

BrokerCheck Report

Sidney Lebental

CRD# 5543658

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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.



Sidney Lebental
CRD# 5543658

This broker is not currently registered.

Report Summary for this Broker

This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

Broker Qualifications

This broker is not currently registered.

This broker has passed:

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

Registration History

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

- B BOFA SECURITIES, INC.**
CRD# 283942
NEW YORK, NY
05/2019 - 05/2021
- B MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED**
CRD# 7691
NEW YORK, NY
10/2014 - 05/2019
- B DEUTSCHE BANK SECURITIES INC.**
CRD# 2525
NEW YORK, NY
09/2008 - 10/2014

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

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

Principal/Supervisory Exams

Exam	Category	Date
B General Securities Sales Supervisor - General Module Examination	Series 10	01/02/2023
B General Securities Principal Examination	Series 24	04/06/2015

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	09/16/2008

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	09/18/2008

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 05/2019 - 05/2021	BOFA SECURITIES, INC.	283942	NEW YORK, NY
B 10/2014 - 05/2019	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	NEW YORK, NY
B 09/2008 - 10/2014	DEUTSCHE BANK SECURITIES INC.	2525	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
05/2019 - Present	BOFA SECURITIES, INC.	Senior Trader II	Y	NEW YORK, NY, United States
10/2014 - Present	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	SENIOR TRADER	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.

I*113686

For profit or not for profit: For-Profit Organization

Name of outside business organization: 882 Aviation LLC

Investment related: N

Address of business:

New York, New York 10014

Nature of business: LLC,

Position, title, association: Owner,

Start date of relationship: 12/17/2018

Number of hours devoted: 150 hour(s) Annually

Number of hours devoted during trading hours: 0

Registration and Employment History



Other Business Activities, continued

Duties: I am setting up a LLC to manage the rental of an airplane I am buying. I will be the sole manager of this LLC and it will be purely a rental income, the plane will be left at a flying school (performance flight).

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.
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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



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:	05/23/2023
Docket/Case Number:	2019063152202
Employing firm when activity occurred which led to the regulatory action:	Merrill Lynch, Pierce, Fenner & Smith Inc. and BofA Securities, Inc.
Product Type:	Debt-Government
Allegations:	Lebental was named a respondent in a FINRA complaint alleging that he willfully violated Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Exchange Act Rules 10b-5 (a) and (c) and violated FINRA Rule 2020 by employing his fraudulent and deceptive spoofing scheme in 523 instances to create the materially false and misleading appearance of market activity and supply or demand, and thereby induce other market participants to execute against his bona fide order. The complaint alleges that this allowed Lebental to buy or sell U.S. Treasury securities or futures at more favorable prices or quantities than would have been possible at that time had he not created a false and misleading appearance of market activity and supply or demand. The complaint also alleges that Lebental, in connection with his trading scheme involving the U.S. Treasury



securities and futures, acted in contravention of Sections 17(a)(1) and 17(a)(3) of the Securities Act of 1933 (Securities Act). Further, Lebental used interstate electronic messages to deliver orders to nationwide SEC registered alternative trading systems and a national futures exchange. The complaint further alleges that Lebental placed non-bona fide securities orders into at least one trading venue, causing those venues to publish or circulate non-bona fide quotations. Lebental did not have reasonable cause to believe that the quotations resulting from his orders in a 30-year U.S. Treasury Bond were bona fide, were not fictitious and were not published or circulated or caused to be published or circulated for any fraudulent, deceptive, or manipulative purpose. In addition, the complaint alleges that by placing and immediately cancelling large, fully displayed non-bona fide orders in the 30-year Bond, Lebental injected false information into the marketplace, which induced executions of his orders on the opposite side of the market in the 30-year Bond or a correlated Ultra Treasury Bond future, and thereby acted in bad faith and unethically. The non-bona fide order created a false appearance of market depth and activity so that Lebental's bona fide order would receive favorable executions at better prices. Specifically, market participants on the other side of the spread from his bona fide order responded by crossing the spread and executing at his price, or if the spread had moved as a result, Lebental sometimes got an even better price.

Current Status:	Final
Resolution:	Decision & Order of Offer of Settlement
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Resolution Date:	03/27/2024
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:	03/27/2024
End Date:	

Regulator Statement

Without admitting or denying the allegations, Lebental consented to the sanction and to the entry of findings that he participated in a fraudulent or deceptive practice or scheme by engaging in instances of "spoofing," a type of fraudulent trading that involves the use of non-bona fide orders to induce executions of bona fide orders entered on the opposite side of the market in the same security or a correlated product. The findings stated that Lebental engaged in spoofing while trading as a market maker in U.S. Treasury Bonds and supervising the U.S. Treasury desk of his member firm. In each instance, Lebental entered a large, fully displayed non-bona fide order to purchase or sell the 30-year U.S. Treasury Bond. At the time he entered the non-bona fide order, Lebental already had a bona fide order on the opposite side of the market in either the 30-year U.S. Treasury Bond or the correlated Ultra Treasury Bond future. The non-bona fide order created a false appearance of market depth and activity so that Lebental's bona fide order would receive favorable executions at better prices. Specifically, market participants on the other side of the spread from his bona fide order responded by crossing the spread and executing at his price, or if the spread had moved as a result, Lebental sometimes got an even better price. In each of the instances, after receiving



executions of his bona fide order, Lebental cancelled the non-bona fide order within three seconds of entry. In a majority of these instances, Lebental cancelled his non-bona fide order within one second of entry. The findings also stated that Lebental caused the publication of non-bona fide transactions and quotations by placing the non-bona fide securities orders into at least one of the three trading venues, causing those venues to publish or circulate non-bona fide quotations. The findings also included that by placing and immediately cancelling large, fully displayed non-bona fide orders in the 30-year U.S. Treasury Bond, Lebental injected false information into the marketplace, which induced executions of his orders on the opposite side of the market in the 30-year U.S. Treasury Bond or correlated Ultra Treasury Bond future, and thereby acted in bad faith and unethically.

Reporting Source:	Firm
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	05/23/2023
Docket/Case Number:	2019063152202
Employing firm when activity occurred which led to the regulatory action:	Merrill Lynch, Pierce, Fenner & Smith Inc. and BofA Securities, Inc.
Product Type:	Debt-Government
Allegations:	Lebental was named a respondent in a FINRA complaint alleging that he willfully violated Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Exchange Act Rules 10b-5 (a) and (c) and violated FINRA Rule 2020 by employing his fraudulent and deceptive spoofing scheme in 523 instances to create the materially false and misleading appearance of market activity and supply or demand, and thereby induce other market participants to execute against his bona fide order. The complaint alleges that this allowed Lebental to buy or sell U.S. Treasury securities or futures at more favorable prices or quantities than would have been possible at that time had he not created a false and misleading appearance of market activity and supply or demand. The complaint also alleges that Lebental, in connection with his trading scheme involving the U.S. Treasury securities and futures, acted in contravention of Sections 17(a)(1) and 17(a)(3) of the Securities Act of 1933 (Securities Act). Further, Lebental used interstate electronic messages to deliver orders to nationwide SEC registered alternative trading systems and a national futures exchange. The complaint further alleges that Lebental placed non-bona fide securities orders into at least one trading



venue, causing those venues to publish or circulate non-bona fide quotations. Lebental did not have reasonable cause to believe that the quotations resulting from his orders in a 30-year U.S. Treasury Bond were bona fide, were not fictitious and were not published or circulated or caused to be published or circulated for any fraudulent, deceptive, or manipulative purpose. In addition, the complaint alleges that by placing and immediately cancelling large, fully displayed non-bona fide orders in the 30-year Bond, Lebental injected false information into the marketplace, which induced executions of his orders on the opposite side of the market in the 30-year Bond or a correlated Ultra Treasury Bond future, and thereby acted in bad faith and unethically. The non-bona fide order created a false appearance of market depth and activity so that Lebental's bona fide order would receive favorable executions at better prices. Specifically, market participants on the other side of the spread from his bona fide order responded by crossing the spread and executing at his price, or if the spread had moved as a result, Lebental sometimes got an even better price.

Current Status:	Final
Resolution:	Decision & Order of Offer of Settlement
Resolution Date:	03/27/2024
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:	03/27/2024
End Date:	



Firm Statement

Without admitting or denying the allegations, Lebental consented to the sanction and to the entry of findings that he participated in a fraudulent or deceptive practice or scheme by engaging in instances of "spoofing," a type of fraudulent trading that involves the use of non-bona fide orders to induce executions of bona fide orders entered on the opposite side of the market in the same security or a correlated product. The findings stated that Lebental engaged in spoofing while trading as a market maker in U.S. Treasury Bonds and supervising the U.S. Treasury desk of his member firm. In each instance, Lebental entered a large, fully displayed non-bona fide order to purchase or sell the 30-year U.S. Treasury Bond. At the time he entered the non-bona fide order, Lebental already had a bona fide order on the opposite side of the market in either the 30-year U.S. Treasury Bond or the correlated Ultra Treasury Bond future. The non-bona fide order created a false appearance of market depth and activity so that Lebental's bona fide order would receive favorable executions at better prices. Specifically, market participants on the other side of the spread from his bona fide order responded by crossing the spread and executing at his price, or if the spread had moved as a result, Lebental sometimes got an even better price. In each of the instances, after receiving executions of his bona fide order, Lebental cancelled the non-bona fide order within three seconds of entry. In a majority of these instances, Lebental cancelled his non-bona fide order within one second of entry. The findings also stated that Lebental caused the publication of non-bona fide transactions and quotations by placing the non bona fide securities orders into at least one of the three trading venues, causing those venues to publish or circulate non bona fide quotations. The findings also included that by placing and immediately cancelling large, fully displayed non-bona fide orders in the 30-year U.S. Treasury Bond, Lebental injected false information into the marketplace, which induced executions of his orders on the opposite side of the market in the 30-year U.S. Treasury Bond or correlated Ultra Treasury Bond future, and thereby acted in bad faith and unethically.

End of Report



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