

BrokerCheck Report

KENNETH PAUL CERRUTO

CRD# 862984

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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.



KENNETH P. CERRUTO

CRD# 862984

Currently employed by and registered with the following Firm(s):

IA RBC CAPITAL MARKETS, LLC
500 EAST BROWARD BLVD
SUITE 2200
FORT LAUDERDALE, FL 33394
CRD# 31194
Registered with this firm since: 10/22/2013

B RBC CAPITAL MARKETS, LLC
500 EAST BROWARD BLVD
SUITE 2200
FORT LAUDERDALE, FL 33394-3000
CRD# 31194
Registered with this firm since: 10/21/2013

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 registered with:

- 22 Self-Regulatory Organizations
- 35 U.S. states and territories

This broker has passed:

- 4 Principal/Supervisory Exams
- 3 General Industry/Product Exams
- 2 State Securities Law Exams

Registration History

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

- B RAYMOND JAMES & ASSOCIATES, INC.**
CRD# 705
CORAL SPRINGS, FL
02/2013 - 10/2013
- IA RAYMOND JAMES & ASSOCIATES, INC.**
CRD# 705
ST. PETERSBURG, FL
02/2013 - 10/2013
- IA MORGAN KEEGAN & COMPANY, INC.**
CRD# 4161
MEMPHIS, TN
08/2006 - 02/2013

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	3



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 individual is currently registered with 22 SROs and is licensed in 35 U.S. states and territories through his or her employer.

Employment 1 of 1

Firm Name: **RBC CAPITAL MARKETS, LLC**

Main Office Address: **200 VESEY ST.
NEW YORK, NY 10281**

Firm CRD#: **31194**

	SRO	Category	Status	Date
B	BOX Exchange LLC	General Securities Representative	Approved	10/21/2013
B	BOX Exchange LLC	General Securities Principal	Approved	02/27/2014
B	BOX Exchange LLC	General Securities Sales Supervisor	Approved	02/27/2014
B	Cboe BYX Exchange, Inc.	General Securities Principal	Approved	11/18/2020
B	Cboe BYX Exchange, Inc.	General Securities Representative	Approved	11/18/2020
B	Cboe BZX Exchange, Inc.	General Securities Principal	Approved	11/18/2020
B	Cboe BZX Exchange, Inc.	General Securities Representative	Approved	11/18/2020
B	Cboe C2 Exchange, Inc.	General Securities Representative	Approved	11/18/2020
B	Cboe C2 Exchange, Inc.	General Securities Sales Supervisor	Approved	11/18/2020
B	Cboe C2 Exchange, Inc.	General Securities Principal	Approved	07/06/2021
B	Cboe EDGA Exchange, Inc.	General Securities Principal	Approved	11/18/2020
B	Cboe EDGA Exchange, Inc.	General Securities Representative	Approved	11/18/2020
B	Cboe EDGA Exchange, Inc.	General Securities Sales Supervisor	Approved	11/18/2020
B	Cboe EDGX Exchange, Inc.	General Securities Principal	Approved	11/18/2020
B	Cboe EDGX Exchange, Inc.	General Securities Representative	Approved	11/18/2020

Broker Qualifications



Employment 1 of 1, continued

SRO	Category	Status	Date
B Cboe EDGX Exchange, Inc.	General Securities Sales Supervisor	Approved	11/18/2020
B Cboe Exchange, Inc.	General Securities Representative	Approved	10/21/2013
B Cboe Exchange, Inc.	General Securities Sales Supervisor	Approved	02/27/2014
B Cboe Exchange, Inc.	General Securities Principal	Approved	07/06/2021
B FINRA	General Securities Representative	Approved	10/21/2013
B FINRA	General Securities Principal	Approved	02/27/2014
B FINRA	General Securities Sales Supervisor	Approved	02/27/2014
B Investors' Exchange LLC	General Securities Principal	Approved	11/18/2020
B Investors' Exchange LLC	General Securities Representative	Approved	11/18/2020
B Long-Term Stock Exchange, Inc.	General Securities Representative	Approved	11/01/2020
B Long-Term Stock Exchange, Inc.	General Securities Principal	Approved	11/02/2020
B MEMX LLC	General Securities Principal	Approved	11/01/2020
B MEMX LLC	General Securities Representative	Approved	11/01/2020
B MEMX LLC	General Securities Sales Supervisor	Approved	11/01/2020
B MIAX PEARL, LLC	General Securities Principal	Approved	11/02/2020
B MIAX PEARL, LLC	General Securities Representative	Approved	11/02/2020
B MIAX PEARL, LLC	General Securities Sales Supervisor	Approved	11/02/2020
B NYSE American LLC	General Securities Representative	Approved	10/21/2013
B NYSE American LLC	General Securities Principal	Approved	02/27/2014
B NYSE American LLC	General Securities Sales Supervisor	Approved	10/01/2018
B NYSE Arca, Inc.	General Securities Representative	Approved	10/21/2013
B NYSE Arca, Inc.	General Securities Principal	Approved	02/27/2014

Broker Qualifications



Employment 1 of 1, continued

SRO	Category	Status	Date
B NYSE Arca, Inc.	General Securities Sales Supervisor	Approved	02/27/2014
B NYSE National, Inc.	General Securities Principal	Approved	11/18/2020
B NYSE National, Inc.	General Securities Representative	Approved	11/18/2020
B NYSE National, Inc.	General Securities Sales Supervisor	Approved	11/18/2020
B NYSE Texas, Inc.	General Securities Principal	Approved	11/18/2020
B NYSE Texas, Inc.	General Securities Representative	Approved	11/18/2020
B NYSE Texas, Inc.	General Securities Sales Supervisor	Approved	11/18/2020
B Nasdaq BX, Inc.	General Securities Representative	Approved	10/21/2013
B Nasdaq BX, Inc.	General Securities Principal	Approved	02/27/2014
B Nasdaq BX, Inc.	General Securities Sales Supervisor	Approved	02/27/2014
B Nasdaq GEMX, LLC	General Securities Principal	Approved	11/18/2020
B Nasdaq GEMX, LLC	General Securities Representative	Approved	11/18/2020
B Nasdaq GEMX, LLC	General Securities Sales Supervisor	Approved	11/18/2020
B Nasdaq ISE, LLC	General Securities Representative	Approved	10/21/2013
B Nasdaq ISE, LLC	General Securities Principal	Approved	02/27/2014
B Nasdaq ISE, LLC	General Securities Sales Supervisor	Approved	10/01/2018
B Nasdaq PHLX LLC	General Securities Representative	Approved	10/21/2013
B Nasdaq PHLX LLC	General Securities Principal	Approved	02/27/2014
B Nasdaq PHLX LLC	General Securities Sales Supervisor	Approved	02/27/2014
B Nasdaq Stock Market	General Securities Representative	Approved	10/21/2013
B Nasdaq Stock Market	General Securities Principal	Approved	02/27/2014
B Nasdaq Stock Market	General Securities Sales Supervisor	Approved	02/27/2014

Broker Qualifications



Employment 1 of 1, continued

SRO	Category	Status	Date
B New York Stock Exchange	General Securities Representative	Approved	10/21/2013
B New York Stock Exchange	General Securities Principal	Approved	02/27/2014
B New York Stock Exchange	General Securities Sales Supervisor	Approved	10/01/2018

U.S. State/ Territory	Category	Status	Date
B Alabama	Agent	Approved	08/24/2015
B Arizona	Agent	Approved	12/18/2014
B California	Agent	Approved	10/21/2013
B Colorado	Agent	Approved	10/21/2013
B Connecticut	Agent	Approved	10/21/2013
B Delaware	Agent	Approved	10/21/2013
B Florida	Agent	Approved	10/21/2013
IA Florida	Investment Adviser Representative	Approved	10/22/2013
B Georgia	Agent	Approved	10/21/2013
B Hawaii	Agent	Approved	04/10/2015
B Illinois	Agent	Approved	10/21/2013
B Indiana	Agent	Approved	10/24/2013
B Kansas	Agent	Approved	10/09/2018
B Louisiana	Agent	Approved	07/28/2016
B Maine	Agent	Approved	10/28/2013
B Maryland	Agent	Approved	10/21/2013
B Massachusetts	Agent	Approved	11/08/2013

Broker Qualifications



Employment 1 of 1, continued

	U.S. State/ Territory	Category	Status	Date
B	Michigan	Agent	Approved	08/30/2024
B	Minnesota	Agent	Approved	10/21/2013
B	Missouri	Agent	Approved	01/24/2022
B	New Hampshire	Agent	Approved	04/26/2016
B	New Jersey	Agent	Approved	10/21/2013
B	New York	Agent	Approved	10/21/2013
B	North Carolina	Agent	Approved	10/21/2013
B	Ohio	Agent	Approved	10/23/2013
B	Oklahoma	Agent	Approved	08/01/2016
B	Oregon	Agent	Approved	06/25/2019
B	Pennsylvania	Agent	Approved	10/21/2013
B	Rhode Island	Agent	Approved	10/21/2013
B	South Carolina	Agent	Approved	10/23/2013
B	Tennessee	Agent	Approved	04/22/2014
B	Texas	Agent	Approved	10/29/2013
IA	Texas	Investment Adviser Representative	Restricted Approval	10/29/2013
B	Virginia	Agent	Approved	10/21/2013
B	Washington	Agent	Approved	10/24/2013
B	West Virginia	Agent	Approved	10/21/2013
B	Wisconsin	Agent	Approved	08/12/2015

Broker Qualifications



Employment 1 of 1, continued Branch Office Locations

RBC CAPITAL MARKETS, LLC
500 EAST BROWARD BLVD
SUITE 2200
FORT LAUDERDALE, FL 33394-3000

RBC CAPITAL MARKETS, LLC
Fort Lauderdale, FL



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 4 principal/supervisory exams, 3 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
B General Securities Sales Supervisor - General Module Examination	Series 10	01/02/2023
B General Securities Sales Supervisor - Options Module Examination	Series 9	01/02/2023
B General Securities Sales Supervisor Examination (Options Module & General Module)	Series 8	07/22/1994
B General Securities Principal Examination	Series 24	06/10/1986

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B Futures Managed Funds Examination	Series 31	04/07/2006
B General Securities Representative Examination	Series 7	02/17/1979

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	04/20/1999
B Uniform Securities Agent State Law Examination	Series 63	08/11/1981

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.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
B 02/2013 - 10/2013	RAYMOND JAMES & ASSOCIATES, INC.	705	CORAL SPRINGS, FL
IA 02/2013 - 10/2013	RAYMOND JAMES & ASSOCIATES, INC.	705	CORAL SPRINGS, FL
IA 08/2006 - 02/2013	MORGAN KEEGAN & COMPANY, INC.	4161	CORAL SPRINGS, FL
B 08/2006 - 02/2013	MORGAN KEEGAN & COMPANY, INC.	4161	CORAL SPRINGS, FL
IA 05/2005 - 08/2006	JANNEY MONTGOMERY SCOTT LLC	463	FT. LAUDERDALE, FL
B 07/1999 - 08/2006	JANNEY MONTGOMERY SCOTT LLC	463	FT. LAUDERDALE, FL
B 06/1994 - 06/1999	JOSEPHTHAL & CO., INC.	3227	NEW YORK, NY
B 05/1988 - 07/1994	F.N. WOLF & CO., INC.	13051	
B 02/1987 - 05/1988	SHERWOOD CAPITAL, INC.	10474	
B 02/1979 - 01/1987	FIRST JERSEY SECURITIES, INC.	6621	

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
04/2017 - Present	City National Bank	Employee of an affiliate	Y	Fort Lauderdale, FL, United States
10/2013 - Present	RBC CAPITAL MARKETS, LLC	FINANCIAL ADVISOR	Y	FORT LAUDERDALE, FL, United States



Registration and Employment History

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.

(1) Name of business: Florida Securities Dealers Association

Business Description: Definitive voice for the Florida Securities Industry for over 80 years. see website

Whether the business is investment-related: no

Address: 1928 Commerce Lane, suite 4 Jupiter Florida, 33458 www.floridasecurities.com

Capacity: Board of Directors *

Start Date: 01/15/00

Duties: Voting board member- Attend conference class and quarterly meeting either by phone or in person

Hours devoted per month: 30 minutes/month

Hours devoted during securities hours per month: 0

(2) Name of business: 1839 15th- LLC

Business Description: Personal Income Properties

Whether the business is investment-related: no

Address: 115 Ne 12th Ave. Fort Lauderdale, Florida 33301

Capacity: Owner - Active, Partner

Start Date: 03/01/04

Duties: Help manage income and expenses of properties

Hours devoted per month: 30 minutes/week

Hours devoted during securities hours per month: 0

(3) Name of business: Full Court Press on ALS

Business Description: Non-Profit Foundation

Whether the business is investment-related: no

Address: 9 Woodstone Dr. Voorhees, N.J. 08043

Capacity: Director

Start Date: 06/01/14

Duties: collaborative guidance and fund raising

Hours devoted per month: 1

Hours devoted during securities hours per month: 0

Disclosure Events



What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
 - A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
 -
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
 -
4. **There are different statuses and dispositions for disclosure events:**
 - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" event involves allegations that have not been proven or formally adjudicated.
 - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" event has been concluded and its resolution is not subject to change.
 - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Regulatory Event	0	1	0
Customer Dispute	0	3	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:	STATE OF DELAWARE SECURITIES DIVISION
Sanction(s) Sought:	Other
Other Sanction(s) Sought:	SEE #13
Date Initiated:	05/06/1997
Docket/Case Number:	95-02-02, 95-02-03, 95-02-04
Employing firm when activity occurred which led to the regulatory action:	FN WOLF & CO. AND JOSEPHTHAL, LYON & ROSS
Product Type:	Other
Other Product Type(s):	
Allegations:	FAILURE TO SUPERVISE
Current Status:	Final
Resolution:	Stipulation and Consent
Resolution Date:	02/01/2001
Regulator Statement	IN JUNE 1998 THE DIVISION OF SECURITIES AND MR. CERRUTO ENTERED INTO AN AGREEMENT WHEREBY MR. CERRUTO AGREED NEVER TO APPLY



FOR REGISTRATION IN DELAWARE. ON FEBRUARY 1, 2001, THE DIVISION AND MR. CERRUTO ENTERED INTO A SUBSTITUTE AGREEMENT WHEREBY THE DIVISION RELEASED MR. CERRUTO FROM HIS OBLIGATIONS UNDER THE JUNE 1998 AGREEMENT AND MR. CERRUTO AGREED AS FOLLOWS:

(1) FOR A PERIOD OF TWO (2) YEARS, COMMENCING RETROACTIVELY ON JUNE 3, 1998, ANY REGISTRATION ISSUED BY THE STATE OF DELAWARE DIVISION OF SECURITIES TO MR. CERRUTO SHALL BE SUBJECT TO THE RESTRICTION THAT MR. CERRUTO SHALL NOT ACT IN A PRINCIPAL, SUPERVISORY OR MANAGERIAL CAPACITY IN CONNECTION WITH HIS EMPLOYMENT IN THE SECURITIES INDUSTRY.

(2) SHOULD MR. CERRUTO APPLY FOR REGISTRATION AS A BROKER-DEALER AGENT IN DELAWARE WITH THE INTENTION OF ACTING IN A PRINCIPAL, SUPERVISORY, OR MANAGERIAL CAPACITY IN DELAWARE, HE SHALL PROVIDE PROOF TO THE DIVISION OF SECURITIES THAT HE HAS, WITHIN ONE YEAR PRIOR TO HIS APPLICATION, SAT FOR AND PASSED THE SERIES 24 EXAMINATION ADMINISTERED BY THE NATIONAL ASSOCIATION OF SECURITIES DEALERS: PROVIDED, HOWEVER, THAT THE COMMISSIONER MAY, IN HIS DISCRETION, WAIVE THAT REQUIREMENT FOR GOOD CAUSE SHOWN. CONTACT: PETER O. JAMISON (302) 577-8940

Reporting Source: Regulator

Regulatory Action Initiated By: DEPARTMENT OF JUSTICE SECURITIES DIVISION
STATE OF DELAWARE

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 05/06/1997

Docket/Case Number: 95-02-02; 95-02-03; 95-02-04

Employing firm when activity occurred which led to the regulatory action:

Product Type:

Other Product Type(s):

Allegations: THE DELAWARE DIVISION OF SECURITIES HAS FILED A COMPLAINT WITH THE SECURITIES COMMISSIONER FOR THE STATE OF DELAWARE ALLEGING THAT THOMAS DORAN, WHILE EMPLOYED AS A BROKER-DEALER AGENT OF F. N. WOLF & CO., AND JOSPEHTHAL, LYON & ROSS, THE COMPLAINT CHARGES KENNETH CERRUTO, FRANK N. WOLF,



FRANK N. WOLF & CO., AND JOSEPH THAL, LYON & ROSS WITH FAILING REASONABLY TO SUPERVISE MR. DORAN. THOMAS DORAN (1) FRAUDULENTLY FAILED TO DISCLOSE, IN CONNECTION WITH THE OFFER AND SALE OF SECURITIES, MATERIAL FACTS REGARDING THOSE SECURITIES; AND (2) OFFERED AND SOLD UNSUITABLE SECURITIES. MR. CERRUTO FAILED TO REASONABLY SUPERVISE MR. DORAN

Current Status:	Final
Resolution:	Stipulation and Consent
Resolution Date:	06/11/1998
Sanctions Ordered:	
Other Sanctions Ordered:	
Sanction Details:	SETTLED BY CONSENT ORDER
Regulator Statement	<p>MR. DORAN AND MR CERRUTO SHALL CREATE A SETTLEMENT FUND IN THE AMOUNT OF \$66,379.07. MR. CERRUTO SHALL CONTRIBUTE \$4,900.00 TO THE SETTLEMENT FUND AND MR. DORAN SHALL CONTRIBUTE THE BALANCE. IN CONSIDERATION OF THE DIVISION'S DISMISSAL OF ITS ACTION, MR. CERRUTO HAS AGREED THAT HE WILL NEVER APPLY FOR REGISTRATION AS A BROKER-DEALER, BROKER-DEALER AGENT, INVESTMENT ADVISOR, OR INVESTMENT ADVISOR REPRESENTATIVE IN THE STATE OF DELAWARE OR OTHERWISE SEEK TO TRANSACT AN INVESTMENT ADVISORY OR SECURITIES BUSINESS IN THE STATE OF DELAWARE. 10. Summary: CONTACT: PETER O. JAMISON (302) 577-8940</p>

Reporting Source:	Broker
Regulatory Action Initiated By:	DELAWARE DIVISION OF SECURITIES
Sanction(s) Sought:	Other
Other Sanction(s) Sought:	DISMISSED
Date Initiated:	05/06/1997
Docket/Case Number:	95-02-02; 95-02-03; 95-02-04



Employing firm when activity occurred which led to the regulatory action:	F.N. WOLF & CO. & JOSEPHTHAL, LYON & ROSS
Product Type:	Other
Other Product Type(s):	NO PRODUCT
Allegations:	ALLEGED FAILURE TO SUPERVISE.
Current Status:	Final
Resolution:	Stipulation and Consent
Resolution Date:	02/01/2001
Sanctions Ordered:	
Other Sanctions Ordered:	
Sanction Details:	THE JUNE 1998 COMPLAINT AGAINST MR. CERRUTO, ALLEGING FAILURE TO SUPERVISE, WAS SETTLED WITH NO FINDINGS AND HAS BEEN DISMISSED.
Broker Statement	ON FEBRUARY 1, 2001, THE DIVISION AND MR. CERRUTO ENTERED INTO A SUBSTITUTE AGREEMENT WHEREBY THE DIVISION RELEASED MR. CERRUTO FROM HIS OBLIGATIONS UNDER THE JUNE 1998 AGREEMENT THAT RESTRICTED HIS DELAWARE REGISTRATION. THE RESTRICTION TO ACT AS A PRINCIPAL, SUPERVISOR OR MANAGER IN DELAWARE WAS REMOVED AS OF JUNE 3, 2000. MR. CERRUTO PASSED THE SERIES 24 IN 1986 AND IS AN APPROVED NASD GENERAL SECURITIES PRINCIPAL. THE FEBRUARY 2001 AGREEMENT INCLUDES A CONDITION THAT SHOULD HE APPLY IN DELAWARE WITH THE INTENTION OF ACTING IN A PRINCIPAL, SUPERVISORY OR MANAGERIAL CAPACITY IN DELAWARE, HE SHALL PROVIDE PROOF THAT HE HAS, WITHIN ONE YEAR PRIOR TO HIS APPLICATION, PASSED THE SERIES 24 EXAMINATION. THIS REQUIREMENT MAY BE WAIVED BY THE COMMISSIONER FOR GOOD CAUSE SHOWN.



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:	MORGAN KEEGAN & COMPANY, INC.
Allegations:	CLAIM ALLEGES FAILURE TO SUPERVISE WITH REGARD TO INVERSE AND LEVERAGED EXCHANGE TRADED FUNDS AND OTC STOCK PURCHASES BETWEEN 2007 AND 2010.
Product Type:	Equity-OTC Other: EFT
Alleged Damages:	\$750,000.00
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
Docket/Case #:	10-04517
Filing date of arbitration/CFTC reparation or civil litigation:	10/06/2010

Customer Complaint Information

Date Complaint Received:	10/25/2010
Complaint Pending?	No
Status:	Settled
Status Date:	12/16/2010
Settlement Amount:	\$370,000.00
Individual Contribution Amount:	\$0.00

**Broker Statement**

WHILE NOT A NAMED PARTY, CERRUTO DENIES ANY ALLEGATIONS OF FAILURE TO SUPERVISE. IN ORDER TO AVOID THE TIME AND COSTS ASSOCIATED WITH PROTRACTED LITIGATION, THE PARTIES ELECTED TO SETTLE WITHOUT ANY MONETARY CONTRIBUTION FROM CERRUTO.

Disclosure 2 of 2**Reporting Source:**

Firm

Employing firm when activities occurred which led to the complaint:

JOSEPHTHAL & CO., INC.

Allegations:

CLAIMANTS ALLEGED THAT RESPONDENTS MADE UNSUITABLE INVESTMENTS AND MADE MATERIAL MISREPRESENTATION

Product Type:

Other

Other Product Type(s):

NOT SPECIFIED

Alleged Damages:**Customer Complaint Information****Date Complaint Received:**

11/27/2000

Complaint Pending?

No

Status:

Arbitration/Reparation

Status Date:

11/27/2000

Settlement Amount:**Individual Contribution Amount:****Arbitration Information****Arbitration/Reparation Claim filed with and Docket/Case No.:**

NASD CASE NO. 00-05107

Date Notice/Process Served:

11/27/2000

Arbitration Pending?

Yes

Reporting Source:

Broker



Employing firm when activities occurred which led to the complaint: JOSEPHTHAL & CO., INC.

Allegations: CLAIMANTS ALLEGED THAT RESPONDENTS MADE UNSUITABLE INVESTMENTS AND MADE MATERIAL MISREPRESENTATION.

Product Type: Other

Other Product Type(s): NOT SPECIFIED

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 11/27/2000

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 11/27/2000

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD CASE NO. 00-05107

Date Notice/Process Served: 11/27/2000

Arbitration Pending? No

Disposition: Settled

Disposition Date: 08/07/2001

Monetary Compensation Amount: \$9,000.00

Individual Contribution Amount: \$0.00

Broker Statement SETTLED VIA AGREEMENT BETWEEN PARTIES THAT ALL CLAIMS AGAINST THE FINANCIAL CONSULTANT WERE DISMISSED PRIOR TO EXECUTION OF THE SETTLEMENT AGREEMENT AND PAYMENT OF THE SETTLEMENT FUNDS. THERE WAS NO CONTRIBUTION FROM THE FINANCIAL CONSULTANT. THIS IS NO LONGER REPORTABLE OR DISCLOSABLE AND



SHOULD BE REMOVED FROM THE RECORDS.



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 1

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	JANNEY MONTGOMERY SCOTT LLC
Allegations:	SUITABILITY, CHURNING
Product Type:	Other
Other Product Type(s):	NYSE PRODUCT CODE: EQUITY
Alleged Damages:	\$175,000.00

Customer Complaint Information

Date Complaint Received:	04/25/2005
Complaint Pending?	No
Status:	Withdrawn
Status Date:	05/17/2005
Settlement Amount:	
Individual Contribution Amount:	
Broker Statement	AS OF APRIL 25, 2007, THIS ITEM IS NO LONGER REPORTABLE.

End of Report



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