

# Disciplinary and Other FINRA Actions

## Firm Fined, Individual Sanctioned

**WM. H. Murphy & Co., Inc. ([CRD® #27274](#), Houston, Texas) and William Herbert Murphy ([CRD #343492](#), Houston, Texas)**

August 23, 2021 – An Order Accepting Offer of Settlement was issued in which the firm was censured, fined \$10,000 and ordered to pay disgorgement in the amount of \$23,230.05, plus prejudgment interest and Murphy was fined \$10,000 and suspended from association with any FINRA® member in any principal capacity for five months. The settlement was reached after the Securities and Exchange Commission (SEC) had remanded a National Adjudicatory Counsel (NAC) decision in which it set aside the NAC’s imposition of a \$50,000 fine paid jointly and severally by the firm and Murphy. Without admitting or denying the allegations, the firm and Murphy consented to the sanctions and to the entry of findings that the firm engaged in unregistered sales of \$1,031,700 of securities to customers, in contravention of Section 5 of the Securities Act of 1933. The findings stated that the unregistered securities were sold through general solicitation and as such did not qualify for an exemption. The firm entered into an Office of Supervisory Jurisdiction arrangement with a non-registered entity and sponsored eligible employees as FINRA-registered representatives. The firm’s representatives marketed and sold private placements issued by the entity’s affiliated companies to investors via radio shows and workshops they hosted. The firm and Murphy also failed to establish and maintain a supervisory system, including written supervisory procedures (WSPs), reasonably designed to ensure compliance with Section 5 of the Securities Act.

The suspension is in effect from September 7, 2021, through February 6, 2022. ([FINRA Case #2012030731802](#))

## Firms Fined

**Maxim Group LLC ([CRD #120708](#), New York, New York)**

August 4, 2021 – A Letter of Acceptance, Waiver and Consent (AWC) was issued in which the firm was censured, fined \$65,000 and ordered to pay \$422.63, plus interest, in restitution to customers. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it traded for its own account on the same side of the market at prices that would have satisfied outstanding customer orders, without immediately thereafter executing the customer orders up to the size and/or at the same or better price as it traded for its own account. The findings stated that the firm’s order management system was not programmed to protect orders that the firm accepted, held and later routed away for execution. As such, the customer orders were owed protection that the firm failed to provide. In

## Reported for October 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).

addition, after trading for its own account, the firm executed outstanding customer orders at the customer limit price instead of at the price that the firm traded for its own account. This resulted in a loss to the firm's customers in the amount of \$422.63. ([FINRA Case #2019062082601](#))

**Piper Sandler & Co. fka Sandler O'Neill & Partners, L.P.** ([CRD #665](#), Minneapolis, Minnesota)  
August 4, 2021 – An AWC was issued in which the firm was censured and fined a total of \$85,000, of which \$28,000 is payable to FINRA. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it participated in distributions of securities in which it was late in filing, or failed to file, the notifications required under FINRA Rule 5190, which is in place to monitor compliance with the provisions of Regulation M of the Securities Exchange Act of 1934 (Exchange Act). The findings stated that these failures were caused by administrative errors, failures to monitor publicly available information that triggers requirements to provide notice and misunderstandings as to the requirements to provide notice. The findings also stated that the firm failed to establish, maintain and enforce WSPs reasonably designed to achieve compliance with FINRA notification requirements. While the firm maintained operational procedures regarding what steps to take when filing Regulation M notifications, it did not conduct any supervisory reviews to ensure that the notifications were filed timely or accurately. ([FINRA Case #2017055996901](#))

**Dough LLC** ([CRD #148243](#), Chicago, Illinois)  
August 5, 2021 – An AWC was issued in which the firm was censured and fined \$10,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it allowed an individual to operate as a principal, despite knowing that the individual was not registered in that capacity. The findings stated that the unregistered individual functioned as a principal by, among other things, identifying as the firm's chief executive officer, being involved in decisions regarding the employment status and compensation of the firm's employees and actively engaging in parts of the firm's securities business. ([FINRA Case #2021069517501](#))

**Dealerweb Inc.** ([CRD #19662](#), Jersey City, New Jersey)  
August 6, 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 did not correctly calculate its volume thresholds as a percentage of the overall National Market System market average daily dollar volume and, as a result, did not recognize that it was required to be in compliance with Regulation Systems Compliance and Integrity (Reg SCI) under the Exchange Act. The findings stated that the firm was required to come into compliance with Reg SCI, however, it did not understand that its alternative trading system was an SCI entity until almost two years later, at which time it initiated a review of its SCI compliance and then fully implemented Reg SCI policies

and procedures. The findings also stated that due to the firm's misinterpretation of the threshold test, it failed to identify its SCI systems and failed to establish Reg SCI policies and procedures until later. As a result, the firm violated Reg SCI Rules 1001(a), (b) and (c). The findings also included that the firm did not file quarterly or annual reports with the SEC. The firm did not implement policies and procedures to identify material changes that would have allowed it to comprehensively report those material changes to the SEC, nor did the firm file quarterly reports of material changes to its systems with the SEC. In addition, the firm did not implement an annual review process and did not conduct an annual SCI review, or submit a report of an annual SCI review to its senior management, its board of directors, and to the SEC. As a result, the firm violated Reg SCI Rules 1003(a) and (b). FINRA found that the firm did not establish standards for the designation of its SCI alternative trading system's members necessary to maintain fair and orderly markets in the event of the activation of business continuity and disaster recovery plans related to its alternative trading system and also did not coordinate testing with other SCI entities. As a result, the firm violated Reg SCI Rules 1004(a), (b) and (c). FINRA also found that the firm did not begin to maintain the books and records required by Reg SCI until after it identified its SCI systems and also did not maintain, keep and preserve all books and records relating to its compliance with Reg SCI. As a result, the firm violated Reg SCI Rule 1005(b) and 2010. ([FINRA Case #2016048614701](#))

**Primary Capital, LLC ([CRD #127921](#), Miami, Florida)**

August 16, 2021 – An AWC was issued in which the firm was censured and fined \$50,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it participated in offerings without establishing, maintaining and enforcing a supervisory system, including WSPs, reasonably designed to supervise its business relating to an EB-5 Immigrant Investor Program. The findings stated that the program is overseen by the United States Citizenship and Immigration Services and was created by Congress to stimulate the U.S. economy through job creation and capital investment by foreign investors. Two of the firm's registered representatives engaged in EB-5 business through the firm and their respective outside business activities (OBAs) by, among other things, soliciting foreign investors who wished to make an EB-5 investment, recommending specific EB-5 investments to customers, acting as a liaison between various regional centers and investors and facilitating the transfer of investment funds to the respective regional centers. The firm expanded its EB-5 business and hired additional registered representatives to solicit investors in these deals. The two representatives' business was intertwined with the firm's EB-5 business and the firm acted as finder or placement agent for the offerings. The firm incorrectly characterized aspects of the two representatives' EB-5 businesses as OBAs that it was not required to supervise. In addition, the firm failed to update its WSPs to address its involvement in the offerings until four years after it became involved with the business. Even then, the WSPs were not reasonable because they provided only limited guidance to those-representatives at the firm who

facilitated and participated in EB-5 transactions. The findings also stated that the firm failed to establish, maintain and enforce a system, including WSPs, reasonably designed to supervise its registered representatives' EB-5 related websites. The firm did not conduct regular supervisory reviews of websites maintained by the two representatives in relation to their EB-5 business that contained content that violated FINRA's advertising rules. Two of the websites contained statements falsely suggesting that one of the representative's activities were endorsed by FINRA or the SEC. Another website contained summaries of EB-5 offerings that failed to provide a balanced treatment of the risks and potential benefits of investment. The findings also included that the firm failed to make timely filings with FINRA in relation to private placement offerings. ([FINRA Case #2017053116801](#))

**Ascendant Capital Markets, LLC ([CRD #152912](#), Jupiter, Florida)**

August 17, 2021 – An AWC was issued in which the firm was censured, fined \$35,000 and ordered to pay disgorgement in the amount of \$26,720. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it violated Rule 203(b)(1) of Regulation SHO of the Exchange Act by impermissibly relying on the market maker exception and failing to comply with the locate requirement of Regulation SHO. The findings stated that a motor company announced that it planned to purchase a privately-held, Michigan-based tool manufacturing company. The privately-held company, however, bore a very similar name to a publicly traded company that also was a Michigan-based tool manufacturer. Because the published news did not specify which of these companies the motor company planned to purchase, many investors assumed that the motor company intended to buy the publicly-traded company and began buying shares in that company. The firm recognized during the trading day that the news report did not reference a planned acquisition of the publicly traded company, but instead described the motor company's intention to purchase the similarly-named privately-held company. Prior to the trading day, the firm's market making desk had never traded in the publicly traded company. On that date, however, the firm registered as a market maker in the publicly traded company and began trading in the symbol. Before the firm's market making desk received an email from its institutional sales department, it submitted bids and offers in the publicly traded company relatively evenly. After receiving the email, the quoting activity decreased on the buy side and increased on the sell side. By the time trading was halted in the publicly traded company, the firm had effected 45 short sales in the publicly traded company, initiating negotiations in 40 of them and accumulated a proprietary short position of over 200,000 shares. This conduct generated \$26,720 in net profits for the firm and its traders. The findings also stated that the firm failed to enforce a system of supervision that was reasonably designed to comply with Regulation SHO by failing to follow, in connection with the transactions, the process outlined in its WSPs for verifying the applicability of the bona-fide market making exception. ([FINRA Case #2015045508801](#))

**J.P. Morgan Clearing Corporation nka J.P. Morgan Securities LLC ([CRD #79](#), New York, New York)**

August 20, 2021 – An AWC was issued in which the firm was censured and fined a total of \$300,000, of which \$100,000 is payable to FINRA. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it did not comply with SEC Regulation SHO Rule 204. The findings stated that the firm attempted to allocate certain fail to deliver positions caused by two introducing broker-dealers. To determine whether it needed to purchase securities to close out a fail, the firm did not look to its books and records but instead looked to the individual account that caused the fail. If the account had sufficient subsequent purchase activity, the firm would not take any further action. As a result, the firm risked not closing out a fail to deliver position within the timeframe and in a manner specified under Regulation SHO. If the firm determined there was an open fail caused by one of the broker-dealers, it would send the introducing broker-dealer a spreadsheet via email that included the security and the close out date. The emails, however, did not make reasonably clear that the firm was allocating a close out requirement. As a result, the introducing brokers understood that they were being provided notices of potential buy ins. In addition, the email notifications sent to one of the broker-dealers did not expressly state the amount of the fail being allocated to it, based on the firm's understanding that the amount being allocated was in each instance the entire amount of the fail. As a result of the flaws in the notices, the firm remained responsible for the fails. Further, because it had not allocated the fails, the firm was required to enforce the pre-borrow or penalty box requirements, which it did not do. The findings also stated that the firm's supervisory system with respect to compliance with Regulation SHO was unreasonable. The firm did not conduct a reasonable supervisory review of its email notifications to determine whether they provided clear notice of an allocation. The firm's supervisory system with respect to allocations focused on tracking the fail to deliver positions that it had attempted to allocate and did not include a review to determine whether the email notifications achieved compliance with Regulation SHO's notice requirements. In addition, although the firm used a checklist to document its supervisory reviews for compliance with Regulation SHO, it did not describe this aspect of its supervisory system in its WSPs. ([FINRA Case #2014041721501](#))

**Andes Capital Group, LLC ([CRD #139212](#), Chicago, Illinois)**

August 25, 2021 – An AWC was issued in which the firm was censured and fined \$15,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that, in contravention of its WSPs, it failed to supervise and record on its books and records approximately \$1.5 million in private securities transactions by one of its registered representatives. The findings stated that the representative disclosed to the firm that he would be forming a special purpose vehicle for the purpose of making an investment. The firm followed up with the representative to get more information about the investment and learned that the special purpose vehicle would be used to pool investments for other individuals as well, whom the representative characterized as

friends and family. The firm did not request any documents concerning the investment and approved the activity. The firm did not supervise the investment or activity and did not update the representative's Uniform Application for Securities Industry Registration or Transfer (Form U4). Thereafter, the representative formed a limited liability company and sold interest in the company to investors, including himself, in the amount of \$1,495,438. The firm did not inquire further about the representative's special purpose vehicle and erroneously concluded that the activity did not constitute a private securities transaction. As a result of this erroneous conclusion, the firm did not supervise the private securities transactions or record the transactions on its books and records. As such, the firm failed to reasonably enforce its own WSPs. ([FINRA Case #2019064979901](#))

## Individuals Barred

### **Jeffrey Scott Anderson ([CRD #5993214](#), Bloomington, Illinois)**

August 2, 2021 – An AWC was issued in which Anderson was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Anderson consented to the sanction and to the entry of findings that he converted and misused \$26,579.72 from an elderly customer. The findings stated that Anderson convinced the customer to write checks to him personally by telling the customer that the funds would be used to purchase investments or insurance for the customer. However, rather than using the funds to purchase investments or insurance, Anderson deposited the customer's funds into his personal bank account and used the funds to pay for personal expenses, including household expenses, food, gas and car payments. Anderson's member firm paid the customer \$26,579.75 to compensate her for the funds taken by him. ([FINRA Case #2020067888701](#))

### **James Francis O'Reilly ([CRD #2209758](#), Southold, New York)**

August 2, 2021 – An AWC was issued in which O'Reilly was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, O'Reilly 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 potential undisclosed OBAs and private securities transactions involving private placement offerings. ([FINRA Case #2019064977701](#))

### **David Allen Maute ([CRD #4307126](#), Springfield, Ohio)**

August 3, 2021 – An AWC was issued in which Maute was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Maute consented to the sanction and to the entry of findings that he refused to respond to requests for information and documents requested by FINRA. The findings stated that this matter originated from FINRA's investigation of a Uniform Termination Notice for

Securities Industry Registration (Form U5) filed by Maute's member firm, disclosing that he had been discharged after allegations of failure to notify the firm of a loan between him and a customer of the firm. ([FINRA Case #2021071386501](#))

**Yonara Valerio ([CRD #5754141](#), Yonkers, New York)**

August 3, 2021 – An AWC was issued in which Valerio was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Valerio consented to the sanction and to the entry of findings that she refused to appear for on-the-record testimony and failed to provide information and documents requested by FINRA in connection with an investigation into the circumstances of her termination from her former member firm. The findings stated that a Form U5 filed by Valerio's firm stated that her registration was terminated after she applied for, and received, a Small Business Administration grant and loan without a legitimate business purpose. ([FINRA Case #2020068453101](#))

**Walter Morrow Allen ([CRD #1344149](#), Suffield, Connecticut)**

August 4, 2021 – An AWC was issued in which Allen was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Allen consented to the sanction and to the entry of findings that he refused to provide information and documents requested by FINRA. The findings stated that Allen's former member firm filed a Form U5 stating that he had executed trades in non-discretionary accounts without written client authorization in violation of the firm's policies and procedures. ([FINRA Case #2020066785901](#))

**Casey J. Kemerly ([CRD #4707270](#), Jonesville, Virginia)**

August 4, 2021 – An AWC was issued in which Kemerly was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Kemerly consented to the sanction and to the entry of findings that he refused to provide information and documents requested by FINRA. The findings stated that this matter originated from an amended Form U4 filed by Kemerly's member firm disclosing that he had been charged with certain crimes. Although Kemerly made a partial production, he eventually ceased cooperating. ([FINRA Case #2020067985401](#))

**Eugene Arthur McAdams ([CRD #4190211](#), Port Jefferson Station, New York)**

August 4, 2021 – An AWC was issued in which McArthur was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, McArthur 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 the suitability of his recommended securities transactions in customers' accounts while registered with his member firm. ([FINRA Case #2020066887801](#))

**Ji Jun Yang ([CRD #6084289](#), Harbor City, California)**

August 5, 2021 – An Office of Hearing Officers (OHO) decision became final in which Yang was barred from association with any FINRA member in all capacities. The sanction was based on the findings that Yang converted member firm funds by causing the firm to pay fictitious credit card charges. The findings stated that Yang created online payment accounts in the names of fictitious vendors. Yang used his corporate credit card to charge approximately \$41,000 to the accounts. The credit card company paid these fictitious charges and Yang caused the payments to be transferred from the accounts (minus fees) to his personal bank account. To cause the firm to pay the credit card company for the fictitious charges, Yang submitted, or caused to be submitted, expense reports to the firm through its travel & expense system in which he mischaracterized the payments as business expenses. Along with his expense reports, Yang submitted, or caused to be submitted, receipts generated from the online accounts. The firm regularly paid the credit card company for the outstanding balances on Yang's corporate credit card based on his false expense submissions. In addition, Yang sought and received reimbursement for purported meals from one of the fictitious places, which he paid with his personal credit card. Yang attributed certain fictitious expenses in his expense reports to firm clients. After discovering Yang's misconduct, the firm reimbursed the clients who had been billed and paid for Yang's fictitious expenses. Yang has not repaid the firm for the funds he received through his false expense submissions. In total, Yang caused the firm to pay the credit card company approximately \$41,000 related to his fictitious expense reports and receipts. The findings also stated that Yang falsified firm documents by submitting the false expense reports to the firm. The findings also included that Yang failed to provide documents and information requested by FINRA which concerned, in part, his personal credit card and bank accounts. ([FINRA Case #2019061187102](#))

**Thomas Ward Stratton ([CRD #1646899](#), Melbourne, Florida)**

August 12, 2021 – An AWC was issued in which Stratton was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Stratton 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 of his potential misuse of customer funds with respect to the sale of promissory notes related to a third party's life insurance policy and misrepresentations thereto. The findings stated that Stratton provided a partial but incomplete response to FINRA's requests and later acknowledged that he received the requests and will not produce the outstanding information or documents requested. ([FINRA Case #2021071245401](#))

**Alexis Cooke ([CRD #5598604](#), Flushing, New York)**

August 13, 2021 – An AWC was issued in which Cooke was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Cooke consented to the sanction and to the entry of findings that she engaged in falsification of variable and fixed annuity applications involving two customers of her member firm

and by falsifying the variable annuity applications, she caused her member firm's books and records to be inaccurate. The findings stated that Cooke completed the variable annuity applications and falsely represented them to the firm as authentic applications for transactions that the customers had authorized. In addition, Cooke completed and submitted the fixed annuity applications on behalf of the same customers in which she falsely attested to meeting with them, witnessing their signatures and reviewing their original driver's licenses. The variable and fixed annuity applications were unauthorized and submitted to the firm without either of the customers' knowledge or consent. Cooke received approximately \$68,000 in advanced commissions for the applications, all of which was eventually recovered by the firm when the applications were not funded. The findings also stated that Cooke engaged in forgery of customer signatures and impersonation of customers. Cooke created fake email addresses for the customers, which she used to electronically forge the customers' signatures on the variable annuity applications and submitted them to the firm without either customers' authorization or consent. When the firm became suspicious as to why the applications remained unfunded, Cooke used the fake email addresses to impersonate the customers in correspondence with the firm, purportedly requesting to cancel the applications. The findings also included that Cooke provided false and misleading testimony to FINRA. During Cooke's on-the-record interview, she initially denied creating the fake email addresses and using those email accounts to forge the customers' signatures. Only after FINRA presented Cooke with evidence that an email sent from the fake customer email addresses shared the same IP address as her personal email address did she admit in testimony to creating both fake email addresses. Cooke then admitted to electronically forging one of the customer's signatures on a variable annuity application but denied forging the other customer's signature on the other variable annuity application. However, audit trail data provided by the firm after Cooke's interview reflected that the other variable annuity application was also accessed and signed using a fake email address Cooke created. ([FINRA Case #2018059175201](#))

**Charles Thomas Stevens ([CRD #1698058](#), Saint Augustine, Florida)**

August 17, 2021 – An OHO decision became final in which Stevens was barred from association with any FINRA member in all capacities. A suspension and fine were not imposed in light of the bar. Stevens had appealed the OHO decision to the NAC, but on August 17, 2021, the appeal was dismissed as abandoned. The sanction was based on the findings that Stevens failed to appear for and provide on-the-record testimony requested by FINRA in connection with its investigation into the accuracy of his Form U4 disclosures. The findings stated that Stevens willfully failed to amend his Form U4 to disclose a judgment and three liens and to make timely disclosure of other liens. Stevens was aware of the liens on or about the dates they were recorded. Stevens never disclosed three liens: one for nearly \$216,000, one for almost \$111,000 and one for a little over \$9,000. Stevens ultimately disclosed the existence of the other liens, but late. Stevens also inaccurately reported the release dates of other liens, falsely reported that liens had been released

or discharged and removed previously disclosed, unsatisfied liens from his Form U4. Consequently, Stevens' Form U4 has portrayed a grossly inaccurate representation of his substantial tax liabilities. In addition, the Internal Revenue Service (IRS) filed a complaint against Stevens to obtain a consolidated judgment for federal income taxes he owed and to foreclose on several liens related to real estate he owned. The IRS and Stevens, through counsel, jointly moved for the entry of a consent judgment against Stevens for the unpaid taxes, totaling \$634,387. Stevens never disclosed the judgment on his Form U4. The findings also stated that Stevens submitted false statements on his member firm's annual compliance questionnaires stating that he had no undisclosed liens. ([FINRA Case #2017056627801](#))

**William Wright Jr. ([CRD #3048195](#), Freeport, New York)**

August 19, 2021 – An AWC was issued in which Wright was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Wright 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 facts surrounding his termination from his member firm. The findings stated that the Form U5 filed by Wright's firm reported that he was terminated as a result of his borrowing money from a customer of the firm. ([FINRA Case #2020068758101](#))

**Hugues Guirand ([CRD #3045595](#), Virginia Beach, Virginia)**

August 23, 2021 – An OHO decision became final in which Guirand was barred from association with any FINRA member in all capacities. The sanction was based on findings that Guirand failed to provide documents and information requested by FINRA and failed to appear for on-the-record testimony. The findings stated that Guirand's former customer filed a statement of claim with FINRA alleging that he had solicited the customer's investment in real estate transactions without his member firm's approval. Thereafter, FINRA initiated an investigation into Guirand's conduct in connection with the real estate transactions, which conduct could constitute unauthorized OBAs or private securities transactions. ([FINRA Case #2020068395801](#))

**Donald Joseph Fowler ([CRD #4989632](#), Massapequa, New York)**

August 25, 2021 – An AWC was issued in which Fowler was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Fowler 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 violated FINRA Rule 2020 by churning and excessively trading in customers' accounts. The findings stated that while exercising de facto control over the customers' accounts, Fowler recommended excessive activity and his customers routinely followed his recommendations. Fowler's trading in the customers' accounts was excessive and, with reckless disregard for the customers' interests, conducted to maximize his commissions. Fowler employed an investment strategy that

entailed short-term in-and-out trades and he used margin as a means to increase the buying power in his customers' accounts. Fowler's trading of the customers' accounts resulted in high turnover rates and cost-to-equity ratios. Fowler's trading in the customers' accounts generated total trading costs of \$1,140,619, including a total of \$949,356 in commissions and caused a total of \$1,095,778 in realized losses. All of the customers have either received restitution from Fowler's member firm pursuant to a settlement with FINRA or settled arbitrations with the firm and Fowler. ([FINRA Case #2017056432606](#))

**Jeffrey Travis Drost ([CRD #4489021](#), San Antonio, Texas)**

August 27, 2021 – An AWC was issued in which Drost was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Drost consented to the sanction and to the entry of findings that he refused to provide all the information and documents requested by FINRA in connection with its investigation of his potential unauthorized borrowing from customers. The findings stated that Drost provided partial but incomplete responses to FINRA's requests and refuses to produce the outstanding information or documents requested. ([FINRA Case #2021071218701](#))

**Scott Geoffrey Madison ([CRD #4323032](#), Los Angeles, California)**

August 30, 2021 – An AWC was issued in which Madison was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Madison consented to the sanction and to the entry of findings that he failed to provide information and documents requested by FINRA in connection with an investigation into the circumstances of his termination from his member firm. The findings stated that the Form U5 filed by the firm stated that Madison was terminated for conduct including failure to produce documents requested as part of a firm review. The Form U5 also disclosed that Madison had been under internal review to determine if he improperly applied for and received an economic injury disaster loan. ([FINRA Case #2021070757901](#))

**Jerome Richard Goldstein ([CRD #224572](#), Mount Kisco, New York)**

August 31, 2021 – An AWC was issued in which Goldstein was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Goldstein consented to the sanction and to the entry of findings that he refused to produce information and documents requested by FINRA in connection with its investigation that began after receiving a Form U5 that his member firm filed in which it disclosed that the firm had discharged him for violating firm policy governing personal finances by making multiple cash withdrawals under the currency transaction reporting threshold. ([FINRA Case #2021071333601](#))

## Individuals Suspended

### **Giordan Marc Zaro ([CRD #6613514](#), New York, New York)**

August 2, 2021 – An AWC was issued in which Zaro was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for one month. Without admitting or denying the findings, Zaro consented to the sanctions and to the entry of findings that he caused his member firm to violate SEC Regulation S-P: Privacy of Consumer Financial Information by improperly removing files from the firm’s office, which contained nonpublic personal information of the firm’s customers, and retaining the files, without the consent of the firm or the customers’ knowledge or consent, after the firm terminated his employment. The findings stated that, after returning from a trip, Zaro attempted to access the firm’s office after regular working hours. At the time, the firm had already determined to terminate Zaro’s employment, but decided to wait until he returned from his trip to inform him of the termination. As a result, Zaro was denied entry to the office because his key card had been deactivated by the firm. The next day, Zaro returned to the firm’s office with a duffle bag and was given access by a coworker to the office. While in the office, Zaro removed customer files from his desk that contained account opening forms, account statements and other documents with customers’ nonpublic personal information derived from information provided to the firm by customers. After the firm terminated Zaro’s employment, he retained the customer files despite becoming a nonaffiliated third party of the firm. After the firm had discovered Zaro’s customer files were missing, it demanded that he return the files. Zaro then gave the files to a nonaffiliated third party of the firm, who returned the files in a sealed box on his behalf. While in possession of the customer files following his termination from the firm, Zaro used customers’ nonpublic personal information to contact his former customers regarding their investments. Customers were not given notice or an opportunity to opt out of the disclosures prior to their nonpublic personal information being retained by Zaro following his termination from the firm or provided to the other nonaffiliated third party of the firm.

The suspension was in effect from August 2, 2021, through September 1, 2021. ([FINRA Case #2019064594002](#))

### **Kishan Parikh ([CRD #5506554](#), Jersey City, New Jersey)**

August 4, 2021 – An OHO decision became final in which Parikh was fined \$10,000, suspended from association with any FINRA member in all capacities for a total of two years and ordered to pay \$40,919, plus interest, in restitution to two customers. Three other customers will receive restitution via other means. The sanctions were based on the findings that Parikh engaged in unsuitable and excessive trading. The findings stated that Parikh recommended active short-term trading to customers with the use of margin. None of the customers’ accounts were discretionary accounts, yet Parikh decided which stocks to buy and sell in the accounts, as well as when and how much. In making these decisions, Parikh did not consider the cumulative trading costs incurred by the customers, nor did he

consider the interest costs associated with the use of margin, which permitted him to trade more often, but also increased the costs incurred by the customers. When Parikh contacted the customers before placing trades in their accounts, the customers relied on and followed his trading recommendations. Taken together, these facts show that Parikh exercised de facto control over the customer accounts. Parikh's turnover rates and annualized cost-to-equity ratios exceeded benchmarks in each of the customer accounts, often by substantial amounts. Parikh also engaged in frequent in-and-out trading in the accounts for some customers. This trading caused the customers losses of \$33,641, while it generated gross commissions for the firm of \$179,112, of which Parikh received at least \$89,000. The findings also stated that Parikh executed unauthorized trades, with a total principal value around \$4.2 million, in the accounts of two customers. The telephone records of Parikh's member firm show that he did not call the customers on the dates of those trades.

The suspensions are in effect from August 16, 2021, through August 15, 2023. ([FINRA Case #2021070337401](#))

**David James Williams (CRD #5899662, Pittsford, New York)**

August 5, 2021 – An AWC was issued in which Williams was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for three and a half months. Without admitting or denying the findings, Williams consented to the sanctions and to the entry of findings that he engaged in undisclosed OBAs without providing prior written notice to his member firm. The findings stated that Williams established two limited liability companies via filings with the New York State Division of Corporations, and was a co-owner and manager of each company. As a manager, Williams had full authority, power and discretion to make all decisions with respect to the companies. Through these companies, Williams engaged in insurance-related OBAs until his termination from the firm. Williams received over \$390,000 in compensation from one of the companies and over \$70,000 in compensation from the other company. The findings also stated that Williams falsely responded “no” in annual compliance questionnaires to the question of whether he had accepted compensation from any entity that had not been previously disclosed on the firm's OBAs questionnaire. Williams had disclosed an entity that provided consulting and logistical support services to certain firm agents but did not disclose the existence of either of the companies.

The suspension is in effect from August 16, 2021, through November 30, 2021. ([FINRA Case #2020065559401](#))

**Cesar Augusto Hurtado (CRD #4137948, Miami, Florida)**

August 6, 2021 – An AWC was issued in which Hurtado was fined \$5,000, suspended from association with any FINRA member in all capacities for 45 days and required to attend and satisfactorily complete no less than 10 hours of continuing education concerning options trading and customer suitability. Without admitting or denying the findings,

Hurtado consented to the sanctions and to the entry of findings that he recommended and effected unsuitable put spread investment strategies in customer accounts. The findings stated that the customers were inexperienced options investors with relatively conservative investment objectives and relied on their brokerage accounts for income. Hurtado understood that put spreads are designed as a risk-containment strategy and recommended such investments to the customers in those terms. In practice, however, with certain put spread transactions, Hurtado recommended that the customers forego this risk mitigation mechanism. In many instances, after a customer held a security for a period of time, Hurtado recommended that the customer sell the security at a loss larger than the original put spread's maximum loss. Hurtado also magnified the risk of numerous put spread transactions, and subsequent assignments, by recommending that the customers fund assignments on margin, thus increasing risk by exposing the account to margin calls and by requiring the customer to pay interest on the margin loan. Indeed, both accounts saw individual assignments of nearly \$1 million funded on margin. In addition, Hurtado recommended that the customers over-concentrate their options investments in the energy sector, further increasing the risk of loss once the customers took assignment of the subject securities. Hurtado's recommendations caused approximately \$1.6 million in net losses for the customers. Those losses could have been avoided or substantially limited through suitable investment recommendations. Both customers settled claims against Hurtado's member firm in connection with his conduct for a total amount of \$560,000, to which Hurtado personally contributed \$280,000.

The suspension is in effect from September 7, 2021, through October 21, 2021. ([FINRA Case #2017055890901](#))

**Henry Bones II (CRD #4673109, South Richmond Hill, New York)**

August 10, 2021 – An AWC was issued in which Bones was fined \$5,000, suspended from association with any FINRA member in any principal capacity for two months and ordered to attend and satisfactorily complete 20 hours of continuing education concerning supervisory responsibilities. Without admitting or denying the findings, Bones consented to the sanctions and to the entry of findings that he failed to reasonably supervise a former registered representative that excessively traded customer accounts. The findings stated that Bones was aware of multiple red flags of excessive trading, including high cost-to-equity ratios and high turnover rates in the representative's customer accounts. Bones did not reasonably investigate those red flags or otherwise take meaningful action to stop the misconduct. The accounts incurred realized losses of \$415,626, while paying \$423,987 in commissions. Although Bones would sometimes suggest that the representative reduce future commissions, he did not otherwise limit the trading in the accounts or attempt to discipline the representative.

The suspension is in effect from September 7, 2021, through November 6, 2021. ([FINRA Case #2017056432604](#))

**Sandeep Jain (CRD #7417503)**

August 10, 2021 – An AWC was issued in which Jain was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for 20 business days. Without admitting or denying the findings, Jain consented to the sanctions and to the entry of findings that he circumvented his member firm's written policies and procedures concerning the protection of confidential information by accessing a third-party internet-based platform on his firm-issued computer and enabling a file-sharing feature which resulted in the transfer of more than 100 files containing the firm's confidential information to the third-party platform. The findings stated that the confidential information included business information and intellectual property belonging to the firm. However, none of the transferred information pertained to the firm's customers. The file sharing folder on the third-party platform was publicly accessible, permitting anyone who visited it to access the files. The firm detected the data leakage and brought it to Jain's attention. Jain then realized that he had transferred the files, and thereafter, deleted the files from the third-party platform with the firm's permission.

The suspension was in effect from August 16, 2021, through September 13, 2021. ([FINRA Case #2019064231901](#))

**Eneida Vega Cortes (CRD #5790380, Trujillo Alto, Puerto Rico)**

August 10, 2021 – An AWC was issued in which Vega Cortes was fined \$5,000 and suspended from association with any FINRA member in all capacities for 20 business days. Without admitting or denying the findings, Vega Cortes consented to the sanctions and to the entry of findings that she added instructions and the date to a letter of authorization that had been previously signed by another employee of her member firm and used it to effect the transfer of securities from the firm's trust department brokerage account to a client's trust account. The findings stated that Vega Cortes had effected the transfers on at least four occasions and both the firm and the customer authorized the transactions. The findings also stated that Vega caused the firm to create and maintain inaccurate books and records.

The suspension was in effect from September 7, 2021, through October 4, 2021. ([FINRA Case #2020065347506](#))

**Jason Lee Seale III (CRD #1874548, Novato, California)**

August 11, 2021 – An AWC was issued in which Seale 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, Seale consented to the sanctions and to the entry of findings that he exercised discretionary trading authority to effect transactions in customers' accounts without the customers' prior written authorization and without his member firm accepting the accounts as discretionary in writing. The findings stated that Seale completed and submitted to the firm a compliance questionnaire in which he inaccurately stated that he did not and would not exercise discretion in any customer accounts without the firm's written authorization.

The suspension was in effect from September 7, 2021, through September 27, 2021. ([FINRA Case #2019063334201](#))

**John Sebastian Cangialosi ([CRD #3273830](#), Manalapan, New Jersey)**

August 12, 2021 – An AWC was issued in which Cangialosi was fined \$7,500, suspended from association with any FINRA member in all capacities for nine months and ordered to pay \$271,622 in restitution to customers. Without admitting or denying the findings, Cangialosi consented to the sanctions and to the entry of findings that he excessively traded three customers' accounts. The findings stated that Cangialosi recommended high frequency trading in the accounts with each customer, often holding concentrated positions in one or two securities for short periods of time. Cangialosi's customers routinely followed his recommendations and, as a result, he exercised de facto control over the accounts. Cangialosi's trading also resulted in high turnover rates and cost-to-equity ratios as well as significant losses. In addition, Cangialosi's trading in the accounts was excessive and unsuitable given the customers' investment profiles. As a result, the customers suffered collective realized losses of \$405,255, while paying total trading costs of \$311,229, including commissions of \$292,657. The restitution imposed is equal to the commissions paid by two of the customers and the third customer already received restitution in connection with another AWC.

The suspension is in effect from September 7, 2021, through June 6, 2022. ([FINRA Case #2017056432605](#))

**Nancy Ann Munro Gaumer ([CRD #1606316](#), Emmaus, Pennsylvania)**

August 12, 2021 – An AWC was issued in which Munro Gaumer was fined \$7,500 and suspended from association with any FINRA member in all capacities for 45 days. Without admitting or denying the findings, Munro Gaumer consented to the sanctions and to the entry of findings that she failed to disclose an outside brokerage account, which she opened with an elderly customer, at a firm other than her former member firm. The findings stated that Munro Gaumer assisted the customer, who was also a close friend, in opening the account. The account was funded with the customer's assets and was opened as a joint account for the customer and Munro Gaumer. In addition, Munro Gaumer did not provide her current firm with written notification of the account until after she was removed from the account. Munro Gaumer never notified the executing member of her association with either firm. The findings also stated that Munro Gaumer circumvented her former firm's procedures by completing and submitting to the firm questionnaires that contained material omissions. Munro Gaumer failed to disclose the account on all of the questionnaires and failed to disclose her power of attorney designations on four of the questionnaires.

The suspension is in effect from September 7, 2021, through October 21, 2021. ([FINRA Case #2019064386701](#))

**Alexander Noda ([CRD #7182932](#), Miami, Florida)**

August 12, 2021 – An AWC was issued in which Noda was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for five months.

Without admitting or denying the findings, Noda consented to the sanctions and to the entry of findings that he created a fictitious auto loan pre-approval letter for himself and his wife using the letterhead of his member firm's banking affiliate. The findings stated that the fictitious letter purported to show that the bank had pre-approved Noda and his wife for an auto loan of a particular amount, for a specific interest rate and time period. In fact, Noda and his wife never applied for an auto loan from the bank and never obtained any pre-approval from the bank. Noda submitted the fictitious letter to a car dealership and asked it to provide him and his wife with the same financing terms for their purchase of a new car as those contained in the fictitious letter, which were more favorable to them than the terms the dealership had previously offered them. However, the dealership contacted the bank to verify the contents of the letter and learned that the letter was fictitious. Therefore, the dealership did not provide the financing Noda requested.

The suspension is in effect from August 16, 2021, through January 15, 2022. ([FINRA Case #2020067324501](#))

**Suheydee Sonera Arce ([CRD #6794047](#), San Juan, Puerto Rico)**

August 12, 2021 – An AWC was issued in which Sonera Arce was fined \$5,000 and suspended from association with any FINRA member in all capacities for 20 business days. Without admitting or denying the findings, Sonera Arce consented to the sanctions and to the entry of findings that she used a pre-signed letter of authorization to effect periodic distributions from a customer's retirement account. The findings stated that on at least eight occasions, Sonera Arce added the date to the form and submitted it to her member firm. The customer authorized the transactions. The findings also stated that Sonera Arce caused her firm to create and maintain inaccurate books and records.

The suspension was in effect from September 7, 2021, through October 4, 2021. ([FINRA Case #2020065347503](#))

**Maxim Beliakov ([CRD #5968432](#), Staten Island, New York)**

August 16, 2021 – An AWC was issued in which Beliakov was fined \$5,000 and suspended from association with any FINRA member in all capacities for four months. Without admitting or denying the findings, Beliakov consented to the sanctions and to the entry of findings that he engaged in excessive and unsuitable trading in an elderly customer's account. The findings stated that Beliakov and another registered representative with whom he worked recommended all of the trades in the customer's account and the customer followed their recommendations. As a result, Beliakov exercised de facto control

over the customer's account. Beliakov recommended frequent trading, which resulted in the customer paying over \$173,000 in commissions. The customer initiated an arbitration against, among others, Beliakov and his member firm and the firm subsequently settled with the customer.

The suspension is in effect from September 7, 2021, through January 6, 2022. ([FINRA Case #2018060806602](#))

**Alfonse Joseph Stazzone (CRD #4908107, Staten Island, New York)**

August 16, 2021 – An AWC was issued in which Stazzone was fined \$5,000 and suspended from association with any FINRA member in all capacities for four months. Without admitting or denying the findings, Stazzone consented to the sanctions and to the entry of findings that he engaged in excessive and unsuitable trading in an elderly customer's account. The findings stated that Stazzone and another registered representative with whom he worked recommended all of the trades in the customer's account and the customer followed their recommendations. As a result, Stazzone exercised de facto control over the customer's account. Stazzone recommended frequent trading, which resulted the customer paying over \$173,000 in commissions. The customer initiated an arbitration against, among others, Stazzone and his member firm and the firm subsequently settled with the customer.

The suspension is in effect from September 7, 2021, through January 6, 2022. ([FINRA Case #2018060806601](#))

**Debasish Hajra (CRD #2212337, Marietta, Georgia)**

August 20, 2021 – An AWC was issued in which Hajra was fined \$5,000 and suspended from association with any FINRA member in all capacities for 30 days. Without admitting or denying the findings, Hajra consented to the sanctions and to the entry of findings that he effected unauthorized trades in a deceased customer's non-discretionary account. The findings stated that prior to her death, the customer met with Hajra and authorized him to make several trades in her account. When the customer died, Hajra had not effectuated any of the trades and did not execute the first transaction until 18 days after the customer's death. Hajra was unaware the customer was deceased when he executed the trades. The total value of the transactions was \$526,966.

The suspension is in effect from September 20, 2021, through October 19, 2021. ([FINRA Case #2019064919301](#))

**Garrett Scott Neubart (CRD #2558442, Wharton, New Jersey)**

August 23, 2021 – An AWC was issued in which Neubart was suspended from association with any FINRA member in all capacities for two months. In determining the appropriate sanctions in this matter, FINRA considered, among other factors, that Neubart's member firm disciplined him for his conduct by reducing his 2018 bonus. Without admitting or

denying the findings, Neubart consented to the sanction and to the entry of findings that he engaged in an OBA without providing prior written notice to, or receiving approval from, his firm. The findings stated that Neubart scheduled and attended meetings between an artificial intelligence company and his institutional clients at the firm in an effort to market the company's products and services to the clients. In preparation for the meetings, Neubart used his firm email address to send the clients pitch books, marketing decks and other information on the company. Neubart also arranged for introductions between the company and employees at the firm to discuss the company's products and services. In January 2018, as compensation for his efforts, Neubart received incentive units from the company, for a nominal price, entitling him to purchase shares of the company for a fixed price at any time of his choosing. In November 2017, Neubart orally requested approval from the firm to engage in OBAs involving the company but was told he could not engage in any outside activities with the company or receive compensation in connection with OBAs. Neubart then inaccurately characterized his receipt of the incentive units from the company as a passive investment in a disclosure to the firm. In addition, on his annual compliance attestations, Neubart inaccurately certified to the firm that he had disclosed all OBAs.

The suspension is in effect from September 20, 2021, through November 19, 2021. ([FINRA Case #2019062347901](#))

**David Lynn Van Geffen (CRD #1890754, Lafayette, Louisiana)**

August 23, 2021 – An AWC was issued in which Van Geffen 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, Van Geffen consented to the sanctions and to the entry of findings that he impersonated a customer on telephone calls to an annuity company. The findings stated that the customer requested that Van Geffen effectuate an increase in his annuity income benefit but did not give him permission to impersonate him with the company.

The suspension is in effect from September 20, 2021, through October 8, 2021. ([FINRA Case #2020066115901](#))

**Leigh Shanon Johnson (CRD #7221841, Midland City, Alabama)**

August 24, 2021 – An AWC was issued in which Johnson was suspended from association with any FINRA member in all capacities for 15 days. In light of Johnson's financial status, no monetary sanction has been imposed. Without admitting or denying the findings, Johnson consented to the sanction and to the entry of findings that she used the personal information of customers to create email accounts in their names, without their knowledge or authorization. The findings stated that Johnson created the email accounts at the direction of her boss. Johnson provided the email addresses and passwords to her boss, based on his representation that he was trying to help the customers access account

statements for brokerage accounts that the customers held away from their member firm. Johnson never discussed the email accounts with the customers or provided the customers with the log-in information for the accounts.

The suspension was in effect from September 20, 2021, through October 4, 2021. ([FINRA Case #2020065293202](#))

**Joffre Salazar (CRD #2185914, West Orange, New Jersey)**

August 25, 2021 – An AWC was issued in which Salazar was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for one year. Without admitting or denying the findings, Salazar consented to the sanctions and to the entry of findings that he forged the signatures and initials of two customers on forms related to their purchases of fixed annuities that he then submitted for processing without the customers' authorization. The findings stated that at Salazar's recommendation, one of the customers agreed to purchase a five-year fixed annuity and signed certain documents to effect that purchase. Around a month later, the annuity issuer rejected the initial application and requested that Salazar resubmit the documents. Instead of having the customer sign new documents, Salazar forged her signature on multiple documents for the purchase of a seven-year fixed annuity, even though she had not authorized the purchase of a seven-year annuity. The customer subsequently complained to Salazar's member firm about the unauthorized purchase. The customer ultimately agreed to continue her investment in the seven-year annuity, despite not having authorized its initial purchase. In addition, Salazar recommended that the other customer purchase a five-year fixed annuity with a specific interest rate. The customer agreed to do so and signed an application and related documents to effect that purchase. However, the interest rate on the fixed annuity was actually lower than what the customer initially agreed to. Salazar then forged the customer's initials on multiple documents for the purchase of a five-year fixed annuity at the lower interest rate. The other customer subsequently complained to the firm about the unauthorized purchase. The firm paid restitution to the other customer to compensate her for the difference in interest rates.

The suspension is in effect from September 7, 2021, through September 6, 2022. ([FINRA Case #2019063019901](#))

**Clyde Anthony Jensen (CRD #5658476, Valrico, Florida)**

August 27, 2021 – An Order Accepting Offer of Settlement was issued in which Jensen 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 allegations, Jensen consented to the sanctions and to the entry of findings that he acted unethically by circumventing his member firm's policies and procedures that prohibited him and his children from being designated as beneficiaries of an elderly customer's trust, actively pursuing and maintaining those designations even after the firm denied him permission to

do so and failing to report those designations to his firm. The findings stated that Jensen was aware of the firm's policy and specifically instructed by his firm supervisor that he could not be a beneficiary of or inherit from a firm client generally and from the customer specifically. Nevertheless, Jensen agreed to become a beneficiary of the customer's trust, entitling him to obtain valuable securities upon her death and to have his children designated as contingent beneficiaries of her trust. Jensen neither informed the firm of these prohibited beneficiary designations, nor requested the customer remove him and his children as a trust beneficiary and contingent beneficiaries, respectively. Rather, Jensen actively participated in the process by which the customer named him as a trust beneficiary and his children as contingent trust beneficiaries. The securities to be bequeathed to Jensen were worth \$833,735.35 at the time the customer died. Jensen attempted to have the securities transferred to an account he controlled, but the firm rejected the attempted transfer and Jensen resigned from the firm. The findings also stated that Jensen submitted a false annual attestation to his firm on which he affirmed that he would abide by firm procedures and direction from his supervisor, could not inherit from a customer (other than immediate family) and would immediately contact his supervisor if he became aware of a prohibited beneficiary relationship. This annual attestation was false because, at the time Jensen submitted it to his firm, he knew he had been designated a beneficiary of the customer's trust, in circumvention of firm policy and against his supervisor's express direction.

The suspension is in effect from September 7, 2021, through March 6, 2022. ([FINRA Case #2018059733101](#))

**Julio Cesar Lage (CRD #4698401, Key Biscayne, Florida)**

August 27, 2021 – An AWC was issued in which Lage 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, Lage consented to the sanctions and to the entry of findings that he failed to obtain written consent from his member firm to maintain or open outside securities accounts and failed to inform the firms at which those accounts were held of his association with his firm. The findings stated that when Lage became registered with FINRA through his firm, he had two securities accounts in his own name at another firm and, while he was registered through the firm, he opened an additional securities account in which he had a beneficial interest at another firm. The findings also stated that Lage failed to timely produce documents requested by FINRA. As part of its examination of Lage's firm, FINRA sent him a request for account statements for the securities accounts held away from his firm that he controlled. Lage initially provided the requested account statements for two accounts, but he did not provide the requested documents for the third account. Lage did not provide the requested documents until later.

The suspension is in effect from September 7, 2021, through March 6, 2022. ([FINRA Case #2019060991101](#))

**Dale Allen Ramsperger ([CRD #1601669](#), Scottsdale, Arizona)**

August 27, 2021 – An AWC was issued in which Ramsperger was suspended from association with any FINRA member in all capacities for five months. In light of Ramsperger’s financial status, no monetary sanction has been imposed. Without admitting or denying the findings, Ramsperger consented to the sanction and to the entry of findings that he participated in a private securities transaction without prior written disclosure to his member firm. The findings stated that Ramsperger notified an elderly couple, who were former firm customers, about an investment opportunity in a media company for which Ramsperger served as a minority shareholder and as an executive. The company, which Ramsperger had previously disclosed to his firm, was outside the scope of his employment at the firm. Ultimately the couple invested in the company by purchasing a promissory note in the total amount of \$250,000. Ramsperger drafted the note and related documents, provided the documents to the couple for execution and signed the note on behalf of the company. At the end of the investment’s term, the surviving spouse agreed to reinvest in the company and Ramsperger drafted a revised promissory note that he also executed on behalf of the company. The company later defaulted and stopped paying interest to the investor. Ramsperger did not receive selling compensation for participating in the private securities transactions. Ramsperger’s failure to provide prior written notice to the firm is aggravated by the fact that he did not disclose that he was engaged in a private securities transaction on several attestations he provided to the firm.

The suspension is in effect from September 20, 2021, through February 19, 2022. ([FINRA Case #2020065281001](#))

**John Matthew Izzo ([CRD #6339734](#), Hilton, New York)**

August 30, 2021 – An AWC was issued in which Izzo 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, Izzo consented to the sanctions and to the entry of findings that he engaged in an undisclosed outside business activity without providing prior written notice to his member firm. The findings stated that Izzo established a company and was a co-owner and member of that company. When he subsequently became associated with his firm, he did not disclose his OBA to the firm. Through the company, Izzo engaged in insurance related OBAs until his termination from the firm. Izzo received over \$250,000 in compensation from the company. In addition, Izzo falsely responded “no” in annual compliance questionnaires to the question of whether he had accepted compensation from any entity that had not been previously disclosed on the firm’s OBA questionnaire.

The suspension is in effect from September 7, 2021, through November 6, 2021. ([FINRA Case #2021072190201](#))

**Joseph Augustien Lianzo ([CRD #4516842](#), East Moriches, New York)**

August 31, 2021 – An AWC was issued in which Lianzo was suspended from association with any FINRA member in all capacities for eight months. In light of Lianzo’s financial status, no monetary sanction has been imposed. Without admitting or denying the findings, Lianzo consented to the sanction and to the entry of findings that he excessively traded customer accounts. The findings stated that Lianzo recommended the quantitatively unsuitable trading in the accounts for the customers and they routinely followed his recommendations. As a result, Lianzo exercised de facto control over the customer accounts. Lianzo’s trading of the accounts resulted in high turnover rates and cost-to-equity ratios as well as significant losses. Specifically, the customers incurred losses of \$293,308 and paid \$127,506 in commissions. The findings also stated that Lianzo placed trades in the customer accounts without their prior authorization, knowledge or consent.

The suspension is in effect from September 20, 2021, through May 19, 2022. ([FINRA Case #2018058278601](#))

**Decision Issued**

The Office of Hearing Officers (OHO) issued the following decision, which has been appealed to or called for review by the NAC as of August 31, 2021. The NAC may increase, decrease, modify or reverse the findings and sanctions imposed in the decision. Initial decisions where the time for appeal has not yet expired will be reported in future FINRA Disciplinary & Other Actions.

**Integrity Brokerage, LLC ([CRD #117589](#), Monterey Park, California)**

August 16, 2021 – The firm appealed an OHO decision to the NAC. The firm was fined \$44,938. The sanction was based on the findings that the firm improperly allowed a person to associate with it when he was subject to a statutory disqualification and allowed him to engage in the firm’s securities business in a manner that required him to be registered when he was not. The findings stated that the NAC issued a formal FINRA decision denying the firm’s MC-400 application seeking permission for the person to associate with the firm despite his disqualification. The firm’s owner ignored an initial warning from FINRA that the person was prohibited from associating with the firm and implemented a plan to evade the prohibition. More than six months after the MC-400 application was denied, the owner and a firm registered representative together wrote a letter to customers to inform them that for now the person would not be their official registered representative. Instead, the representative would be their acting registered representative. At the same time, the letter reassured customers that the person was still generating investment ideas for them and the representative was still providing “excellent and timely customer service.” The letter promised that customers could request time with the person to discuss the stock market, economic issues and company specific information. The owner and the representative

described the changes after the MC-400 decision as semantics. The letter obscured the true nature of the situation, being that FINRA had denied the approval necessary for the person to speak to the firm's customers about securities and their portfolios. Customers continued to see the person as their broker, not the representative. ([FINRA Case #2018056436001](#))

## 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.**

### **Jorge Antonio Netto ([CRD #2432661](#), Miami, Florida)**

August 13, 2021 – Netto was named a respondent in a FINRA complaint alleging that he engaged in OBAs through his ownership, beneficial interest, or management of four limited liability companies, without providing prior written notice to his member firm. The complaint alleges that Netto engaged in these OBAs to effectuate the purchase of a warehouse in which marijuana could be grown and stored. Netto also arranged for a firm customer to loan money to one of the companies to help fund the purchase of the property. To generate the funds for the loan, Netto advised the customer to liquidate all of the securities positions held in the customer's account at the firm. Netto obtained \$119,000 in compensation as a fee for facilitating the purchase of the property through the company. The complaint also alleges that Netto submitted an annual compliance certification to his firm in which he falsely certified that he had notified the firm of all OBAs when, in fact, he failed to identify his ownership of and management role with two of the companies related to the property transaction. ([FINRA Case #2018058537302](#))

### **Alon Zak ([CRD #5734529](#), Valley Village, California)**

August 19, 2021 – Zak was named a respondent in a FINRA complaint alleging that he falsified and forged life insurance applications. The complaint alleges that Zak created fictitious life insurance policy applications for two former insurance customers and then submitted them to his member firm's insurance affiliate. Zak also forged the customers' signatures by electronically affixing their signatures on the applications without their knowledge or consent. In addition, Zak forged a firm customer's signature by electronically affixing her signature on a life insurance policy application without her knowledge or consent. The complaint also alleges that Zak failed to respond to requests for information and documents requested by FINRA in connection with its investigation of his forgery of signatures on life insurance applications. Zak's failure to respond to the requests led to the initiation of a proceeding against him. Zak eventually provided a complete response to the

requests over three months after the deadline to respond had passed and only after he was suspended. The complaint further alleges that Zak failed to appear and provide testimony to FINRA. Zak's failure to appear and provide on-the-record testimony impeded FINRA's investigation and prevented FINRA from further investigating the fictitious and forged insurance applications he submitted, investigating whether he had submitted additional fictitious life insurance policy applications and evaluating his denial that he had done so. ([FINRA Case #2020065349803](#))

**Alan Robert Price ([CRD #3181061](#), Noblesville, Indiana)**

August 30, 2021 – Price was named a respondent in an amended FINRA complaint in which an additional cause of action was added to a FINRA complaint originally filed on April 1, 2021. The amended complaint alleges that Price borrowed \$150,000 from an elderly customer of his then member firm without notifying the firm of the loan and without the firm's approval of the loan in writing. The loan did not meet any of the conditions in the firm's written procedures for customer loans and, therefore, was prohibited. The loan also did not meet any of the conditions set forth in FINRA Rule 3240. The amended complaint also alleges that only after FINRA filed the original complaint did Price agree to resume his suspended on-the-record testimony and answer questions asked of him by FINRA, which impeded and delayed FINRA's investigation for more than a year. ([FINRA Case #2020066136801](#))

## Complaint Dismissed

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

**Henry Clay Smith II ([CRD #1736102](#))**  
Haschbach am Remigiusberg, Germany  
(August 3, 2021)  
FINRA Case #2019062898303

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**Firm Cancelled for Failure to Pay FINRA Dues, Fees and Other Charges Pursuant to FINRA Rule 9553**

**G.F. Investment Services, LLC (CRD #132939)**  
McDonough, Georgia  
(August 17, 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.)

**Matthew Tyler Berman (CRD #7127759)**  
Coral Springs, Florida  
(August 16, 2021)  
FINRA Case #2021070633101

**Thomas Michael Bonik (CRD #852722)**  
Koloa, Hawaii  
(August 16, 2021)  
FINRA Case #2020067769501

**James Patrick Clements (CRD #5507008)**  
Indianapolis, Indiana  
(August 23, 2021)  
FINRA Case #2020068858301

**Henrique David Lucena (CRD #5605196)**  
Miami, Florida  
(August 17, 2021 – August 24, 2021)  
FINRA Case #20210706021/ARB210003/  
Arbitration Case #20-02956

**Lionel Darnell Scott (CRD #4738213)**  
Middle, New York  
(August 31, 2021)  
FINRA Case #2018056483901

**Ricardo Ruben Uliambre (CRD #5909506)**  
Weston, Florida  
(August 16, 2021)  
FINRA Case #2020066249501

**Paul Warren Vizanko (CRD #2572222)**  
Duluth, Minnesota  
(August 30, 2021)  
FINRA Case #2021069466801

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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.)

**Arely J. Alvarez (CRD #6890579)**  
Mundelein, Illinois  
(August 20, 2021)  
FINRA Case #2021070214001

**Bradley Morgan Holts (CRD #5819398)**  
Beaumont, Texas  
(August 23, 2021)  
FINRA Case #2021071760601

**Johnnie Melvin Jones (CRD #2705042)**  
Bridgeport, Connecticut  
(August 16, 2021)  
FINRA Case #2020068113601

**Stacie Lynn Orr (CRD #4606070)**  
Simpsonville, South Carolina  
(August 30, 2021)  
FINRA Case #2021070309601

**Ryan James Ott (CRD #6173815)**  
Westwood, New Jersey  
(August 23, 2021)  
FINRA Case #2020068564201

**Dominic John Scalzi (CRD #1689662)**  
Cedar Grove, New Jersey  
(August 9, 2021)  
FINRA Case #2021070117501

**Andre Pierre Senegal (CRD #6065655)**  
Homewood, Illinois  
(August 20, 2021)  
FINRA Case #2020068787301

**Kyle Andrew Stevens (CRD #5728895)**  
Fletcher, North Carolina  
(August 23, 2021)  
FINRA Case #2020067295401

**Rosemary Teresa Vrablic (CRD #4359776)**  
Long Beach, New York  
(August 9, 2021)  
FINRA Case #2021070117201

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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.)

**Brett Eugene Bauer (CRD #1870883)**  
Eden Prairie, Minnesota  
(August 24, 2011 – August 25, 2021)  
FINRA Arbitration Case #10-02308

**Carmine Anthony Berardi (CRD #4879362)**  
Colts Neck, New Jersey  
(August 10, 2021 – September 7, 2021)  
FINRA Arbitration Case #19-03746

**Jason Michael Fekete (CRD #4583237)**  
Virginia Beach, Virginia  
(August 11, 2021)  
FINRA Arbitration Case #20-03558

**Geoffrey Garratt (CRD #5170365)**  
Brooklyn, New York  
(August 31, 2021)  
FINRA Case #20210704292

**Trevor Lee Gordon (CRD #2195122)**  
Seneca, South Carolina  
(August 20, 2021)  
FINRA Arbitration Case #21-01008

**Thomas James Hagan (CRD #1259122)**  
Sarasota, Florida  
(August 20, 2021)  
FINRA Arbitration Case #21-00583

**Andre Vincent Labarbera (CRD #2072370)**  
Dix Hills, New York  
(August 20, 2021)  
FINRA Arbitration Case #18-04008

**Michael Leahy (CRD #1899498)**  
Red Bank, New Jersey  
(September 7, 2021)  
FINRA Arbitration Case #19-03746

**David Michael Levy (CRD #2255938)**  
Wellington, Florida  
(August 20, 2021)  
FINRA Arbitration Case #18-04008

**Leslie George Markus Jr. (CRD #2688964)**  
Bethlehem, Pennsylvania  
(August 17, 2021)  
FINRA Case #20210709929/ARB210008

**Scott Richard Reynolds (CRD #2705340)**

Miami Beach, Florida

(August 4, 2021 – September 1, 2021)

FINRA Arbitration Case #19-00926

**Richard Christopher Stoyeck (CRD #842122)**

Westport, Connecticut

(August 20, 2021)

FINRA Arbitration Case #18-04008

**Gopi Krishna Vungarala (CRD #4856193)**

Decatur, Texas

(August 9, 2021)

FINRA Arbitration Case #19-03153

**Robert Thomas Wong (CRD #6441718)**

New York, New York

(August 20, 2021)

FINRA Arbitration Case #20-03987