

BrokerCheck Report

BRIAN FERDINAND

CRD# 4528657

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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.](http://www.finra.org)

BRIAN FERDINAND

CRD# 4528657

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
- 3 General Industry/Product Exams
- 0 State Securities Law Exams

Registration History

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

- B T3 TRADING GROUP, LLC**
CRD# 154431
NEW YORK, NY
02/2015 - 04/2016
- B ECHOTRADE LLC**
CRD# 42239
PHOENIX, AZ
10/2011 - 05/2013
- B ECHOTRADE LLC**
CRD# 42239
PHOENIX, AZ
04/2006 - 10/2011

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	1

Broker Qualifications



Registrations

This section provides the self-regulatory organizations (SROs), states and U.S. territories the broker is currently registered and licensed with, the category of each registration, and the date on which the registration became effective. This section also provides, for each firm with which the broker is currently employed, the address of each branch where the broker works.

This broker is not currently registered.



Broker Qualifications

Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below. A passed exam or exam waiver does not permit a broker to do business without an active SRO or state registration.

This individual has passed 0 principal/supervisory exams, 3 general industry/product exams, and 0 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	04/13/2016
B Limited Representative-Equity Trader Exam	Series 55	05/21/2002
B General Securities Representative Examination	Series 7	08/03/2001

State Securities Law Exams

Exam	Category	Date
No information reported.		

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.

Only professional designations listed in Question 8 of the Form U4 will appear in this section if the appropriate box is checked and verified by the issuing organization at the time of the filing. Learn more about eligible designations at [IARD](#) and [NASAA](#).



Registration and Employment History

Registration History

The broker previously was registered with the following securities firms:

Registration Dates	Firm Name	CRD#	Branch Location
B 02/2015 - 04/2016	T3 TRADING GROUP, LLC	154431	NEW YORK, NY
B 10/2011 - 05/2013	ECHOTRADE LLC	42239	PHOENIX, AZ
B 04/2006 - 10/2011	ECHOTRADE LLC	42239	PHOENIX, AZ
B 10/2002 - 01/2003	CARLIN EQUITIES CORP.	31295	NEW YORK, NY
B 05/2002 - 10/2002	WORLDSCO, L.L.C.	24673	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
12/2011 - Present	LIQUID PRIME SERVICES, LLC	MANAGING MEMBER	Y	NEW YORK, NY, United States
11/2011 - Present	LIQUID FUTURES, LLC	MANAGING MEMBER	Y	NEW YORK, NY, United States
05/2008 - Present	FERDINAND TRADING, LLC	MANAGING MEMBER	Y	MANHASSET, NY, United States
03/2008 - Present	LIQUID TRADING INT'L, LLP	MANAGING MEMBER	Y	LONDON, United Kingdom
05/2006 - Present	FERDINAND CAPITAL, LLC	MANAGING MEMBER	Y	MANHASSET, NY, 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	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 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Cease and Desist
Date Initiated:	04/22/2020
Docket/Case Number:	3-19758
Employing firm when activity occurred which led to the regulatory action:	Liquid Holdings Group Inc.
Product Type:	No Product
Allegations:	SEC Admin Releases 33-10775; 34-88720; Accounting and Auditing Enforcement Release 4127, April 22, 2020: The Securities and Exchange Commission ("Commission") deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 ("Securities Act") and Section 21C of the Securities Exchange Act of 1934 ("Exchange Act"), against Brian L. Ferdinand ("Ferdinand" or "Respondent"). The Commission finds that these proceedings involve Liquid Holdings Group, Inc.'s ("Liquid") disclosures in its periodic filings and secondary public offering Form S-1 regarding its reliance on loans and investments from Ferdinand and Liquid's largest shareholder ("Shareholder A") to provide a substantial portion of the money QuantX Management LLP ("QuantX")-Liquid's largest customer and a related party-paid to Liquid in software subscription fees. When QuantX needed to raise capital in 2013, Ferdinand and Shareholder A provided additional capital to QuantX to pay its quarterly software subscription fees to Liquid. Ferdinand knew that QuantX could not have paid the fees it owed to Liquid without this money. Liquid did not disclose these facts in the Form 10-Q for the third quarter of 2013 or the Form 10-K for 2013. In addition, Liquid's Form 10-Q for the third quarter of 2013, the Form 10-K for 2013, and the Form S-1 filed on April 9, 2014 stated that QuantX represented



69 percent or more of Liquid's revenue during the relevant periods but failed to disclose that Liquid was reliant on Ferdinand and Shareholder A to provide QuantX with additional money to pay its software subscription fees to Liquid. As a result, Liquid's disclosures regarding its reliance on QuantX were materially misleading. During the relevant period, Ferdinand was a member of its Board of Directors and Liquid's Head of Corporate Strategy. He was also a co-owner of QuantX, and was knowledgeable about its financial condition at all times during the relevant period. During the relevant period, in his role as a board member, Ferdinand reviewed the Form 10-Q for the third quarter of 2013 and signed the Form 10-K for 2013 and the initial Form S1 for Liquid's secondary public offering. Ferdinand also failed to timely file new Forms 4 on two occasions in 2014, and to file amendments to Schedule 13D with the Commission following five material changes to his ownership of Liquid shares of common stock in 2014 and 2015. As a result of the conduct described herein, Ferdinand was a cause of Liquid's violations of Section 13(a) of the Exchange Act and Rules 13a-1, 13a-13, and 12b-20 promulgated thereunder and Section 17(a)(2) of the Securities Act; and violated Sections 13(d)(2) and 16(a) of the Exchange Act and Rules 13d-2(a) and 16a-3 promulgated thereunder.

Current Status:	Final
Resolution:	Order
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:	04/22/2020
Sanctions Ordered:	Cease and Desist Civil and Administrative Penalty(ies)/Fine(s)
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?

Monetary Sanction 1 of 1

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

Total Amount: \$115,000.00

Portion Levied against individual: \$115,000.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Regulator Statement

Respondent has submitted an Offer of Settlement, which the Commission has determined to accept. Ferdinand is ordered to cease and desist from committing or causing any violations and any future violations of Section 17(a)(2) of the Securities Act; and Sections 13(a), 13(d)(2), and 16(a) of the Exchange Act and Rules 13a-1, 13a-13, 12b-20, 13d-2, and 16a-3 promulgated thereunder. Ferdinand shall pay a civil money penalty of \$115,000 to the Commission.

End of Report



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