

BrokerCheck Report

ERIK PATRICK PICA

CRD# 4829533

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Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

About BrokerCheck®

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

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

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.
- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

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

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

ERIK P. PICA

CRD# 4829533

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
- 1 State Securities Law Exam

Registration History

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

- B JOSEPH STONE CAPITAL L.L.C.**
CRD# 159744
NEW YORK, NY
04/2015 - 11/2019
- B GLOBAL ARENA CAPITAL CORP**
CRD# 16871
NEW YORK, NY
01/2012 - 04/2015
- B FIRST MIDWEST SECURITIES, INC.**
CRD# 21786
NEW YORK, NY
08/2009 - 02/2012

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	1
Customer Dispute	7
Termination	1

Broker Qualifications



Registrations

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

This broker is not currently registered.



Broker Qualifications

Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below.

This individual has passed 0 principal/supervisory exams, 2 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	10/01/2004

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	10/08/2004

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 04/2015 - 11/2019	JOSEPH STONE CAPITAL L.L.C.	159744	NEW YORK, NY
B 01/2012 - 04/2015	GLOBAL ARENA CAPITAL CORP	16871	NEW YORK, NY
B 08/2009 - 02/2012	FIRST MIDWEST SECURITIES, INC.	21786	NEW YORK, NY
B 09/2008 - 08/2009	CHICAGO INVESTMENT GROUP, LLC	11853	NEW YORK, NY
B 10/2004 - 10/2008	EASTBROOK CAPITAL GROUP LLC	39781	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
01/2012 - Present	GLOBAL ARENA CAPITAL CORP	REGISTERED REPRESENTATIVE	Y	NEW YORK, NY, 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.

P&B PARTNERS,LLC. NON INVESTMENT RELATED. 15 BROAD STREET, STE. 1012 NY NY 10005. TAX CONFIGURATION AND OFFICE EXPENSES. VICE PRESIDENT. START DATE 08/06/09. WORKS 2 HRS PER WEEK NONE DURING MARKET HOURS. BOOKKEEPING NO COMPENSATION IS RECEIVED.

LIGHT CAPITAL GROUPLLC.
17 STATE STREET, NY NY 10004.
PRESIDENT.
START DATE 12/11. WORKS 2 HRS PER WEEK NONE DURING MARKET HOURS.



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.
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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	1	0
Customer Dispute	3	4	N/A
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 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	10/25/2019
Docket/Case Number:	2019061947501
Employing firm when activity occurred which led to the regulatory action:	Joseph Stone Capital L.L.C.
Product Type:	Other: Unspecified Securities
Allegations:	Pica was named a respondent in a FINRA complaint alleging the he converted and misused \$200,000 from an elderly customer. The complaint alleges that the customer gave Pica \$200,000 to deposit into the customer's brokerage account at Pica's member firm. Pica directed the customer to write a check for \$200,000 to a company wholly owned by Pica. Then, instead of depositing the \$200,000 into the customer's brokerage account, as the customer intended, Pica transferred the money to his personal bank account, where he used it to fund the down payment on a home he purchased in his and his wife's name. The complaint also alleges that Pica provided false or misleading information to the customer and to his firm. When the customer asked Pica what had become of his \$200,000, Pica told the customer, falsely, that he had put the money back into the customer's brokerage



account. When the customer again asked later that same month what had happened to his check, Pica again lied, falsely claiming that he had not cashed the check. Moreover, on numerous occasions, Pica falsely told his supervisor at the firm that he had not taken the customer's money. The complaint further alleges that Pica provided false or misleading information to FINRA during its examination of his firm's branch office. Pica's personal office was locked when FINRA arrived and Pica, the only person with a key to his office, told his firm that he could not come to the branch to grant FINRA access until the following day. However, after FINRA left the firm that evening, Pica surreptitiously returned to the branch and entered his office. The next day, when FINRA returned to the branch, items on Pica's desk had been rearranged and removed. When questioned, Pica lied and told FINRA that he had not entered the firm branch office the day before. In addition, the complaint alleges that Pica provided false or misleading information to FINRA during on-the-record testimony. Pica falsely testified that he had not communicated with anyone from the firm about when FINRA had left the branch office. In truth, Pica asked his supervisor, who arrived at the branch office during FINRA's examination, to call him when FINRA had left for the night. Pica falsely testified that he never told the customer that the \$200,000 had been deposited into the customer's firm brokerage account, when, in fact, he made that false claim to the customer. Pica falsely testified that he never told his supervisor that he had returned the customer's money to the customer, when, in fact, he repeatedly made that false claim to his supervisor. Moreover, the complaint alleges that Pica refused to produce documents and information requested by FINRA, including the mortgage application he submitted to the bank in connection with the home he and his wife purchased using the customer's money.

Current Status:	Final
Resolution:	Decision
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:	04/06/2020
Sanctions Ordered:	Bar (Permanent) Restitution



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: Bar (Permanent)
Capacities Affected: All capacities
Duration: Indefinite
Start Date: 04/06/2020
End Date:

Monetary Sanction 1 of 1

Monetary Related Sanction: Restitution
Total Amount: \$200,000.00
Portion Levied against individual: \$200,000.00
Payment Plan: Plus interest
Is Payment Plan Current:
Date Paid by individual:
Was any portion of penalty waived? No

Amount Waived:

Regulator Statement Default decision rendered March 6, 2020. The sanction was based on findings that



Pica converted \$200,000 from an elderly customer by depositing the customer's check into his personal bank account, when the customer intended the check to be deposited into his brokerage account at Pica's member firm. The findings also stated that Pica misused and comingled the customer's funds. Pica used the funds to pay the down payment and closing costs for the purchase of a home. The findings also included that Pica provided false and misleading information to the customer about what he had done with the customer's funds. The customer asked Pica what happened to his \$200,000 check, and Pica initially responded that he had put the funds back in the customer's IRA account and later that he had not cashed the check. FINRA found that Pica provided similar false and misleading information to the firm. In truth, Pica had deposited the funds into the bank account of a company he controlled, transferred the funds to his personal bank account, and used the funds to purchase the home. FINRA also found that Pica gave false and misleading information to FINRA during an onsite examination of the firm's branch office by falsely representing that he had not entered the branch office or his personal office the previous evening while FINRA was absent. In addition, FINRA determined that Pica provided false and misleading on-the-record testimony on several subjects, including that he had not communicated with anyone from the firm to determine when FINRA left the branch office on the first evening of the onsite examination. Moreover, FINRA found that Pica failed to produce documents and information requested by FINRA including the mortgage application Pica submitted to a mortgage company in connection with a home he and his spouse purchased using the customer's funds. The decision became final April 6, 2020.

Reporting Source:	Firm
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	10/25/2019
Docket/Case Number:	2019061947501
Employing firm when activity occurred which led to the regulatory action:	JOSEPH STONE CAPITAL, LLC
Product Type:	Other: UNSPECIFIED SECURITIES
Allegations:	Pica was named a respondent in a FINRA complaint alleging the he converted and misused \$200,000 from an elderly customer. The complaint alleges that the customer gave Pica \$200,000 to deposit into the customer's brokerage account at Pica's member firm. Pica directed the customer to write a check for \$200,000 to a



company wholly owned by Pica. Then, instead of depositing the \$200,000 into the customer's brokerage account, as the customer intended, Pica transferred the money to his personal bank account, where he used it to fund the down payment on a home he purchased in his and his wife's name. The complaint also alleges that Pica provided false or misleading information to the customer and to his firm. When the customer asked Pica what had become of his \$200,000, Pica told the customer, falsely, that he had put the money back into the customer's brokerage account. When the customer again asked later that same month what had happened to his check, Pica again lied, falsely claiming that he had not cashed the check. Moreover, on numerous occasions, Pica falsely told his supervisor at the firm that he had not taken the customer's money. The complaint further alleges that Pica provided false or misleading information to FINRA during its examination of his firm's branch office. Pica's personal office was locked when FINRA arrived and Pica, the only person with a key to his office, told his firm that he could not come to the branch to grant FINRA access until the following day. However, after FINRA left the firm that evening, Pica surreptitiously returned to the branch and entered his office. The next day, when FINRA returned to the branch, items on Pica's desk had been rearranged and removed. When questioned, Pica lied and told FINRA that he had not entered the firm branch office the day before. In addition, the complaint alleges that Pica provided false or misleading information to FINRA during on-the-record testimony. Pica falsely testified that he had not communicated with anyone from the firm about when FINRA had left the branch office. In truth, Pica asked his supervisor, who arrived at the branch office during FINRA's examination, to call him when FINRA had left for the night. Pica falsely testified that he never told the customer that the \$200,000 had been deposited into the customer's firm brokerage account, when, in fact, he made that false claim to the customer. Pica falsely testified that he never told his supervisor that he had returned the customer's money to the customer, when, in fact, he repeatedly made that false claim to his supervisor. Moreover, the complaint alleges that Pica refused to produce documents and information requested by FINRA, including the mortgage application he submitted to the bank in connection with the home he and his wife purchased using the customer's money.

Current Status:	Final
Resolution:	Decision
Resolution Date:	04/06/2020
Sanctions Ordered:	Bar (Permanent) Restitution



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: Bar (Permanent)
Capacities Affected: ALL CAPACITIES
Duration: INDEFINITE
Start Date: 04/06/2020
End Date:

Monetary Sanction 1 of 1

Monetary Related Sanction: Restitution
Total Amount: \$200,000.00
Portion Levied against individual: \$200,000.00
Payment Plan: PLUS INTEREST
Is Payment Plan Current:
Date Paid by individual:
Was any portion of penalty waived? No

Amount Waived:

Firm Statement Default decision rendered March 6, 2020. The sanction was based on findings that



Pica converted \$200,000 from an elderly customer by depositing the customer's check into his personal bank account, when the customer intended the check to be deposited into his brokerage account at Pica's member firm. The findings also stated that Pica misused and comingled the customer's funds. Pica used the funds to pay the down payment and closing costs for the purchase of a home. The findings also included that Pica provided false and misleading information to the customer about what he had done with the customer's funds. The customer asked Pica what happened to his \$200,000 check, and Pica initially responded that he had put the funds back in the customer's IRA account and later that he had not cashed the check. FINRA found that Pica provided similar false and misleading information to the firm. In truth, Pica had deposited the funds into the bank account of a company he controlled, transferred the funds to his personal bank account, and used the funds to purchase the home. FINRA also found that Pica gave false and misleading information to FINRA during an onsite examination of the firm's branch office by falsely representing that he had not entered the branch office or his personal office the previous evening while FINRA was absent. In addition, FINRA determined that Pica provided false and misleading on-the-record testimony on several subjects, including that he had not communicated with anyone from the firm to determine when FINRA left the branch office on the first evening of the onsite examination. Moreover, FINRA found that Pica failed to produce documents and information requested by FINRA including the mortgage application Pica submitted to a mortgage company in connection with a home he and his spouse purchased using the customer's funds. The decision became final April 6, 2020.

Reporting Source:	Broker
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	10/25/2019
Docket/Case Number:	2019061947501
Employing firm when activity occurred which led to the regulatory action:	JOSEPH STONE CAPITAL, LLC
Product Type:	Other: UNSPECIFIED SECURITIES
Allegations:	Pica was named a respondent in a FINRA complaint alleging the he converted and misused \$200,000 from an elderly customer. The complaint alleges that the customer gave Pica \$200,000 to deposit into the customer's brokerage account at Pica's member firm. Pica directed the customer to write a check for \$200,000 to a



company wholly owned by Pica. Then, instead of depositing the \$200,000 into the customer's brokerage account, as the customer intended, Pica transferred the money to his personal bank account, where he used it to fund the down payment on a home he purchased in his and his wife's name. The complaint also alleges that Pica provided false or misleading information to FINRA during its examination of his firm's branch office. Pica's personal office was locked when FINRA arrived and Pica, the only person with a key to his office, told his firm that he could not come to the branch to grant FINRA access until the following day. However, after FINRA left the firm that evening, Pica surreptitiously returned to the branch and entered his office. The next day, when FINRA returned to the branch, items on Pica's desk had been rearranged and removed. When questioned, Pica lied and told FINRA that he had not entered the firm branch office the day before. The complaint further alleges that Pica provided false or misleading information to FINRA during on-the-record testimony. Pica falsely testified that he had not communicated with anyone from the firm about when FINRA had left the branch office. In truth, Pica asked his supervisor, who arrived at the branch office during FINRA's examination, to call him when FINRA had left for the night. Pica falsely testified that he never told the customer that the \$200,000 had been deposited into the customer's firm brokerage account, when, in fact, he made that false claim to the customer. Pica falsely testified that he never told his supervisor that he had returned the customer's money to the customer, when, in fact, he repeatedly made that false claim to his supervisor. In addition, the complaint alleges that Pica refused to produce documents and information requested by FINRA, including the mortgage application he submitted to the bank in connection with the home he and his wife purchased using the customer's money.

Current Status:

Pending



Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

Disclosure 1 of 2

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	GLOBAL ARENA CAPITAL CORP [GACC]
Allegations:	NEGLIGENT SUPERVISION, OVER-CONCENTRATION, SUITABILITY
Product Type:	Other: LEVERAGED ETF
Alleged Damages:	\$293,000.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA DISPUTE RESOLUTION
Docket/Case #:	18-01555
Filing date of arbitration/CFTC reparation or civil litigation:	05/01/2018

Customer Complaint Information

Date Complaint Received:	05/04/2018
Complaint Pending?	No
Status:	Evolved into Arbitration/CFTC reparation (the individual is a named party)
Status Date:	05/01/2018
Settlement Amount:	
Individual Contribution Amount:	

Arbitration Information



Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA DISPUTE RESOLUTION
Docket/Case #:	18-01555
Date Notice/Process Served:	06/04/2018
Arbitration Pending?	No
Disposition:	Other: REPRESENTATIVE WAS RELEASED FROM ALL CLAIMS
Disposition Date:	05/22/2019
Monetary Compensation Amount:	\$30,000.00
Individual Contribution Amount:	\$0.00
Broker Statement	I WAS NAMED IN THIS CLAIM SOLELY BECAUSE I WAS THE LICENSEE OF THE BRANCH. I NEVER HAD ANY CONTACT WITH [REDACTED]. AFTER, DUE DILLIGENCE, I WAS RELEASED FROM THE CLAIMS BROUGHT AGAINST ME WITH NO MONETARY CONTRIBUTION.

Disclosure 2 of 2

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	FIRST MIDWEST SECURITIES, INC
Allegations:	CUSTOMER CLAIMS RR REPRESENTED HE OWNED THE ETF HE WAS RECOMMENDING CUSTOMER TO PURCHASE. CUSTOMER CLAIMS HE DID NOT FULLY UNDERSTAND THE PRODUCT.
Product Type:	Other: EXCHANGE TRADED FUND
Alleged Damages:	\$5,133.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received: 12/22/2011



Complaint Pending?	No
Status:	Settled
Status Date:	01/30/2012
Settlement Amount:	\$4,999.00
Individual Contribution Amount:	\$4,999.00



Customer Dispute - Closed-No Action / Withdrawn / Dismissed / Denied

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a 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, which was closed without action, withdrawn, or denied.

Disclosure 1 of 2

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	FIRST MIDWEST SECURITIES, INC.
Allegations:	CUSTOMER ALLEGES RR ASSURED HIM THAT STOCK PRICE WOULD INCREASE AND IF IT DID NOT THE RR WOULD REFUND THE LOSS AND COMMISSION.
Product Type:	Equity-OTC
Alleged Damages:	\$17,200.00
Alleged Damages Amount Explanation (if amount not exact):	UNREALIZED LOSSES ON DAY OF COMPLAINT ARE \$16,000 PLUS COMMISSION OF \$1,200.
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	08/04/2011
Complaint Pending?	No
Status:	Denied
Status Date:	09/14/2011
Settlement Amount:	
Individual Contribution Amount:	
Broker Statement	THE RR TRIED NUMEROUS TIMES ATTEMPTS TO REACH CLIENT TO UPDATE THE ACCOUNT. DURING THAT PERIOD THE ACCOUNT WAS BREAK EVEN AND SLIGHTLY PROFITABLE. PHONE RECORDS SHOW THE ATTEMPT



TO REACH CLIENT. I DENY THE GUARANTEE OF ANY PROFIT.

Disclosure 2 of 2

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	FIRST MIDWEST SECURITIES, INC.
Allegations:	CLIENT ALLEGED SUITABILITY OF TRADES 3/10-10/10 VXX AND STEC AND COMMISSIONS.
Product Type:	Equity-OTC
Alleged Damages:	\$21,150.00
Alleged Damages Amount Explanation (if amount not exact):	INCLUDES COMMISSIONS FROM 2 TRADES AND MARKET LOSSES FROM VXX AND STEC.
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	11/12/2010
Complaint Pending?	No
Status:	Denied
Status Date:	02/07/2011
Settlement Amount:	
Individual Contribution Amount:	



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 3

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	JOSEPH STONE CAPITAL, LLC
Allegations:	UNAUTHORIZED TRADE OF 6000 SHARES RITE AID CORP UNAUTHORIZED TRADE OF 550 SHARES VALEANT PHARMACEUTICAL
Product Type:	Equity-OTC
Alleged Damages:	\$7,613.65
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA DISPUTE RESOLUTION
Docket/Case #:	18-01506
Filing date of arbitration/CFTC reparation or civil litigation:	04/27/2018

Customer Complaint Information

Date Complaint Received:	05/10/2018
Complaint Pending?	Yes
Settlement Amount:	
Individual Contribution Amount:	

Disclosure 2 of 3

Reporting Source:	Broker
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Employing firm when activities occurred which led to the complaint:	JOSEPH STONE CAPITAL, LLC
Allegations:	UNSUITABLE SECURITIES, HIGHLY SPECULATIVE, COMMISSIONS, RETIREMENT FUNDS, CHURNING, NEGLIGENCE SUPERVISION.
Product Type:	Equity-OTC
Alleged Damages:	\$500,000.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	03/21/2018
Complaint Pending?	Yes
Settlement Amount:	
Individual Contribution Amount:	

Disclosure 3 of 3

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	JOSEPH STONE CAPITAL
Allegations:	FAILURE TO TREAT CLAIMANT IN A JUST AND EQUITABLE MANNER; BREACH OF FIDUCIARY DUTY; BREACH OF CONTRACT; NEGLIGENCE AND NEGLIGENT MISREPRESENTATION
Product Type:	Equity-OTC
Alleged Damages:	\$120,000.00

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA DISPUTE RESOLUTION
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Docket/Case #: 17-01681

Date Notice/Process Served: 07/03/2017

Arbitration Pending? Yes

Broker Statement BASED ON OVER 200 PHONE CALLS BETWEEN CLIENT AND BROKER, CLIENT WAS AWARE OF ALL TRANSACTIONS AND RISKS INVOLVED. TRADE IN QUESTION WAS CONSISTANT IN SIZE AND DOLLAR AMOUNT WITH OTHER TRADES DONE IN ACCOUNT. BROKER DEEMS CLAIM AS INACCURATE AND FRIVOLOUS.



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:	JOSEPH STONE CAPITAL, LLC
Termination Type:	Discharged
Termination Date:	11/06/2019
Allegations:	MR. PICA WAS TERMINATED FROM THE FIRM DUE TO THE FOLLOWING FINRA DOE ALLEGATIONS: PROVIDING INACCURATE INFORMATION TO JSCL AND FINRA STAFF CONCERNING THE DISPOSITION OF CUSTOMER FUNDS; PROVIDING MISLEADING TESTIMONY TO FINRA DURING OTR INTERVIEW IN VIOLATION OF 8210 AND 2010; FAILING TO COMPLY WITH FINRA RULE 8210 WITH RESPECT TO REQUESTS FOR DOCUMENTS
Product Type:	No Product

End of Report



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