

Disciplinary and Other FINRA Actions

Firms Fined, Individuals Sanctioned

Whitehall-Parker Securities, Inc. ([CRD® #10608](#), San Rafael, California) and Robert James Yuloo ([CRD #1303331](#), Las Vegas, Nevada)

January 15, 2021 – A Letter of Acceptance, Waiver and Consent (AWC) was issued in which the firm was censured, fined \$40,000, of which \$10,000 is joint and several with Yuloo, and required to certify that it has adopted and implemented policies, procedures and systems that are reasonably designed with respect to the review of outside business activities (OBAs) and electronic correspondence, and that it has completed a risk-based retrospective review of electronic communications sent or received by its associated personnel reasonably designed to achieve compliance with FINRA Rule 3110(b)(4) and to comply with all reporting obligations under FINRA Rule 4530, Uniform Application for Securities Industry Registration or Transfer (Form U4), and Uniform Termination Notice for Securities Industry Registration (Form U5), as a result of its findings from that review. Yuloo was also suspended from association with any FINRA® member in any principal capacity for two months. Without admitting or denying the findings, the firm and Yuloo consented to the sanctions and to the entry of findings that they failed to reasonably review and document an OBA that a firm registered representatives disclosed. The findings stated that the representative sold \$1,467,000 in promissory notes relating to a company. The representative's sales of the notes included investors that were firm customers. Neither the firm nor Yuloo received any compensation from the representative's sales of the notes. Although the representative did not seek approval to sell the notes, he disclosed the company as an OBA on multiple occasions to the firm and disclosed that he was receiving compensation from the company. Notwithstanding these disclosures, Yuloo did not conduct a reasonable investigation or inquiry to determine the nature of the representative's involvement with the company or whether his sale of the notes constituted securities transactions. Instead, Yuloo relied on a single conversation following a questionnaire during which the representative represented that he was no longer doing business with the company to justify not performing any review of the company. In fact, the representative continued to sell the notes. The findings also stated that the firm and Yuloo failed to reasonably supervise electronic communications that its registered representatives sent and received. As a result of his unreasonably limited review, Yuloo did not act upon more than 800 company-related emails that the representative sent and received. In addition, Yuloo reviewed the content of 97 of the representative's company-related emails that reasonably should have alerted him to the fact that sales of company notes were private securities transactions and that the representative was selling securities away from the firm.

The suspension is in effect from February 1, 2021, through March 31, 2021. ([FINRA Case #2017052705802](#))

Reported for March 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).

Kipling Jones & Co., Ltd. ([CRD #144730](#), Houston, Texas) and Robbi Julene Jones ([CRD #1797418](#), Houston, Texas)

January 19, 2021 – The firm and Jones appealed a National Adjudicatory Counsel (NAC) decision to the Securities and Exchange Commission (SEC). The firm was fined \$38,000 and Jones was barred from association with any FINRA member in all capacities for her books and records and inaccurate Financial and Operational Combined Uniform Single (FOCUS) reports violations and separately barred from association with any FINRA member in all capacities for providing inaccurate and misleading information, documents and testimony to FINRA. The NAC affirmed the findings and modified the sanctions imposed by the Office of Hearing Officers (OHO). The sanctions were based on findings that the firm willfully violated Section 17(a) of the Securities Exchange Act of 1934 and Rules 17a-3 and 17a-5 thereunder by creating and maintaining inaccurate books and records and filing inaccurate FOCUS reports. The findings stated that the firm failed to record the cancellation of a pledged certificate of deposit (CD) in its books and records. The firm continued to carry the CD as an asset on its general ledger, balance sheets and trial balances and continued to show the CD as an allowable asset in monthly and amended FOCUS reports. The firm's FOCUS reports should have reflected that it was net capital deficient, but by including the liquidated CD as an allowable asset in its net capital computations, the reports showed excess net capital. The findings also stated that Jones caused the firm to create and maintain inaccurate books and records and to file inaccurate FOCUS reports. Jones bought the CD from a bank to list as an asset in the firm's net capital computation. To pay for the CD, Jones took a personal loan from the bank. The bank's president told Jones that she would have to have an ownership interest in the CD before she could pledge it as collateral for the loan. Therefore, the CD was titled in both Jones' name and the firm's name and Jones signed a promissory note for the loan. The CD was to renew automatically on its maturity date. To affect the renewal, Jones also had to renew the loan to pay for the CD and sign another promissory note. Jones did not pay off or renew the loan by the expiration date and the bank used the CD to pay off the outstanding loan balance. The findings also included that Jones provided false and misleading information, documents and testimony to FINRA and refused to respond to its questions during her on-the-record testimony. Jones made misleading statements during a FINRA examination of the firm regarding efforts to obtain information and documents from the bank concerning the CD and misrepresented to FINRA that her mother had died. Jones also omitted airline tickets from signed statements in which she described an investigation by the city of Houston and falsely testified that the CD was never pledged as a security for a loan. Jones also refused to respond to questions concerning whether her mother had died and whether she had previously represented to FINRA that she had died.

The sanction, except for the bars, is not in effect pending review. ([FINRA Case #2015044782401](#))

Firms Fined

Western International Securities, Inc. ([CRD #39262](#), Pasadena, California)

January 5, 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 effected opening transactions in a stock option contract on behalf of a customer that resulted in the customer holding a position in the security that exceeded the applicable position limit of the options position for four consecutive business days. The findings stated that the firm failed to establish and maintain a supervisory system, including written supervisory procedures (WSPs), that was reasonably designed to achieve compliance with option position limits requirements. In addition, the firm had no reports that identified position limit overages. Instead, the firm relied on its clearing firm to inform it of position limit violations. Moreover, the firm's WSPs provided that the designated options principal is responsible for identifying positions that exceeded allowable limits under self-regulatory organization rules, but the WSPs failed to describe a supervisory review to determine if the firm or its customers exceeded an options position limit. Subsequently, the firm updated its WSPs and addressed these deficiencies. ([FINRA Case #2018060330902](#))

Louis Capital Markets, LLC ([CRD #48013](#), Paris, France)

January 8, 2021 – An AWC was issued in which the firm was censured, fined \$40,000 and required to revise its risk management controls and supervisory procedures with respect to its areas of deficiencies. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to register certain principals and did not amend its Uniform Application for Broker-Dealer Registration (Form BD) to accurately identify certain principals. The findings stated that the firm failed to register its chief compliance officer (CCO) as a general securities principal and its month-end financial statements were supervised, approved and filed by an individual who was required to be registered as a limited principal. However, the individual was not registered with the firm in any capacity. In addition, two other individuals, who were employed by one of the firm's affiliates, had final responsibility for the preparation, approval and accuracy of the firm's financial reports that were submitted to FINRA, but neither were registered as limited principals. Further, the firm failed to amend its Form BD to accurately identify its CCO, chief financial officer (CFO), and Financial and Operations Principal (FINOP). The findings also stated that the firm failed to establish, document and maintain risk management controls and supervisory procedures that were reasonably designed to manage the financial, regulatory and other risks of its business activity. The firm failed to establish financial risk management controls and supervisory procedures to systematically limit its financial exposure that could arise as a result of market access. The firm also failed to establish risk management controls and supervisory procedures to ensure compliance with the regulatory requirements outlined in Exchange Act Rule 15c3-5(c)(2) and did not establish, document and maintain a system to regularly review the effectiveness of risk management

controls and supervisory procedures. Furthermore, the firm failed to conduct an annual review of its business activity in connection with market access to assure its overall effectiveness and failed to complete the chief executive officer annual certification. ([FINRA Case #2017052473701](#))

VALIC Financial Advisors, Inc. ([CRD #42803](#), Houston, Texas)

January 8, 2021 – An AWC was issued in which the firm was censured and fined \$350,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish a reasonably designed system and WSPs for the surveillance of rates of variable annuity exchanges and for corrective action in the case of inappropriate exchanges. The findings stated that the firm’s written procedures did not detail when or how frequently it would review variable annuity transactions for inappropriate rates of variable annuity exchanges. The procedures also failed to provide guidance as to what would be considered a high rate of variable annuity replacements. The firm did not maintain an accurate or readily accessible record of all variable annuity exchange transactions it executed. As a result, when the firm conducted reviews for inappropriate rates of exchange, not all variable annuity exchange transactions were included in those reviews. The findings also stated that the firm failed to establish a reasonably designed system and supervisory procedures for the review of transactions where a registered representative recommended that a customer invest additional funds into an existing variable annuity. The firm’s procedures required principal approval of transactions involving additional premium payments made to an existing variable annuity. However, that requirement applied only to transactions that involved a qualified variable annuity or a premium payment that was funded by a partial or full surrender of an existing variable annuity. The firm did not require principal approval of additional premium payments made to non-qualified variable annuities. The findings also included that the firm failed to timely report statistical and summary information for written customer complaints received by the firm. ([FINRA Case #2018060548501](#))

Wealthforge Securities, LLC ([CRD #152550](#), Richmond, Virginia)

January 12, 2021 – An AWC was issued in which the firm was censured, fined \$100,000 and required to provide training for its compliance personnel, supervisors and registered representatives regarding FINRA Rule 2210 within six months. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it distributed numerous communications to retail customers that violated content standards for member firms’ communications with the public. The findings stated that the firm sent communications to customers concerning private placement offerings that contained statements that violated prohibitions against misleading statements. These communications contained false, exaggerated, unwarranted, promissory or misleading claims, statements that failed to provide a balanced treatment of risks and potential benefits and statements that violated the prohibition against projections of investment performance or exaggerated or unwarranted claims, opinions and forecasts. In addition,

the firm distributed communications to customers concerning private placement offerings that contained comparisons that failed to disclose all material differences between them and failed to prominently disclose the name of the firm and relationship between it and the issuer. The communications also contained inadequate testimonials and exceeded the limits on the use of FINRA's name. The findings also stated that the firm willfully violated Exchange Act Rule 10b-9 by, while acting as an underwriter of a contingency offering, twice failing to inform investors that the issuer intended to extend the closing date and, therefore, the investors did not affirmatively confirm in writing their decision to continue their investments and they did not have their funds returned to them. ([FINRA Case #2016047664201](#))

Growth Capital Services, Inc. ([CRD #124658](#), San Francisco, California)

January 15, 2021 – An AWC was issued in which the firm was censured and fined \$35,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to timely file required documents related to private placements sold by its registered representatives. The findings stated that the firm distributed sales materials that did not meet FINRA's content standards for member communications. The firm distributed or made available to potential investors various presentations, websites, offering documents and other materials related to different private placement offerings. The communications failed to provide a sound basis for evaluating the proposed investments and contained misleading statements. One offering failed to include reasonable disclosures about risk in the business plan attached to its private placement memorandum, specifically that the offering was speculative, illiquid and could result in a total loss of investment. Two offerings presented information from less risky investments such as publicly traded securities or bonds but failed to disclose the material differences between the private placements and the less risky investments. One offering described itself as having enhanced liquidity when in fact it was an illiquid investment and one offering included a misleading description of the use of funds, suggesting that the investor would be directly investing in technology companies, when in reality the monies were being invested in another limited liability company that purportedly invested in technology companies. In addition, most of the offering materials contained projections of performance. ([FINRA Case #2019060721801](#))

Amherst Pierpont Securities LLC fka. Amherst Securities Group, L.P. ([CRD #150696](#), New York, New York)

January 20, 2021 – An AWC was issued 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 failed to enforce a supervisory system reasonably designed to review and supervise for red flags when raised in connection with customer transactions in residential mortgage-backed securities. The findings stated that an associated person of the firm, who acted as a salesperson for these types of securities, made misleading pricing-related statements to firm counterparties in connection with negotiations involving

separate transactions in residential mortgage-backed securities that triggered additional review due to the size of the spreads realized by the firm. The firm's internal systems flagged for supervisory review residential mortgage-backed securities transactions because they had markups that exceeded three percent. For each of these transactions, the trader submitted written statements concerning the pricing decisions and the underlying reasons for them. Although these statements provided a general reason for the markups imposed on the transactions, the firm knew of additional information regarding these transactions that should have led to further investigation. In particular, certain circumstances should have made the firm aware of a heightened potential for misleading communications from the salesperson associated with the transactions. Despite these red flags, firm supervisors failed to review the salesperson's communications with respect to these transactions and relied upon the explanations provided by the traders. ([FINRA Case #2013037312201](#))

Goldman Sachs & Co. LLC ([CRD #361](#), New York, New York)

January 22, 2021 – An AWC was issued in which the firm was censured, fined \$1,250,000 and required to review its systems and procedures regarding the identification, fingerprinting and screening of non-registered associated persons to ensure that current systems and procedures are reasonably designed to achieve compliance with governing securities laws and regulations. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to fingerprint non-registered associated persons. The findings stated that the firm either failed to timely fingerprint or lacked records to demonstrate it had fingerprinted a significant number of its non-registered associated persons. A portion of those individuals were not fingerprinted prior to employment. This group primarily consisted of individuals who transferred to the firm's United States offices from a foreign affiliated entity or who transferred from another firm. The firm was unable to determine whether the remaining individuals were fingerprinted prior to employment because it did not retain records reflecting that they were fingerprinted. As part of the firm's remedial efforts, it was able to fingerprint a number of the non-registered associated persons. However, the firm was unable to fingerprint most of the individuals because they were no longer associated with the firm and it could not determine whether those individuals were subject to statutory disqualification. The findings also stated that the firm subsequently permitted two non-registered associated persons who were subject to statutory disqualification to become and remain associated with the firm. Prior to one of the person's association, the firm received information that FINRA barred her for conversion. Despite possessing information about this disqualifying factor, the firm permitted this person to associate with it. The firm belatedly submitted the person's fingerprints to FINRA for processing, learned that she was subject to statutory disqualification and terminated her employment. For the other person, the firm belatedly submitted his fingerprints to FINRA and was notified that he was the subject of a felony conviction. After investigating the person's background further, the firm terminated his employment. The findings also included that the firm did not create or

maintain required fingerprint records for a number of its non-registered associated persons. FINRA found that the firm failed to establish and maintain a reasonable supervisory system and written procedures. The firm's procedures were not reasonably designed because it did not have a process to identify non-registered persons who transferred from foreign affiliated entities or other acquired firms so that these individuals could be fingerprinted and screened for statutory disqualification. The firm also failed to assign to anyone the responsibility for ensuring that those individuals' fingerprints were timely obtained. ([FINRA Case #2018059113701](#))

Citigroup Global Markets Inc. ([CRD #7059](#), New York, New York)

January 29, 2021 – An AWC was issued in which the firm was censured, fined \$175,000 and required to certify that its processes, controls, policies, systems and procedures are reasonably designed to achieve compliance with Rule 611 of Regulation National Market System (Regulation NMS) of the Exchange Act. 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 written policies and procedures reasonably designed to prevent trade-throughs of protected quotations in NMS stocks that resulted from outdated quotation data. The findings stated that while the firm's WSPs identified the need to avoid using outdated quotation data, it failed to provide for periodic reviews that may have detected the data problems and did not contain any process for retaining firm-specific quotation data sufficient to demonstrate the reasonableness of its Rule 611 compliance program. In addition, the firm failed to detect that one of its trading desks had improperly configured a third-party market data feed, which caused it to rely upon an inaccurate National Best Bid or Offer (NBBO) when trading certain securities. The firm also failed to establish, maintain and enforce written policies and procedures reasonably designed to assure compliance with the terms of the outbound intermarket sweep order (ISO) exception and failed to take reasonable steps to ensure that its ISOs satisfied Regulation NMS. In addition, the firm failed to update its WSPs and supervisory processes when it began using a third-party system to facilitate compliance with the outbound ISO exception. Notably, the firm had no process to monitor whether its internal trading system was properly interpreting instructions from the third-party system that would have prevented trade-throughs. The firm also failed to establish, maintain and enforce policies and procedures reasonably designed to assure compliance with the benchmark exception for American Depositary Receipts (ADR). Specifically, the firm did not have any process to reasonably document the estimated conversion fee included in the ADR equivalent price. ([FINRA Case #2014043783101](#))

Individuals Barred

Stephen Sloane ([CRD #1257601](#), Roslyn Heights, New York)

January 5, 2021 – An OHO decision became final in which Sloane was barred from association with any FINRA member in all capacities and ordered to pay \$175,823.03, plus interest, in restitution to customers. The sanctions were based on findings that Sloane recommended to customers, most of which were over 65 years of age, an unsuitable investment strategy involving short-term trading of 10-year and 30-year treasuries without having a reasonable basis to do so. The findings stated that Sloane recommended to the customers that they buy treasuries in the secondary market, then wait for some event that would cause treasury prices to rise. When Sloane determined that such an event had occurred, he recommended selling the securities and using the sales proceeds to repeat the process by buying other treasuries. One of Sloane's member firms conducted reviews of his trading activity in his customer accounts after spotting costly trading activity. The firm met with Sloane and instructed him to reduce the costs and frequency of his trading, and he temporarily complied with the directive. The firm later discovered Sloane had resumed his active trading in treasuries. After terminating Sloane, the firm retroactively reduced the markups and markdowns he had charged the customers, crediting them \$78,727.

Sloane moved to another firm, with twelve of the customers following him, where he pursued the same trading strategy in treasuries. Before making the recommendations, Sloane did not perform the reasonable diligence required to provide him with a reasonable basis to recommend the strategy. Sloane failed to consider the effect of the strategy on the customers' investment returns and did not conduct research, and made no calculations, to determine if the strategy would be profitable given the costs the customers incurred as a result of the active trading he recommended. As a result, Sloane lacked an understanding of the potential risks and rewards associated with his recommended investment strategy. Sloane had to have known that the frequent trading was generating significant markups, markdowns and commissions that would outweigh any potential profits to the customers. Sloane earned commissions of approximately \$220,000 at his customers' expense and the customers incurred \$329,811 in trading losses. Notwithstanding payments Sloane's previous firm made to customers, half of the customers still have outstanding losses of \$175,823.

The findings also stated that Sloane charged customers unreasonable markups and markdowns. For each set of transactions for the customers, Sloane used the proceeds of the customers' sales of treasuries to buy other treasuries the next day. The customers' purchases, therefore, were executed about the same time as the customers' sales. The markups and markdowns Sloane charged for the transactions were unreasonable, unfair and excessive after considering all the circumstances, including the nature of the widely traded treasuries. The markups and markdowns the customers paid resulted in trades that did not take place at prices reasonably related to prevailing market prices. ([FINRA Case #2016049414401](#))

Dustin Paul Shafer ([CRD #4198962](#), Springfield, Illinois)

January 7, 2021 – An AWC was issued in which Shafer was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Shafer 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 whether he borrowed money from a customer without pre-approval from his member firm. ([FINRA Case #2020068114401](#))

Sharon Kay Snow ([CRD #1607192](#), Fairfield Bay, Arkansas)

January 7, 2021 – An AWC was issued in which Snow was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Snow consented to the sanction and to the entry of findings that she refused to produce information or documents requested by FINRA during the course of an investigation that began shortly after her member firm terminated her. The findings stated that although Snow initially cooperated with FINRA's investigation, she ceased doing so. ([FINRA Case #2020066611401](#))

Jonathan H. Dudley ([CRD #5413469](#), Stone Mountain, Georgia)

January 11, 2021 – An AWC was issued in which Dudley was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Dudley consented to the sanction and to the entry of findings that he refused to provide documents, information and on-the-record testimony requested by FINRA in connection with its investigation into allegations that he converted funds he received from a customer at his member firm for use in furtherance of a joint outside business venture that he did not disclose to the firm. ([FINRA Case #2019062425701](#))

Christopher Bryan Black ([CRD #5049080](#), Guyton, Georgia)

January 12, 2021 – An AWC was issued in which Black was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Black consented to the sanction and to the entry of findings that he refused to provide information and documents requested by FINRA in connection with an investigation into circumstances of his termination from his former member firm. The findings stated that Black's firm filed a Form U5 stating that it had terminated him for entering into undisclosed loan arrangements with a customer without providing notice to the firm. ([FINRA Case #2020066650101](#))

Steven Robert Luftschein ([CRD #2690117](#), Plainview, New York)

January 13, 2021 – An Offer of Settlement was issued in which Luftschein was barred from association with any FINRA member in all capacities. Without admitting or denying the allegations, Luftschein consented to the sanction and to the entry of findings that he willfully violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and also violated FINRA Rule 2020 by churning customer accounts. The findings stated

that Luftschein controlled the trading and the volume and frequency of trading in the accounts, deciding what securities to buy and sell, the quantities, the price and when each transaction would occur. Luftschein deliberately incurred unreasonably high trading costs in the customers' accounts, which made it virtually impossible for the accounts to be profitable. Indeed, Luftschein's trading caused more than \$261,000 in combined losses, while generating gross sales credits and commissions of approximately \$136,200, with him receiving a substantial percentage of this amount. Luftschein also masked the true costs of his trading from customers by placing a high percentage of the trades as riskless principal trades. The findings also stated that Luftschein's trading was excessive and quantitatively unsuitable for each of the customers, as evidenced by the high annualized turnover rates and cost-to-equity ratios, the size and frequency of the transactions, the transaction costs incurred and the customers' investment objectives and needs. Luftschein did not have a reasonable basis to believe that his trading was suitable. The findings also included that Luftschein effected trades in the customers' accounts without first discussing with, and obtaining authorization for the trades from, the customers. ([FINRA Case #2016051704303](#))

Ryan Ashley Raskin ([CRD #5539610](#), Los Angeles, California)

January 13, 2021 – An AWC was issued in which Raskin was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Raskin consented to the sanction and to the entry of findings that he failed to provide documents and information repeatedly requested by FINRA. The findings stated that this matter originated from a Form U5 filed by Raskin's former member firm which disclosed that it had discharged him for conduct involving business practices inconsistent with firm standards, including inappropriate investment recommendations. ([FINRA Case #2020066135901](#))

Bryce R. Scarfone ([CRD #6720620](#), San Francisco, California)

January 15, 2021 – An AWC was issued in which Scarfone was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Scarfone consented to the sanction and to the entry of findings that he intentionally and without authority altered a payroll check issued by his member firm to his roommate, endorsed it and deposited it into his personal bank account held at the firm's bank affiliate, thereby converting the funds. The findings stated that Scarfone altered the check by changing the check number and making the check payable to himself. The day after the check cleared, Scarfone transferred the funds from his savings account into his checking account and afterwards used the funds for his own benefit. ([FINRA Case #2019061645502](#))

Gary Wayne Hammond ([CRD #2660432](#), Stanley, North Carolina)

January 19, 2021 – An AWC was issued in which Hammond was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Hammond consented to the sanction and to the entry of findings that he participated in private securities transactions totaling \$1,638,000 without providing written notice to his

member firm. The findings stated that the transactions involved investments in limited liability companies controlled by Hammond's half-brother. Hammond participated in these transactions by referring investors to his half-brother, attending meetings about the investments and receiving compensation for his referrals. The compensation was generally six percent of the funds raised, though was lower in some instances where Hammond's half-brother had a preexisting relationship with an investor. Two of the limited liability company investments turned out to be Ponzi schemes. Hammond referred customers, who invested a total of \$1,019,000, to these fraudulent investments. In addition, in a firm compliance questionnaire, Hammond falsely answered questions about whether he participated in private securities transactions or received referral fees outside of his firm. ([FINRA Case #2017054137002](#))

Kapil Maheshwari ([CRD #6358540](#), Clark, New Jersey)

January 19, 2021 – A NAC decision became final in which Maheshwari was barred from association with any FINRA member in all capacities and ordered to pay disgorgement of ill-gotten gains in the amount of \$2,760, plus interest. The NAC affirmed the findings and affirmed the sanctions imposed by the OHO. The sanctions were based on findings that Maheshwari misused confidential information concerning a corporate acquisition obtained during his employment with his former member firm by purchasing shares in the target corporation before the acquisition was announced to the public. The findings stated that Maheshwari was assigned to a team at the firm to assist a publicly traded company develop strategic options, including potential mergers and acquisitions. Maheshwari knew that the company wanted to approach the corporation about a potential acquisition. After Maheshwari left the firm, he purchased shares of the corporation in his personal retirement account and shares in his wife's retirement account, both held at another broker-dealer. In total, Maheshwari purchased \$10,120 worth of stock and his investments in the corporation comprised a small percentage of his and his wife's overall portfolios. A week after Maheshwari purchased the shares, the company announced its acquisition of the corporation. Maheshwari attempted to sell his and his wife's shares, but his broker declined to process the trades and alerted the firm. When the company's acquisition of the corporation was finalized, Maheshwari and his wife received cash for their shares, resulting in a total profit of \$2,760. ([FINRA Case #2017055608101](#))

Javelin Mikol San Nicolas ([CRD #6722186](#), Sparks, Nevada)

January 19, 2021 – An AWC was issued in which San Nicolas was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, San Nicolas consented to the sanction and to the entry of findings that he refused to provide information and documents requested by FINRA in connection with its investigation into the circumstances giving rise to his termination from his former member firm. The findings stated that the firm filed a Form U5 in which San Nicolas was discharged for concerns that a client issued cashiers' checks to him with proceeds from the withdrawal of a firm account.

San Nicolas stated that the checks were for the option of purchasing personal seat licenses for a football team, to be transferred to the client's name later in the year. At the time of termination, the client had not received the purported personal seat licenses. ([FINRA Case #2020067455201](#))

Gopi Krishna Vungarala ([CRD #4856193](#), Decatur, Texas)

January 19, 2021 – An SEC decision became final in which Vungarala was barred from association with any FINRA member in all capacities for his fraudulent misrepresentations and omissions related to his commissions, separately barred from association with any FINRA member in all capacities for his fraudulent misrepresentations and omissions related to the eligibility for volume discounts and ordered to pay disgorgement of commissions received in the amount of \$9,682,629, plus interest. The SEC sustained the findings and sanctions imposed by the NAC. The sanctions were based on findings that Vungarala willfully violated Section 10(b) of the Exchange Act, Rule 10b-5 thereunder and FINRA Rules 2020 and 2010 by misrepresenting and failing to disclose material facts to his employer, a sovereign Native American tribe, by falsely informing it that he would not receive commissions in connection with its purchases of non-traded real estate investment trusts (REITs) and business development companies (BDCs). The findings stated that Vungarala said that the tribe could not invest in REITs and BDCs through the broker-dealer that it previously traded through and recommended his member firm. Vungarala told his supervisor at the tribe that there would be no conflict of interest if it went through his firm because he would not make any money from doing so. However, the prospectuses for the non-traded REITs and BDCs provided that selling commissions would be paid to unspecified managing dealers and participating brokers. Vungarala's firm was one of the participating brokers and the only broker the tribe used to purchase these products. Vungarala received \$9,682,629 in commissions from the firm as a result of the sales of non-traded REITs and BDCs to the tribe. Vungarala later disclosed that the firm was receiving commissions but did not disclose that he was a recipient of 85 percent of the commissions paid to the firm until almost a month before his contract with the tribe expired. The findings also stated that Vungarala willfully violated Section 10(b) of the Exchange Act, Exchange Act Rule 10b-5, and FINRA Rules 2020 and 2010 by misrepresenting and failing to disclose material facts to the tribe with respect to its eligibility to receive volume discounts on purchases of non-traded REITs and BDCs. The tribe was eligible for volume discounts across its non-traded REIT and BDC accounts if the total amount of purchases reached a threshold amount. However, when several REITs contacted Vungarala to discuss giving the tribe volume discounts for purchases made across its different accounts, he told the REITs and his firm that the tribe did not want volume discounts because it wanted to keep the accounts separate and could not commingle the funds in the accounts. When asked why the tribe did not buy the REITs and BDCs all at once and then delegate them amongst the trust accounts in order to take advantage of the volume discounts, Vungarala told a tribe research analyst that it could not do that because it must keep the accounts separate. In addition, Vungarala told his supervisor at the tribe that it could not do that because its trust accounts are

separate and have separate governing documents. By forgoing volume discounts, the tribe lost \$3.3 million while Vungarala made \$2.8 million in commissions. ([FINRA Case #2014042291901](#))

David Arthur Jenson ([CRD #1333734](#), Pembroke Pines, Florida)

January 22, 2021 – An AWC was issued in which Jenson was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Jenson consented to the sanction and to the entry of findings that he refused to produce information or documents requested by FINRA in connection with its investigation into whether he recommended customers invest in an unsuitable concentration of church bonds. ([FINRA Case #2019060783601](#))

Charles Ernest Kenahan ([CRD #1351974](#), Newport, Rhode Island)

January 22, 2021 – An AWC was issued in which Kenahan was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Kenahan consented to the sanction and to the entry of findings that he refused to produce information and documents and to appear for on-the-record testimony requested by FINRA during the course of an investigation initiated after it received a statement of claim from one set of his customers alleging sales practice violations. The findings stated that although Kenahan initially cooperated with FINRA's investigation, he ceased doing so. ([FINRA Case #2018058015701](#))

Tyler Dean Delahunt ([CRD #4419594](#), Alpharetta, Georgia)

January 25, 2021 – An AWC was issued in which Delahunt was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Delahunt consented to the sanction and to the entry of findings that he failed to respond to a FINRA request for information and documents in connection with its investigation regarding whether he had solicited clients in a private securities transaction without approval of his member firm and whether he had accepted loans or other funds from clients without notice to the firm. ([FINRA Case #2020067348701](#))

Charles Acheson Laverty ([CRD #4875386](#), Newport Beach, California)

January 25, 2021 – A NAC decision became final in which Laverty was barred from association with any FINRA member in all capacities for borrowing from customers and providing false statements to his member firms on an annual compliance questionnaire and a heightened supervision attestation and separately barred from association with any FINRA member in all capacities for providing false testimony to FINRA. A suspension and fine were assessed but not imposed in light of the bars. The NAC affirmed the findings and affirmed the sanctions imposed by the OHO. The sanctions were based on findings that Laverty borrowed a total of \$1.35 million in a series of loans from customers, an elderly married couple, without notifying, or receiving approval from, his firms. The findings stated that the firms had written procedures that expressly prohibited its registered

employees from borrowing from any customers except under limited circumstances and only with prior written permission by the firm. Later, the customers filed a Statement of Claim with FINRA against Laverty and the firms seeking compensatory damages of \$1.5 million and other fees and costs. The day before the customers filed their claim, Laverty repaid them \$10,000 by cashier's check. Both customers died before their claim was resolved. The firms settled the customers' claim with their son, as successor, in interest to the family trust, collectively agreeing to pay \$1 million. That same month, the son settled the customers' claim against Laverty. Laverty agreed to pay \$677,500 and an additional \$67,000 in forbearance interest. Laverty, however, failed to pay in accordance with the settlement agreement. According to the son's testimony, apart from one payment of \$8,000, Laverty made no other payments as agreed. The findings also stated that Laverty submitted a false compliance questionnaire and heightened supervision attestation to two of the firms. Laverty failed to state that he had borrowed from customers on one of the firm's heightened supervision attestations and falsely stated on the other firm's annual compliance questionnaire that he had not borrowed from customers and had no judgments entered against him. The findings also included that Laverty provided false testimony to FINRA regarding the loans during his on-the-record interview. FINRA found that Laverty willfully failed to amend his Form U4 to report an unsatisfied civil judgment and federal tax lien in the amount of \$63,410.90. ([FINRA Case #2016050205901](#))

Individuals Suspended

James Robinson Hedges IV ([CRD #2326924](#), Los Angeles, California)

January 4, 2021 – An AWC was issued in which Hedges was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for 12 months. Without admitting or denying the findings, Hedges consented to the sanctions and to the entry of findings that he willfully failed to disclose nearly \$6 million of judgments, liens and compromises with creditors on his Form U4. The findings stated that Hedges learned about each of the judgments and liens at or around the time it was entered or filed, and he thus knew about each when he omitted it on his Form U4. Meanwhile, Hedges disclosed the same judgments and liens in other contexts when disclosure benefitted him. While negotiating with a creditor to compromise another debt, Hedges identified his unsatisfied IRS tax liens as evidence that he could not pay the other debt in full. Hedges also identified his unsatisfied judgments and liens in a financial affidavit before omitting the same information from his Form U4. In addition, Hedges entered into agreements through which he compromised his debts. Hedges disclosed none of those compromises on any Form U4 filings. The findings also stated that Hedges misrepresented his financial condition to FINRA on a personal activity questionnaire that he completed during a FINRA examination by providing false or misleading answers to three of its questions. Hedges answered N/A to one of the questions, even though he had entered into numerous compromises with creditors in the prior ten years. In another question, Hedges

only identified a single IRS tax lien, omitting other unsatisfied IRS tax liens, judgments and an unsatisfied state tax lien against him. Two months earlier, Hedges had disclosed one IRS tax lien on his Form U4. By stating on the questionnaire that he had a single IRS tax lien, his answer misleadingly suggested that the one disclosed tax lien was the sole IRS tax lien against him. Hedges also answered N/A to one of the questions, even though he had settled judgments within the prior three years.

The suspension is in effect from January 4, 2021, through January 3, 2022. ([FINRA Case #2019062086201](#))

Timothy Joseph (CRD #4393016, Yorktown, Virginia)

January 4, 2021 – An AWC was issued in which Joseph was suspended from association with any FINRA member in all capacities for 45 business days. In determining the appropriate sanctions in this matter, FINRA considered that Joseph’s member firm fined him \$10,000. Without admitting or denying the findings, Joseph consented to the sanction and to the entry of findings that he electronically affixed customer signatures to individual retirement account (IRA) distribution forms, ACH authorization agreements and advisory account opening documents that he submitted to the firm. The findings stated that Joseph met with a customer regarding opening accounts with the firm’s investment advisor affiliate. Joseph electronically affixed the customer’s signature to the account opening documents without her consent, causing assets to be transferred from her firm account to the new advisory accounts. When the customer learned that the advisory accounts were opened, she immediately instructed Joseph to reverse the transactions. Joseph reported the customer’s complaint to the firm, and it reversed the transactions. In addition, Joseph electronically affixed the signatures of other firm customers to advisory account opening documents, a firm customer’s signature to IRA distribution forms, and firm customers’ signatures to ACH authorization agreements. The firm used the documents to authorize and record the sale, transfer or disbursement of cash or securities from the customers’ accounts. Although these customers did not initially authorize Joseph to electronically affix their signatures, they subsequently approved the transactions. When the firm discovered Joseph’s conduct, it disciplined him by, among other things, fining him \$10,000 and assigning him additional training. The findings also stated that, by engaging in this conduct, Joseph caused the firm to maintain inaccurate books and records.

The suspension is in effect from February 1, 2021, through April 6, 2021. ([FINRA Case #2019064399201](#))

Terry Tzagarakis (CRD #2796055, Bay Ridge, New York)

January 4, 2021 – An AWC was issued in which Tzagarakis was fined \$5,000 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Tzagarakis consented to the sanctions and to the entry of findings that he willfully failed to timely amend his Form U4 to disclose

outstanding federal tax liens, totaling \$112,899.35, and an outstanding New York State tax lien for \$59,010.91. The findings stated that one of the federal tax liens was disclosed approximately five months late, while the other federal and state tax liens were disclosed approximately two years after being filed.

The suspension is in effect from January 4, 2021, through April 3, 2021. ([FINRA Case #2019061510101](#))

Andrew Robert Dougherty (CRD #6348064, Waukee, Iowa)

January 5, 2021 – An AWC was issued in which Dougherty was assessed a deferred fine of \$5,000, suspended from association with any FINRA member in all capacities for six months and required to satisfactorily complete 20 hours of continuing education regarding compliance, ethics and recordkeeping within 180 days of his reassociation with a FINRA member firm. Without admitting or denying the findings, Dougherty consented to the sanctions and to the entry of findings that he altered a mutual fund switch disclosure form after it had been signed by a customer at his member firm and fabricated an email from the customer in an attempt to conceal his falsification of the form. The findings stated that Dougherty altered the form by adding the potential disadvantages associated with a completed mutual fund switch transaction and then writing the customer's initials next to the changes. When Dougherty's supervisor requested confirmation that the customer had reviewed and initialed the form, Dougherty contacted the customer and asked him to send an email confirming the changes. Dougherty then altered the email that he received from the customer so that it appeared to have been sent before he falsified the form and submitted it to the firm for processing. The firm identified Dougherty's falsifications when the customer called and complained later the same day.

The suspension is in effect from January 19, 2021, through July 18, 2021. ([FINRA Case #2020065000301](#))

Antonio Almeida (CRD #3106626, Mineola, New York)

January 6, 2021 – An AWC was issued in which Almeida was suspended from association with any FINRA member in all capacities for three months. In light of Almeida's financial status, no monetary sanction has been imposed. Without admitting or denying the findings, Almeida consented to the sanction and to the entry of findings that he willfully failed to timely amend his Form U4 to disclose that he had been charged with a felony. The findings stated that Almeida was arrested and charged with criminal possession of a controlled substance in the fifth degree, which is a class D felony. Almeida ultimately pleaded guilty to a misdemeanor charge and the felony charge was dismissed. Almeida did not amend his Form U4 to disclose his felony charge at any point prior to resigning from his former member firm. Almeida amended his Form U4 to disclose the felony charge when he became registered through another firm.

The suspension is in effect from February 1, 2021, through April 30, 2021. ([FINRA Case #2020065073801](#))

Angel Wynette Bardeche (CRD #4698117, Hebron, Kentucky)

January 6, 2021 – An AWC was issued in which Bardeche was assessed a deferred fine of \$10,000, suspended from association with any FINRA member in all capacities for nine months and ordered to pay deferred disgorgement of a portion of commissions received in the amount of \$5,000, plus interest. Without admitting or denying the findings, Bardeche consented to the sanctions and to the entry of findings that she engaged in an unsuitable strategy when she recommended that her customers effect a pattern of switching of Class A mutual fund shares, including short-term liquidations. The findings stated that Bardeche recommended that customers purchase Class A mutual fund shares, later sell those funds, and then use the proceeds to buy more Class A mutual fund shares. The customers paid a total of about \$450,000 in sales charges on the switches. Bardeche also recommended costly back-to-back, short-term switches. Bardeche did not have a reasonable basis to believe that this recommended pattern of switching and short-term liquidations of mutual fund Class A shares was suitable for her customers. The findings also stated that Bardeche exercised discretion by effecting trades in non-discretionary customer accounts, without prior written authorization from the customers and without prior written approval by her member firm.

The suspension is in effect from January 19, 2021, through October 18, 2021. ([FINRA Case #2019062628701](#))

Timothy Ryan Deegan (CRD #2620724, Scotch Plains, New Jersey)

January 6, 2021 – An AWC was issued in which Deegan was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for one year. Without admitting or denying the findings, Deegan consented to the sanctions and to the entry of findings that he made improper use of his member firm's funds. The findings stated that Deegan submitted reimbursement requests to the firm, totaling \$1,276.23, that contained inaccurate information regarding the purpose of the expenses and the individuals who attended the events where the expenses were incurred. Deegan described the expenses as meals with clients, even though in all or most instances no clients were present. In addition, Deegan approved reimbursement requests submitted by another firm employee, totaling \$1,317.52, for reimbursement of purported client meals or client events that Deegan attended, but which omitted his name from the list of attendees. Deegan knew that clients were not in attendance at these events and that, as an attendee, he was not permitted to approve the expense. On another occasion, Deegan instructed a separate firm employee to remove his name from the list of attendees on a reimbursement request, so that he could approve it.

The suspension is in effect from January 19, 2021, through January 18, 2022. ([FINRA Case #2019063221801](#))

John Frederick Griner ([CRD #1024669](#), Atlanta, Georgia)

January 7, 2021 – An AWC was issued in which Griner was fined \$5,000 and suspended from association with any FINRA member in all capacities for 15 business days. Without admitting or denying the findings, Griner consented to the sanctions and to the entry of findings that he exercised discretion in customer accounts without prior written authorization from the customers and without his member firm having approved any of the accounts for discretionary trading. The findings stated that Griner effected multiple trades in customers' accounts without first speaking with the customers on the days he effected these trades. The customers knew that Griner was exercising discretion in their accounts.

The suspension was in effect from February 1, 2021, through February 22, 2021. ([FINRA Case #2019064538201](#))

Linn Christopher Shoesmith ([CRD #2222133](#), Audubon, Iowa)

January 7, 2021 – An AWC was issued in which Shoesmith was fined \$5,000 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Shoesmith consented to the sanctions and to the entry of findings that he borrowed \$50,000 from a long-time customer and friend, in the form of a personal check from the customer, without providing notice to or seeking pre-approval from his member firm for the loan. The findings stated that subsequently, the customer passed away. Shoesmith then voluntarily informed the customer's beneficiaries, the customer's children, that he had accepted the loan, the terms of which were not documented in any writing, such as a loan agreement or promissory note. The customer's children then informed the firm about the loan. Shoesmith repaid the loan with interest to the customer's children.

The suspension is in effect from January 19, 2021, through March 18, 2021. ([FINRA Case #2020066263401](#))

Donald Robert Pollard ([CRD #2181631](#), Port Jefferson, New York)

January 8, 2021 – An AWC was issued in which Pollard was fined \$10,000 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Pollard consented to the sanctions and to the entry of findings that he created backdated documents which he then submitted to FINRA. The findings stated that in connection with a routine examination of Pollard's member firm, FINRA requested that the firm provide lists of the OBAs of its registered persons and, if available, documents showing its approval of those OBAs. Pollard created documents containing lists of OBAs for two persons registered through the firm and received a list of OBAs from a third person registered through the firm. The third person's list had been backdated and Pollard then backdated the two OBA lists he drafted. Pollard then submitted these backdated documents to FINRA. In response to a follow-up request from FINRA for

evidence of supervisory review and approval of the OBA lists, Pollard, who was a principal of the firm at the time, initialed two of the three lists. Pollard asked another registered principal of the firm to sign Pollard's OBA list, and that other registered person also backdated his signature. Pollard then submitted these backdated documents to FINRA. Although the firm had approved the representatives' OBAs, the backdated documents that Pollard produced to FINRA purported to show that the firm had approved them in writing and had maintained the three OBA lists prior to FINRA's request, when, in fact, that was not the case.

The suspension is in effect from February 1, 2021, through March 31, 2021. ([FINRA Case #2019064685901](#))

Paul Andrew Schmitz (CRD #1504838, Lafayette, Louisiana)

January 8, 2021 – An AWC was issued in which Schmitz was fined \$15,000 and suspended from association with any FINRA member in all capacities for one month. Without admitting or denying the findings, Schmitz consented to the sanctions and to the entry of findings that he participated in a private securities transaction involving a personal investment of \$70,614 in a private placement, without providing prior written notice to his member firm. The findings stated that Schmitz purchased interests in the private placement, which involved life insurance viatical settlements, entitling him and other investors to split the death benefits of certain, pre-selected life insurance policies. Schmitz did not make the investment through his firm and the transaction occurred outside the scope of his employment with the firm. The findings also stated that Schmitz participated in an OBA involving a commercial rental property that he owned and controlled through a trust without providing prior written notice to his firm. Schmitz received rental income totaling \$11,600 from the commercial rental property. In addition, in a firm compliance questionnaire, Schmitz answered “no” when asked whether he was engaged in any outside activity, including ownership in any commercial or residential rental property.

The suspension was in effect from February 1, 2021, through February 28, 2021. ([FINRA Case #2018060978901](#))

Arthur Obermeier (CRD #350245, Boulder, Colorado)

January 11, 2021 – An AWC was issued in which Obermeier was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for 60 days. Without admitting or denying the findings, Obermeier consented to the sanctions and to the entry of findings that he executed trades with a total principal value of approximately \$798,000 in two of his member firm customer accounts without first discussing with, and obtaining authorization or consent for the trades from, the customers.

The suspension is in effect from January 19, 2021, through March 19, 2021. ([FINRA Case #2019062711601](#))

Teresa Lynn Holwerda ([CRD #3029797](#), Danube, Minnesota)

January 12, 2021 – An AWC was issued in which Holwerda was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Holwerda consented to the sanctions and to the entry of findings that she forged an insurance customer's signature on paperwork that she submitted to her member firm's affiliated insurance company. The findings stated that the customer requested that a life insurance policy be cancelled. However, Holwerda understood that the customer only wanted to be removed from the policy and thereafter forged his signature on a change of ownership form that she submitted to the life insurance company. The customer eventually discovered the forgery and complained to the life insurance company.

The suspension is in effect from January 19, 2021, through March 18, 2021. ([FINRA Case #2020065102101](#))

Robert Leslie Mandau ([CRD #3247517](#), Chesterland, Ohio)

January 13, 2021 – An AWC was issued in which Mandau 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, Mandau consented to the sanctions and to the entry of findings that he engaged in an undisclosed OBA without providing prior written notice to his member firm. The findings stated that Mandau prepared annual tax returns for friends, family and firm customers. Mandau received approximately \$4,550 in compensation for his tax preparation services. Mandau also made false statements to the firm regarding his OBA in annual certifications, a written response to an inquiry from his supervisor and during branch examinations and the firm's investigation into his undisclosed outside activities.

The suspension is in effect from January 19, 2021, through April 18, 2021. ([FINRA Case #2020066245201](#))

Cesar Augusto Barrios ([CRD #6263225](#), Miramar, Florida)

January 15, 2021 – An AWC was issued in which Barrios was suspended from association with any FINRA member in all capacities for one year. In light of Barrios' financial status, no monetary sanction has been imposed. Without admitting or denying the findings, Barrios consented to the sanction and to the entry of findings that he willfully failed to disclose through the timely filing of an amended Form U4 that he had been charged with, and pleaded nolo contendere to, felony charges. The findings stated that Barrios was charged with felony grand theft and felony uttering a forged instrument, and was arrested on these charges. While completing his member firm's annual compliance questionnaires, Barrios also falsely stated that he had not been charged with any felony. The findings also stated that Barrios engaged in multiple OBAs without providing prior written notice to his firm. Barrios was employed as a driver for a ride sharing service, formed a company through which he sold used cars, worked as a handyman and did so through another company he

established. Barrios also worked as a catering waiter. While completing his firm's annual compliance questionnaires, Barrios falsely stated that there were no changes to his outside employment or OBAs.

The suspension is in effect from January 19, 2021, through January 18, 2022. ([FINRA Case #2019063621101](#))

Myreon Sherard McCurty (CRD #6014354, Winter Park, Florida)

January 15, 2021 – An AWC was issued in which McCurty was fined \$5,000 and suspended from association with any FINRA member in all capacities for 18 months. Without admitting or denying the findings, McCurty consented to the sanctions and to the entry of findings that he possessed unauthorized study materials while he was taking the Series 10 qualification examination. The findings stated that prior to beginning the exam, McCurty attested that he had read and would abide by FINRA's Rules of Conduct that prohibit the use or attempted use of personal items, including notes and study materials, during the examination. The Rules of Conduct also state that unscheduled breaks are permitted only for restroom use. However, McCurty took an unscheduled break during which he went to the restroom where he possessed unauthorized Series 10 study materials related to the subject matter of the examination.

The suspension is in effect from February 1, 2021, through July 31, 2022. ([FINRA Case #2019063415501](#))

Christian Frank Lucchetto (CRD #4648994, Staten Island, New York)

January 19, 2021 – An AWC was issued in which Lucchetto was fined \$5,000, suspended from association with any FINRA member in all capacities for three months and ordered to pay \$30,454.86, plus interest, in restitution to a customer. Without admitting or denying the findings, Lucchetto consented to the sanctions and to the entry of findings that he excessively and unsuitably traded a 61-year-old customer's account. The findings stated that Lucchetto recommended the trading in the customer's account and the customer followed his recommendations. As a result, Lucchetto exercised de facto control over the customer's account. Lucchetto's recommendations resulted in the customer paying \$30,454.86 in commissions and also resulted in the customer's account experiencing a realized loss of \$64,402.09.

The suspension is in effect from February 16, 2021, through May 15, 2021. ([FINRA Case #2020065035201](#))

George William Magladry III (CRD #1774860, Gardnerville, Nevada)

January 20, 2021 – An AWC was issued in which Magladry was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for six months. Without admitting or denying the findings, Magladry consented to the sanctions and to the entry of findings that he willfully failed to amend his Form U4 to disclose that he had been charged with two felonies and willfully failed to timely amend his Form U4 to

disclose that he entered a no contest plea to one of the felony charges. The findings stated that a criminal complaint was filed charging Magladry with two felony counts of making criminal threats. Magladry willfully failed to disclose the felony plea on his Form U4 until approximately seven months after he was required to make the disclosure.

The suspension is in effect from February 1, 2021, through July 31, 2021. ([FINRA Case #2019064239301](#))

Thaddeus James North (CRD #2100909, New Milford, Connecticut)

January 21, 2021 – A U.S. Court of Appeals denial of North’s petition for review became final in which North was fined \$40,000, suspended from association with any FINRA member in any principal and supervisory capacity for 30 business days and suspended from association with any FINRA member in any principal and supervisory capacity for two months, to be served consecutively. The sanctions were based on findings that North willfully violated the Municipal Securities Rulemaking Board (MSRB) Rule G-27(a), (b), (c) and (e) by failing to establish a reasonable supervisory system for the review of electronic correspondence and to reasonably review that correspondence. The findings stated that while CCO at his member firm, North failed to amend the firm’s WSPs and to establish reasonable procedures causing the WSPs to fail to specify basic parameters for reviewing electronic communications. The firm’s WSPs identified a system to be used in reviewing electronic communications but provided no guidance as to how the system should be used to conduct those reviews. North never reviewed the system containing the firm’s Bloomberg messages or chats. The findings also stated that North failed to report to FINRA that a registered representative at his firm entered into an outside business relationship with a statutorily disqualified individual and failed to conduct an independent examination of the relationship despite knowing that the individual was subject to a disqualification.

The suspension for 30 business days is in effect from February 1, 2021, through March 15, 2021. The suspension for two months will be in effect from March 16, 2021, through May 15, 2021. ([FINRA Case #2010025087302](#))

Anthony Tricarico (CRD #1047416, Livingston, New Jersey)

January 22, 2021 – An AWC was issued in which Tricarico was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for six months. Without admitting or denying the findings, Tricarico consented to the sanctions and to the entry of findings that he engaged in excessive and quantitatively unsuitable trading in customer accounts at his member firm. The findings stated that Tricarico’s trading generated high cost-to-equity ratios and turnover rates as well as significant losses and commissions. Tricarico recommended the trading in the customers’ accounts and they routinely followed his recommendations. As a result, Tricarico exercised de facto control over the customers’ accounts. Collectively, the customers paid a total of \$44,733 in commissions and trading costs and incurred losses totaling \$39,848.

The suspension is in effect from February 1, 2021, through July 31, 2021. ([FINRA Case #2016051704304](#))

Michael August Pellegrino (CRD #5900843, Elgin, Illinois)

January 26, 2021 – An AWC was issued in which Pellegrino was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Pellegrino consented to the sanctions and to the entry of findings that he distributed a retail communication to retail investors, which promoted an investment in a short-term, high yield contract issued by a limited liability company, that contained misleading statements, improper projections of future performance and omitted material information. The findings stated that although the communication stated that the product was not a security, it promoted a financial instrument and referenced Pellegrino's member firm. The communication made false and misleading investment projections by multiple references to specific investment returns. The memorandum of indebtedness (MOI) that investors signed in order to invest, however, did not contain any contractual obligation for the issuer to make payments to investors, nor did it assure the timeliness of any distributions. Instead, the issuer had the sole discretion to decide what, if anything, would be paid to investors. The communication further used the terms "consistent," "predictable" and "high yield contract" when describing the investment. This language was misleading because the MOI provided no contractual obligation for the issuer to distribute any investment returns, let alone these types of returns. In addition, the communication also stated that the investment would be backed by collateral and would involve no stock market or interest rate risk. This was misleading because the collateral was not a tangible asset, rather an interest in merchant cash advance contracts and future proceeds that would only be paid at the issuer's discretion. By claiming that the investment involved no stock market risk, the communication incorrectly suggested that the MOI was risk averse. The communication omitted material information regarding the risks and features of the investment, causing it to be misleading.

The suspension is in effect from February 1, 2021, through March 31, 2021. ([FINRA Case #2017055120903](#))

Jasmit Singh (CRD #6483304, Mount Kisco, New York)

January 26, 2021 – An AWC was issued in which Singh was assessed a deferred fine of \$10,000, suspended from association with any FINRA member in all capacities for seven months and ordered to pay deferred disgorgement in the amount of \$5,500. Without admitting or denying the findings, Singh consented to the sanctions and to the entry of findings that he engaged in OBAs without providing prior written notice to his member firm. The findings stated that Singh marketed apparel, vaping products and event promotion services through e-commerce companies he co-owned and performed consulting services for a small business that was not a customer of the firm. Singh received compensation in connection with these OBAs. In addition, Singh submitted annual compliance questionnaires to the firm in which he stated inaccurately that he had no OBAs to disclose. The findings also stated that Singh participated in private securities transactions without providing prior written notice to, or receiving approval from, his

firm. Singh solicited investors, who were not customers of the firm, to invest in private placement offerings through a venture capital fund. Singh communicated with the investors verbally and in writing to inform them about the offerings and encourage them to invest, introduced them to and arranged discussions with a general partner of the fund and facilitated the transactions by sending the investors subscription agreements and wiring instructions that he received from the general partner. Singh received a total of \$5,500 in finder's fees in connection with these transactions.

The suspension is in effect from February 1, 2021, through August 31, 2021. ([FINRA Case #2019064899201](#))

Christopher Ryan McMorrow (CRD #4713155, Pottstown, Pennsylvania)

January 29, 2021 – An AWC was issued in which McMorrow was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for six months. Without admitting or denying the findings, McMorrow consented to the sanctions and to the entry of findings that he failed to disclose to his member firm his involvement with an insurance and financial planning company as an OBA for which he received compensation. The findings stated that this matter originated from customer complaints made to FINRA pertaining to the business practices of the company, which provided advice and sold insurance and investment products to the customers of a registered representative who was not associated with the firm. McMorrow met with customers, counseled them about financial products, interviewed them about their financial situation, serviced their insurance contracts and assisted with various administrative and back-office functions. McMorrow devoted approximately 20 hours a week to these efforts, for which he was paid between \$60 and \$75 an hour. The company paid McMorrow a total of \$222,672 across the span of three years. In addition, McMorrow submitted compliance questionnaires to the firm in which he falsely stated that he had fully disclosed his OBAs.

The suspension is in effect from February 1, 2021, through July 31, 2021. ([FINRA Case #2018059035702](#))

Manish Shah (CRD #4652835, New Hope, Pennsylvania)

January 29, 2021 – An AWC was issued in which Shah was assessed a deferred fine of \$15,000 and suspended from association with any FINRA member in all capacities for 20 months. Without admitting or denying the findings, Shah consented to the sanctions and to the entry of findings that he borrowed \$75,000 from one of his customers without providing notice to, or obtaining approval from, his member firm. The findings stated that Shah documented the terms of the loan in a loan agreement and repayment schedule. Shah failed to repay the loan in accordance with the repayment schedule. Although Shah told the customer that he would use the money to buy another registered representative's book of business, he did not do so but instead used it mostly for personal expenses. Following Shah's termination from the firm and a complaint by the customer to the firm

regarding the loan, Shah repaid the customer. In addition, Shah completed firm compliance questionnaires in which he falsely represented that he had not borrowed money or securities from or lent money or securities to a client. The findings also stated that Shah circumvented the firm's policies, provided false information to an insurance customer's representative and misled the firm during an internal investigation in connection with his borrowing \$200,000 from the insurance customer without disclosing to or obtaining approval from the firm. Shah documented the terms of the loan in a loan agreement and repayment schedule. Although Shah told the insurance customer that he would use the proceeds to buy another registered representative's book of business, he did not do so but instead used the proceeds mostly to retire other debt and for personal expenses. The insurance customer, through her accountant, asked Shah to provide documents showing that the loan was properly collateralized. In an email response, Shah sent an altered document that listed the insurance customer as a beneficiary on his personal life insurance policy. However, that policy had lapsed, and the insurance customer had never been listed as a beneficiary. In addition, Shah sent an inaccurate balance sheet to the accountant. That balance sheet included bank account balances that were inflated and also understated Shah's liabilities. After the insurance customer complained to the firm, it began an internal review. Although Shah admitted he borrowed from the insurance customer, he had previously told the firm that he had not borrowed money from any other clients, which was not true. In addition, in response to the firm's request for documents and communications, Shah forwarded the firm emails between him and the accountant but failed to provide the previously mentioned email response to the accountant and the accompanying falsified documents. Shah further stated, inaccurately, that no other responsive documents existed. Ultimately, Shah repaid the insurance customer \$70,277 and the firm entered into a settlement agreement for the outstanding loan balance plus interest and attorney's fees.

The suspension is in effect from February 1, 2021, through September 30, 2022. ([FINRA Case #2019062305901](#))

Individual Fined

Thaddeus James North (CRD #2100909, New Milford, Connecticut)

January 21, 2021 – A U.S. Court of Appeals denial of North's petition for review became final in which North was fined \$5,000. The sanction was based on findings that North failed to enforce his member firm's WSPs regarding the review of electronic communications. The findings stated that North assumed the responsibility for reviewing the firm's electronic communications after he recognized red flags indicating that another principal was not conducting the required reviews. In an effort to comply with the firm's WSPs, North conducted occasional, random reviews of electronic communications, but not enough to comply with the requirements of the WSPs. ([FINRA Case #2012030527503](#))

Individual 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.)

Jeffrey Scott Ramson (CRD #1574903)
New York, New York
(September 24, 2008 – January 4, 2021)
FINRA Case #2004200005302

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.)

Christian Murray Evans (CRD #6325180)
Dallas, Texas
(April 30, 2020 – January 5, 2021)
FINRA Case #2019064102501

Mark Edward Grenier (CRD #2372542)
Bethany, Connecticut
(January 4, 2021)
FINRA Case #2019063686201

Harry Werwage Lum Jr. (CRD #4898849)
Twinsburg, Ohio
(January 19, 2021)
FINRA Case #2019064506101

Dorinda L. Lumpkin (CRD #5687234)
Gadsden, Alabama
(January 4, 2021)
FINRA Case #2020067150401

Timothy John Melvin (CRD #2967309)
Springboro, Ohio
(January 11, 2021)
FINRA Case #2020065766801

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.)

Ryan John Callahan (CRD #5988625)
Olean, New York
(January 11, 2021)
FINRA Case #2020067110201

James Ray Carpenter II (CRD #4492120)
Hattiesburg, Mississippi
(January 29, 2021)
FINRA Case #2020067918801

James Allen Childress (CRD #707435)
Phoenix, Arizona
(January 4, 2021)
FINRA Case #2019064938501

Justyn Francisco Euan (CRD #6834124)
Livermore, California
(January 29, 2021)
FINRA Case #2020066749801

Nayely Gamez (CRD #7113903)
Perris, California
(January 15, 2021)
FINRA Case #2020068488901

Igor Peter Kislitsa (CRD #6324794)
Folsom, California
(January 8, 2021)
FINRA Case #2020067014601

Hector Mejia (CRD #6977458)
El Paso, Texas
(January 19, 2021)
FINRA Case #2020066002601

Yonay Perez (CRD #6658641)

Cutler Bay, Florida
(January 11, 2021)
FINRA Case #2020068300701

Jorge Baptista Pica (CRD #6191997)

Winthrop, Massachusetts
(October 30, 2020 – January 12, 2021)
FINRA Case #2020065968301

Rodney John Repko (CRD #4883331)

Pasadena, Maryland
(January 25, 2021)
FINRA Case #2020067708701

Michael Phillip Swenson (CRD #1939942)

Golden Valley, Minnesota
(January 4, 2021)
FINRA Case #2020067017001

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.)

Jason Michael Allen (CRD #5312831)

Las Vegas, Nevada
(January 26, 2021)
FINRA Arbitration Case #19-03415

Carl Max Birkelbach (CRD #1177843)

Chicago, Illinois
(January 28, 2021 – February 24, 2021)
FINRA Arbitration Case #17-02211