BrokerCheck Report

RUSSELL JAY SANDS

CRD# 702372

Section Title | **Page(s)**

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

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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.
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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.

RUSSELL J. SANDS

CRD# 702372

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

Registration History

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

B **ANDOVER BROKERAGE, L.L.C.**
CRD# 33848
MONTEBELLO, NY
10/2001 - 02/2002

B **ELECTRONIC TRADING GROUP, LLC**
CRD# 37453
NEW YORK, NY
06/2001 - 10/2001

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

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

	Exam	Category	Date
B	Limited Representative-Equity Trader Exam	Series 55	07/18/2001

State Securities Law Exams

	Exam	Category	Date
B	Uniform Securities Agent State Law Examination	Series 63	01/07/1981

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

Broker Qualifications

Professional Designations

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

No information reported.

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

Registration and Employment History

Registration History

The broker previously was registered with the following securities firms:

	Registration Dates	Firm Name	CRD#	Branch Location
B	10/2001 - 02/2002	ANDOVER BROKERAGE, L.L.C.	33848	MONTEBELLO, NY
B	06/2001 - 10/2001	ELECTRONIC TRADING GROUP, LLC	37453	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
10/2001 - Present	ANDOVER BROKERAGE, LLC	REG. REP.	Y	HOBOKEN, NJ, 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:	NATIONAL FUTURES ASSOCIATION
Sanction(s) Sought:	Other: N/A
Date Initiated:	06/30/2010
Docket/Case Number:	10-BCC-016
Employing firm when activity occurred which led to the regulatory action:	TURTLE FUTURES, INC.
Product Type:	No Product
Allegations:	NFA CASE NO. 10-BCC-016, JUNE 30, 2010: HAVING REVIEWED THE INVESTIGATIVE REPORT SUBMITTED BY THE COMPLIANCE DEPARTMENT OF THE NATIONAL FUTURES ASSOCIATION ("NFA"), AND HAVING FOUND REASON TO BELIEVE THAT NFA REQUIREMENTS WERE BEING, HAVE BEEN OR ARE ABOUT TO BE VIOLATED AND THAT THE MATTER SHOULD BE ADJUDICATED, NFA'S BUSINESS CONDUCT COMMITTEE ("BCC") ISSUED A COMPLAINT AGAINST RUSSELL SANDS. THE NFA ALLEGED THAT SANDS VIOLATED NFA COMPLIANCE RULES 2-2(A), 2-29(B)(1), 2-29(B)(3), 2-29(B)(6), 2-29(C)(1), 2-29(C)(5), 2-36(B)(1) AND 2-36(I). THE NFA ALLEGED THAT SANDS WAS A PRINCIPAL AND ASSOCIATED PERSON ("AP") OF AN INDEPENDENT INTRODUCING BROKER ("IB") NFA MEMBER AND AN NFA ASSOCIATE. THE NFA CHARGED SANDS WITH USING DECEPTIVE AND MISLEADING PROMOTIONAL MATERIAL WHICH FAILED TO CLEARLY LABEL HYPOTHETICAL PERFORMANCE AS HYPOTHETICAL AND FAILED TO INCLUDE THE REQUIRED HYPOTHETICAL DISCLAIMER; USING DECEPTIVE AND MISLEADING PROMOTIONAL MATERIAL WHICH EXAGGERATED THE PROFIT POTENTIAL AND DOWNPLAYED THE RISK OF LOSS OF TRADING COMMODITIES; USING DECEPTIVE AND MISLEADING

PROMOTIONAL MATERIAL THAT ATTEMPTED TO MINIMIZE THE SIGNIFICANCE OF NFA'S EARLIER DISCIPLINARY COMPLAINT; AND USING DECEPTIVE AND MISLEADING PROMOTIONAL MATERIAL WHICH FAILED TO STATE THAT TESTIMONIALS ARE NOT INDICATIVE OF FUTURE PERFORMANCE AND THAT ALL GAINS TOUTED IN THE TESTIMONIALS WERE NOT REPRESENTATIVE OF ALL REASONABLY COMPARABLE ACCOUNTS.

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?	Yes
Resolution Date:	01/20/2011
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Other: NFA APPROVAL FOR ALL PROMOTIONAL MATERIAL
If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?	No
(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?	

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

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

Monetary Sanction 1 of 1

Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	$45,000.00
Portion Levied against individual:	$45,000.00
Payment Plan:	

Is Payment Plan Current:	
Date Paid by individual:	
Was any portion of penalty waived?	No
Amount Waived:	
Regulator Statement	NFA CASE NO. 10-BCC-016, JANUARY 20, 2011: THE BCC ACCEPTED THE SETTLEMENT OFFER OF RUSSELL SANDS. THE BCC FOUND THAT SANDS VIOLATED NFA COMPLIANCE RULES 2-2(A), 2-29(B)(1), 2-29(B)(3), 2-29(B)(6), 2-29(C)(1), 2-29(C)(5), 2-36(B)(1) AND 2-36(I). PURSUANT TO A SETTLEMENT OFFER SUBMITTED BY SANDS, THE NFA ORDERED SANDS TO PAY A $45,000 FINE JOINTLY AND SEVERALLY WITH HIS FIRM. THE NFA ALSO ORDERED SANDS TO PRE-SUBMIT ALL PROMOTIONAL MATERIAL TO NFA PRIOR TO FIRST USE FOR THREE YEARS. THIS INCLUDES ALL MATERIAL USED BY AND ANY ENTITY THAT SANDS OWNS, CONTROLS OR MANAGES. THE NFA FURTHER ORDERED SANDS TO PRE-SUBMIT ALL PROMOTIONAL MATERIAL USED BY ANY THIRD-PARTY MARKETERS TO NFA FOR APPROVAL PRIOR TO ITS FIRST USE FOR THREE YEARS. THE NFA ALSO ORDERED SANDS AND ANY ENTITY THAT SANDS OWNS, CONTROLS OR MANAGES TO PROVIDE TO NFA A LIST OF THIRD-PARTY MARKETERS WITH WHOM THEY TRANSACT BUSINESS AND UPDATE THIS LIST DURING THE PRE-REVIEW PERIOD. THE NFA ORDERED SANDS AND ANY ENTITY THAT SANDS OWNS, CONTROLS OR MANAGES TO ONLY TRANSACT BUSINESS WITH THOSE THIRD-PARTY MARKETERS, WHICH USE PROMOTIONAL MATERIAL TO PROMOTE PRODUCTS OF SANDS' FIRM, IF SUCH PROMOTIONAL MATERIAL IS APPROVED BY NFA DURING THE PRE-REVIEW PERIOD. PURSUANT TO COMMODITY FUTURES TRADING ("CFTC") COMMISSION REGULATION 1.63, THE DECISION AND THE SANCTIONS IMPOSED WITHIN RENDER SANDS INELIGIBLE TO SERVE ON A DISCIPLINARY COMMITTEE, ARBITRATION PANEL, OVERSIGHT PANEL OR GOVERNING BOARD OF ANY SELF-REGULATORY ORGANIZATION, AS THAT TERM IS DEFINED IN CFTC REGULATION 1.63, UNTIL THE LATER OF THREE YEARS AFTER THE EFFECTIVE DATE OF THE DECISION, OR UNTIL HE HAS SATISFIED ALL THE SANCTIONS AND CONDITIONS IMPOSED BY THE DECISION.

Disclosure 2 of 2

Reporting Source:	Regulator

Regulatory Action Initiated By:	NFA
Sanction(s) Sought:	
Other Sanction(s) Sought:	
Date Initiated:	01/15/1999
Docket/Case Number:	
Employing firm when activity occurred which led to the regulatory action:	TURTLE FUTURES, INC.
Product Type:	Commodity Option(s)
Other Product Type(s):	
Allegations:	06-01-00, SANDS AND HIS FIRM USED PROMOTIONAL MATERIAL THAT WAS DECEPTIVE, MISLEADING AND UNBALANCED AND WHICH FAILED TO IDENTIFY CLEARLY PERFORMANCE RESULTS AS HYPOTHETICAL OR INCLUDE THE REQUIRED HYPOTHETICAL DISCLAIMER. THE HEARING PANEL DISMISSED TWO COUNTS ALLEGING THAT THE FIRM FAILED TO OBTAIN ACKNOWLEDGEMENTS FROM ITS IB CUSTOMERS THAT THEY HAD RECEIVED A DISCLOSURE DOCUMENT FROM TURTLE TALK, INC. AND/OR THAT THE FIRM CONDUCTED BUSINESS WITH AN NFA NON-MEMBER.
Current Status:	Final
Resolution:	Decision
Resolution Date:	01/15/1999
Sanctions Ordered:	Monetary/Fine $20,000.00
Other Sanctions Ordered:	
Sanction Details:	FINED $20,000, J&S

Reporting Source:	Broker
Regulatory Action Initiated By:	NATIONAL FUTURES ASSOCIATION
Sanction(s) Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s) Sought:	

Date Initiated:	09/01/1997
Docket/Case Number:	
Employing firm when activity occurred which led to the regulatory action:	TURTLE FUTURES, INC.
Product Type:	Futures - Commodity
Other Product Type(s):	
Allegations:	IN 9/97, THE NFA FILED A 3-COUNT COMPLAINT BEFORE ITS BUSINESS CONDUCT COMMITTEE ALLEGING THAT 1) TURTLE FUTURES AND I USED MISLEADING PROMOTIONAL MATERIAL, 2) FAILED TO DELIVER A DISCLOSURE DOCUMENT TO CLIENTS AND 3)DID BUSINESS WITH A NON-NFA MEMBER.
Current Status:	Final
Resolution:	Settled
Resolution Date:	01/15/1999
Sanctions Ordered:	Monetary/Fine $20,000.00
Other Sanctions Ordered:	MUST SUBMIT NEW PROMOTIONAL MATERIAL TO NFA FOR PRE-APPROVAL FOR PERIOD OF ONE YEAR. (SINCE EXPIRED)
Sanction Details:	I WAS FINED $20,000 AND PAID THE FULL AMOUNT ON AUGUST 16, 1999.
Broker Statement	IN 1/1999, THE PANEL DISMISSED THE LATTER TWO COUNTS AS UNSUPPORTED BY THE EVIDENCE, WHILE FINDING TURTLE AND MYSELF HAD PREPARED AND DISSEMINATED MISLEADING PROMO INFO IN VIOLATION OF NFA RULE 2-29. FOR THIS VIOLATION, I AND TURTLE WERE ORDERED TO PAY $20,000 AND SUBMIT ALL PROMO MATERIAL FOR 1 YEAR.

End of Report

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