

BrokerCheck Report

PATRICK BRIAN HORSMAN

CRD# 4694883

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Broker Qualifications	2 - 3
Registration and Employment History	5 - 6
Disclosure Events	7



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)

PATRICK B. HORSMAN

CRD# 4694883

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:

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

Registration History

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

- B BLUE SAND SECURITIES LLC**
CRD# 142976
Bay Harbor Islands, FL
05/2007 - 10/2020
- B PALI CAPITAL, INC.**
CRD# 117783
NEW YORK, NY
04/2004 - 05/2007
- B INVESTORS RESOURCES GROUP, INC.**
CRD# 45752
VACAVILLE, CA
08/2003 - 02/2004

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

Principal/Supervisory Exams

Exam	Category	Date
B General Securities Principal Examination	Series 24	12/06/2006

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	08/28/2003

State Securities Law Exams

Exam	Category	Date
B IA Uniform Combined State Law Examination	Series 66	08/22/2003

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at www.finra.org/brokerqualifications/registeredrep/.



Broker Qualifications

Professional Designations

This section details that the representative has reported **0** professional designation(s).

No information reported.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
B 05/2007 - 10/2020	BLUE SAND SECURITIES LLC	142976	Bay Harbor Islands, FL
B 04/2004 - 05/2007	PALI CAPITAL, INC.	117783	NEW YORK, NY
B 08/2003 - 02/2004	INVESTORS RESOURCES GROUP, INC.	45752	VACAVILLE, CA

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
03/2007 - Present	BLUE SAND SECURITIES LLC	REGISTERED REP	Y	BETHESDA, MD, 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.

MERION CAPITAL LP - RANDOR, PA; EVENT DRIVEN HEDGE FUND FOCUSED ON Focused on undervalued M&A deals; POSITION HELD IS CO-FOUNDER AND CHIEF OPERATING OFFICER FOR THE MANAGEMENT COMPANY THAT RUNS THREE FUNDS; 20 HOURS A WEEK ON WORK FOR MERION; STARTED JUNE 2009. Managing Partner & CO-FOUNDER OF INTEGRATED AG LP; Private Equity fund focused on farmland, specifically the redevelopment of water infrastructure; NO DAY TO DAY ROLE IN THE BUSINESS; STARTED OCT. 2011 10 HOURS A WEEK. CONTEXT SUMMITS; STARTED 1/15/2014, Hedge fund conference company, Partner, Board Member, and Investor. Canyon Capital VI LLC, started 12/2/2016, boat charter company, will do limited charters to cover boat expenses, no day to day activity, 1hrs/week. Esoteric Strategies LP, FL, Partner, Fund focused on making niche investments into hedge funds, private deals, and other off the run niche investments, 10 hrs/week. Safe Shepherd LLC, 1111 Kane Concourse, Ste. 603, Bay Harbor Islands, FL; Partner, Chairman of Board & Investor, Technology company that removes your personal information from the internet, 3 hours per week. Series GA Oxford Insurance Company LLC: Captive Insurance Company, 1 hr per week. Horsman Holdings LLC, CIO, Private Single Family office for Horsman Family and associated Trusts and foundations, 10 hrs/week. Esoteric Investments LP, Esoteric Strategies LP, Esoteric Management LP, Florida, small fund focused on niche investments; 1% of time per week; identify and due diligence niche private investments; Arizona Coyotes - IceArizona Hockey Co LLC, Arizona, Board of Directors, Directorship, 1/2 hr a week; IceTime LLC, 1111 Kane Concourse, Ste 603, Bay Harbor Islands, to create a fantasy hockey league, Owner/Founder, business strategy, fundraising; 2 hrs/wk; Cypress Point Holdings LLC, Cypress Point Partners LLC, Cypress Servicing



Registration and Employment History

Other Business Activities, continued

LLC, Cypress Capital LLC, Cypress Systems LLC, Partner, litigation funding business focused on Mass Tort Law Firms; Operations/raising capital/manager; 5hrs/week; Tathata LLC, owner, online golf school, 0 hrs per week. Plantible Foods Inc., Bay Harbor Islands, FL, Plant based protein company, Owner, Board Member Duties, started 7/6/2018, 1 hour/wk. Verified Organic LP, Scottsdale, AZ, part owner, 2 hrs per week, extension of Integrated Ag for farm industry, commences 9/20/18. Integrated CBD LLC, 1111 Kane Concourse, Suite 603, Bay Harbor Islands, FL 33154; started 1/10/2019, spin off from Integrated Ag entity - this entity will grow hemp, part owner, duties entail company strategy and partnerships, 10% of time per week. Tathata LLC, online golf school; majority owner; 1111 Kane Concourse, Ste 603, Bay Harbor Islands, FL 33154; 2-3hrs/week; 2/22/2018. Canyon Capital VII, 1111 Kane Concourse, Ste. 603, Bay Harbor Islands, FL; Owner; Real Estate Holding Co.; 2% of time spent on Co.; 8/8/2018; Verified Organic LP, 9237 E. Via De Ventura Blvd., Ste 220 Scottsdale, AZ 85258; Owner; extension of Integrated Ag business (see above) duties same as to Integrated Ag; 2hrs/week; 9/6/2018. Canyon Capital VIII LLC, Real Estate holding co.; owner; 1111 Kane Concourse; Ste. 603, Bay Harbor Islands, FL 33154; <1hr/month; 2/4/2019. Canyon Capital IX LLC; real estate holding for rental property; owner; <1 hr/month, 1111 Kane Concourse, Ste. 603, Bay Harbor Islands, FL 2/13/2019. Unicorn Health LLC, 1111 Kane Concourse, Ste 603, BAY Harbor Islands, FL 33154; Partner, re-seller of medical supplies; duties include setting up supply relationships; 5% of time/wk. Funds 4 Food; Consultant on the advisory board to assist in getting investors to participate in an online Cap Intro Event; 2hrs/wk.



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:**
 - A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
 - 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.
 -
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - 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.
 -
4. **There are different statuses and dispositions for disclosure events:**
 - 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.
 - 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
Civil Event	1	0	0
Termination	N/A	1	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

Reporting Source:	Regulator
Regulatory Action Initiated By:	Massachusetts Securities Division
Sanction(s) Sought:	Undertaking
Date Initiated:	03/27/2018
Docket/Case Number:	R-2017-0101
URL for Regulatory Action:	
Employing firm when activity occurred which led to the regulatory action:	
Product Type:	No Product
Allegations:	Horsman is the subject of one regulatory action while registered with Blue Sand. Horsman was suspended for 10 business days and fined by FINRA.
Current Status:	Final
Resolution:	Consent



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:	03/27/2018
Sanctions Ordered:	Undertaking Other: D.For a period of three (3) years from the date of the entry of the Order, heightened supervision of Horsman shall, at a minimum, include the following: all potential Massachusetts investors shall be reviewed by a principal of Blue Sands to ensure that each potential Massachusetts investor qualifies as an accredited institutional investor; and 2) the compliance department's audit shall include a mandatory review of all of Horsman's personal securities transactions. All reviews shall be undertaken to detect and prevent potential securities violations and be memorialized in writing
Regulator Statement	As a result of the above-stated disclosure incidents, and pursuant to the Undertakings, the Division has placed conditions on Horsman's continued registrations as a BD Agent of Blue Sand in Massachusetts.
<hr/>	
Reporting Source:	Broker
Regulatory Action Initiated By:	Massachusetts Securities Division
Sanction(s) Sought:	Undertaking
Date Initiated:	03/27/2018
Docket/Case Number:	R-2017-0101
Employing firm when activity occurred which led to the regulatory action:	Blue Sand Securities LLC
Product Type:	No Product
Allegations:	Related to FINRA Regulatory Action for which an Acceptance, Waiver and Consent was entered into on 3/1/2017.
Current Status:	Final
Resolution:	Undertaking



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:	03/27/2018
Sanctions Ordered:	Undertaking Other: For a period of (3) three years Mr. Horsman will be on heightened supervision, which shall at a minimum, include: Review of all potential Massachusetts investors by a principal of Blue Sand to ensure each potential Massachusetts based investor qualifies as an accredited institutional investor; and 2) the compliance department shall audit all of Mr. Horsman's personal securities transactions.
Broker Statement	Massachusetts via it's Undertakings restricted Mr. Horsman's activities in Massachusetts and he may not perform principal, supervisory, or managerial duties for a period of 3 years with respect only to Massachusetts based customers.

Disclosure 2 of 2

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	03/01/2017
Docket/Case Number:	2016048854001
Employing firm when activity occurred which led to the regulatory action:	Blue Sand Securities LLC
Product Type:	Other: IPOs
Allegations:	Without admitting or denying the findings, Horsman consented to the sanctions and to the entry of findings that he purchased shares in 11 initial public offerings (IPOs) in three personal brokerage accounts held at three FINRA member firms. The findings stated that FINRA rules prohibits a person associated with a member from purchasing a new issue in any account in which such person associated with a member has a beneficial interest. The findings also stated that Horsman orally disclosed four outside brokerage accounts to his member firm, but failed to promptly notify the firm of the accounts in writing.



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: 03/01/2017

Sanctions Ordered: Civil and Administrative Penalty(ies)/Fine(s)
Disgorgement
Suspension

If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise? No

(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?



(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or

(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?

Sanction 1 of 1

Sanction Type:	Suspension
Capacities Affected:	Any capacity
Duration:	10 business days
Start Date:	07/03/2017
End Date:	07/17/2017

**Monetary Sanction 1 of 2****Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)**Total Amount:** \$20,000.00**Portion Levied against individual:** \$20,000.00**Payment Plan:****Is Payment Plan Current:****Date Paid by individual:** 03/30/2017**Was any portion of penalty waived?** No**Amount Waived:****Monetary Sanction 2 of 2****Monetary Related Sanction:** Disgorgement**Total Amount:** \$10,537.34**Portion Levied against individual:** \$10,537.34**Payment Plan:** plus interest**Is Payment Plan Current:****Date Paid by individual:** 03/30/2017**Was any portion of penalty waived?** No**Amount Waived:****Reporting Source:** Broker**Regulatory Action Initiated By:** FINRA**Sanction(s) Sought:** Other: N/A**Date Initiated:** 03/01/2017**Docket/Case Number:** [2016048854001](#)



Employing firm when activity occurred which led to the regulatory action:	Blue Sand Securities LLC
Product Type:	Other: IPOs
Allegations:	Without admitting or denying the findings, Horsman consented to the sanctions and to the entry of findings that he purchased shares in 11 initial public offerings (IPOs) in three personal brokerage accounts held at three FINRA member firms .The findings stated that FINRA rules prohibits a person associated with a member from purchasing a new issue in any account in which such person associated with a member has a beneficial interest. The findings also stated that Horsman orally disclosed four outside brokerage accounts to his member firm, but failed to promptly notify the firm of the accounts in writing.
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:	03/01/2017
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Suspension
Sanction 1 of 1	
Sanction Type:	Suspension
Capacities Affected:	Any capacity
Duration:	10 business days
Start Date:	07/03/2017
End Date:	07/17/2017
Monetary Sanction 1 of 2	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$20,000.00



Portion Levied against individual: \$20,000.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Monetary Sanction 2 of 2

Monetary Related Sanction: Disgorgement

Total Amount: \$10,537.34

Portion Levied against individual: \$10,537.34

Payment Plan: plus interest

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:



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

Reporting Source:	Broker
Initiated By:	Ian Lev
Relief Sought:	Monetary Penalty other than Fines
Date Court Action Filed:	10/02/2020
Date Notice/Process Served:	10/06/2020
Product Type:	Other: Investment in a private placement of an OBA
Type of Court:	State Court
Name of Court:	Superior court of the State of Arizona
Location of Court:	County of Maricopa
Docket/Case #:	CV2020-012256
Employing firm when activity occurred which led to the action:	
Allegations:	Negligent misrepresentation, breach of implied covenant of good faith, unjust enrichment, fraud.
Current Status:	Pending
Limitations or Restrictions in Effect During Appeal:	N/A
Broker Statement	The registered representative informed the firm that he had been named in a lawsuit related to a previously disclosed outside business activity. The registered representative expressed to the firm that he believes that they lawsuit lacks any basis, and that he intends to strongly defend the suit.



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

Reporting Source:	Firm
Employer Name:	Blue Sand Securities LLC
Termination Type:	Permitted to Resign
Termination Date:	10/09/2020
Allegations:	Complaint alleges negligent misrepresentation, breach of implied covenant of good faith, unjust enrichment, and fraud.
Product Type:	Other: Private placement in a previously disclosed outside business activity
Firm Statement	> On October 7, 2020, the registered representative informed the firm that he had been named in a lawsuit related to a previously disclosed outside business activity. The registered representative expressed to the firm that he believes that the lawsuit lacks any basis, and that he intends to strongly defend the suit.

End of Report



This page is intentionally left blank.