

BrokerCheck Report

RAYMOND LEE NORAGON

CRD# 4499699

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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.

RAYMOND L. NORAGON

CRD# 4499699

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:

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

Registration History

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

B WELLSTONE SECURITIES, LLC
 CRD# 121559
 CUMMING, GA
 02/2003 - 12/2007

B CONSUMER CONCEPTS INVESTMENTS, INC.
 CRD# 26167
 AUSTELL, GA
 05/2002 - 01/2003

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	2
Criminal	1

Investment Adviser Representative Information

The information below represents the individual's record as a broker. For details on this individual's record as an investment adviser representative, visit the SEC's Investment Adviser Public Disclosure website at

<https://www.adviserinfo.sec.gov>

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

Principal/Supervisory Exams

Exam	Category	Date
B Municipal Securities Principal Examination	Series 53	10/28/2002
B General Securities Principal Examination	Series 24	06/20/2002

General Industry/Product Exams

Exam	Category	Date
B General Securities Representative Examination	Series 7	05/29/2002

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	03/04/2004
B Uniform Securities Agent State Law Examination	Series 63	05/20/2002

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/.

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 02/2003 - 12/2007	WELLSTONE SECURITIES, LLC	121559	CUMMING, GA
B 05/2002 - 01/2003	CONSUMER CONCEPTS INVESTMENTS, INC.	26167	AUSTELL, GA

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
02/2003 - Present	WELLSTONE SECURITIES, LLC	CHIEF COMPLIANCE OFFICER	Y	CUMMING, GA, 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	2	0
Criminal	1	0



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 2

Reporting Source: Regulator

Regulatory Action Initiated By: FINRA

Sanction(s) Sought: Other: N/A

Date Initiated: 10/07/2009

Docket/Case Number: 2005001398601

Employing firm when activity occurred which led to the regulatory action: WELLSTONE SECURITIES, LLC

Product Type: Other: HEDGE FUND AND LIMITED PARTNERSHIP INTERESTS

Allegations: SECTION 17(A) OF THE SECURITIES ACT OF 1933, SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 10B-5 THEREUNDER, NASD RULES 2110, 2120, 2210 AND 3010: RESPONDENT RAYMOND LEE NORAGON KNEW, OR RECKLESSLY DISREGARDED, THAT THE PRIVATE PLACEMENT OFFERING DOCUMENTS AND MARKETING MATERIALS SUPPLIED BY A HEDGE FUND MANAGER, AND USED BY HIS MEMBER FIRM'S SALESMEN TO SOLICIT CUSTOMERS TO PURCHASE THE HEDGE FUND AND ITS GENERAL PARTNER, CONTAINED MATERIALLY FALSE AND MISLEADING INFORMATION AND OMISSIONS OF MATERIAL FACT. WITHOUT FURTHER INVESTIGATION, NORAGON RELIED ON THE HEDGE FUND'S MANAGER'S CLAIMS THAT TEST RESULTS CONTAINED IN SALES MATERIAL WERE BASED ON MORE THAN HYPOTHETICAL RETURNS, AND PERMITTED SALESMEN TO MAKE THE SAME REPRESENTATIONS TO THEIR CUSTOMERS. NORAGON DID NOT QUESTION THE USE OF AN OUTDATED PRIVATE PLACEMENT MEMORANDUM (PPM) AND DID NOT TAKE REASONABLE STEPS TO INVESTIGATE DISPARITIES BETWEEN INFORMATION PROVIDED BY THE HEDGE FUND MANAGER, THE PPM AND SALES MATERIAL; DID NOT DETERMINE WHETHER OTHER PARTNERS WERE INVOLVED IN THE MANAGEMENT OF THE HEDGE FUND; PERMITTED



SALESMEN TO INCLUDE OUTDATED INFORMATION ABOUT THE HEDGE FUND'S MANAGEMENT IN THEIR SALES PITCHES TO CUSTOMERS; AND DID NOT REQUEST COPIES OF THE HEDGE FUND'S AUDITED FINANCIAL STATEMENTS, EVEN THOUGH THE HEDGE FUND'S LIMITED PARTNERSHIP AGREEMENT REQUIRED THE HEDGE FUND TO PREPARE AND DISTRIBUTE ANNUAL AUDITED FINANCIAL STATEMENTS FOR INVESTORS. NORAGON KNEW OF FRAUD ACTIONS AGAINST THE HEDGE FUND'S MANAGER, BUT DID NOT DISCLOSE THE ACTIONS TO HIS SALESMEN AND DID NOT REQUIRE THEM TO DISCLOSE THE ACTIONS TO THEIR CUSTOMERS, EVEN AFTER THE SALESMEN LEARNED OF THE FRAUD ACTIONS. NORAGON, WITHOUT TESTING THE VALIDITY OF THE MANAGER'S CLAIM THAT REGULATION D COULD BE BYPASSED BY INVESTING IN THE GENERAL PARTNERSHIP, PERMITTED SALESMEN TO REPRESENT THE GENERAL PARTNERSHIP AS AN INVESTMENT THAT WOULD PERMIT NON-ACCREDITED INVESTORS TO PARTICIPATE IN THE HEDGE FUND'S TRADING STRATEGY. NORAGON PERMITTED SALESMEN TO USE THE HEDGE FUND'S MISLEADING MARKETING MATERIALS TO SOLICIT CUSTOMERS TO PURCHASE LIMITED PARTNERSHIP INTERESTS IN THE GENERAL PARTNERSHIP. NORAGON AUTHORIZED THE SALE OF THE HEDGE FUND AND THE GENERAL PARTNERSHIP TO NON-ACCREDITED INVESTORS, CONTRARY TO HIS FIRM'S WRITTEN SUPERVISORY PROCEDURES THAT LIMITED THE SALE OF PRIVATE PLACEMENTS TO ACCREDITED INVESTORS AND INSTITUTIONAL CLIENTS. IN ADDITION, CONTRARY TO HIS FIRM'S WRITTEN SUPERVISORY PROCEDURES, NORAGON FAILED TO CONDUCT A REASONABLE DUE DILIGENCE REVIEW AND FAILED TO ENSURE THE DISCLOSURE OF ALL MATERIAL INFORMATION RELATING TO THE HEDGE FUND AND THE GENERAL PARTNERSHIP.

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?	Yes
Resolution Date:	10/07/2009
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?

Yes

(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?

Yes

(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

No



(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?

No

Sanction 1 of 1

Sanction Type: Bar (Permanent)
Capacities Affected: All Capacities
Duration: Indefinite
Start Date: 10/07/2009
End Date:

Regulator Statement

WITHOUT ADMITTING OR DENYING THE FINDINGS, NORAGON CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, HE IS BARRED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY CAPACITY.

THE SETTLEMENT INCLUDES A FINDING THAT NORAGON WILLFULLY VIOLATED SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 10B-5 THEREUNDER, AND THAT UNDER ARTICLE III, SECTION 4 OF THE FINRA BY-LAWS, THIS OMISSION MAKES HIM SUBJECT TO A STATUTORY DISQUALIFICATION WITH RESPECT TO ASSOCIATION WITH A MEMBER.

Disclosure 2 of 2

Reporting Source: Regulator



Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	
Other Sanction(s) Sought:	
Date Initiated:	11/21/2008
Docket/Case Number:	2007007321102
Employing firm when activity occurred which led to the regulatory action:	WELLSTONE SECURITIES, LLC
Product Type:	No Product
Other Product Type(s):	
Allegations:	NASD RULES 2110, 3010, 3010(A), 3010(C): NORAGON FAILED TO ENFORCE HIS MEMBER FIRM'S SUPERVISORY PROCEDURES, IN THAT HE FAILED TO CONDUCT AN ANNUAL COMPLIANCE MEETING, FAILED TO CAUSE THE INSPECTION OF OFFICES OF SUPERVISORY JURISDICTION (OSJ) AND NON-OSJ BRANCH OFFICES AND FAILED TO ENSURE THAT OSJ AND NON-OSJ BRANCH OFFICES WERE EXAMINED AND THE EXAMINATION DOCUMENTED. NORAGON APPROVED HIS MEMBER FIRM'S PARTICIPATION IN SECURITIES OFFERINGS WITHOUT ENSURING THAT THE PROSPECTUSES USED IN CONNECTION WITH THE OFFERINGS CONTAINED ADEQUATE DISCLOSURES AND WERE NOT MATERIALLY MISLEADING.
Current Status:	Final
Resolution:	Decision & Order of Offer of Settlement
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:	03/18/2009
Sanctions Ordered:	Monetary/Fine \$25,000.00 Suspension
Other Sanctions Ordered:	



Sanction Details:

WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, NORAGON
CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF
FINDINGS; THEREFORE HE IS FINED \$25000 AND SUSPENDED FROM
ASSOCIATION WITH ANY FINRA MEMBER IN ANY PRINCIPAL CAPACITY FOR
SIX MONTHS. THE SUSPENSION IS IN EFFECT FROM APRIL 6, 2009,
THROUGH OCTOBER 5, 2009.



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:	Broker
Court Details:	ALLEN COUNTY SUPERIOR COURT FORT WAYNE, INDIANA
Charge Date:	01/10/1991
Charge Details:	CHARGED WITH ONE COUNT OF CRIMINAL CONVERSION, A CLASS "A" MISDEMEANOR IN INDIANA. FOR WRONGFULLY TAKING \$100.00 IN CASH FROM MY EMPLOYER, L.S. AYRES. I PLED GUILTY AS CHARGED AND AGREED TO MAKE RESTITUTION.
Felony?	No
Current Status:	Final
Status Date:	01/10/1991
Disposition Details:	UPON PLEADING GUILTY, I WAS CONVICTED AND ORDERED TO MAKE RESTITUTION, PLUS PAY \$100.00 FINE AND COURT COSTS. I WAS ALSO SENTENCED TO SERVE 90 DAYS IN ALLEN COUNTY JAIL, WITH ALL BUT 10 DAYS OF THE SENTENCE SUSPENDED IN CONSIDERATION OF IT BEING A FIRST OFFENSE. SENTENCE BEGAN AND FINES WERE PAID IMMEDIATELY AFTER JUDGEMENT.

End of Report



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