BrokerCheck Report

JANET LEE WATERS

CRD# 4956211

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.
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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.

JANET L. WATERS

CRD# 4956211

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
- 1 General Industry/Product Exam
- 1 State Securities Law Exam

Registration History

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

B **A.L. WATERS CAPITAL, LLC**
CRD# 135419
BRAINTREE, MA
12/2005 - 03/2012

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

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

Principal/Supervisory Exams

	Exam	Category	Date
B	General Securities Principal Examination	Series 24	09/06/2005

General Industry/Product Exams

	Exam	Category	Date
B	General Securities Representative Examination	Series 7	08/08/2005

State Securities Law Exams

	Exam	Category	Date
B	Uniform Securities Agent State Law Examination	Series 63	09/13/2005

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 12/2005 - 03/2012	A.L. WATERS CAPITAL, LLC	135419	BRAINTREE, MA

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
04/2005 - Present	A.L. WATERS CAPITAL, LLC	CCO	Y	BRAINTREE, MA, 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

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:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Other: N/A
Date Initiated:	09/02/2015
Docket/Case Number:	3-16777
Employing firm when activity occurred which led to the regulatory action:	A.L. WATERS CAPITAL, LLC
Product Type:	No Product
Allegations:	SEC ADMIN RELEASE 34-75819/SEPTEMBER 2, 2015: THE SECURITIES AND EXCHANGE COMMISSION (COMMISSION) DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED PURSUANT TO SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934 (EXCHANGE ACT) AGAINST JANET L. WATERS. THESE PROCEEDINGS ARISE OUT OF WATERS' FAILURE TO REASONABLY TO SUPERVISE AN INDIVIDUAL WITH A VIEW TO PREVENTING AND DETECTING HIS VIOLATIONS OF SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5 THEREUNDER AND SECTION 17(A) OF THE SECURITIES ACT OF 1933 (SECURITIES ACT). FROM AT LEAST 2009 THROUGH 2012, WHILE THE INDIVIDUAL WAS A REGISTERED REPRESENTATIVE ASSOCIATED AT WATERS' FIRM, HE OPERATED A FRAUDULENT SCHEME THROUGH WHICH HE RAISED AT LEAST $839,000 FROM MULTIPLE INVESTORS BY PROMISING TO USE INVESTOR FUNDS TO PURCHASE A PORTFOLIO OF SECURITIES, AND INSTEAD MISAPPROPRIATING THE MONEY AND SPENDING IT ON PERSONAL AND BUSINESS EXPENSES. THROUGHOUT THIS PERIOD, WATERS WAS DESIGNATED AS THE PERSON TO SUPERVISE THE INDIVIDUAL AT THE FIRM. SHE FAILED TO PERFORM ANY SUPERVISORY DUTIES WITH

RESPECT TO THE INDIVIDUAL DURING THE RELEVANT PERIOD. WATERS KNEW THAT FIRM CUSTOMERS HAD INVESTED IN CERTAIN INVESTMENT PARTNERSHIPS THAT WERE OFFERED BY THE FIRM AND RECOMMENDED TO CUSTOMERS BY THE INDIVIDUAL AND THAT THE FIRM HANDLED ANY INVESTMENTS MADE BY THE PARTNERSHIPS. IF, AS THE INDIVIDUAL'S SUPERVISOR, SHE HAD REVIEWED HIS CORRESPONDENCE AND THE FIRM'S TRANSACTION REPORTS, SHE COULD HAVE DETECTED THAT THE PARTNERSHIPS DID NOT MAKE ANY INVESTMENTS AT ALL DURING THE RELEVANT PERIOD, DESPITE WHAT CUSTOMERS WERE BEING TOLD. IF WATERS HAD FOLLOWED FIRM PROCEDURES AND FOLLOWED UP ON THESE RED FLAGS BASED ON A REVIEW OF THE CORRESPONDENCE AND TRANSACTION REPORTS, SHE WOULD HAVE PREVENTED AND DETECTED THE INDIVIDUAL'S FRAUD. BASED ON THE CONDUCT DESCRIBED ABOVE, THE INDIVIDUAL VIOLATED SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5 THEREUNDER AND SECTION 17(A) OF THE SECURITIES ACT. WATERS FAILED REASONABLY TO FOLLOW THE FIRM'S SUPERVISORY PROCEDURES WITH RESPECT TO CORRESPONDENCE AND TRANSACTION REVIEWS, WHICH WOULD HAVE REVEALED RED FLAGS OF THE INDIVIDUAL'S FRAUD. BY FAILING REASONABLY TO FOLLOW THE FIRM'S PROCEDURES THAT WOULD HAVE LED TO DETECTING THE INDIVIDUAL'S FRAUD, WATERS FAILED REASONABLY TO SUPERVISE THE INDIVIDUAL WITHIN THE MEANING OF SECTION 15(B)(4)(E) OF THE EXCHANGE ACT.

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?	No
Resolution Date:	09/02/2015
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?	No
(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?	Yes

Sanction 1 of 2

Sanction Type:	Bar (Permanent)
Capacities Affected:	PARTICIPATING IN ANY OFFERING OF A PENNY STOCK
Duration:	Indefinite
Start Date:	09/02/2015
End Date:	

Sanction 2 of 2

Sanction Type:	Bar (Permanent)
Capacities Affected:	SEE COMMENTS
Duration:	Indefinite
Start Date:	09/02/2015
End Date:	

Regulator Statement	IN ANTICIPATION OF THE INSTITUTION OF THESE PROCEEDINGS, WATERS HAS SUBMITTED AN OFFER OF SETTLEMENT WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS HEREIN, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER HER AND THE SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED,

WATERS CONSENTS TO THE ENTRY OF THIS ORDER INSTITUTING PROCEEDINGS PURSUANT TO SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS. IN VIEW OF THE FOREGOING, THE COMMISSION DEEMS IT APPROPRIATE TO IMPOSE THE SANCTIONS AGREED TO IN WATERS' OFFER. ACCORDINGLY, IT IS HEREBY ORDERED THAT: WATERS BE, AND HEREBY IS: BARRED FROM ASSOCIATION WITH ANY BROKER, DEALER, INVESTMENT ADVISER, MUNICIPAL SECURITIES DEALER, MUNICIPAL ADVISOR, TRANSFER AGENT, OR NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION; AND, BARRED FROM PARTICIPATING IN ANY OFFERING OF A PENNY STOCK, INCLUDING: ACTING AS A PROMOTER, FINDER, CONSULTANT, AGENT OR OTHER PERSON WHO ENGAGES IN ACTIVITIES WITH A BROKER, DEALER OR ISSUER FOR PURPOSES OF THE ISSUANCE OR TRADING IN ANY PENNY STOCK, OR INDUCING OR ATTEMPTING TO INDUCE THE PURCHASE OR SALE OF ANY PENNY STOCK. BASED UPON WATERS' SWORN REPRESENTATIONS IN HER STATEMENT OF FINANCIAL CONDITION DATED JUNE 17, 2014, AND OTHER DOCUMENTS SUBMITTED TO THE COMMISSION, THE COMMISSION IS NOT IMPOSING A PENALTY AGAINST WATERS.

Disclosure 2 of 2

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	03/09/2012
Docket/Case Number:	2012030519301
Employing firm when activity occurred which led to the regulatory action:	A.L. WATERS CAPITAL, LLC
Product Type:	No Product
Allegations:	FINRA RULES 2010, 8210: FINRA REQUESTED THAT WATERS PROVIDE TAX AND BANK RECORDS IN CONNECTION WITH ITS EXAMINATION OF CERTAIN PRIVATE OFFERINGS OF SECURITIES. WATERS, HOWEVER, REFUSED TO PROVIDE THE INFORMATION REQUESTED AND FAILED TO RESPOND TO THIS INFORMATION REQUEST.
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:	03/09/2012
Sanctions Ordered:	Bar (Permanent)
If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?	No

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

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

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

Sanction 1 of 1

Sanction Type:	Bar (Permanent)
Capacities Affected:	All Capacities
Duration:	Indefinite
Start Date:	03/09/2012
End Date:	

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

End of Report

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