquisition of mining claims, the purchase of mining equipment, and for third party services to the company. Rather than use the funds for corporate purposes, Laws misappropriated these funds and attempted to hide his theft by fabricating documents, including by forging vendor invoices, agreements, bank records, communications, and signatures. Because Laws misappropriated investor funds, he knew that multiple Santa Fe periodic reports filed with the Commission, each of which were signed and certified by Laws, were materially false and misleading.

<b>Current Status:</b>	Final
<b>Resolution:</b>	Order
<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>	07/10/2019
<b>Sanctions Ordered:</b>	Bar (Permanent) 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 2**

**Sanction Type:** Suspension

**Capacities Affected:** appearing or practicing before the Commission as an accountant

**Duration:** Indefinite

**Start Date:** 07/10/2019

**End Date:**

**Sanction 2 of 2**

**Sanction Type:** Bar (Permanent)

**Capacities Affected:** association with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or NRSRO

**Duration:** Indefinite

**Start Date:** 07/10/2019

**End Date:**

**Regulator Statement**

Respondent has submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept.

It is ORDERED, effective immediately, that Laws be, and hereby is, barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

Laws is also suspended from appearing or practicing before the Commission as an



accountant.

## 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>	04/10/2019
<b>Docket/Case Number:</b>	<a href="#">2019061095601</a>
<b>Employing firm when activity occurred which led to the regulatory action:</b>	H.D. Vest Investment Services, Inc.
<b>Product Type:</b>	No Product
<b>Allegations:</b>	Without admitting or denying the findings, Laws consented to the sanction and to the entry of findings that he refused to appear and provide a FINRA requested on-the-record testimony in connection with an investigation into whether he potentially violated FINRA rules by engaging in undisclosed outside business activities and/or private securities transactions while associated with a member firm.
<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>	04/10/2019
<b>Sanctions Ordered:</b>	Bar (Permanent)
<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:** Bar (Permanent)  
**Capacities Affected:** All capacities  
**Duration:** Indefinite  
**Start Date:** 04/10/2019  
**End Date:**

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**Reporting Source:** Firm  
**Regulatory Action Initiated By:** FINRA  
**Sanction(s) Sought:**  
**Date Initiated:** 04/10/2019  
**Docket/Case Number:** [2019061095601](#)  
**Employing firm when activity occurred which led to the regulatory action:** HD Vest Investment Services  
**Product Type:** No Product



**Allegations:** Without admitting or denying the findings, Laws consented to the sanction and to the entry of findings that he refused to appear and provide a FINRA requested on-the-record testimony in connection with an investigation into whether he potentially violated FINRA rules by engaging in undisclosed outside business activities and/or private securities transactions while associated with a member firm.

**Current Status:** Final

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 04/10/2019

**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>	04/10/2019
<b>End Date:</b>	



## 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 Mexico
<b>Location of Court:</b>	Las Cruces, NM
<b>Docket/Case #:</b>	2:19cr2607
<b>Charge Date:</b>	08/14/2019
<b>Charge(s) 1 of 3</b>	
<b>Formal Charge(s)/Description:</b>	Wire Fraud
<b>No of Counts:</b>	9
<b>Felony or Misdemeanor:</b>	Felony
<b>Plea for each charge:</b>	no plea
<b>Disposition of charge:</b>	
<b>Charge(s) 2 of 3</b>	
<b>Formal Charge(s)/Description:</b>	Aggravated Identity Theft
<b>No of Counts:</b>	2
<b>Felony or Misdemeanor:</b>	Felony
<b>Plea for each charge:</b>	no plea
<b>Disposition of charge:</b>	
<b>Charge(s) 3 of 3</b>	
<b>Formal Charge(s)/Description:</b>	Transportation, Transmission and Transfer of Money Stolen, Converted and Taken by Fraud
<b>No of Counts:</b>	7
<b>Felony or Misdemeanor:</b>	Felony
<b>Plea for each charge:</b>	no plea



**Disposition of charge:**

**Current Status:**

Pending

**Status Date:**



## Civil - Final

This type of disclosure event involves (1) an injunction issued by a court in connection with investment-related activity, (2) a finding by a court of a violation of any investment-related statute or regulation, or (3) an action brought by a state or foreign financial regulatory authority that is dismissed by a court pursuant to a settlement agreement.

### 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 Other: prohibition
<b>Date Court Action Filed:</b>	11/15/2018
<b>Product Type:</b>	No Product
<b>Type of Court:</b>	Federal Court
<b>Name of Court:</b>	The United States District Court for the District of New Mexico
<b>Location of Court:</b>	District of New Mexico
<b>Docket/Case #:</b>	1:18-cv-01063
<b>Employing firm when activity occurred which led to the action:</b>	THL Financial Services Corporation; Santa Fe Gold Corporation
<b>Allegations:</b>	<p>The United States Securities and Exchange Commission ("Commission" or "SEC") alleges as follows against Defendant Thomas H. Laws ("Laws") and Relief Defendant THL Financial Services Corporation ("THL") that this enforcement action concerns the misappropriation of at least \$1.1 million of investor funds by Laws, the former chief executive officer of Santa Fe Gold Corporation ("Santa Fe" or the "company").</p> <p>Santa Fe, a small mining company based in Albuquerque, New Mexico, is a public company quoted on OTC Link operated by OTC Markets Group. After emerging from bankruptcy in June 2016 without assets, Santa Fe raised approximately \$6.8 million from the sale of unregistered securities.</p> <p>From at least August 2016 through February 2018, Santa Fe transferred directly to Laws and THL approximately \$1.1 million of investors' funds for various corporate purposes, including the purchase of a silver mine, the acquisition of mining claims, the purchase of mining equipment, and for third party services to the company. Rather than use the funds for corporate purposes, Laws misappropriated these funds and attempted to hide his theft by fabricating documents, including by</p>



forging vendor invoices, agreements, bank records, communications, and signatures.

In September 2018, after Santa Fe discovered a portion of Laws' misappropriation and confronted him, he did not provide an explanation for his conduct, but he agreed to repay the funds and executed a promissory note to Santa Fe in the amount of \$930,000.

The promissory note has matured, but Laws has repaid only \$375,000.

After the note was executed, the company identified approximately \$170,000 of additional misappropriated investor funds, bringing the total at issue to at least \$1.1 million.

At present, Laws has not repaid or accounted for at least \$725,000 of investor funds.

<b>Current Status:</b>	Final
<b>Resolution:</b>	Judgment Rendered
<b>Resolution Date:</b>	06/28/2019
<b>Sanctions Ordered or Relief Granted:</b>	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines Other: prohibition; bar

#### Capacities 1 of 1

<b>Capacities Affected:</b>	N/A
<b>Duration:</b>	Permanent
<b>Start Date:</b>	06/28/2019
<b>End Date:</b>	

#### Monetary Sanction 1 of 3

<b>Monetary Sanction:</b>	Monetary Fine
<b>Total Amount:</b>	\$500,000.00
<b>Portion against individual:</b>	500000
<b>Date Paid:</b>	
<b>Portion Waived:</b>	No

#### Amount Waived:

#### Monetary Sanction 2 of 3

<b>Monetary Sanction:</b>	prejudgment interest on disgorgement, jointly and severally
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**Total Amount:** \$57,673.00  
**Portion against individual:** 57673  
**Date Paid:**  
**Portion Waived:** No  
**Amount Waived:**

**Monetary Sanction 3 of 3**  
**Monetary Sanction:** Disgorgement  
**Total Amount:** \$705,000.00  
**Portion against individual:** 705000  
**Date Paid:**  
**Portion Waived:** No  
**Amount Waived:**

**Regulator Statement**

On June 28, 2019, a final judgment was entered by consent against Laws, wherein he was permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933, Sections 10(b) and 13(b)(5) of the Exchange Act and Rules 10b-5, 13b2-1, 13b2-2, and 13a-14 thereunder, and from aiding and abetting violations of Sections 13(a) and 13(b)(2) of the Exchange Act and Rules 12b-20, 13a-1, and 13a-13 thereunder.

Laws is prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act.

Laws is permanently barred from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock.

Laws is jointly and severally liable for disgorgement of \$705,000, plus prejudgment interest thereon in the amount of \$57,673, for a total of \$762,673.

Laws is also liable for a civil penalty in the amount of \$500,000.



## 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 2

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	Avantax Investment Services
<b>Allegations:</b>	Claimants alleged that they invested in fraudulent investments and the representative misappropriated their funds for his personal use.
<b>Product Type:</b>	Direct Investment-DPP & LP Interests
<b>Alleged Damages:</b>	\$999,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	No
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	19-03399
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	11/13/2019

### Customer Complaint Information

<b>Date Complaint Received:</b>	01/16/2020
<b>Complaint Pending?</b>	Yes
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	

### Disclosure 2 of 2

<b>Reporting Source:</b>	Firm
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<b>Employing firm when activities occurred which led to the complaint:</b>	Avantax Investment Services
<b>Allegations:</b>	Claimants alleged that they invested in fraudulent investments and the representative misappropriated their funds for his personal use.
<b>Product Type:</b>	Direct Investment-DPP & LP Interests
<b>Alleged Damages:</b>	\$200,325.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	No
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	19-03714
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	12/17/2019
<b>Customer Complaint Information</b>	
<b>Date Complaint Received:</b>	01/13/2020
<b>Complaint Pending?</b>	Yes
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	
<b>Firm Statement</b>	Amended Statement of Claim was received by Avantax on 4/27/2020, the amendment reflected additional claimants (reflected in Item 1 above and an increased alleged damage amount (reflected in Item 6 above).



## End of Report



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