

# Disciplinary and Other FINRA Actions

## Firm Expelled, Individual Sanctioned

**DreamFunded Marketplace, LLC (Funding Portal ID #283594, San Francisco, California) and Manuel Fernandez (CRD® #6639970, San Francisco, California)**  
October 27, 2021 – DreamFunded Marketplace, LLC, a former FINRA® funding portal member, and its chief executive officer, chief financial officer, and chief compliance officer, Manuel Fernandez, appealed a National Adjudicatory Council (NAC) decision to the Securities and Exchange Commission (SEC). The NAC expelled DreamFunded Marketplace, and barred Fernandez, for: (1) failing to respond fully and completely to FINRA’s request for information and documents; (2) making false, exaggerated, unwarranted, promissory, and misleading statements about their investment in an issuer, the due diligence that they conducted on issuers, and certain real estate investments; and (3) failing to supervise, failing to deny an issuer’s access to the funding portal when the issuer’s offering raised investor protection concerns, failing to conduct issuer background checks and securities enforcement regulatory histories, and failing to provide investors with material change notices, early closing notices, investment cancellation notices, and investment confirmation notices. The NAC dismissed parts of Enforcement’s complaint that alleged that DreamFunded Marketplace and Fernandez: (1) failed to deny two issuers’ access to the funding portal based on their projections and forecasts; (2) did not have a reasonable basis for believing that two issuers were in compliance with their legal and regulatory obligations; and (3) failed to provide investors with two additional material change notices for one issuer’s offering. The NAC modified the Office of Hearing Officers’ findings and the sanctions. DreamFunded Marketplace’s expulsion, and Fernandez’s bar, are in effect pending the SEC’s review. ([FINRA Case #2017053428201](#))

## Firms Fined

**Merrill Lynch, Pierce, Fenner & Smith Incorporated (CRD #7691, New York, New York)**  
October 4, 2021 – A Letter of Acceptance, Waiver and Consent (AWC) was issued in which the firm was censured, fined \$1,500,000 and required to certify that its supervisory systems and written procedures are reasonably designed to achieve compliance with Municipal Securities Rulemaking Board (MSRB) Rules G-17 and G-27 and Rule 15c3-3(d)(4) of the Securities Exchange Act of 1934 and that its revised Written Supervisory Procedures (WSPs) have been distributed to all firm personnel with responsibilities for compliance with these rules. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish and maintain a supervisory system, including written procedures, reasonably designed to achieve compliance with MSRB and Exchange Act rules or prevent

## Reported for December 2021

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).

the consequences of short positions in municipal securities. The findings stated that the firm's failure to implement supervisory systems and procedures designed to detect and resolve short positions in municipal securities, and to prevent their consequences, and to take prompt steps to bring short positions in municipal securities within its control, was not reasonable considering the municipal securities business the firm conducted. Subsequently, the firm began enhancements to its supervisory systems, WSPs and customer disclosures and amended its processes to address short positions when created and communicated its revised processes and WSPs to its registered representatives. The findings also stated that the firm's notice to purchasers of municipal securities did not comply with MSRB Rule G-17's fair dealing requirement. The firm provided customers who received substitute interest with a "gross-up" (adjusted) payment each year to address any resulting federal taxes. The customers' account statements and Form 1099s described the substitute interest and gross-up payments associated with the municipal securities held by the customers as miscellaneous income. The firm updated the language in its customers' account statements to include a specific reference to the taxable nature of these substitute interest payments. Until then, the firm did not provide these customers with express notice that the substitute interest paid to them was taxable. As a result, customers receiving these payments prior to the updated language were unable, among other things, to render an informed decision on whether they wished to continue holding the security, cancel the trade, or purchase a comparable security so as to avoid receiving taxable interest. The firm eventually provided customers with notice that their receipt of substitute interest may also create state and local tax liability, and how the "gross up" payment aims to cover any federal, state, or local tax liabilities customers may incur. ([FINRA Case #2016050801701](#))

**Merrill Lynch, Pierce, Fenner & Smith Incorporated ([CRD #7691](#), New York, New York)**

October 6, 2021 – An AWC was issued in which the firm was censured and fined \$850,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it violated Rule 204 of the SEC's Regulation SHO by improperly netting the trading activity of affiliated broker-dealer customers when determining their close-out obligations and claiming pre-fail credit. The findings stated that the firm netted the trading accounts of the affiliated broker-dealer customers and then calculated the fail-to-deliver positions attributable to their trading on a collective basis. The firm also combined the affiliated broker-dealer customers' pre-settlement date purchases and used the combined positions to calculate the pre-fail credit available under Rule 204(e). The firm then applied the resulting pre-fail credit to reduce the number of shares it bought to close out fail-to-deliver positions resulting from the affiliated broker-dealer customers' trading. The firm's application of the multi-day approach applied pre-fail credit without regard to the affiliated broker-dealer customers' respective pre-settlement purchases and short positions and allowed them to use purchases made by another to reduce their close-out obligations when they had a short position in the purchased security. The findings also stated that the firm violated Rule 200(f) of Regulation SHO by including securities positions held by the

firm's foreign and non-broker-dealer affiliates when calculating the net positions of two independent trading units. The findings also included that the firm failed to establish and maintain a supervisory system, including WSPs, reasonably designed to achieve compliance with Rule 200(f) of Regulation SHO. ([FINRA Case #2016050801702](#))

**Northwest Investment Advisors, Inc. ([CRD #109737](#), Spokane, Washington)**

October 18, 2021 – An AWC was issued in which the firm was censured and fined \$20,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to maintain its minimum required net capital after settling a customer arbitration, which caused an increase to the firm's aggregate indebtedness and its minimum net capital requirement. The findings stated that the firm effected multiple securities transactions on behalf of its customers while it was net capital deficient prior to filing a notice of net capital deficiency with the SEC or FINRA. The findings also stated that the firm failed to timely and accurately record customer arbitration settlements causing the firm to maintain inaccurate books and records regarding its aggregate indebtedness and net capital, and to file a Financial and Operational Combined Uniform Single (FOCUS) report that inaccurately reported its required minimum and excess net capital. ([FINRA Case #2019063249601](#))

**Equitable Advisors, LLC ([CRD #6627](#), New York, New York)**

October 19, 2021 – An AWC was issued in which the firm was censured and fined \$20,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it executed a settlement agreement with a customer containing language conditioning the settlement on a customer's agreement not to oppose or object to expungement of his claims from FINRA's Central Registration Depository (CRD®) system. The findings stated that the firm settled a FINRA arbitration proceeding brought by the customer against it and one of its registered representatives. Although the firm did not insert the violative language relating to expungement to the agreement, through inadvertence, it failed to detect and remove that provision before signing. ([FINRA Case #2020067328101](#))

**NYLIFE Securities LLC ([CRD #5167](#), New York, New York)**

October 25, 2021 – An AWC was issued in which the firm was censured, fined \$200,000, ordered to pay \$63,347 in restitution to customers, and required to review and update its Managing Partner Field Supervision Guide and the training module of managing partners and their delegates relating to the firm's mutual fund and cross-product switching supervision. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish, maintain and enforce a supervisory system, including WSPs, reasonably designed to achieve compliance with FINRA's suitability requirements as it pertains to mutual fund and cross-product switches. The findings stated that the firm's supervisory system and procedures were not reasonably designed or enforced to detect and prevent unsuitable mutual fund switching. The firm surveilled

for mutual fund switches on a weekly basis, identifying transactions that it deemed letterable, such as a switch from one mutual fund to another where accounts incurred front-end sales charges. These switches resulted in a letter to customers that disclosed the mutual fund purchase and sale at issue but did not disclose the sales charges incurred on either transaction. The firm did not have WSPs or adequately train supervisors on how to determine whether clients benefitted from mutual fund switch transactions or whether the transactions were suitable. The findings also stated the firm failed to take reasonable steps to review a broker's short-term trades of mutual funds. To the extent the firm's system flagged the broker's mutual fund switches for a quarterly switch review related to customers, his direct supervisor did not have adequate tools and was not properly trained to review the suitability of the transactions in order to determine whether a switch provided a benefit to the customer. The firm's compliance department typically closed the broker's mutual fund switching flags largely on the basis of the supervisor's unreasonable review. As a result of the broker's short-term trades, customers paid approximately \$175,000 in unnecessary front-end sales charges, with the broker earning approximately \$116,000 in commissions. The findings also included that the firm failed to maintain a reasonable surveillance system for mutual fund and cross-product switches. As a result of a software upgrade, a database connectivity issue caused incomplete information to flow to the firm's mutual fund switching reports and cross-product switching reports. While the firm conducted limited spot checks for mutual fund switching activity in the ninety days following the software upgrade to check whether the system was properly functioning, the firm did not continue to monitor the system. Further, the firm did not conduct any tests on its cross-product switching for over four years. As a result of the firm's failure to identify this system error, it failed to capture thousands of mutual fund transactions for supervisory review, resulting in the failure to supervise mutual fund switch transactions and cross-product switch transactions that should have been elevated to a quarterly switching report, according to the firm's procedures. The firm voluntarily enhanced its procedures and controls concerning mutual fund and cross-product switching; conducted extensive lookback reviews to identify potentially overlooked switching activity; and paid restitution of \$271,182 to the broker's customers, primarily consisting of front-end sales charges incurred by the customers following the software failure. ([FINRA Case #2017056197102](#))

## Individuals Barred

### **Jeffrey Dampf (CRD #5676205, Brick, New Jersey)**

October 1, 2021 – An AWC was issued in which Dampf was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Dampf consented to the sanction and to the entry of findings that he refused to provide on-the-record testimony and to produce the documents and information requested by FINRA in connection with its investigation into allegations that he misappropriated funds from elderly individuals. ([FINRA Case #2021072405501](#))

**Lee Victor Nordstrom ([CRD #2248261](#), Spokane, Washington)**

October 1, 2021 – An AWC was issued in which Nordstrom was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Nordstrom consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA during the course of an investigation into whether he engaged in potential unsuitable and excessive trading in several customer accounts. ([FINRA Case #2020065149801](#))

**Adam Gerard Belardino ([CRD #5221927](#), Scarsdale, New York)**

October 5, 2021 – An OHO decision became final in which Belardino was barred from association with any FINRA member in all capacities. The sanction was based on findings that Belardino failed to provide on-the-record testimony requested by FINRA during the course of an investigation initiated after his member firm submitted a Uniform Termination Notice for Securities Industry Registration (Form U5) disclosing that it had terminated him in connection with customer complaints it was reviewing. The findings stated that the customer complaints included allegations that Belardino had misrepresented account values, traded excessively and did not liquidate accounts as requested by his customers. FINRA requested on-the-record testimony after initially receiving only a partial response to its request for information. ([FINRA Case #2019062347102](#))

**Eric Shea Hollifield ([CRD #3091319](#), Dacula, Georgia)**

October 7, 2021 – An AWC was issued in which Hollifield was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Hollifield consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony or to produce documents and information requested by FINRA in connection with its investigation into his potential conversion of funds from an elderly customer. ([FINRA Case #2021072558701](#))

**Jennifer Ann Ayers ([CRD #6599784](#), Roanoke, Virginia)**

October 8, 2021 – An AWC was issued in which Ayers was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Ayers consented to the sanction and to the entry of findings that she refused to provide on-the-record testimony requested by FINRA in connection with its investigation into a Form U5 filed by her member firm that terminated her after allegations that she involved an unregistered person in activities that require registration. The findings stated that although Ayers initially cooperated with FINRA's investigation, she ceased doing so. ([FINRA Case #2019064729702](#))

**Yoandra Lopez ([CRD #6902387](#), Miami, Florida)**

October 12, 2021 – An AWC was issued in which Lopez was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Lopez consented to the sanction and to the entry of findings that she refused to appear for on-the-record testimony requested by FINRA in connection with its investigation of a Form U5 filed by her member firm. The findings stated that the Form U5 disclosed that Lopez resigned her employment when she was informed that she was scheduled to have an interview with a bank investigator regarding her receipt of a business loan from the Small Business Administration. The loan did not appear to be related to the securities business of the firm. ([FINRA Case #2020068623601](#))

**Edgar A. Kleydman ([CRD #2727571](#), Staten Island, New York)**

October 14, 2021 – An AWC was issued in which Kleydman was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Kleydman consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA during its investigation into whether he engaged in private securities transactions without providing written notice to his member firm. The findings stated that the investigation originated from a firm customer's complaint to FINRA. ([FINRA Case #2019064101401](#))

**Jamie John Worden ([CRD #4637404](#), Lloyd Harbor, New York)**

October 14, 2021 – An AWC was issued in which Worden was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Worden consented to the sanction and to the entry of findings that he refused to produce documents and information requested by FINRA during an investigation into private placement offerings of pre-initial public offering securities sold through his member firm. ([FINRA Case #2019064746501](#))

**Glenn Edward Brandon Jr. ([CRD #1051682](#), Birmingham, Alabama)**

October 15, 2021 – An AWC was issued in which Brandon was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Brandon consented to the sanction and to the entry of findings that he refused to provide documents and information requested by FINRA in connection with its investigation into whether he engaged in outside business activities (OBAs) that were not disclosed to or approved by his member firm. ([FINRA Case #2021070227901](#))

**Michael James Conte ([CRD #2646071](#), Saint James, New York)**

October 18, 2021 – An AWC was issued in which Conte was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Conte consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA in connection with its investigation into potential

misrepresentations made in the participation in, and supervision of, the sale of multiple private offerings of bonds. ([FINRA Case #2018059545602](#))

**Elizabeth Ann Sollars ([CRD #6606776](#), West Terre Haute, Indiana)**

October 20, 2021 – An OHO decision became final in which Sollars was barred from association with any FINRA member in all capacities. The sanction was based on the findings that Sollars failed to provide information and documents or to appear for on-the-record testimony requested by FINRA in connection with its investigation into allegations that she misappropriated insurance premiums. ([FINRA Case #2020065292102](#))

**Manuel Pinazo ([CRD #5398494](#), Miami, Florida)**

October 26, 2021 – An AWC was issued in which Pinazo was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Pinazo consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA in connection with an investigation into the circumstances of his termination from his member firm. The findings stated that Pinazo's firm discharged him for conduct involving improperly applying for and receiving an Economic Injury Disaster Loan. ([FINRA Case #2020068637101](#))

**Daemon Johnson ([CRD #7168475](#), Bloomfield Hills, Michigan)**

October 28, 2021 – An AWC was issued in which Johnson was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Johnson consented to the sanction and to the entry of findings that he converted funds from the state of Arizona. The findings stated that Johnson received a deposit of \$9,720 into his personal bank account from the Arizona Department of Economic Security that was intended for another individual in connection with Arizona's COVID-19 unemployment assistance program. Johnson was aware that he was not entitled to these funds. However, rather than returning the funds, Johnson transferred \$4,500 of the funds to a friend and used the remaining \$5,220 of the funds for his personal expenses. ([FINRA Case #2020067390702](#))

**Lady N. Sanchez Romero ([CRD #5591832](#), Englishtown, New Jersey)**

October 28, 2021 – An AWC was issued in which Sanchez Romero was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Sanchez Romero consented to the sanction and to the entry of findings that she refused to provide documents and information requested by FINRA concerning cash and checks discovered in her desk that belonged to a third party. The findings stated that this matter originated from a FINRA Rule 4530 filing by Sanchez Romero's member firm. Sanchez Romero initially provided a partial but incomplete response to FINRA, but ultimately failed to produce the remaining information and documents. ([FINRA Case #2020068954301](#))

## Individuals Suspended

### **William A. Fochi Jr. ([CRD #1773450](#), Hebron, Connecticut)**

October 6, 2021 – An AWC was issued in which Fochi was fined \$10,000 and suspended from association with any FINRA member in all capacities for four months. Without admitting or denying the findings, Fochi consented to the sanctions and to the entry of findings that he engaged in an OBA without disclosing or providing prior written notice to his member firm. The findings stated that this matter originated from a Form U5 filed by the firm that stated Fochi had been permitted to resign following the firm’s discovery that he violated its policy by soliciting and facilitating sales of a product not approved by the firm. Fochi sold equity indexed annuities (EIAs) valued at approximately \$3.9 million despite the firm explicitly prohibiting him from soliciting or selling EIAs. Fochi’s activities were not detected by the firm because his wife, who was an independent insurance agent, was listed as the selling agent even though certain customers only worked with Fochi in purchasing their EIAs. Fochi received approximately \$3,000 personally in commissions and shared in the \$350,000 to \$400,000 in commissions earned in his wife’s name for EIA sales he made. The findings also stated that Fochi made inaccurate statements to the firm regarding his participation in OBAs and sales of EIAs on multiple annual firm compliance questionnaires.

The suspension is in effect from November 1, 2021, through February 28, 2022. ([FINRA Case #2020066000901](#))

### **Huanwei Huang ([CRD #3268328](#), Brooklyn, New York)**

October 6, 2021 – A NAC decision became final which reflected that Huang was fined \$5,000 and suspended from association with any FINRA member in all capacities for 10 business days. Huang did not appeal the OHO’s decision; however, other parties to the FINRA complaint did, so Huang’s sanctions were not in effect pending the NAC’s review of that appeal.

The sanctions were based on findings that Huang misused confidential non-public information in contravention of the SEC’s Regulation S-P: Privacy of Consumer Financial Information and Safeguarding Information when he communicated with a customer and his assistant concerning customer accounts. The findings also stated that Huang violated recordkeeping requirements when he communicated with the customer and his assistant using an application and failed to retain and submit those communications to his member firm. The findings also stated that the NAC affirmed the dismissal of allegations against Huang that he engaged in AML-related misconduct associated with customer deposits and liquidations of low-priced securities.

The suspension was in effect from November 1, 2021, through November 12, 2021. ([FINRA Case #2016049565901](#))

**Brandon Tory Lopez (CRD #6823291, Nashville, Tennessee)**

October 15, 2021 – An AWC was issued in which Lopez was assessed a deferred fine of \$2,500 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Lopez consented to the sanctions and to the entry of findings that he failed to disclose and obtain the written consent of his member firm to maintain an outside investment account and failed to notify the outside firm where the account was maintained of his employment with his firm. The findings stated that Lopez executed options trades in different securities in the account. Lopez closed the account after the firm questioned him about outside investment accounts pursuant to a FINRA inquiry. Lopez also falsely attested on firm compliance questionnaires that he understood and followed the firm's outside investment account disclosure requirements.

The suspension is in effect from October 18, 2021, through December 17, 2021. ([FINRA Case #2019062365501](#))

**Robert Frederick Geiler (CRD #1107194, San Diego, California)**

October 18, 2021 – An AWC was issued in which Geiler was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Geiler consented to the sanctions and to the entry of findings that he accessed and printed documents containing non-public personal information of his customers, and then removed the documents from his member firm and retained the information without authorization after resigning. The findings stated that Geiler anticipated retiring and sought to sell his book of business to another registered representative. The firm's policies related to succession planning prohibited sharing customer non-public information with parties external to the firm. Geiler's supervisor advised him to refrain from sharing customer non-public information with representatives outside of the firm. However, after resigning from the firm, Geiler provided the customers' non-public personal information to a representative at another firm and was paid \$5,000 by the other representative. By removing and retaining customers' non-public personal information, Geiler caused his firm to violate SEC Regulation S-P.

The suspension is in effect from October 18, 2021, through January 17, 2022. ([FINRA Case #2020067109401](#))

**Doli Kumar (CRD #6586313, Latham, New York)**

October 20, 2021 – An AWC was issued in which Kumar was assessed a deferred fine of \$2,500 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Kumar consented to the sanctions and to the entry of findings that she made negligent misrepresentations in an application to the Small Business Administration seeking an Economic Injury Disaster Loan. The findings stated that Kumar did not review the loan program requirements to determine her eligibility prior to submitting her application. In her application, Kumar negligently

misrepresented that she was the owner of a real estate business and that the business had earned revenues and sold goods, which was not the case. Based on Kumar's negligent misrepresentations in the loan application, the Small Business Administration approved her loan application in the amount of \$20,000, and also on the basis of her misrepresentations, separately granted her a \$1,000 Economic Injury Disaster Loan advance. After her loan application was approved, Kumar, for the first time, read the loan program requirements and determined that she was not eligible for it. Accordingly, Kumar withdrew her application and did not sign the loan agreement for the approved \$20,000 loan. To date, Kumar has not repaid the \$1,000 to the Small Business Administration.

The suspension is in effect from November 1, 2021, through December 31, 2021. ([FINRA Case #202006888501](#))

**Michael Miles Hartlett (CRD #1022139, Lancaster, Pennsylvania)**

October 22, 2021 – An AWC was issued in which Hartlett was fined \$5,000 and suspended from association with any FINRA member in all capacities for 10 business days. Without admitting or denying the findings, Hartlett consented to the sanctions and to the entry of findings that he exercised discretionary trading authority in a customer's accounts without having obtained prior written authorization from the customer. The findings stated that Hartlett was orally granted discretionary trading authority from the customer, however he did not disclose this grant of authority to his member firm. In addition, Hartlett falsely stated in annual compliance questionnaires that he had not exercised discretionary trading authority in any customers' brokerage accounts.

The suspension was in effect from November 15, 2021 through November 29, 2021. ([FINRA Case #2020066023101](#))

**Latonya Lynette Anderson (CRD #6466679, Gonzales, Louisiana)**

October 26, 2021 – An AWC was issued in which Anderson was assessed a deferred fine of \$12,500 and suspended from association with any FINRA member in all capacities for nine months. Without admitting or denying the findings, Anderson consented to the sanctions and to the entry of findings that she made reckless misrepresentations in a loan application she submitted to the Small Business Administration to obtain an Economic Injury Disaster Loan. The findings stated that Anderson misrepresented that she was the owner of a real estate business that had ten employees and had earned revenue and incurred costs in the 12 months prior to January 31, 2020. In fact, Anderson did not then own any such real estate business or have any other business eligible for an Economic Injury Disaster Loan from the Small Business Administration. Based on Anderson's misrepresentations, the Small Business Administration provided her with a \$10,000 Economic Injury Disaster Loan advance but denied the loan application. Anderson legally formed a real estate business after applying for the loan and used some of the money she received to pay for expenses relating to the business. To date, Anderson has not repaid the \$10,000. The findings also stated that Anderson willfully failed to timely amend her Uniform Application for Securities

Industry Registration or Transfer form (Form U4) to disclose a tax lien from the State of Louisiana for approximately \$3,000 and seven compromises with creditors totaling approximately \$9,000. Anderson was aware of the tax lien at or around the time it was filed but did not amend her Form U4 to disclose the lien until approximately 18 months after she first learned of it. In addition, Anderson reached the compromises with creditors while registered with her member firm but did not timely disclose them on her Form U4.

The suspension is in effect from November 1, 2021, through July 31, 2022. ([FINRA Case #2020068453201](#))

**William Joseph Kielczewski (CRD #4034356, Ottawa Hills, Ohio)**

October 27, 2021 – Kielczewski appealed a NAC decision to the SEC. Kielczewski was fined \$50,000, suspended from association with any FINRA member in all capacities for 18 months, and required to requalify by examination as a registered representative before again acting in that capacity. The NAC affirmed the findings and modified the sanctions imposed by the OHO. The sanctions were based on findings that Kielczewski participated in undisclosed private securities transactions, made false statements to his employer firm, and willfully caused his employer firm to file a misleading initial Uniform Application for Securities Industry Registration or Transfer (“Form U4”) and four misleading Form U4 amendments. The findings stated that Kielczewski did not provide prior written notice to his member firm about his participation in the private securities transactions. The findings also stated that Kielczewski made false and misleading statements on firm compliance questionnaires in response to questions concerning private securities transactions. Kielczewski represented that he had not engaged in any private securities transactions while employed with the firm, despite participating in transactions totaling over \$6 million. In addition, Kielczewski stated that he was a silent minority partner and only had a passive role in a hedge fund that he created, when in fact he was actively involved with the fund and solicited several of his customers to invest in it and otherwise participated in more than \$10 million in fund investments. The findings also included that Kielczewski willfully caused the firm to file inaccurate Forms U4 regarding his involvement in the hedge fund.

The sanctions are not in effect pending review. ([FINRA Case #2017054405401](#))

**Ronald Leonard Whittingham (CRD #4175525, Chicago, Illinois)**

October 28, 2021 – An AWC was issued in which Whittingham was fined \$5,000 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Whittingham consented to the sanctions and to the entry of findings that he falsified variable annuity replacement disclosure forms that he submitted to his member firm. The findings stated that on each form, Whittingham falsely stated that gaining a stepped-up death benefit was one of the reasons that the variable annuity exchange was suitable for the customer. In fact, as Whittingham knew, each variable annuity that was to be replaced had a stepped-up death benefit that, unbeknownst to the firm, was removed at Whittingham’s recommendation immediately

prior to the time he recommended the variable annuity exchange. Whittingham recommended to his customers that the death benefits be removed from the existing variable annuities in order to make his recommended exchanges look to the firm as though they were more advantageous to the customer than they were, even though each of the forms identified other, accurate reasons why each exchange was suitable for the customer. The findings also stated that Whittingham caused the firm to maintain inaccurate books and records.

The suspension is in effect from November 15, 2021, through February 14, 2022. ([FINRA Case #2017055447502](#))

## 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.

**Spartan Capital Securities, LLC ([CRD #146251](#), New York, New York), John Dennis Lowry ([CRD #4336146](#), New York, New York), and Kim Marie Monchik ([CRD #2528972](#), Middletown, New Jersey)**

October 19, 2021 – The firm, Lowry, and Monchik were named respondents in a FINRA complaint alleging that the firm failed to file, or to timely file, amendments to the Forms U4 and Forms U5 for its registered representatives to disclose reportable events such as customer arbitrations, customer complaints, and financial events. The complaint alleges that among its disclosure failures, the firm willfully failed to amend, or to timely amend, the Forms U4 and Forms U5 of its executive officers and a branch manager to disclose customer arbitrations against those registered representatives, including primarily the Forms U4 of the firm's two most senior executives Lowry, the firm's CEO and Monchik, the firm's Chief Administrative Officer and Chief Compliance Officer. Lowry and Monchik were personally responsible for ensuring that the information on their own Forms U4 was current, accurate, and complete. However, Lowry and Monchik willfully failed to amend, or to timely amend, their Forms U4 to disclose multiple consumer-initiated arbitrations alleging that they were involved in one or more sales practice violations. Despite being aware of their specific disclosure failures, neither Lowry nor Monchik have amended their Forms U4 to disclose almost all of the arbitrations against them. The firm's, Lowry's and Monchik's willfulness is demonstrated by, among other things, their continuing refusal to disclose arbitrations despite warnings from FINRA that they were required to do so. ([FINRA Case #2019061528001](#))

**Cantone Research Inc. ([CRD #26314](#), Eatontown, New Jersey), Anthony Joseph Cantone ([CRD #1066139](#), Cape Coral, Florida), and Raymond John DeRobbio ([CRD #1092310](#), Atlantic Highlands, New Jersey)**

October 26, 2021 – The firm, Cantone and DeRobbio were named respondents in a FINRA complaint alleging that they made numerous fraudulent and negligent misrepresentations and omissions of material fact in connection with two municipal bond offerings that defaulted causing customers to lose more than \$6,225,000. The complaint alleges that the firm, Cantone and DeRobbio willfully violated MSRB Rule G-19 by failing to conduct due diligence sufficient for them to attain a reasonable basis to believe in the accuracy and completeness of key representations in the final official statement for the first bond offering. Therefore, the firm, Cantone and DeRobbio lacked a reasonable basis to believe that the bond was suitable for any investor. The complaint also alleges that the firm, Cantone and DeRobbio made negligent misrepresentations and omissions of material fact in willful violation of MSRB Rule G-17, both independently and by virtue of violating Sections 17(a)(2) and 17(a)(3) of the Securities Act of 1933. In connection with the offer and sale of the first bond offering, and by the means and instrumentalities of interstate commerce, the firm, Cantone and DeRobbio obtained money and property by means of making false and misleading statements of material facts and omitting to state material facts necessary in order to make statements made, in light of the circumstances under which they were made, not misleading, and engaged in transactions, practices and a course of business that operated as a fraud or deceit on the firm's customers who purchased the bonds in the primary and secondary market. The complaint further alleges the firm, Cantone and DeRobbio committed securities fraud in willful violation of MSRB Rule G-17, both independently and by virtue of violating Section 17(a)(1) of the Securities Act. In connection with the offer and sale of the second municipal bond offering, and by the means and instrumentalities of interstate commerce, the firm, Cantone and DeRobbio employed a device, scheme, or artifice to defraud investors. The firm, Cantone and DeRobbio, acting with scienter, knew that the alleged misrepresentations and omissions of material fact made to customers in connection with the offering and sale of the bonds were false and misleading, or, at a minimum, were reckless in selling the bonds based upon the alleged false and misleading communications. In the alternative, the firm, Cantone and DeRobbio made numerous negligent misrepresentations and omissions of material fact in connection with the second municipal bond offering in willful violation of MSRB Rule G-17, both independently and by virtue of violating Sections 17(a)(2) and 17(a)(3) of the Securities Act. In addition, the complaint alleges that the firm, Cantone and DeRobbio willfully violated MSRB Rules G-17 and G-47. Prior to selling the first bond to their customers in the primary offering and in secondary market transactions, the firm, Cantone and DeRobbio failed to disclose to customers material information about the transaction known by them, as well as material information about the security that was reasonably accessible to the market, which was omitted from the bond's official statement. Prior to selling the second municipal bond in the primary offering and in secondary market transactions, the firm,

Cantone and DeRobbio failed to disclose to customers the falsity of the misrepresentations contained in, or the material information omitted from the official statement, all of which was material information. ([FINRA Case #2017055886402](#))

**Jason Andrew Wilk** ([CRD #6072438](#), Staten Island, New York)

October 27, 2021 – Wilk was named a respondent in a FINRA complaint alleging that he failed to appear for on-the-record testimony requested by FINRA in connection with its investigation into his trading in a customer’s account to determine whether the account was excessively traded. The complaint alleges that Wilk’s trading in the customer’s account resulted in a cost to-equity ratio and a turnover rate that exceeded the traditional benchmarks that generally indicate that excessive trading has occurred. During a call to FINRA to discuss its requests that he appear to testify, Wilk indicated that he would appear for testimony. Later, FINRA requested that Wilk provide dates, within the following two weeks, that he was available to testify. Wilk did not provide any dates on which he was available to testify or otherwise respond to FINRA’s request. ([FINRA Case #2019060753502](#))

## Decisions Dismissed

OHO issued the following decision, which was appealed to the NAC. The findings made by the Hearing Panel were affirmed, and the NAC has subsequently ordered that the decision be dismissed.

**George Alberto Castillo** ([CRD #1936486](#))

Newhall, California  
(October 6, 2021)  
FINRA Case #2016049565901

**Jose Miguel Abadin** ([CRD #1273345](#))

Beverly Hills, California  
(October 6, 2021)  
FINRA Case #2016049565901

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**Firm Cancelled for Failure to Submit a Member Continuance Application Necessitated by Their Statutory Disqualification Pursuant to FINRA Rule 9522(a)(2)**

Greentree Investment Services, Inc.  
(CRD #28693)  
Bridgeville, Pennsylvania  
(October 8, 2021)

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**Firm Cancelled for Failure to Meet the Eligibility or Qualification Standards or Prerequisites for Access to Services Pursuant to FINRA 9555**

Worden Capital Management LLC  
(CRD #148366)  
New York, New York  
(October 14, 2021)

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**Firm 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.)

Beyondtrade Securities Inc. (CRD #300439)  
St. Louis, Missouri  
(October 11, 2021 – October 26, 2021)

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**Firm Suspended for Failure to Pay FINRA Dues, Fees and Other Charges 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.)

The Transportation Group (Securities) Limited (CRD #286288)  
New York, New York  
(September 27, 2021 – October 5, 2021)

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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.)

William Sideny Friedman (CRD #2475502)  
Boca Raton, Florida  
(October 5, 2021)  
FINRA Case #2021070752201

Johnnie Melvin Jones (CRD #2705042)  
Bridgeport, Connecticut  
(October 25, 2021)  
FINRA Case #2020068113601

Toni Marshall (CRD #7057138)  
Philadelphia, Pennsylvania  
(October 4, 2021)  
FINRA Case #2020067270401

Dominic John Scalzi (CRD #1689662)  
Cedar Grove, New Jersey  
(October 18, 2021)  
FINRA Case #2021070117501

Rosemary Teresa Vrablic (CRD #4359776)  
Long Beach, New York  
(October 18, 2021)  
FINRA Case #2021070117201

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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.)

**Jeremy Steven Bahls (CRD #6869152)**  
Fort Wayne, Indiana  
(September 10, 2021 – October 5, 2021)  
FINRA Case #2021071323401

**Joshua Gregory Baker (CRD #6463146)**  
Aliso Viejo, California  
(October 18, 2021)  
FINRA Case #2021070573101

**Kameise Bickham (CRD #7058776)**  
Phoenix, Arizona  
(October 25, 2021)  
FINRA Case #2021069250501

**Anthony Rashad Bookman (CRD #3185872)**  
Dallas, Texas  
(October 12, 2021)  
FINRA Case #2021070899201

**Bernard Chevalier (CRD #6850578)**  
Jacksonville, Florida  
(October 18, 2021)  
FINRA Case #2021070726001

**Michael D. Dorband (CRD #5770436)**  
Raytown, Missouri  
(October 18, 2021)  
FINRA Case #2021071383001

**Ian Ha (CRD #5679255)**  
Los Angeles, California  
(October 1, 2021)  
FINRA Case #2020065613902

**Gregory Scott Hanshew (CRD #2624600)**  
Littleton, Colorado  
(October 8, 2021)  
FINRA Case #2021071060901

**Jordan Palmer John (CRD #6924720)**  
Williamsburg, Virginia  
(October 28, 2021)  
FINRA Case #2021071672301

**Frank Steve Mathis (CRD #5802498)**  
Irving, Texas  
(October 7, 2021)  
FINRA Case #2021070781901

**Ronald Terrence Molo (CRD #4371241)**  
Shorewood, Illinois  
(October 25, 2021)  
FINRA Case #2021071702901

**Christopher Ogbuehi (CRD #7198569)**  
Dallas, Texas  
(October 8, 2021)  
FINRA Case #2021069415901

**Robert A. Paterson (CRD #5880319)**  
Hallandale Beach, Florida  
(October 25, 2021)  
FINRA Case #2021071682101

**Noe Ramirez III (CRD #4975859)**  
Cedar Park, Texas  
(October 4, 2021)  
FINRA Case #2020067708101

**Nathaniel K. Robinson (CRD #7063900)**  
Chicago, Illinois  
(October 25, 2021)  
FINRA Case #2021071506401

**Bobby Sullins (CRD #4173425)**

Anniston, Alabama  
(October 1, 2021)  
FINRA Case #2021070304001

**Herbert Lee Weith IV (CRD #5453866)**

Annapolis, Maryland  
(October 29, 2021)  
FINRA Case #2019064197601

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**Individuals Suspended for Failure to Comply with an Arbitration Award or Related Settlement or an Order of Restitution or Settlement Providing for Restitution Pursuant to FINRA Rule Series 9554**

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

**Omer Mohamed Ali-Taha (CRD #2996642)**

Springfield, Virginia  
(January 30, 2020 – October 17, 2021)  
FINRA Arbitration Case #16-02523

**Omer Mohamed Ali-Taha (CRD #2996642)**

Springfield, Virginia  
(June 11, 2021 – October 17, 2021)  
FINRA Arbitration Case #20-03641

**Berkley Creighton Badger (CRD #713972)**

Tarpon Springs, Florida  
(October 18, 2021)  
FINRA Arbitration Case #20-01967

**John Richard Carlson (CRD #3098410)**

Minot, North Dakota  
(October 18, 2021)  
FINRA Arbitration Case #19-00571

**Jude S. Colangelo (CRD #2641823)**

Charlotte, North Carolina  
(June 9, 2017 – October 8, 2021)  
FINRA Arbitration Case #14-01218

**Derek Rudolf D'Alonzo (CRD #2099610)**

Hoschton, Georgia  
(October 21, 2021)  
FINRA Case #20210712356/ARB210010

**William Sideny Friedman (CRD #2475502)**

Boca Raton, Florida  
(October 5, 2021)  
FINRA Arbitration Case #21-00298

**Harold Walter Harrison (CRD #238322)**

Chandler, Arizona  
(October 5, 2021)  
FINRA Arbitration Case #19-03751

**Steven Roland Knuttila (CRD #3039112)**

Frazee, Minnesota  
(October 18, 2021)  
FINRA Arbitration Case #19-00571

**Gaetano Magarelli (CRD #2227996)**

North Palm Beach, Florida  
(April 23, 2021 – October 6, 2021)  
FINRA Arbitration Case #19-03385

**Sean Rierson Martin (CRD #2665127)**

Millersville, Maryland  
(October 18, 2021)  
FINRA Arbitration Case #21-00383