

# Disciplinary and Other FINRA Actions

## Firm Expelled, Individuals Barred or Suspended

John Thomas Financial, Inc ([CRD® #40982](#), New York, New York), Anastasios P. Belesis ([CRD #2707354](#), New York, New York) and Joseph Louis Castellano ([CRD #1158479](#), Deer Park, New York). The firm was expelled from FINRA® membership and Belesis was barred from association with any FINRA member in any capacity. The firm and Belesis were fined \$100,000, jointly and severally, and ordered to pay disgorgement in the amount of \$1,047,288.01, plus interest, jointly and severally. Castellano was fined \$50,000 and suspended from association with any FINRA member in any capacity for one year.

The sanctions were based on findings that the firm and Belesis traded ahead of customer orders, and failed to immediately thereafter fill the orders at the same or a better price than the one obtained by the firm. The findings stated that the firm and Belesis failed to maintain accurate and complete books and records by failing to preserve customer order tickets. The findings also stated that Belesis provided false and misleading information to FINRA in sworn investigative testimony. The findings also included that the firm and Belesis failed to observe high standards of commercial honor and just and equitable principles of trade by failing to cancel and rebill proprietary trades preventing customers from obtaining execution of their orders. FINRA found that the firm, Belesis, and Castellano threatened, coerced, intimidated and attempted to improperly influence persons associated with a member firm. The firm, Belesis, and Castellano issued partially false and misleading Uniform Termination Notices for Securities Industry Registration (Forms U5) that included stating that the firm was investigating certain individuals for computer fraud and misrepresentations of fact, for FINRA staff to rely upon, without any reasonable basis to suspect that they had engaged in such activity. Castellano, at Belesis' direction, sent unprecedented letters to state authorities asking that special attention be paid to the individuals' records regarding alleged serious wrongdoing, and sent threatening demands to the individuals to provide testimony in the firm's internal review. FINRA also found that the evidence did not support the charges that the firm and Belesis breached their duty of best execution or failed to follow customer instructions, therefore, those charges were dismissed. In addition, FINRA determined that the evidence did not support the charges that the firm and Belesis made misrepresentations to customers or failed to supervise, therefore, those charges were dismissed. Moreover, FINRA found that the evidence did not support the charge that the firm and Belesis engaged in securities fraud in violation of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, therefore, that charge was dismissed.

## Reported for April 2015

FINRA has taken disciplinary actions against the following firms and individuals for violations of FINRA rules; federal securities laws, rules and regulations; and the rules of the Municipal Securities Rulemaking Board (MSRB).

Castellano's suspension is in effect from March 2, 2015, through March 1, 2016. ([FINRA Case #2012033467301](#))

## Firms Fined, Individuals Sanctioned

**RedRidge Securities, Inc. ([CRD #45976](#), Chicago, Illinois) and Brent David Hurt ([CRD #1976536](#), Chicago, Illinois)**. The firm was censured and fined \$60,000. Hurt was fined \$17,500, suspended from association with any FINRA member in any principal capacity for six months and required to requalify as a principal before reassociating with any FINRA member in any principal capacity. Without admitting or denying the findings, the firm and Hurt consented to the sanctions and to the entry of findings that the firm and Hurt, as the firm's chief executive officer (CEO) and chief compliance officer (CCO), failed to establish and enforce reasonable supervisory procedures and supervisory control procedures relating to third-party wire transfers. The findings stated that the firm's supervisory system required approval by only one principal (either Hurt or another individual, the only two registered representatives and principals at the firm) for third-party wire transfers. Under the firm's supervisory system, Hurt and the individual were both authorized to approve third-party wire transfers originated by their own customers and processed by themselves. That system was not reasonably designed to prevent fraudulent or otherwise unauthorized third-party wire transfers from customer accounts. Similarly, the firm's supervisory control procedures were not reasonably designed to review and monitor third-party transmittals of funds because there was not a control in place to ensure that the person responsible for reviewing and monitoring all third-party wires did not himself effect unauthorized third-party wire transfers. In this case, involving a "two-man" firm, the absence of a required review of all third-party fund transmittals by both principals of the firm rendered the firm's supervisory controls unreasonable. Not only were the firm's supervisory control procedures unreasonable, but the firm and Hurt failed to adequately implement the supervisory control procedures that the firm did maintain. The firm's procedures required Hurt (as the compliance officer) to review all third-party fund transmittals. Hurt, however, failed to systematically review all third-party fund transmittals, and the reviews that Hurt did conduct were not reasonable. Although Hurt periodically reviewed the individual's customer account activity, including third-party wire transfers, he failed to review the letters of authorization associated with such wire transfers or any documents or reports that would have identified the contra-party for such third-party wire transfers. In addition, although the firm's clearing firm made available a semi-weekly exception report identifying events that triggered non-trade confirmations (including third-party wire transfers), no such exception reports were used by Hurt as required by the firm's supervisory control procedures.

The suspension is in effect from March 2, 2015, through September 1, 2015. ([FINRA Case #2014042735801](#))

## Firms and Individuals Fined

**First Chicago Advisors, Inc. ([CRD #143137](#), Barrington, Illinois) and Steven E. Knoop ([CRD #1453557](#), Barrington, Illinois)** were each censured and fined \$5,000. FINRA imposed a lower fine in this case against the firm, after it considered, among other things, the firm's revenues and financial resources. Without admitting or denying the findings, the firm and Knoop consented to the sanctions and to the entry of findings that the firm, acting through Knoop, its president, CCO and Financial and Operations Principal (FINOP), did not have a supervisory system and written supervisory procedures (WSPs) for reviewing and documenting Knoop's review of emails to and from the firm's registered representatives. The findings stated that the written procedures regarding review of email correspondence failed to specifically identify who was responsible for the supervision and review of correspondence, memorialize steps and reviews to be taken, specify the frequency of the review and specify how such reviews were to be documented. The findings also stated that the firm used an outside vendor email provider to capture and maintain emails for the firm. One of the vendor's email message review reports revealed that 122,442 emails were captured but Knoop only actually reviewed 18 of them. ([FINRA Case #2012030532101](#))

## Firms Fined

**Ambassador Financial Group, Inc. ([CRD #143093](#), Allentown, Pennsylvania)** submitted a Letter of Acceptance, Waiver and Consent (AWC) in which the firm was fined \$5,000. Without admitting or denying the findings, the firm consented to the sanction and to the entry of findings that it failed to report the correct trade execution time for customer transactions in Trade Reporting and Compliance Engine® (TRACE®)-eligible securities to TRACE, failed to show the correct trade execution time on the memoranda of brokerage orders, and failed to report transactions in TRACE-eligible securities to TRACE within the time required by FINRA Rule 6730. ([FINRA Case #2014041623501](#))

**Ascendant Capital Markets, LLC ([CRD #152912](#), Irvine, California)** submitted an AWC in which the firm was censured and fined \$52,500. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to record all terms and conditions on a customer order record and document time-in-force; failed to record all terms and conditions on a customer order record and document the correct order receipt time; and failed to maintain a complete order record with the identification of the corresponding customer account name/account number. The findings stated that the firm accepted orders from customers for execution in the pre-market session or post-market session without disclosing to such customers that extended-hours trading involves material trading risks, including the possibility of lower liquidity, high volatility, changing prices, unlinked markets, an exaggerated effect from news announcements, wider spreads and any other relevant risk. The firm failed to submit to the Over-the-Counter (OTC) Reporting Facility the correct Related Market Center Indicator for

a non-tape report. The firm effected a short sale in an equity security for its own account without borrowing the security, or entering into a *bona-fide* arrangement to borrow the security; or having reasonable grounds to believe that the security could be borrowed so that it could be delivered on the date delivery is due; and documenting compliance with Securities Exchange Act of 1934 Rule 203(b)(1) of Regulation SHO. The firm executed short sale orders and failed to properly mark the orders as short, and incorrectly designated its compensation as “commission” on a customer confirmation for a transaction in which it acted in a principal or riskless principal capacity. The firm also failed to transmit Reportable Order Events (ROEs) to the Order Audit Trail System (OATS™) over 342 business days.

The findings also stated that the firm failed to establish, maintain and/or enforce adequate policies and procedures related to compliance with Regulation NMS. The firm’s supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to certain applicable securities laws and regulations, and/or FINRA rules. The firm’s WSPs failed to provide the minimum requirements for adequate WSPs regarding supervisory system, procedures and qualifications, order handling, best execution, anti-intimidation/coordination, trade reporting, sale transactions, other trading rules and other rules. The firm also failed to provide documentary evidence that it performed the supervisory reviews set forth in its WSPs concerning best execution, anti-intimidation/coordination and other rules. ([FINRA Case #2013035829502](#))

**AXA Advisors, LLC (CRD #6627, New York, New York)** submitted an AWC in which the firm was censured and fined \$150,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to arbitrate 102 disputes, under FINRA’s Code of Arbitration Procedure, between the firm and associated persons that arose from the business activities of the firm and the associated persons. The findings stated that FINRA’s rule requires that disputes between member firms and associated persons be arbitrated if they arise out of the business activities of the member or associated person. The 102 actions were filed in state courts to recover pre-paid securities commissions from former firm registered representatives who had received those commissions from the firm’s affiliated subsidiary, acting as paymaster. Because these proceedings sought recovery of securities commissions, they were disputes between the firm and the registered representatives relating to the business activities of both. The findings included that although the firm’s affiliated subsidiary served as paymaster, the firm alone determined the amount of securities commissions to be paid to its registered representatives. All commission payments for securities business, including variable insurance business, made by the affiliate to the firm’s registered representatives were directed by, and paid on behalf of, the firm as the registered broker-dealer. The firm also supervised the securities business and recorded the securities transactions on its books and records. FINRA found that when the affiliate was unsuccessful in collecting the commission-related debt directly from former registered representatives it often sent the matters to third-party collection agencies. In most instances, the collection agencies successfully recovered the amounts owed through non-judicial means. However, when

unable to collect through non-judicial means, the collection agencies filed lawsuits in state courts to recover the debt. ([FINRA Case #2012034518801](#))

**Blackwall Capital Markets, Inc. nka PHX Financial, Inc. (CRD #144403, New York, New York)** submitted an AWC in which the firm was censured and fined \$40,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to retain certain firm-related emails and text messages and failed to establish adequate WSPs governing the retention of electronic communications. The findings stated that firm personnel used personal-account email addresses and text messages to communicate about firm-related business. The electronic communications were outside the firm's retention system and the firm was not copied on those communications. The findings also stated that the firm failed to implement its Customer Identification Program (CIP), and failed to conduct timely searches of account or transactional information based on requests made by the U.S. Treasury's Financial Crimes Enforcement Network (FinCEN), as required under the Bank Secrecy Act and its implementing regulations. ([FINRA Case #2012030486001](#))

**Cobra Trading, Inc. (CRD #132078, Plano, Texas)** submitted an AWC in which the firm was censured and fined \$150,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to adequately implement Anti-Money Laundering (AML) policies and procedures reasonably expected to detect and cause the reporting of suspicious transactions. The findings stated that the firm failed to identify and conduct further due diligence on potentially suspicious activity and AML "red flags" while conducting transactional reviews in its customers' accounts. As a result, the firm failed to detect negative news articles concerning a customer's role in securities fraud charges filed by the SEC against a customer who was rapidly liquidating low-priced securities and transferring the proceeds offshore; wire transfers to a financial secrecy or a high-risk geographic location without an apparent business reason; deposited funds for purchase of a long-term investment followed shortly by a transfer of investment proceeds to an offshore account; a customer who had been convicted of, inter alia, securities fraud, opening joint accounts when release conditions only permitted the opening of an individual account; and short-selling activity in the account of a customer who was previously associated with a firm that FINRA fined \$1 million for illegal short sales. The findings also stated that the firm failed to adequately detect, monitor, investigate and report on a SAR, if appropriate, manipulative activity, including wash trades. The firm received a number of exception reports generated by its clearing firm to help monitor for suspicious activity but did not adequately investigate the activity identified or document its investigation as required by its WSPs. In addition, the firm failed to satisfy its obligation to conduct on-going monitoring of suspicious activity by relying on its annual independent AML test to monitor for suspicious activity. Moreover, the firm's AML WSPs required that each customer account be assigned a risk-ranking in order for the firm to apply additional monitoring to its higher-risk customer accounts. However, the firm failed to follow that procedure at on-boarding and when monitoring accounts on a going-forward basis. The

findings also included that the firm failed to implement an adequate CIP for new accounts. When the firm's CIP review revealed inconsistent identifying information, the firm did not employ reasonable procedures to address those inconsistencies to form a reasonable belief that it knew the customer's true identity. FINRA found that the firm moved customer transactions into the firm's exempt error account so that the firm's customers could avoid additional margin assessed by its clearing firm on individual securities. ([FINRA Case #2013035340001](#))

**Credit Suisse Securities (USA) LLC** ([CRD #816](#), New York, New York) submitted an AWC in which the firm was censured and fined \$85,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that its internal crossing engine reported incorrect execution capacities for broker-dealer client orders that were identified as principal orders and that were received via electronic Financial Information Exchange (FIX) connections. The findings stated that when principal capacity orders were received via FIX connection from broker-dealer clients, and executed in the firm's internal crossing engine, the transactions were reported with the client's capacity as agent. Because the broker-dealer clients identified the order as a principal order, the firm should have reported the transactions with a principal capacity. As a result, the firm reported numerous transactions to the FINRA/Nasdaq Trade Reporting Facility (FNTRF) that contained incorrect execution capacities. ([FINRA Case #2009016960901](#))

**EDI Financial, Inc.** ([CRD #15699](#), Irving, Texas) submitted an AWC in which the firm was censured and fined \$100,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to adopt and implement supervisory systems and procedures reasonably designed to achieve compliance with the firm's suitability obligations for the solicitation and sale of private placements. The findings stated that despite the risk and relative illiquidity of private placements, the firm did not have written policies or procedures concerning the proportion of a customer's assets that could be allocated to private placements and the firm's registered representatives had insufficient written guidance for determining whether and how much to recommend that a particular customer invest in a private placement. Also, because the firm lacked adequate systems and procedures for monitoring the proportion of each customer's assets that was invested in private placements, if a customer invested in multiple private placements, the firm's registered representatives and supervisors could not adequately determine whether the customer's assets were overly concentrated in private placements. The findings included that the firm's WSPs did not provide adequate guidance concerning how due diligence was to be documented, and the firm failed to sufficiently document due diligence conducted on private placements. Consequently, the firm could not effectively supervise whether adequate due diligence was performed on private placements.

FINRA found that despite the firm's WSPs requiring switch letters, the firm failed to consistently obtain switch letters when customers switched between mutual funds. This prevented firm supervisors from confirming that customers received material facts regarding fees and charges incurred by customers from switching investments. After the firm became aware that mutual fund switch letters had not been obtained, in accordance with its policy, for certain customers, a registered representative obtained switch letters from each of the customers that were signed and dated by the registered representative, the customers and a principal of the firm to reflect the date each transaction took place rather than the date each switch letter was signed. After being signed, the switch letters were maintained in the firm's files as part of its books and records, causing the firm to maintain inaccurate records concerning mutual fund switches. FINRA also found that the firm's WSPs failed to provide a schedule describing the frequency of non-branch inspections, and failed to provide an explanation of how the firm determined examination schedules for non-branch locations. The firm also failed to inspect non-branch locations in accordance with a regular periodic schedule. In addition, FINRA found that the firm failed to properly designate one of its branch offices, which supervised the activities of registered representatives in another branch office, as an Office of Supervisory Jurisdiction (OSJ). Moreover, FINRA found that the firm failed to timely provide a complete response to FINRA's request for documents and information. ([FINRA Case #2012032643701](#))

**First New York Securities L.L.C. (CRD #16362, New York, New York)** submitted an AWC in which the firm was censured, fined \$400,000 and required to review and revise, as necessary, its policies, procedures, and internal controls relating to detecting and preventing insider trading by its registered representatives. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that its supervision of insider trading was inadequate and that it failed to establish, maintain, and enforce a reasonable supervisory system and WSPs to ensure that its registered representatives did not engage in insider trading. The findings stated that the firm's WSPs contained a policy statement that prohibited insider trading and required the firm's CCO to conduct a random review of the trading activity in the firm's proprietary accounts. However, the procedures did not describe what the random reviews should entail for the purpose of detecting potential insider trading; did not state whether all trading accounts would be subject to a monthly random review or whether the sampling of trading was limited to only some of the firm's accounts; and did not provide guidance regarding "look back" reviews of trading in the case of market moving events, including the identification of red flags indicative of possible insider trading. Red flags would include significant trading before a news announcement, the size of positions in certain stocks, and the amount of profits generated as a result of trading in advance of a news event. The firm failed to engage in a reasonable review when confronted with red flags. The firm should have also treated a trader's relationship with a consultant as a red flag that could have led to more detailed reviews of their communications. The findings also stated that the electronic surveillance system the firm used was inadequate, as it did not use keyword



searches of emails and instant messages (IMs) to generate review samples. In addition, the firm's procedures for reviewing electronic communications did not state whether every associated person's electronic correspondence would be reviewed daily or whether the review would be conducted by generating random samples of only some of the firm's associated persons' correspondence. ([FINRA Case #2012033432302](#))

**Gilford Securities Incorporated (CRD #8076, New York, New York)** submitted an AWC in which the firm was censured, fined \$12,500 and required to revise its WSPs. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to transmit ROEs to OATS on 120 business days. Though the firm's clearing firm made an error with respect to the firm's submissions to OATS, the firm is responsible for ensuring that its ROEs are properly reported to OATS. The findings stated that the firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations, and FINRA rules, concerning OATS reporting. The firm's supervisory system did not include WSPs providing for a comprehensive review of the OATS website and its own systems to ensure that the firm's OATS submissions were timely, accurate and complete. ([FINRA Case #2014041797801](#))

**IFS Securities, Inc. (CRD #40375, Atlanta, Georgia)** submitted an AWC in which the firm was censured and fined \$5,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it sold (or bought) corporate bonds to (or from) customers and failed to sell (or buy) such bonds at a price that was fair, taking into consideration all relevant circumstances, including market conditions with respect to each bond at the time of the transaction, the expense involved and that the firm was entitled to a profit. ([FINRA Case #2013036027001](#))

**Investment Professionals, Inc. (CRD #30184, San Antonio, Texas)** submitted an AWC in which the firm was censured, fined \$10,000 and required to revise its WSPs. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to report the correct trade execution time for transactions in TRACE-eligible securitized products to TRACE and failed to show the correct trade execution time on the memoranda of brokerage orders. The findings stated that the firm failed to enforce its WSPs which specified that it would document performance of supervisory reviews. The firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations, and FINRA rules, concerning trade reporting in TRACE-eligible securitized products. The firm's WSPs did not reflect the actual procedures that the firm had for how the firm enforced its WSPs with respect to TRACE reporting. ([FINRA Case #2013038746401](#))

**Lightspeed Trading, LLC (CRD #35519, New York, New York)** submitted an AWC in which the firm was censured and fined \$250,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it aided and abetted



three unregistered broker-dealers and their owners in the violation of Section 15(a)(1) of the Exchange Act by knowingly or recklessly facilitating the operation of the unregistered broker-dealers. The firm knew or was reckless in not knowing that the entities were operating as unregistered broker-dealers and it provided substantial assistance to the entities by effecting securities transactions and collecting commissions and then paying a portion of the commissions to the individual registered representatives who turned them over to the unregistered entities. The findings stated that based on the firm's negotiation of the commission rates with the owners of the unregistered broker-dealers, its regular communications by its registered representatives and others who were affiliated with the unregistered broker-dealers about the firm's payment of transaction-based compensation, the firm knew or was reckless in not knowing that it was facilitating the operations of unregistered broker-dealers. The findings also stated that the firm failed to establish and implement an adequate AML program with policies, procedures, and internal controls that was reasonably designed to monitor for, detect and cause the reporting of suspicious transactions. Despite the existence of red flags and trading alerts that appeared to constitute wash trades, spoofing or layering, by persons affiliated with one of the unregistered broker-dealers, the firm failed to adequately investigate their trading for the purpose of determining whether or not it constituted suspicious activity that should properly be reported. Furthermore, the firm failed to implement the portions of its AML procedures that were relevant to this potentially suspicious trading activity. The findings also included that the firm failed to establish, maintain, and enforce a reasonable supervisory system and WSPs to detect and prevent the sharing of commissions by its registered representatives with unregistered persons and monitor the registered representatives who were affiliated with the unregistered broker-dealers. The firm had ample red flags that its registered representatives who owned or were affiliated with the three unregistered entities were sharing commissions with the entities and their owners. ([FINRA Case #2010023935005](#))

**Maxim Group LLC** ([CRD #120708](#), New York, New York) submitted an AWC in which the firm was censured and fined \$17,500. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it accepted an underwriting fee in advance of the commencement of the public sale of securities being offered. The findings stated that the firm failed to properly record the underwriting fee as a liability in its general ledger, even though the firm was not entitled to the fee, thus causing the submission of inaccurate FOCUS Reports, Annual Audit Reports and net capital computations. ([FINRA Case #2011030357501](#))

**Merrill Lynch, Pierce, Fenner & Smith Incorporated** ([CRD #7691](#), New York, New York) submitted an AWC in which the firm was censured and fined \$100,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to send required regulatory disclosures and notices in connection with the opening of approximately 12,989 firm accounts. The findings stated that the firm discovered that its new account-opening platform failed to send packages with required

business continuity plan disclosures, privacy pledges, payment for order flow disclosures, and affiliate marketing notices, to customers opening new college savings, education savings and individual investor accounts. Although the firm tested the platform prior to implementation and conducted subsequent systems testing, it did not discover that it had failed to activate a mechanism on the platform to deliver the packages. The findings also stated that for almost a year, the firm failed to collect employer addresses for 345,789 customer accounts. ([FINRA Case #2011028644501](#))

**Merrill Lynch, Pierce, Fenner & Smith Incorporated** ([CRD #7691](#), New York, New York) submitted an AWC in which the firm was censured and fined \$115,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that for settlement dates between September 15, 2010, and February 29, 2012, the firm failed to report short interest positions, and during the same period, under-reported its short interest positions. In addition, on June 29, 2012, the firm failed to report one position. The findings stated that the firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with FINRA Rule 4560. ([FINRA Case #2012031807001](#))

**Merrill Lynch Professional Clearing Corp.** ([CRD #16139](#), New York, New York) submitted an AWC in which the firm was censured and fined \$57,500. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that for settlement dates between March 31, 2011, and February 28, 2013, the firm inaccurately reported short interest positions. The findings stated that the firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with FINRA Rule 4560. ([FINRA Case #2013037124401](#))

**Mesirow Financial, Inc.** ([CRD #2764](#), Chicago, Illinois) submitted an AWC in which the firm was censured and fined \$10,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to report the correct trade execution time for transactions in TRACE-eligible securitized products to TRACE, failed to report transactions in TRACE-eligible securitized products to TRACE within 15 minutes of the execution time, and failed to show the correct execution time on the memoranda of brokerage orders. ([FINRA Case #2013037793001](#))

**OneAmerica Securities, Inc.** ([CRD #4173](#), Indianapolis, Indiana) submitted an AWC in which the firm was censured and fined \$75,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to make reasonable inquiries or otherwise follow-up on multiple red flags that indicated a registered representative associated with the firm was making unsuitable options recommendations and causing an improper and/or unauthorized transfer of funds to a third party. The findings stated that the firm had inadequate procedures that described how options transactions would be reviewed, approved and monitored. In practice, the review was limited to verifying that the transactions were within the level of options

trading for which the account had been approved. There were no discussions with the registered representative, his branch manager or the customers about any flagged transactions. The findings also stated that the firm had an inadequate system and procedure to confirm a requested transmittal of funds to a third party. As a result, the registered representative was able to improperly cause \$51,800 to be transferred from a customer's account at the firm to another customer's account at a different member firm. ([FINRA Case #2013036026902](#))

**Pershing LLC** ([CRD #7560](#), Jersey City, New Jersey) submitted an AWC in which the firm was censured and fined \$17,500. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to report transactions in TRACE-eligible securitized products to TRACE within 15 minutes of the execution time, failed to report the correct trade execution time in transactions in TRACE-eligible securitized products to TRACE, and failed to maintain the correct trade execution time on the memoranda of brokerage orders. The findings stated that the firm failed to enforce written procedures that were reasonably designed to achieve compliance with FINRA Rule 6730. ([FINRA Case #2013038870901](#))

**Piper Jaffray & Co.** ([CRD #665](#), Minneapolis, Minnesota) submitted an AWC in which the firm was censured and fined \$15,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it inaccurately reported the M020 Special Condition Indicator to the Real-Time Transaction Reporting System (RTRS) in reports of transactions in municipal securities. The findings stated that the firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations and the rules of the Municipal Securities Rulemaking Board (MSRB) concerning the accurate reporting of Special Condition Indicator codes. The firm's supervisory system did not include WSPs providing for a statement of the supervisory steps to be taken to review for the accuracy of the M020 Special Condition Indicator codes reported to the RTRS. ([FINRA Case #2013038311001](#))

**Princeton Securities Group, LLC** ([CRD #41233](#), Fort Lee, New Jersey) submitted an AWC in which the firm was censured, fined \$15,000 and required to revise its WSPs. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to transmit ROEs to OATS on 110 business days. The findings stated that the firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations, and FINRA rules, concerning OATS reporting. The firm failed to enforce its WSPs, which specified that the firm will periodically review the accuracy and timeliness of OATS reporting by its third-party OATS reporting vendor. ([FINRA Case #2014040595201](#))

Ruane, Cunniff & Goldfarb LLC ([CRD #130062](#), New York, New York) submitted an AWC in which the firm was censured and fined \$7,500. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to transmit ROEs to OATS on 118 business days. ([FINRA Case #2014041797701](#))

Souza Barros Securities, Inc. ([CRD #149032](#), Miami, Florida) submitted an AWC in which the firm was censured and fined \$75,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to implement an adequate AML program designed to detect and report suspicious transactions as required under the Bank Secrecy Act and its implementing regulations. Some of the firm's foreign institutional customers engaged in activity, including high-turnover securities trading and high-volume cash movement, that the firm should have investigated and, if appropriate, reported as suspicious activity. Others engaged in intra-day bond trading and trading of U.S.-dollar denominated foreign bonds. The findings stated that despite the potential money-laundering risk presented by these transactions, the firm failed to adequately investigate the activity to determine whether it was consistent with legitimate business purposes. Although the firm employed an automated system for monitoring account activity, which alerted the firm to red flags indicative of potentially suspicious activity, the alerts generated by this system were not consistently reviewed and investigated by appropriate firm personnel. The alerts were instead addressed on an ad hoc basis and, in some instances, by firm personnel who lacked appropriate expertise to properly assess the alerts. The findings also stated that the firm failed to maintain and preserve the electronic correspondence of a registered foreign associate who communicated with firm customers, including for business purposes, using his personal email address. ([FINRA Case #2012033169201](#))

Sterne, Agee & Leach, Inc. ([CRD #791](#), Birmingham, Alabama) submitted an AWC in which the firm was censured and fined \$147,500. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it improperly reported information to the RTRS that it should not have. The findings stated that the firm improperly reported "purchase and sale transactions effected in municipal securities" to the RTRS, when the inter-dealer deliveries were "step outs" and thus, were not inter-dealer transactions reportable to the RTRS. The findings also stated that the firm failed to report to TRACE the correct trade execution time for S1 transactions in TRACE-eligible corporate bonds and corporate debt securities, failed to report to TRACE the same transactions in TRACE-eligible corporate bonds and corporate debt securities within 15 minutes of the execution time, and failed to show the correct execution time on the memoranda of brokerage orders. The firm also failed to report to TRACE transactions in TRACE-eligible securitized products within the time permitted by FINRA Rule 6730. ([FINRA Case #2011028360101](#))

**TD Ameritrade Clearing, Inc. (CRD #5633, Omaha, Nebraska)** submitted an AWC in which the firm was censured and fined \$15,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it executed short sale orders and failed to properly mark the orders as short. The findings stated that the firm transmitted Route or Combined Order/Route Reports to OATS that OATS was unable to link to the corresponding new order transmitted by the destination member firm due to inaccurate, incomplete or improperly formatted data. ([FINRA Case #2013035823801](#))

**World Equity Group, Inc. (CRD #29087, Arlington Heights, Illinois)** submitted an AWC in which the firm was censured and fined \$225,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to implement a reasonably designed AML program to detect, investigate and report, where appropriate, potentially suspicious activities. The findings stated that the firm's WSPs provided specific examples of red flags indicative of potentially suspicious activities, which should have triggered additional due diligence under the firm's existing AML program. However, the firm could not evidence implementation of its AML suspicious activity monitoring program, as it failed to detect, investigate and report, where appropriate, red flags of potentially suspicious activity related to the deposit and liquidation of low-priced securities including, but not limited to, various transactions by persons while those persons at least potentially may have been in possession of material, non-public information. The firm did not employ any manual or automated surveillance to capture potentially suspicious money movements or trading activity, but instead improperly relied on its clearing firm to raise potential red flags to its attention. The firm's investigations of those red flags detected by its clearing firm were also handled inadequately. The firm's 2011 AML Compliance Program Independent 2011 test was also not adequate, as the person conducting the test did not take appropriate steps to audit for deficiencies in the suspicious activity monitoring program.

The findings also stated that the firm failed to have a reasonable supervisory system to ensure compliance with Section 5 of the Securities Act of 1933. The firm failed to conduct a reasonable searching inquiry into the tradability of securities by not independently corroborating information and documentation obtained through sources, and therefore failed to evidence that an adequate investigation was conducted by a registered principal. In addition, the firm did not question the fact that many penny stock deposits or liquidations were supported by legal opinions of the same attorney who opined that the stocks were freely tradable. The firm also failed to closely review transactions by a frequent transfer agent who had been identified as having been the subject of an SEC cease and desist order for improperly removing restrictive legends. The findings also included that the firm failed to enforce its information barrier procedures. As a result, the firm allowed potentially suspicious transactions to go undetected, and allowed employees who were not supposed to be privy to material, non-public information to have such access without following its own procedures to give employees access to material, non-public information.

FINRA found that due to errors in the process of transferring representatives at a new branch to the firm, the emails of the representatives located at that branch were not maintained and preserved. In addition, due to technology-linking issues, the firm failed to maintain business-related emails for representatives who used their personal emails for business purposes, even though the firm was aware of the use of the non-firm email domains. FINRA also found that the firm failed to establish accounts and maintain account records for new customers investing in an offering, and failed to make reasonable efforts to obtain adequate suitability information in regard to those customers. In addition, FINRA determined that the firm failed to have a system in place to ensure the suitability of non-traditional exchange-traded funds (ETFs), and lacked training and supervision of these products and transactions. There were more than 100 non-traditional ETFs that were held more than one trading day, yet those transactions were not flagged for review. Moreover, FINRA found that the firm insufficiently documented that adequate diligence was conducted with respect to private placements and non-traded Real Estate Investment Trusts (REITs). The firm's WSPs were inadequate in that they generically referenced CCO review, but failed to identify specific steps to be taken and did not outline how the firm would document and evidence the due diligence. The firm also failed to establish an adequate supervisory system for the review of activity in an Average Price Account, resulting in numerous options activities occurring in unapproved accounts. ([FINRA Case #2012030734701](#))

## Individuals Barred or Suspended

**Perry Stephen Abbonizio** ([CRD #2787112](#), Worcester, Pennsylvania) submitted an AWC in which he was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in any capacity for four months. Without admitting or denying the findings, Abbonizio consented to the sanctions and to the entry of findings that he participated in private securities transactions by soliciting his member firm's customers to invest in private placements, without the firm's knowledge or permission. The findings stated that Abbonizio engaged in an outside business activity by referring individuals who were hired by a company, involved in the private placements, and receiving compensation from the company, in the form of shares, without providing notice to the firm.

The suspension is in effect from March 2, 2015, through July 1, 2015. ([FINRA Case #2011028152201](#))

**Alen Alic** ([CRD #6126120](#), Wilmette, Illinois) submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Alic consented to the sanction and to the entry of findings that, while working as a retail bank teller, he misappropriated \$3,000 from his member firm's affiliate bank by taking the funds from his teller drawer and converting them for his personal use without the bank's knowledge or consent. ([FINRA Case #2014043420501](#))

**Terry Joe Bagwell** ([CRD #2298887](#), Hoover, Alabama) submitted an AWC in which he was fined \$25,000, which includes disgorgement of \$7,600 representing the investment profits and \$445.43 in prejudgment interest, barred from association with any FINRA member in any principal capacity and suspended from association with any FINRA member in any capacity for 30 days. Without admitting or denying the findings, Bagwell consented to the sanctions and to the entry of findings that, contrary to his member firm's policy, he engaged in unapproved private securities transactions by purchasing \$35,000 in securities from a registered representative, through accounts held away from the firm, without prior written notice to the firm or receiving permission to do so. The findings stated that Bagwell, as the representative's direct supervisor, failed to reasonably supervise the registered representative and ensure that the representative did not engage in private securities transactions without first reporting the transactions to the firm and receiving approval to participate. Bagwell, despite his participation in the unapproved private securities transactions, did not take any steps to supervise these transactions in any way or notify the firm's compliance department. Aside from Bagwell's investment, the representative sold approximately \$8.4 million in unapproved investments to firm and non-firm investors as part of an ongoing Ponzi scheme.

The suspension was in effect from March 16, 2015, through April 14, 2015. ([FINRA Case #2014041391401](#))

**Candius J. Bannister** ([CRD #5335832](#), Sarasota, Florida) submitted an Offer of Settlement in which she was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in any capacity for six months. Without admitting or denying the allegations, Bannister consented to the sanctions and to the entry of findings that she borrowed a total of \$31,500 from a customer without requesting or receiving pre-approval from her member firm before accepting the loans. The findings stated that Bannister has not repaid the loans, as required by the promissory notes that were created to evidence the loans. Bannister's firm's WSPs, in effect at the time she borrowed the money, did not generally allow lending arrangements with clients and required that all loan requests be submitted on a firm-supplied request form and be pre-approved in writing by the firm. Bannister submitted audit questionnaires, on an annual basis to her firm, acknowledging her understanding of the firm's procedures.

The suspension is in effect from February 17, 2015, through August 16, 2015. ([FINRA Case #2012033565601](#))

**Gregory James Bolduc** ([CRD #2425950](#), Santa Barbara, California) submitted an AWC in which he was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in any capacity for three months. Without admitting or denying the findings, Bolduc consented to the sanctions and to the entry of findings that he falsified customer signatures on disclosure forms, which he submitted to his member firm as the customers' authentic signatures. Bolduc had customers sign one disclosure form for all of



the mutual funds in their portfolio. Bolduc then photocopied the signature page on the signed disclosure form and attached it as the signature page on the remaining mutual fund disclosure forms.

The suspension is in effect from March 2, 2015, through June 1, 2015. ([FINRA Case #2013038783201](#))

**Michael Owen Brown (CRD #1658070, Atlanta, Georgia)** submitted an AWC in which he was suspended from association with any FINRA member in any principal capacity for 10 days, with the exception of any activities requiring a Series 27 license. In light of Brown's financial status, no monetary sanction was imposed. Without admitting or denying the findings, Brown consented to the sanction and to the entry of findings that while registered with a member firm as a general securities principal and serving as the firm's CCO, he failed to timely update two registered representatives' Uniform Applications for Securities Industry Registration or Transfer (Forms U4) after receiving notice that they were the subject of a FINRA investigation, and failed to timely update a registered representative's Form U4 after receiving notice of an Internal Revenue Service (IRS) tax lien. The findings stated that Brown failed to timely report a written customer complaint that evolved into an arbitration claim on a registered representative's Form U4 or to FINRA. The findings also stated that Brown did not establish, maintain, and implement adequate supervisory systems and procedures reasonably designed to comply with reporting and handling of customer complaints and updating Forms U4 properly. Brown was responsible for the firm's WSPs and ensuring that the firm complied with applicable regulations and rules. The firm, then acting through Brown, did not have procedures to address compliance with FINRA Rule 4530, did not have WSPs identifying the principal responsible for ensuring Form U4 amendments were filed timely, and did not have WSPs describing how the firm would ensure that registered representatives keep the information on their Forms U4 current.

The suspension was in effect from March 16, 2015, through March 25, 2015. ([FINRA Case #2010023220508](#))

**Alberic Baptiste Cardinal (CRD #1055333, Vadnais Heights, Minnesota)** submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Cardinal consented to the sanction and to the entry of findings that he failed to appear for FINRA-requested on-the-record testimony involving an investigation into a Form U5 disclosure indicating that he received fees for a client's mutual fund directly from the client without the firm's permission. ([FINRA Case #2014041581901](#))

**Jerry Irvin Chancy (CRD #1787712, Savannah, Tennessee)** submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Chancy consented to the sanction and to the entry of findings that he refused to appear for FINRA-requested on-the-record testimony regarding an investigation into whether he had engaged in an unapproved outside business activity and/or engaged in an unapproved private securities transaction. ([FINRA Case #2014043629801](#))

**Andrew Henry Conley (CRD #1419304, Riverside, California)** submitted an Offer of Settlement in which he was suspended from association with any FINRA member in any capacity for three months. In light of Conley's financial status, no monetary sanction has been imposed. Without admitting or denying the allegations, Conley consented to the sanction and to the entry of findings that while associated with two member firms, he willfully failed to timely update his Form U4 to disclose various liens and a judgment.

The suspension is in effect from March 16, 2015, through June 15, 2015. ([FINRA Case #2012033614501](#))

**Richard A. Connell (CRD #2188725, Scituate, Massachusetts)** submitted an AWC in which he was fined \$5,000 and suspended from association with any FINRA member in any capacity for one month. Without admitting or denying the findings, Connell consented to the sanctions and to the entry of findings that he failed to timely amend his Form U4 to disclose a personal bankruptcy filing despite indicating on annual compliance questionnaires that he understood his responsibility to timely report events such as a bankruptcy.

The suspension was in effect from March 2, 2015, through April 1, 2015. ([FINRA Case #2014041084401](#))

**Michael F. Cuccia (CRD #3049074, Racine, Wisconsin)** submitted an AWC in which he was assessed a deferred fine of \$15,000 and suspended from association with any FINRA member in any capacity for 120 days. Without admitting or denying the findings, Cuccia consented to the sanctions and to the entry of findings that he falsified a funds transfer request form and withdrawal request forms to accommodate withdrawal requests his member firm's customers made. The findings stated that Cuccia made loans to the same firm customers, totaling \$2,200, and falsely stated on an annual compliance questionnaire that he had not loaned money to any firm customers. The findings also stated that Cuccia failed to disclose his ownership of a restaurant to the firm as an outside business activity.

The suspension is in effect from February 17, 2015, through June 16, 2015. ([FINRA Case #2012033982401](#))

**Anthony Joseph DeBlase (CRD #1308014, Coltsneck, New Jersey)** was barred from association with any FINRA member in any capacity. The sanction was based on findings that DeBlase failed to appear and provide FINRA-requested on-the-record testimony as part of an inquiry into issues surrounding his Form U4 disclosure of criminal charges. The findings stated that DeBlase failed to timely amend his Form U4 while at a member firm to disclose that he had been charged with a felony. DeBlase also failed to disclose the criminal charge when he completed a Form U4 for a different member firm. ([FINRA Case #2012034431401](#))

**Steven James Dunkelberg Jr. (CRD #6131428, Grand Rapids, Michigan)** submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Dunkelberg consented to the sanction and to the entry of findings that he misappropriated \$4,970.08 from a bank customer. Dunkelberg forged the bank customer's name on withdrawal slips and made withdrawals from the customer's bank account without the customer's knowledge or consent. ([FINRA Case #2015044355801](#))

**Charles Caleb Fackrell (CRD #5369665, Boonville, North Carolina)** submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Fackrell consented to the sanction and to the entry of findings that he failed to provide FINRA-requested documents and information involving an investigation into allegations that he converted customer's funds and sold private securities offerings away from his member firm, without its knowledge or approval. ([FINRA Case #2014043705201](#))

**Pablo Fernandez-Pena (CRD #6038180, Madrid, Spain)** submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Fernandez-Pena consented to the sanction and to the entry of findings that he knowingly falsified a letter he sent to a prospective customer. The findings stated that Fernandez-Pena altered a letter his member firm had prepared by including a false statement about the nature of an investment that he was recommending to the prospective customer. In addition, Fernandez-Pena forged another firm employee's signature on the letter prior to sending it to the prospective customer. Fernandez-Pena also used his personal email account to transmit the falsified letter to the prospective customer without copying any firm email address, and then deleted the email. The findings also stated that by falsifying the letter, using a personal email address to transmit it without copying anyone at his firm, and then deleting that email, Fernandez-Pena caused his firm to maintain inaccurate books and records. ([FINRA Case #2013038244901](#))

**Christopher Frank Foster (CRD #4759437, New York, New York)** submitted an AWC in which he was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in any capacity for six months. Without admitting or denying the findings, Foster consented to the sanctions and to the entry of findings that he failed to timely respond to FINRA's requests for documents and information involving an investigation into the disclosures on his Form U5.

The suspension is in effect from March 2, 2015, through September 1, 2015. ([FINRA Case #2013036367402](#))

**Jonathan A. Francis (CRD #5204602, Brooklyn, New York)** was barred from association with any FINRA member in any capacity. The sanction was based on findings that Francis issued unauthorized ATM cards for the accounts of bank customers, some of whom were dead, as

part of a scheme to convert \$210,000 in customer funds. The findings stated that during the course of FINRA's investigation into the matter, Francis failed to respond fully to FINRA's request for information and failed to provide FINRA-requested testimony. ([FINRA Case #2013038988301](#))

**Dalas Lee Gundersen (CRD #3107187, Arbuckle, California)** submitted an AWC in which he was assessed a deferred fine of \$5,000, suspended from association with any FINRA member in any capacity for 10 business days and ordered to pay \$2,837, plus interest, in disgorgement of commissions received. Without admitting or denying the findings, Gundersen consented to the sanctions and to the entry of findings that he made an unsuitable recommendation to customers, in light of their financial condition and the excessively concentrated nature of the investment, by recommending that a married couple invest approximately \$1.26 million, or 80 percent of their net worth, in an intermediate municipal bond mutual fund. The customers acted on Gundersen's recommendation and invested their funds in two mutual funds and thereafter, upon Gundersen's recommendation, they exchanged the funds previously invested in one of the mutual funds into the other mutual fund. Their purchases of the fund generated approximately \$7,556 in gross commissions, of which Gundersen received \$2,837 in net commissions. The customers complained to Gundersen's member firm about a decline in the value of their mutual fund investment and sold the fund, realizing a loss of \$45,775 and incurring approximately \$11,900 in deferred sales charges. The firm subsequently settled their complaint for approximately \$46,000.

The suspension was in effect from March 2, 2015, through March 13, 2015. ([FINRA Case #2014040816301](#))

**David Randolph Haase (CRD #2534907, Wayne, Pennsylvania)** submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Haase consented to the sanction and to the entry of findings that he willfully failed to timely amend his Form U4 to disclose unsatisfied judgments and a personal bankruptcy. The findings stated that Haase was aware of the judgments and personal bankruptcy and his obligation to report them on his Form U4. In addition, Haase falsely attested on annual compliance questionnaires at his member firm that he did not have any unsatisfied judgments. The findings also stated that Haase failed to comply with an undertaking requirement in a prior FINRA action. Specifically, in FINRA AWC No. 2011028452902, Haase consented to findings that he improperly charged personal expenses to his firm-issued credit card and improperly used its car service account for personal travel. As part of the sanction for this conduct, Haase consented to an undertaking that he would remain current with the terms of a written agreement with the firm, which required him to repay the firm \$40,000 in monthly installments of \$1,000. Although Haase remained current with the first five monthly installments and repaid the firm \$5,000, he has not made any additional payments to the firm and still owes the firm \$35,000. ([FINRA Case #2014039865701](#))

John Wendland Handy Jr. ([CRD #1580981](#), Madison, Wisconsin), Jonathan Craig Timson ([CRD #2031301](#), Springfield, Missouri) and Dennis Walker ([CRD #1058338](#), Verona, Missouri) submitted an AWC in which they were each assessed a deferred fine of \$20,000 and each suspended from association with any FINRA member in any capacity for 18 months. Without admitting or denying the findings, Handy, Timson and Walker (the respondents) consented to the sanctions and to the entry of findings that they engaged in an outside business activity with a registered investment adviser and did not adequately disclose their involvement in the investment adviser to their member firm. Notwithstanding the firm's repeated denials of the respondents' request to hold ownership interest in the investment adviser, the respondents established the investment adviser with nominee owners acting in their stead. The nominee owners agreed to transfer their ownership interests to the respondents if and when the firm permitted the respondents to own the investment adviser. The findings stated that the nominees did not provide any investment or any services in exchange for their ownership interests, and never participated in the investment adviser's management or day-to-day operations. In fact, it was the respondents that participated in the management of the investment adviser, including making all important personnel decisions, participating in board meetings and determining how company assets were allocated. The firm was not notified of the respondents' active participation in the establishment, management and control of the investment adviser. The findings also stated that the respondents participated in private securities transactions and did not disclose their participation in the transactions to their firm. Specifically, the respondents sought to recoup some of their investment in the investment adviser and arranged for third-party investors to acquire interests in the investment adviser. The respondents directed each nominee owner to give some ownership interest in the investment adviser to their spouses that were then sold to investors. The interests sold to the third-party investors constituted securities in the form of investment contracts. The findings also included that the respondents failed to accurately complete annual compliance questionnaires, with respect to the investment adviser, by claiming not to have any undisclosed activities and inaccurately describing those activities on their outside activity disclosure forms.

Handy's suspension is in effect from March 2, 2015, through September 1, 2016. Timson's suspension is in effect from March 2, 2015, through September 1, 2016. Walker's suspension is in effect from March 2, 2015, through September 1, 2016. ([FINRA Case #2013038066601](#))

Sadeer Thomas Jamil ([CRD #4174955](#), Commerce, Michigan) submitted an AWC in which he was suspended from association with any FINRA member in any capacity for three months. In light of Jamil's financial status, no monetary sanctions have been imposed. Without admitting or denying the findings, Jamil consented to the sanction and to the entry of findings that he improperly took and misused confidential, nonpublic customer information from his member firm in contravention of SEC Regulation S-P. The findings stated that Jamil, without authorization, took photographs of his firm's computer screens

and downloaded the photographs to a personal computer Jamil shared with his spouse. The photographs, which were not encrypted or password protected, contained confidential, nonpublic customer information such as customer names, dates of birth, addresses, account numbers, phone numbers, email addresses, account balances, mother's maiden name and passwords associated with the account. After Jamil resigned from the firm, he created spreadsheets based on the information derived from the photographs and placed the spreadsheets onto his new firm's computer.

The suspension is in effect from February 2, 2015, through May 1, 2015. ([FINRA Case #2014041162601](#))

**Yong Jang** ([CRD #4503901](#), Mid-Levels, Hong Kong) submitted an AWC in which he was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in any capacity for 75 days. Without admitting or denying the findings, Jang consented to the sanctions and to the entry of findings that he participated in private securities transactions, without first seeking and obtaining approval from his member firm, in violation of the firm's policies and procedures. Jang solicited and convinced two of his colleagues at the subsidiary of his member firm to jointly invest approximately \$100,000 with him in a private real estate securities offering. Jang also separately invested approximately \$40,000 in a private stock transaction in a company his friend formed. The findings stated that Jang falsely reported on the firm's annual compliance certifications that he had not engaged in any private securities transactions.

The suspension is in effect from March 2, 2015, through May 15, 2015. ([FINRA Case #2014041604701](#))

**William Robert Kinyon** ([CRD #2462812](#), Castleford, Idaho) submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Kinyon consented to the sanction and to the entry of findings that he converted an elderly customer's funds for his own use. The findings stated that Kinyon deposited the customer's check, for \$3,000 that was to be deposited into the customer's variable annuity account, into his own personal checking account and thereafter used the money for various personal expenses. ([FINRA Case #2013038036901](#))

**Michael Willard Korson** ([CRD #2108802](#), Novi, Michigan) submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Korson consented to the sanction and to the entry of findings that he failed to timely and accurately notify his member firm of his outside business activities. Although Korson eventually provided notice to his firm and revealed that he received compensation from the outside business, he falsely stated when his involvement with it first began. The findings stated that Korson participated in private securities transactions, involving his outside business, with the sale of convertible debentures to firm customers and preferred stock to a non-customer, without providing prior written notice to his firm and another member firm. Upon registering with one of the firms, Korson disclosed the

business as an outside business activity, but then failed to provide prior written notice to the firm of an investment by the non-customer in the outside business. The findings also stated that Korson misused his outside business' investor funds by charging personal expenses to his outside business' corporate credit card. The findings also included that Korson's wife opened a brokerage account in the name of the outside business away from his firm. Korson traded in the outside brokerage account without disclosing the opening of the account to his firm or disclosing his registration with his firm to the member firm where the account was opened. Instead, Korson falsely certified to his firm that he had disclosed all brokerage accounts held away from the firm. ([FINRA Case #2013036033801](#))

**Roger Kumar Jr. (CRD #2702488, Ocean Ridge, Florida)** submitted an AWC in which he was assessed a deferred fine of \$50,000 and suspended from association with any FINRA member in any capacity for one year. Without admitting or denying the findings, Kumar consented to the sanctions and to the entry of findings that he made misleading and inaccurate statements to numerous corporate bond dealers in order to participate in, and obtain allocations of bonds for an unregistered proprietary trading firm. Kumar, while registered at a member firm, operated three disclosed, but unregistered, outside business entities for the sole purpose of purchasing securities, primarily corporate bonds offered in initial public offerings (IPOs), for the unregistered proprietary trading firm. The misleading and inaccurate statements concerned the nature of the entities' business operations, value of assets under management, and status, variously, as a minority business, qualified institutional buyer (QIB), foreign buyer and/or institutional account. The findings stated that Kumar was actively engaged in the management of his firm's securities business without being registered as a principal of the firm.

The suspension is in effect from March 2, 2015, through March 1, 2016. ([FINRA Case #2012033514201](#))

**David Alexander Lange (CRD #4198134, Meridian, Idaho)** submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Lange consented to the sanction and to the entry of findings that he refused to appear for FINRA-requested on-the-record testimony involving an investigation into whether he was involved in an unreported outside business activity. ([FINRA Case #2014040505802](#))

**Douglas Ashley Love (CRD #4083516, Rumson, New Jersey)** submitted an AWC in which he was assessed a deferred fine of \$25,000 and suspended from association with any FINRA member in any principal capacity for four months. Without admitting or denying the findings, Love consented to the sanctions and to the entry of findings that he failed to reasonably enforce his member firm's WSPs relating to the creation and maintenance of sufficient order records and new account records for a firm customer that was a proprietary trading firm. Love's firm agreed to act as an agent for the proprietary trading firm to place orders in securities, primarily in initial public offerings of corporate bonds, but failed to obtain a new account form for the proprietary trading firm and did not create sufficient



order records to reflect the bond transactions. Love was responsible for reviewing and approving all new accounts and all order records. The findings stated that Love failed to establish and maintain reasonable supervisory procedures and systems relating to his review of registered representative email. The firm's WSPs required Love to review all of the registered representative emails, but Love did not follow this procedure, acknowledging that it was not reasonable. Instead, Love reviewed only some of the firm's emails. Neither the firm's email procedures nor Love's review of firm emails was reasonable.

The suspension is in effect from February 17, 2015, through June 16, 2015. ([FINRA Case #2012033514204](#))

**Debra Kaye Lyman (CRD #1100820, West Jordan, Utah)** submitted an AWC in which she was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in any capacity for three months. Without admitting or denying the findings, Lyman consented to the sanctions and to the entry of findings that she effected discretionary transactions in customer accounts without obtaining the customers' prior written authorization and without having her member firm accept the accounts as discretionary accounts. The findings stated that the firm had previously reprimanded Lyman for engaging in similar misconduct. Additionally, Lyman completed a Firm Employee Sales Questionnaire wherein she inaccurately represented that she had not transacted business on a discretionary basis for any accounts.

The suspension is in effect from March 2, 2015, through June 1, 2015. ([FINRA Case #2014039874701](#))

**Patrick James Manriquez (CRD #4073542, Beaumont, Texas)** submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Manriquez consented to the sanction and to the entry of findings that he converted \$20,000 from his member firm's customer for his personal use. The findings stated that Manriquez did this by submitting outgoing wire transfer requests, which the customer had not authorized, causing the firm to wire the funds from an account the customer owned to a third-party credit union account Manriquez's mother owned. ([FINRA Case #2015044013001](#))

**Sean Eric Mattson (CRD #4028781, South Lyon, Michigan)** submitted an AWC in which he was suspended from association with any FINRA member in any capacity for one month. In light of Mattson's financial status, no monetary sanction has been imposed. Without admitting or denying the findings, Mattson consented to the sanction and to the entry of findings that he failed to disclose his outside business activity of financial planning services to his member firm and failed to receive the firm's approval for the activity. The findings stated that Mattson provided financial planning services to firm customers and received \$6,150 in compensation for his services, directly from the customers.

The suspension was in effect from March 2, 2015, through April 1, 2015. ([FINRA Case #2014040837701](#))

**Douglas Jay Melzer** ([CRD #5438362](#), Mars, Pennsylvania) submitted an AWC in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the findings, Melzer consented to the sanction and to the entry of findings that he solicited his member firm's customers to invest \$2,000,000 in an outside investment, which the firm had not approved, without providing his firm prior written notice or receiving prior written approval. The findings stated that Melzer misappropriated funds from his firm for his personal benefit. Melzer caused the registered representative code on certain customer accounts to be changed and, as a result, caused the firm to pay him more than \$9,500 in commissions that should have been paid to his partners. ([FINRA Case #2013035601301](#))

**John Francis O'Brien** ([CRD #2572066](#), New York, New York) submitted an AWC in which he fined \$5,000 and suspended from association with any FINRA member in any capacity for two months. Without admitting or denying the findings, O'Brien consented to the sanctions and to the entry of findings that he failed to timely amend his Form U4 to disclose an unsatisfied tax lien.

The suspension is in effect from March 2, 2015, through May 1, 2015. ([FINRA Case #2014040087601](#))

**James Peters O'Mara** ([CRD #3187406](#), York, Pennsylvania) submitted an AWC in which he was fined \$5,000 and suspended from association with any FINRA member in any capacity for one month. Without admitting or denying the findings, O'Mara consented to the sanctions and to the entry of findings that he failed to timely amend his Form U4 to disclose a personal bankruptcy filing.

The suspension is in effect from March 16, 2015, through April 15, 2015. ([FINRA Case #2014040955701](#))

**Eduardo Peynetti Villafana** ([CRD #5765339](#), New York, New York) submitted an AWC in which he was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in any capacity for 30 days. Without admitting or denying the findings, Peynetti Villafana consented to the sanctions and to the entry of findings that he marked interest rate foreign exchange (IRFX) curves away from the mid-point concerning Chilean and Peruvian cross-currency swaps and Chilean interest rates swaps in connection with his member firm's proprietary positions, thereby causing the firm to make and preserve inaccurate books and records. Through the firm's monthly review process, it discovered the erroneous marks and corrected them. The firm required its traders to mark IRFX curves at the average mid-point between bid and ask prices posted by market makers in the security.

The suspension was in effect from March 2, 2015, through March 31, 2015. ([FINRA Case #2012033265501](#))

**Ronald Paul Rafaloff** ([CRD #1045883](#), Ridgewood, New York) submitted an Offer of Settlement in which he was barred from association with any FINRA member in any capacity. Without admitting or denying the allegations, Rafaloff consented to the sanction and to the entry of findings that he converted at least \$168,000 of an elderly customer's investment principal for his own personal use and benefit. The elderly customer, who was Rafaloff's sole client, invested \$405,000 of her retirement savings into speculative business entities (collectively, the companies) Rafaloff controlled. The findings stated that in connection with her investments in the companies, Rafaloff provided the customer with investment contracts promising annual returns of 30 to 40 percent and repayment of the principal in three years, or one year if the customer elected to terminate the investment. Rafaloff provided the customer written guarantees against losses, in which he agreed to personally make payments to her under the terms of the investment contracts in the event that any of the companies defaulted. After the companies ceased making repayments of investment principal to the customer, she demanded payment from Rafaloff in accordance with the terms of his personal guarantees. However, Rafaloff refused to make any payments to her. The findings also stated that Rafaloff never informed his member firm that he was engaging in private securities transactions with the customer, nor did he ever provide notice or seek the firm's approval to participate in any outside business activities with the companies. Instead, Rafaloff falsely represented in the firm's compliance questionnaires that he was not engaging in such activities. The findings also included that Rafaloff made false and inaccurate representations to his firm concerning engaging in any outside business activity, receiving any compensation, and conducting any private securities transactions. FINRA found that Rafaloff provided false and misleading information to FINRA during an on-the-record interview concerning, among other things, his handling of the customer's investment in the companies. ([FINRA Case #2013036261002](#))

**Michael Anthony Regina** ([CRD #2711111](#), Farmingdale, New York) submitted an AWC in which he was fined \$5,000 and suspended from association with any FINRA member in any capacity for 10 business days. Without admitting or denying the findings, Regina consented to the sanctions and to the entry of findings that he effected unauthorized transactions as first trades in newly opened customer accounts for which he was the broker of record. The unauthorized transactions were canceled without losses to the customers and the accounts were closed.

The suspension was in effect from March 2, 2015, through March 13, 2015. ([FINRA Case #2012030774501](#))

**James A. Rosebrough Jr.** ([CRD #4355308](#), Gilbert, Arizona) submitted an AWC in which he was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in any capacity for 30 days. Without admitting or denying the findings, Rosebrough consented to the sanctions and to the entry of findings that he engaged in outside business activities without providing prior written notice to his member firm.

Rosebrough formed a limited liability company with a colleague to purchase an office condominium and formed another limited liability company with a firm customer to acquire and rent a single-family residence. Rosebrough did not provide prior written notice to the firm prior to engaging in either of these outside business activities and did not notify his firm that he was engaging in these outside business activities until a later date. Additionally, Rosebrough inaccurately completed a firm questionnaire in which he denied having engaged in any outside business activity.

The suspension was in effect from March 2, 2015, through March 31, 2015. ([FINRA Case #2013038263201](#))

**Kristen L. Ryan (CRD #5543090, Brooklyn, New York)** submitted an AWC in which she was fined \$7,500 and suspended from association with any FINRA member in any capacity for 45 days. Without admitting or denying the findings, Ryan consented to the sanctions and to the entry of findings that on two separate occasions, she submitted wire transfer request forms in which she falsely attested that she had verbally confirmed the requests with the member firm's customer, as required by the firm's written policies and procedures. The transfer request forms that Ryan falsified enabled one fraudulent wire transfer totaling \$27,900 from a firm customer's account to a third-party bank account. The findings stated that as part of processing the fraudulent requests, Ryan caused false entries in the firm's internal computer system, in contravention of the firm's obligation to make and preserve accurate records, and verbally misrepresented to firm personnel that she had verbally confirmed the requests with the customer. As a result of this conduct, Ryan caused her firm to maintain inaccurate books and records.

The suspension is in effect from March 2, 2015, through April 15, 2015. ([FINRA Case #2014042342701](#))

**Gregory Robert Swenson (CRD #2236695, Lake Forest, Illinois)** submitted an AWC in which he was assessed a deferred fine of \$75,000 and suspended from association with any FINRA member in any capacity for two years. Without admitting or denying the findings, Swenson consented to the sanctions and to the entry of findings that in connection with his member firm's business, he made misleading and inaccurate statements to numerous corporate bond dealers while participating in and obtaining allocations of bonds for an unregistered proprietary trading firm. Swenson's firm, through him, placed orders for securities primarily in IPOs for corporate bonds for the unregistered proprietary trading firm. The misleading and inaccurate statements concerned the nature of Swenson's firm's business and identity of its customer who was participating in the bond allocations, and its status as a QIB, and foreign buyer. The findings stated that Swenson caused his firm to fail to make and preserve required books and records by accepting orders without creating sufficient order records and by failing to create an account record for the unregistered proprietary trading firm.

The suspension is in effect from February 17, 2015, through February 16, 2017. ([FINRA Case #2012033514203](#))

**B. Chapman Syme (CRD #4279574, New York, New York)** submitted an AWC in which he was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in any capacity for eight months. Without admitting or denying the findings, Syme consented to the sanctions and to the entry of findings that he willfully failed to timely disclose on his Form U4 that he was charged with felony offenses and a misdemeanor offense involving the wrongful taking of property. The findings stated that Syme failed to disclose to his member firm that he was engaging in outside business activities. In addition, Syme inaccurately stated that he was not engaging in any outside business activities on firm annual compliance certifications.

The suspension is in effect from February 17, 2015, through October 16, 2015. ([FINRA Case #2013037133102](#))

**Steven Robert Tomlinson (CRD #723330, Painted Post, New York)** was suspended from association with any FINRA member in any capacity for 90 days. The sanction was sustained by the Securities and Exchange Commission following appeal of a NAC decision. The sanction was based on findings that Tomlinson downloaded confidential non-public information about customers from his former member firm and its affiliate's computer systems onto a personal flash drive without the customers' consent, and then shared the confidential information, which was protected as non-public information under Regulation S-P, with his new firm. The findings stated Tomlinson acted in contravention of his firm's policies, as well as the employment agreement he had signed with the firm and its affiliate, a credit union, regarding protecting the confidentiality of customers' non-public information. The findings also stated that Tomlinson gave an employee of his new firm the flash drive containing the confidential information and did not supervise the employee while she worked with the flash drive. The findings also included that Tomlinson's actions were self-interested and for his own purposes, in that he favored his own financial interest in building a book of business over his customers' interests in the privacy of their confidential non-public information. Tomlinson's former and new firm's policies put him on notice of his obligations, but he disregarded them. In addition, Tomlinson was a supervisor and should have known that he could not take and disclose confidential customer information when moving between firms without the customers' consent.

This matter has been appealed to the U.S. Court of Appeals for the Second Circuit and the sanction is not in effect pending review. ([FINRA Case #2009017527501](#))

**Wendy Ann Wurst (CRD #1902879, Atlantis, Florida)** submitted an AWC in which she was assessed a deferred fine of \$50,000, suspended from association with any FINRA member in any capacity for three months, and suspended in any principal capacity for six months. The suspensions shall run concurrently. Without admitting or denying the findings, Wurst consented to the sanctions and to the entry of findings that she failed to reasonably supervise her member firm's registered representative's involvement with three outside businesses that operated as unregistered broker-dealers. Specifically, as the

CCO and registered principal responsible for overseeing the registered representative's activities, Wurst failed to reasonably supervise him by permitting him to effectuate securities transactions for compensation away from the firm through entities that were not registered as broker-dealers. The findings stated that Wurst made misleading and inaccurate statements concerning the unregistered broker-dealers to corporate bond dealers in connection with the opening of certain delivery-versus-payment brokerage accounts for the unregistered broker-dealers.

The suspension in any capacity is in effect from March 2, 2015, through June 1, 2015. The suspension in any principal capacity is in effect from March 2, 2015, through September 1, 2015. ([FINRA Case #2012033514202](#))

## Complaints Filed

**FINRA issued the following complaints. Issuance of a disciplinary complaint represents FINRA's initiation of a formal proceeding in which findings as to the allegations in the complaint have not been made and does not represent a decision as to any of the allegations contained in the complaint. Because these complaints are unadjudicated, you may wish to contact the respondents before drawing any conclusions regarding these allegations in the complaint.**

**Ascendant Capital Markets, LLC ([CRD #152912](#), Irvine, California)** was named a respondent in a FINRA complaint alleging that it failed to satisfy important supervisory, disclosure and reporting responsibilities. The complaint alleges that the firm failed to timely update the Forms U4 of two registered representatives to reflect Wells notices indicating that they were the subjects of FINRA investigations. The firm also failed to timely update the Form U4 of one of the registered representatives to reflect that the representative was subject to an IRS tax lien and to reflect a written customer complaint against the registered representative, including a claim for more than \$5,000. Despite the customer's claim that certain trades were unauthorized, the firm failed to timely report the customer complaint and subsequent arbitration claim made against the firm and its registered representative to FINRA. The complaint also alleges that the firm did not establish, maintain and implement adequate supervisory systems and written procedures reasonably designed to ensure that Forms U4 were timely updated and that customer complaints were timely reported and handled properly by supervisors. ([FINRA Case #2010023220507](#))

**Raymond Leslie Boykin ([CRD #5751487](#), Midlothian, Texas)** was named a respondent in a FINRA complaint alleging that he emailed spreadsheets containing non-public, personal information for certain customers of his member firm to his personal email address. The complaint alleges that Boykin took the customer information two days before he voluntarily terminated his registration with the firm with the intent of using it to solicit potential investors for his new employer. Subsequently, Boykin used the customer

information to solicit those customers to purchase interests in drilling and development projects. Boykin took the customer information in a manner that placed it at risk of unauthorized access and use, in contravention of the firm's obligation to ensure the security and confidentiality of the customer information as required by Regulation S-P. Boykin knew or should have known that he was not allowed to take customer information, but did so anyway. The complaint also alleges that Boykin failed to provide FINRA-requested information and documents relating to its investigation into his possession of the customer information. ([FINRA Case #2013036437502](#))

**Darnell Anthony Deans** ([CRD #2200059](#), Jersey City, New Jersey) was named a respondent in a FINRA complaint alleging that he willfully failed to amend his Form U4 to disclose unsatisfied federal tax liens, totaling approximately \$254,995. The complaint alleges that Deans borrowed approximately \$266,000 from customers of his member firm without seeking or obtaining the firm's approval for the loans. The complaint also alleges that Deans falsely represented to the firm in an Annual Attestation that he had not borrowed money from any firm customers. After the firm uncovered two loan payments from a customer to Deans, he executed a compliance memorandum stating that he had violated the firm's procedures by borrowing money from a customer and acknowledged that he was required to seek the firm's approval for any loan from a firm customer. Despite signing the memorandum, Deans did not disclose that he had previously borrowed additional funds from the customer; that he had received a loan from a second customer; or the extent of funds borrowed from the customers. ([FINRA Case #2012030677101](#))

**Jason Elliot Kronick** ([CRD #3249742](#), Woodcliff Lake, New Jersey) was named a respondent in a FINRA complaint alleging that he willfully failed to amend his Form U4 to disclose unsatisfied judgments. The complaint alleges that Kronick failed to provide FINRA-requested documents and information involving an investigating into whether he may have engaged in questionable trading practices, failed to disclose certain judgments and liens on his Form U4, and engaged in unauthorized outside business activities. ([FINRA Case #2012033036301](#))

**Yaron Reuven** ([CRD #4191455](#), New York, New York) was named a respondent in a FINRA complaint alleging that he willfully failed to disclose on his Form U4 an unsatisfied tax lien, two unsatisfied civil judgments and a compromise with a creditor. ([FINRA Case #2014040651301](#))

**Stephen Marc Silver** ([CRD #5941173](#), New York, New York) was named a respondent in a FINRA complaint alleging that he failed to provide written or any other notification of his participation in a private securities transaction to his member firm. The complaint alleges that Silver participated in private securities transactions for which he received compensation by facilitating the sale of shares of a company to another. ([FINRA Case #2013037629301](#))



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**Complaints Dismissed**

(FINRA issued the following complaint, which represented FINRA's initiation of a formal proceeding. The findings as to the allegations were not made, and the Hearing Officer has subsequently ordered that the complaint be dismissed.)

**Ronald Vincent Cantalupo (CRD #3137208)**  
Pelham, New York  
(February 26, 2015)  
FINRA Case #2012033467301

**Samuel Frederik Lek (CRD #1642936)**  
New York, New York  
(February 17, 2015)  
FINRA Case #2009020941801

**Michele Ann Misiti (CRD #1931272)**  
Woodside, New York  
(February 26, 2015)  
FINRA Case #2012033467301

**John Stephen Ward (CRD #4118968)**  
Brooklyn, New York  
(February 26, 2015)  
FINRA Case #2012033467301

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**Firm Expelled for Failure to Pay Fines and/or Costs Pursuant to FINRA Rule 8320**

**World Trade Financial Corporation (CRD #42638)**  
San Diego, California  
(February 26, 2015)  
FINRA Case #2010022543701

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**Firm Cancelled for Failure to Meet Eligibility or Qualification Standards Pursuant to FINRA Rule 9555**

**Meritus Financial Group, Inc. (CRD #128957)**  
Elgin, Illinois  
(February 17, 2015)

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**Firms Suspended for Failure to Provide Information or Keep Information Current Pursuant to FINRA Rule 9552**

(The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

**Meritus Financial Group, Inc. (CRD #128957)**  
Elgin, Illinois  
(February 17, 2015)  
FINRA Case #2015044018401

**Mosaic Capital Securities, LLC (CRD #106637)**  
Sherman Oaks, California  
(December 4, 2014 – February 18, 2015)

**Mosaic Capital Securities, LLC (CRD #106637)**  
Sherman Oaks, California  
(December 4, 2014 – February 18, 2015)

**Mosaic Capital Securities, LLC (CRD #106637)**  
Sherman Oaks, California  
(December 4, 2014 – February 18, 2015)

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**Firms Suspended for Failure to Pay Annual Assessment Fees Pursuant to FINRA Rule 9553**

(The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

**Amerivet Securities, Inc. (CRD #34786)**  
Moreno Valley, California  
(February 12, 2015 – March 4, 2015)

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**Individuals Barred for Failure to Provide Information or Keep Information Current Pursuant to FINRA Rule 9552(h)**

(If the bar has been vacated, the date follows the bar date.)

**Josh Ray Abernathy (CRD #4162073)**  
Norfolk, Virginia  
(February 24, 2015)  
FINRA Case #2014043142101

**Randy Lee Bostick (CRD #2944482)**  
Jupiter, Florida  
(February 17, 2015)  
FINRA Case #2014039913701

**DeOne Boyd (CRD #4952684)**  
Slidell, Louisiana  
(February 9, 2015)  
FINRA Case #2014042499001

**Glenn Howard Boyd (CRD #2008926)**  
Slidell, Louisiana  
(February 9, 2015)  
FINRA Case #2014042457601

**Danny Ford Brownlee (CRD #1615896)**  
Olive Branch, Mississippi  
(February 24, 2015)  
FINRA Case #2014041604101

**Neil Joseph Buysse (CRD #2877658)**  
Centerport, New York  
(February 10, 2015)  
FINRA Case #2014040700201

**Erkan Cenk Cetin (CRD #6102072)**  
North Hollywood, California  
(February 17, 2015)  
FINRA Case #2014041689001

**Joanie C. Creager (CRD #4893191)**  
Austin, Texas  
(February 3, 2015)  
FINRA Case #2013038136801

**Geno Cleveland Gates (CRD #4760220)**  
Chagrin Falls, Ohio  
(February 9, 2015)  
FINRA Case #2014039875301

**Lucille Jane Loew (CRD #4630585)**  
Nashville, Tennessee  
(February 24, 2015)  
FINRA Case #2014040105101

**David Franklin Matthews (CRD #6280216)**  
Owensboro, Kentucky  
(February 13, 2015)  
FINRA Case #2014041236301

**Pedro Dones Molina (CRD #4119292)**  
Cabo Rojo, Puerto Rico  
(February 2, 2015)  
FINRA Case #2014040284701

**Shannon K. Palmer (CRD #5104560)**  
Bellingham, Washington  
(February 17, 2015)  
FINRA Case #2014041603001

**Dana W. Philpot (CRD #4887356)**  
Albuquerque, New Mexico  
(February 9, 2015)  
FINRA Case #2013039300801

**Darrell Sheldon Raymond (CRD #3241514)**  
Brooklyn, New York  
(February 24, 2015)  
FINRA Case # 2014040040601

**Michael Sestito (CRD #5031189)**  
Staten Island, New York  
(February 10, 2015)  
FINRA Case #2014040931701

**Darren M. Smith (CRD #5767358)**  
Lima, Ohio  
(February 13, 2015)  
FINRA Case #2014041027701

**Wesley Clint Smith (CRD #5461423)**  
Nederland, Texas  
(February 9, 2015)  
FINRA Case #2014042505401

**Ezechiel McKowan Travis (CRD #6328708)**  
Amherst, New York  
(February 23, 2015)  
FINRA Case #2014041655101

**Patricia Ann Tyson (CRD #6057651)**  
Newport, New York  
(February 23, 2015)  
FINRA Case #2013038293001

**Armando Manuel Velazquez**

**](CRD #6213979)**  
Escondido, California  
(February 23, 2015)  
FINRA Case #2014042897401

**Jack Cliff Weeks (CRD #5607624)**  
San Antonio, Texas  
(February 17, 2015)  
FINRA Case #2014041346601

**Teresa Maria Williams (CRD #6036884)**  
Houston, Texas  
(February 13, 2015)  
FINRA Case #2014042877601

**Stephen Eugene Winkelman Jr. (CRD #2223820)**  
Montrose, California  
(February 17, 2015)  
FINRA Case #2014041352901

**James Arthur Young III (CRD #4205459)**  
Pensacola, Florida  
(February 2, 2015)  
FINRA Case #2014042015901

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**Individuals Revoked for Failure to Pay Fines and/or Costs Pursuant to FINRA Rule 8320**

(If the revocation has been rescinded, the date follows the revocation date.)

**Richard George Atkison Jr. (CRD #2722072)**  
Dumont, New Jersey  
(February 5, 2015)  
FINRA Case #2012033378501

**James Valente (CRD #2675391)**  
West Allenhurst, New Jersey  
(February 26, 2015)  
FINRA Case #2013036003101

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**Individuals Suspended for Failure to Provide Information or Keep Information Current Pursuant to FINRA Rule 9552(d)**

(The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

**Frank Slates Adams III (CRD #4135862)**  
Cincinnati, Ohio  
(February 27, 2015)  
FINRA Case #2014042172601

**Alan Cashaw Jr. (CRD #4574278)**  
Philadelphia, Pennsylvania  
(February 23, 2015)  
FINRA Case #2014041884601

**Jason Wade Cox (CRD #5792635)**  
Dublin, Ohio  
(February 2, 2015)  
FINRA Case #2014040740901

**Curtis Steven Culver (CRD #5229229)**  
Valencia, California  
(February 26, 2015)  
FINRA Case #2014043847701

**Michael John Feilla (CRD #1801562)**  
Ann Arbor, Michigan  
(December 8, 2014 – February 19, 2015)  
FINRA Case #2014041601901

**Spencer Lewis Forster (CRD #5501372)**  
Las Vegas, Nevada  
(February 23, 2015)  
FINRA Case #2014042522501

**Gino Arturo Fortis (CRD #4200228)**  
Dixon, California  
(February 17, 2015)  
FINRA Case #2014042007401

**Isiah Jerome Gandy (CRD #6413710)**  
Omaha, Nebraska  
(February 23, 2015)  
FINRA Case #2015043995301

**Douglas Benjamin Gregg (CRD #4646585)**  
Franklin, Tennessee  
(November 17, 2014 – February 3, 2015)  
FINRA Case #2014041105101

**Herbert Andrew Hood Jr. (CRD #2857122)**  
Glen Ridge, New Jersey  
(February 9, 2015)  
FINRA Case #2014043519201

**Rodney Bryan Howell (CRD #4004611)**  
Athens, Georgia  
(February 20, 2015)  
FINRA Case #2014042358701

**Tina Lynn Reed (CRD #2617096)**  
Saint Albans, West Virginia  
(February 19, 2015)  
FINRA Case #2014043683601

**Bruce Michael Sabourin (CRD #2556826)**  
Norwich, Connecticut  
(February 23, 2015)  
FINRA Case #2014041373601

**Lynn Marie Schmidt (CRD #2702014)**  
West Dundee, Illinois  
(February 17, 2015)  
FINRA Case #2015044018401

**Mark I. Stark (CRD #4695152)**  
Lockport, New York  
(February 17, 2015)  
FINRA Case #2014041782301

**Ronald Paul Stuppy (CRD #1542123)**  
Costa Mesa, California  
(December 4, 2014 – February 19, 2015)  
FINRA Case #2013039437301

**Peter Yao (CRD #4751615)**  
Bellevue, Washington  
(February 13, 2015)  
FINRA Case #2014042113501

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**Individuals Suspended for Failure to Comply with an Arbitration Award or Settlement Agreement Pursuant to FINRA Rule 9554**

(The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

**James Paul Avola (CRD #5322109)**  
Charlotte, North Carolina  
(February 19, 2015)  
FINRA Arbitration Case #12-04021

**Thomas Brown Hinano-Stearns (CRD #1864719)**  
Pahoa, Hawaii  
(February 19, 2015)  
FINRA Arbitration Case #13-01236

**David Joseph Levenstein (CRD #2908647)**  
Northport, New York  
(February 19, 2015)  
FINRA Arbitration Case #14-00234

**John McLean (CRD #1164413)**  
Waynesboro, Virginia  
(February 27, 2015)  
FINRA Arbitration Case #12-02802

**Daniel Markus Micha (CRD #1074542)**  
Port Washington, Wisconsin  
(February 19, 2015)  
FINRA Arbitration Case #13-00714

**Edward Thomas Murphy (CRD #3041818)**  
South Plainfield, New Jersey  
(February 27, 2015)  
FINRA Arbitration Case #13-02252

**Theodore Adam Pavlovich (CRD #1199407)**  
Duluth, Minnesota  
(March 20, 2013 – February 9, 2015)  
FINRA Arbitration Case #11-01696

**Stephen Anthony Reynolds (CRD #2184576)**  
Parrish, Florida  
(May 4, 2007 – February 5, 2015)  
FINRA Arbitration Case #03-01032

**Jimmy Clayton Stroud (CRD #4688537)**  
Seaside, California  
(February 27, 2015)  
FINRA Arbitration Case #13-00765

**Robert Neil Tricarico (CRD #1500863)**  
Norwalk, Connecticut  
(February 24, 2015)  
FINRA Arbitration Case #10-00920

**Homer Lowry Vining IV (CRD #2154039)**  
Lawrenceville, Georgia  
(February 24, 2015)  
FINRA Arbitration Case #10-00145

**Jeffrey Lee Whitaker (CRD #3098004)**  
Newport News, Virginia  
(February 11, 2015)  
FINRA Arbitration Case #14-01781

**Matthew Gary Winslow (CRD #2628719)**  
Boca Raton, Florida  
(February 27, 2015)  
FINRA Arbitration Case #09-06865