

Disciplinary and Other FINRA Actions

Firms Fined, Individuals Sanctioned

Chelsea Morgan Securities, Inc. dba Chelsea Financial Services ([CRD® #47770](#), Staten Island, New York) and Christopher Vetrano ([CRD #2476447](#), Staten Island, New York)

December 4, 2019 – A Letter of Acceptance, Waiver and Consent (AWC) was issued in which the firm was censured, fined \$15,000, ordered to pay \$68,899, plus interest, in restitution to customers and required to review and revise, as necessary, its supervisory system and written supervisory procedures (WSPs) regarding supervision of excessive trading. A reduced fine was imposed after considering, among other things, the firm's revenues and financial resources, as well as its agreement to pay full restitution to the affected customers. Vetrano was fined \$10,000, suspended from association with any FINRA® member in any principal capacity for three months and required to attend and satisfactorily complete 40 hours of continuing education concerning supervisory responsibilities by a provider not unacceptable to FINRA. Without admitting or denying the findings, the firm and Vetrano consented to the sanctions and to the entry of findings that the firm failed to establish and maintain a supervisory system and failed to establish, maintain and enforce WSPs that were reasonably designed to achieve compliance with FINRA's suitability rule as it pertains to excessive trading. The findings stated that the firm's WSPs provided confusing and contradictory guidance regarding how to assess whether trading may be excessive and failed to provide any guidance to supervisors regarding how they should monitor for potentially excessive trading, whether it be through the use of automated exception reports, review of daily trade blotters, or otherwise. The firm also failed to provide guidance to supervisors, either in its WSPs or otherwise, regarding the steps that they should take if they detected potentially excessive trading. As a result, in practice, when Vetrano identified trading that he thought might be excessive, he failed to take reasonable steps to investigate. The findings also stated that the firm and Vetrano, who was the firm's designated supervisory principal responsible for conducting suitability reviews, failed to reasonably supervise a former registered representative who recommended unsuitable and excessive trading in customer accounts. Vetrano observed multiple red flags indicating that the representative was recommending excessive and unsuitable trading in the customer accounts, but he failed to reasonably respond to these red flags. As a result of the representative's recommendations of excessive and unsuitable transactions, the customers collectively paid approximately \$68,899 in commissions, and their accounts collectively experienced losses of approximately \$34,515.

The suspension is in effect from January 6, 2020, through April 5, 2020.
([FINRA Case #2018059111001](#))

Reported for February 2020

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).

Aeon Capital Inc. ([CRD #164004](#), Middletown, New Jersey) and Vincent Michael Bruno ([CRD #1845833](#), Middletown, New Jersey)

December 10, 2019 – An AWC was issued in which the firm was censured, fined \$45,000, of which \$10,000 is joint and several with Bruno, required to retain one or more qualified independent consultants to conduct a comprehensive review of the adequacy of its compliance with FINRA Rule 3170 (the Taping Rule) and required to comply voluntarily with the Taping Rule for an additional 18 months. Bruno was fined \$10,000, jointly and severally with the firm, and suspended from association with any FINRA member in any principal capacity for 30 business days. Without admitting or denying the findings, the firm and Bruno consented to the sanctions and to the entry of findings, that the firm failed to comply with the Taping Rule, failed to reasonably enforce its Taping Rule procedures, and later, that the firm and Bruno failed to enforce its revised Taping Rule WSPs. The findings stated that the firm’s WSPs were not reasonably designed to ensure compliance with the Taping Rule and, in any event, the firm failed to tape all conversations as required under the Taping Rule. When the firm revised its Taping Rule WSPs, Bruno became the designated principal responsible for implementing them; however, the firm and Bruno failed to enforce it. As a result, the firm failed to record all telephone conversations between its registered persons and its existing and potential customers.

The suspension is in effect from January 6, 2020, through February 18, 2020. ([FINRA Case #2017052480101](#))

Firms Fined

D.A. Davidson & Co. ([CRD #199](#), Great Falls, Montana)

December 2, 2019 – An AWC was issued in which the firm was censured, fined \$85,000 and required to provide to FINRA a plan for reviewing the securities detailed in the AWC to identify and then provide notice to the issuers of inaccuracies in the issue price certificates. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that in connection with municipal offerings, it provided inaccurate or misleading statements in its issue price certificates related to the percentage of each maturity that was sold, or was reasonably expect to be sold, to the public. The findings stated that the firm failed to establish and maintain a supervisory system and WSPs that were reasonably designed to ensure the accuracy of the representations the firm made to issuers in its issue price certificates. The firm relied on bankers and bond counsel to prepare and execute issue price certificates without any process or procedure for verifying the accuracy of the firm’s statements based on available information regarding whether at least ten percent of each maturity had actually been sold to the public.

([FINRA Case #2017055363301](#))

International Assets Advisory, LLC ([CRD #10645](#), Orlando, Florida)

December 3, 2019 – An AWC was issued in which the firm was censured, fined \$30,000 and ordered to pay \$92,805.13, 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 failed to establish, maintain and enforce a supervisory system, including WSPs, reasonably designed to ensure compliance with FINRA Rule 2111 in relation to the sale of non-traditional exchange traded products (NT-ETPs). The findings stated that the firm's supervisory system and WSPs were not reasonably tailored to address the unique features and risks associated with NT-ETPs, including the risks associated with holding NT-ETPs for extended periods of time. The firm also did not have any systems in place, such as an alert or exception report, to assist supervisors in monitoring the holding periods for NT-ETPs. Moreover, the firm failed to enforce the WSPs it had in place. Although the firm's WSPs required training for all registered representatives selling NT-ETPs, it failed to provide formal training to representatives before permitting them to sell the products to customers. As a result of its unreasonable supervisory system and procedures, the firm failed to detect a representative's unsuitable recommendations to his customers to purchase and hold solicited NT-ETPs positions for an average of 327 days. The representative did not understand the unique features and specific risks associated with these products, including the risk of holding the products long-term and, therefore, lacked a reasonable basis for making the recommendations. As a result of his unsuitable recommendations, the representative's customers incurred approximately \$92,805.13 in losses. ([FINRA Case #2017056579501](#))

PUMA Capital, LLC ([CRD #146744](#), Purchase, New York)

December 4, 2019 – 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 it failed to implement policies and procedures to reasonably avoid displaying, or engaging in a pattern or practice of displaying, locking or crossing quotations in over-the-counter (OTC) equity securities. The findings stated that as a market maker, the firm was required to display quotations in the OTC market. Other firms engaged in the ship and post process when they displayed a quotation that locked or crossed the firm's displayed quotation. In each instance, the other firm would route an order (ship) to the firm prior to or simultaneously with displaying a quotation (post) that locked or crossed its quotation. Upon executing these orders, the firm refreshed its last quotation by increasing its size at the same displayed price but did not route an order to the other firm displaying quantity at that price. As a result, the firm's quotation locked or crossed the other firm's displayed quotation. The firm's policies and procedures did not require its traders to make reasonable efforts to first contact or route an order to execute against the full displayed size of any quotation before locking or crossing that quotation. ([FINRA Case #2016048849001](#))

Key Investment Services LLC ([CRD #136300](#), Brooklyn, Ohio)

December 5, 2019 – An AWC was issued in which the firm was censured, fined \$425,000, ordered to pay \$589,221.66, plus interest, in restitution to customers, ordered to pay disgorgement to customers in the amount of \$134,169.40, plus interest, and is also required to certify in writing to FINRA that it has implemented supervisory systems and WSPs reasonably designed to address each of the areas of conduct identified in the AWC, and to achieve compliance with suitability requirements for unit investment trust (UIT) transactions. In determining the appropriate sanction in this matter, FINRA considered, among other factors, that the firm previously paid \$470,818.75 in restitution to complaining and non-complaining customers. The customers who already received payment from the firm are not receiving restitution as part of this AWC. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish and maintain supervisory systems and procedures that were reasonably designed to achieve compliance with its suitability obligations when recommending certain UITs, which invested in leveraged closed-end funds. The findings stated that the firm also failed to provide reasonable guidance or training to its registered representatives, including supervisors, about the potential risks and volatility of these products. Although the firm manually reviewed these transactions, it failed to identify or reasonably follow up on red flags in recommended purchases of UITs that raised suitability concerns due to the customer's risk tolerance and investment profile. The firm has since undertaken significant efforts to address supervisory and operational issues that FINRA raised during its investigation, including independently retaining compliance and product consultants. The findings also stated that the firm failed to enforce its supervisory procedures that required both the collection and documentation of customer-specific suitability factors on account update forms when making new recommendations of securities to existing customers. Subsequently, the firm addressed the problem by authorizing registered representatives to enter account update information directly into the firm's system, with confirmations sent to the customers and, among other things, blocking newly solicited trades until the account update form had been obtained or the information had been otherwise entered into the firm's systems. The findings also included that the firm provided inaccurate information to customers in switch disclosure letters regarding the sales charges, costs and expenses of the UITs. Although the firm also provided the customers with a copy of the prospectuses for the UITs, which included a fee table, the inaccurate information on the letters potentially confused certain customers by making switching into the new UIT appear more financially advantageous. The firm identified through its surveillance function that its letters were not always completely or accurately disclosing the fees on UIT switches. Later, the firm issued guidance to its sales force, including guidance regarding the calculation of fees, which reduced but did not eliminate the exception rates previously identified in the letters. The firm eventually corrected the problem when it eliminated the manual estimation and transcription of sales charges and/or expenses and instead attached to the letter a copy of the fee table from the UIT prospectus. ([FINRA Case #2013039634703](#))

KGS-Alpha Capital Markets, L.P. nka BMO Capital Markets Corp. ([CRD #151705](#), New York, New York)

December 6, 2019 – An AWC was issued in which the firm was censured and fined \$30,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that due to a misunderstanding as to how to determine the time of execution and manual errors by its employees, it failed to report to the Trade Reporting and Compliance Engine (TRACE®) the correct time of execution for transactions in TRACE-eligible securitized products. The findings stated that for some of the transactions the firm failed to record the correct time of execution of the transaction on the memoranda of the brokerage order. The findings also stated that the firm failed to report to TRACE transactions in TRACE-eligible securitized products within the time required due to manual errors by its employees and untimely amendments or corrections made to TRACE reports. ([FINRA Case #2016051813401](#))

Nomura Securities International, Inc. ([CRD #4297](#), New York, New York)

December 6, 2019 – An AWC was issued in which the firm was censured and fined \$300,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to comply with FINRA's short interest reporting requirements concerning the reporting of certain foreign-listed securities. The findings stated that the firm experienced a system-related coding issue that resulted in the exclusion of certain foreign-listed securities from its short interest submissions to FINRA. In addition, the firm inaccurately reported short interest positions. Upon receiving notification from FINRA of the reporting deficiencies, the firm identified and corrected the coding issue. The findings also stated that the firm failed to establish and maintain a supervisory system to ensure that it was in fact including all reportable positions in its FINRA Rule 4560 submissions, including reportable positions it held in foreign-listed securities. The firm has updated its supervisory system, including its WSPs, and addressed the supervisory deficiencies. ([FINRA Case #2015044806901](#))

Jefferies Execution Services, Inc. ([CRD #867](#), New York, New York)

December 12, 2019 – An AWC was issued in which the firm was censured and fined \$215,000, of which \$18,800 is payable to FINRA and the remaining will be paid to other various self-regulatory organizations. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it did not establish, maintain and enforce a supervisory system or WSPs reasonably designed to monitor for potential layering or spoofing by its direct market access clients. The findings stated that as a result of the firm's supervisory failures, its direct market access clients placed millions of orders per month through the firm without being subjected to supervisory reviews for potential layering or spoofing. FINRA and other exchanges' surveillance identified more than 150,000 instances of potential layering activity associated with the firm's order flow. Upon receiving multiple notifications of the potential layering from an exchange, the firm

began to develop a layering surveillance review, but it was not implemented until later. After implementing its surveillance, the firm identified one particular client as potentially engaging in layering activity and terminated the client. The firm also updated its WSPs to reflect the integration of its layering and spoofing surveillance into its overall supervisory system and reviews. ([FINRA Case #2014043557401](#))

Cowen and Company, LLC ([CRD #7616](#), New York, New York)

December 17, 2019 – An AWC was issued in which the firm was censured, fined \$120,000, of which \$44,400 is payable to FINRA, and required to revise its WSPs. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it violated the Securities Exchange Act of 1934 Rule 101 of Regulation M by bidding for a covered security and purchasing a covered security during a restricted period while acting as a distribution participant participating in a distribution of securities on behalf of an issuer. The findings stated that the firm failed to provide complete and/or timely notifications to FINRA in connection with the distributions as required by FINRA Rule 5190. The findings also stated that the firm failed to establish, maintain and enforce written procedures to supervise the types of business that it engaged in and the activities of its associated persons that were reasonably designed to achieve compliance with Exchange Act Rule 101 of Regulation M and FINRA Rule 5190. ([FINRA Case #2014040293001](#))

First Financial Equity Corporation ([CRD #16507](#), Scottsdale, Arizona)

December 19, 2019 – An AWC was issued in which the firm was censured and fined \$200,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to file amended Uniform Application for Securities Industry Registration or Transfer forms (Form U4s) for 20 of its registered representatives to disclose 71 outstanding liens, outstanding judgments, bankruptcies and creditor compromises in a timely fashion or, in some cases, at all. The findings stated that the firm failed to establish and maintain a system and failed to establish, maintain and enforce written procedures that were reasonably designed to achieve compliance with FINRA's requirement to timely file Form U4 amendments to reflect reportable financial events. Until her demotion, the firm's former CCO was the only person at the firm responsible for keeping Form U4s accurate and current, and she failed to do so. The firm failed to supervise the CCO to monitor whether she was fulfilling her responsibilities and timely amending firm representatives' Form U4s and its disclosure failures continued after her demotion. The firm failed to clearly communicate who was responsible for amending Form U4s until the CCO's termination, and it had no reasonable supervisory system in place to monitor that the amendments were being timely made. The findings also stated that the firm failed to prepare required annual supervisory control reports and annual CEO certifications for three years. ([FINRA Case #2017055723502](#))

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

December 19, 2019 – An AWC was issued in which the firm was censured and fined \$130,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it effected customer sale transactions of municipal bonds on a discretionary basis in amounts lower than the minimum denomination of the respective issues. The findings stated that the firm generally relied on data it received from third-party vendors to determine whether a transaction was below an issue's minimum denomination, and the violative transactions are primarily attributable to inaccuracies in that vendor data. The firm has already voluntarily rescinded the violative transactions or otherwise reimbursed affected customers. ([FINRA Case #2017053432301](#))

SG Americas Securities, LLC ([CRD #128351](#), New York, New York)

December 19, 2019 – An AWC was issued in which the firm was censured and fined \$30,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that employees on one of its trading desks entered invalid locate codes into the firm's order management systems in connection with short sales involving exchange traded fund (ETF) shares. The findings stated that this caused the firm to violate Regulation SHO of the Securities Exchange Act because it was unable to determine that it would be able to borrow the securities. It also caused the firm to maintain inaccurate records. Nevertheless, none of the transactions resulted in the firm's failure to deliver any of the securities and, after learning of and investigating the misconduct, it enhanced its internal processes and systems. ([FINRA Case #2014042525201](#))

Oppenheimer & Co. Inc. ([CRD #249](#), New York, New York)

December 20, 2019 – An AWC was issued in which the firm was censured, fined \$85,000 and required to revise its WSPs. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to record Not Held terms and conditions on its order memoranda for institutional customers of one of the firm's trading desks and for those orders it transmitted reports to the Order Audit Trail System (OATS™) that failed to contain the Not Held special handling code. The findings stated that a default setting in a firm application that optimizes its financial data communications was incorrectly set for orders routed to its portfolio trading system resulting in the firm incorrectly defaulting to Held for OATS reporting purposes. The firm learned about the issue through a regulatory inquiry from FINRA and it fixed the software issue. The findings also stated that the firm transmitted reports to OATS that failed to properly report the Market on Close or Limit on Close special handling codes. A software limitation in the firm's system caused these codes to be included in the incorrect section of the firm's reports to OATS, which is the functional equivalent of a failure to report the required special handling codes to OATS. The firm learned about the issue through a regulatory inquiry from FINRA and began working on a solution to fix the problem. However, given the complexity of the problem, the firm was not able to complete its fix of the software limitation until later. The findings also included that the firm failed to

establish and maintain a supervisory system and establish, maintain and enforce WSPs reasonably designed to achieve compliance with FINRA rules concerning maintaining accurate books and records, specifically order memoranda. FINRA found that the firm failed to establish and maintain a supervisory system and establish, maintain and enforce WSPs reasonably designed to achieve compliance with FINRA rules concerning OATS reporting. ([FINRA Case #2016050508501](#))

Microventure Marketplace Inc. ([CRD #152513](#), Austin, Texas)

December 30, 2019 – An AWC was issued in which the firm was censured and fined \$40,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to file the private placement memorandum with FINRA in connection with those offerings. The findings stated that the firm also made one late private placement filing. Although the firm used an automated alert system to notify a compliance principal about required filings, the individual who received the alerts failed to make the filings. The firm later terminated the compliance principal's association with the firm for failure to make the required filings. ([FINRA Case #2017052392101](#))

TD Ameritrade, Inc. ([CRD #7870](#), Omaha, Nebraska)

December 30, 2019 – 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 created inaccurate order memoranda on options orders for customers whose orders should have been coded as Professional Customers. The findings stated that these orders were entered through the firm's internal trading platform and routed to option exchanges through third party broker-dealers. The firm mismarked approximately 1.5 million options orders with an inaccurate Customer origin code, rather than the required Professional Customer code for those orders, resulting in the execution of approximately 500,000 mismarked options orders. The miscoding caused inaccurate order records and potentially allowed those orders to be given undue priority for execution on the options exchanges, which prioritize Customer orders over Professional Customer orders in execution. The findings also stated that the firm failed to maintain a supervisory system reasonably designed to achieve compliance with the laws and rules governing the creation of order memoranda for option orders entered through the firm's trading platform. The firm's supervisory system was not reasonably designed to determine whether its customers' options orders entered through its trading platform were accurately coded. The firm's system for keeping track of the number of options orders entered by its customers through its trading platform did not aggregate orders submitted by the same customer through multiple accounts, and this deficiency caused it to fail to detect that options orders for certain customers were being miscoded. Moreover, the firm did not have a WSP for orders executed through its trading platform. ([FINRA Case #2015045677201](#))

Cambridge Investment Research, Inc. ([CRD #39543](#), Fairfield, Iowa)

December 31, 2019 – An AWC was issued in which the firm was censured and fined \$150,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to reasonably supervise short-term trading of UITs and mutual fund Class A shares. The findings stated that the firm relied on an automated trade surveillance system as part of its system for identifying potentially unsuitable short-term trading or switch transactions in long-term products. The system generated alerts that required principal review of certain potential mutual fund and UIT switch transactions. However, the firm failed to provide sufficient guidance for principals to follow when an alert was generated. As a result, the firm's principals were inconsistent in following up on the alerts, such as by contacting customers to inquire about the reasons for the transactions to ensure that the customers understood the consequences of such transactions. The lack of sufficient guidance to firm principals allowed at least one of its representatives to engage in unsuitable short-term trading in mutual fund Class A shares. Moreover, the firm's system was unreasonable because it configured the alert only to identify switch transactions and did not have any other electronic system to monitor for other potentially unsuitable short-term trading in mutual fund Class A shares and UITs that did not qualify as a switch transaction. In addition, the firm's quarterly pattern report had many of the same limitations as the alert because it was configured only to identify potentially unsuitable switch transactions, so by extension, it identified only patterns of potentially unsuitable switch transactions. Furthermore, the firm required its Office of Supervisory Jurisdiction supervisors to ensure that customers signed letters to acknowledge switch transactions that triggered the alert. However, the firm did not reasonably enforce its WSPs and these letters were not always sent to customers after their transactions triggered the alert. During branch inspections the firm failed to identify that, in some cases, supervisors failed to obtain signed switch letters from customers. The findings also stated that the firm monitored commissions through an alert in its automated trade surveillance system. However, this system was not reasonably designed to achieve compliance with FINRA's rules prohibiting the charging of excessive commissions because supervisors did not review transactions that triggered that alert unless the trade generated other alerts in addition to the alert for excess commissions. It was not until later that the firm adjusted its excess commission alert so that a supervisor reviewed each trade flagged for potential excess commission charges. As a result of this delay, firm representatives executed transactions that resulted in \$17,124 in excess commissions on trades entered by firm representatives, and a single trade in which the commission amount of \$25,000 was entered in error. FINRA identified these excess commissions and thereafter the firm reimbursed its customers for those charges. The findings also included that the firm failed to identify and apply available breakpoint discounts for eligible customers. The firm's electronic trade surveillance system had an alert designed to identify potential mutual fund transactions where customers did not receive the benefit of available breakpoints. However, the firm could not demonstrate that its principals consistently reviewed transactions that triggered this alert unless that transaction generated other alerts that

collectively met the minimum threshold required for supervisory review. At FINRA's request, the firm reviewed all transactions that triggered its electronic surveillance alert for potential failures to provide available breakpoint discounts. Of the alerts not reviewed by a supervisor, the firm identified multiple transactions that resulted in customer overcharges of \$27,849. The firm reimbursed customers for commission overcharges.

([FINRA Case #2017052543601](#))

Individuals Barred

Roxana Sophia McKinney ([CRD #4830895](#), Jackson Heights, New York)

December 2, 2019 – An AWC was issued in which McKinney was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, McKinney consented to the sanction and to the entry of findings that she failed to appear for on-the-record testimony requested by FINRA after her member firm had filed a Uniform Termination Notice for Securities Industry Registration (Form U5) for her stating that she had been discharged. ([FINRA Case #2018059315002](#))

Michael Royce Minghenelli ([CRD #6067409](#), New York, New York)

December 3, 2019 – An Office of Hearing Officers (OHO) decision became final in which Minghenelli was barred from association with any FINRA member in all capacities. The sanction was based on findings that Minghenelli converted \$200 from his member firm by taking an unauthorized cash advance using his corporate credit card. The findings stated that Minghenelli used the corporate credit card at an ATM to take the cash advance when the advance was not related to any business purpose or business expense. Instead, Minghenelli spent the funds on personal expenses. The firm's card program servicing department notified Minghenelli's supervisor that his corporate credit card had transaction exceptions that did not meet expense guidelines. The supervisor questioned Minghenelli, who falsely denied taking the advance. The next day, Minghenelli called the firm's affiliated bank and falsely reported that the advance was an act of ATM fraud. The findings also stated that Minghenelli failed to provide documents and information requested by FINRA during its investigation of this matter. ([FINRA Case #2017053549901](#))

James Daniel D'Meo ([CRD #1444759](#), Tinton Falls, New Jersey)

December 5, 2019 – An AWC was issued in which D'Meo was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, D'Meo consented to the sanction and to the entry of findings that he failed to timely provide documents and information requested by FINRA and refused to appear for on-the-record testimony requested by it as part of an investigation into his financial disclosures.

([FINRA Case #2018059491102](#))

Rachel Lorenzo Tibbie (CRD #6856785, Prosper, Texas)

December 9, 2019 – An AWC was issued in which Tibbie was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Tibbie consented to the sanction and to the entry of findings that she refused to provide documents and information requested by FINRA in connection with its investigation into whether she used a third party's credit card without authorization.

([FINRA Case #2019063869401](#))

Gerald Thomas Coyne (CRD #4589061, Scranton, Pennsylvania)

December 10, 2019 – An AWC was issued in which Coyne was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Coyne 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 whether he made misrepresentations, omissions and unsuitable recommendations of variable annuities to customers using their rollover funds from their state retirement accounts. The findings stated that FINRA began the investigation after Coyne's member firm filed a Form U5 disclosing that it had terminated his registration based upon client service issues and violations of firm policy. ([FINRA Case #2019061332701](#))

Ramon Esparza (CRD #5832979, Donna, Texas)

December 20, 2019 – An AWC was issued in which Esparza was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Esparza consented to the sanction and to the entry of findings that he refused to produce information and documents requested by FINRA. The findings stated that Esparza's member firm filed a Form U5 disclosing that he resigned after the firm initiated an internal review relating to allegations that he received cash and transacted business in bitcoin and concluded that he engaged in unapproved outside business activities involving bitcoin transactions. Esparza provided some of the requested information and documents but failed to provide all of the requested materials. ([FINRA Case #2019063532901](#))

Monica Jade Meyer (CRD #6048364, Palm City, Florida)

December 20, 2019 – An AWC was issued in which Meyer was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Meyer consented to the sanction and to the entry of findings that she converted \$2,060 by charging a co-worker's personal credit card without authorization. The findings stated that Meyer added the co-worker's personal credit card information to her profile on an online payment system without the coworker's authorization. Later, without her coworker's knowledge or consent, Meyer used that payment system to send her sister \$2,000, charging the coworkers' credit card \$2,060, reflecting the three percent fee imposed by the payment system. After her sister returned the money to her, Meyer immediately transferred the funds to her bank account. Since then, Meyer has kept the funds and has not reimbursed her coworker or the credit card company. ([FINRA Case #2018059915901](#))

Matthew Joseph Bussard ([CRD #6803371](#), Providence, Rhode Island)

December 30, 2019 – An AWC was issued in which Bussard was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Bussard 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 whether he submitted certain falsified documents to his member firm. The findings stated that the firm alleged in a Form U5 that Bussard submitted for processing multiple non-genuine client signatures on insurance documents. ([FINRA Case #2019063516001](#))

Individuals Suspended

Anthony Pace ([CRD #2481049](#), Glendale, New York)

December 3, 2019 – An AWC was issued in which Pace was fined \$5,000 and suspended from association with any FINRA member in any principal capacity for 60 days. Without admitting or denying the findings, Pace consented to the sanctions and to the entry of findings that he failed to reasonably supervise a registered representative at his member firm who excessively traded customer accounts and was on heightened supervision. The findings stated that Pace was responsible for implementing the additional supervisory guidelines as detailed in the representative's heightened supervision plan. Pace did not pre-approve all customer orders the representative submitted as required by the plan, and he did not otherwise follow the firm's procedures to review for excessive trading and churning. Soon after the representative became the representative on the accounts for the customers, both accounts began to appear on the firm's active account report over multiple months. The firm's active account report included the amount of commission, number of trades and activity levels, which indicated excessive trading. Pace also failed to follow up on other red flags. Pace was aware that one of the customers was 81 years old at account opening and although the customer's new account documentation showed an investment objective of growth and income, the account had a high level of activity. Rather than investigate the suitability of the transactions or confirm with the customer, Pace relied on the representative's representation that the investment objective was speculation. In addition, Pace was copied on email correspondence from the other customer in which that customer questioned the representative's trading. Pace failed to follow up with the customer or the representative regarding the issues raised in the emails.

The suspension is in effect from January 6, 2020, through March 5, 2020.
([FINRA Case #2017052475702](#))

Yasmin Bashirova ([CRD #6682110](#), New York, New York)

December 4, 2019 – An AWC was issued in which Bashirova was fined \$5,000 and suspended from association with any FINRA member in all capacities for 18 months. Without admitting or denying the findings, Bashirova consented to the sanctions and

to the entry of findings that she possessed and had access to a prohibited device while taking the Securities Industry Essentials examination. The findings stated that prior to beginning the examination, Bashirova attested that she had read and would abide by the Qualification Examination Rules of Conduct. However, during the testing session, Bashirova possessed and had access to her cellular phone, which is prohibited.

The suspension is in effect from January 6, 2020, through July 5, 2021. ([FINRA Case #2019062450201](#))

John Anthony Borsellino ([CRD #2006663](#), Winter Garden, Florida)

December 4, 2019 – An AWC was issued in which Borsellino was assessed a deferred fine of \$5,000, suspended from association with any FINRA member in all capacities for three months and ordered to pay to FINRA deferred disgorgement of commissions received in the amount of \$23,931, plus interest. Without admitting or denying the findings, Borsellino consented to the sanctions and to the entry of findings that he recommended and then made unsuitable securities transactions in customer accounts. The findings stated that Borsellino caused customers to incur upfront sales charges by recommending that they purchase municipal bonds and non-municipal securities in their brokerage accounts. In each instance, Borsellino transferred the security to the customer's existing fee-based account shortly after purchasing it, generally within 90 days. In each instance, Borsellino could have purchased the security in the fee-based account without any upfront sales charges. The upfront sales charges totaled approximately \$58,000, all of which Borsellino's member firm has reimbursed to the customers. Borsellino earned \$23,931 in connection with the unsuitable recommendations. Borsellino lacked a reasonable basis to believe that the recommended securities purchases made in the customer accounts were suitable because he failed to exercise reasonable diligence and failed to consider the costs associated with the transactions.

The suspension is in effect from December 16, 2019, through March 15, 2020. ([FINRA Case #2018057097301](#))

Robert Renteria ([CRD #5773053](#), El Paso, Texas)

December 4, 2019 – An AWC was issued in which Renteria was assessed a deferred fine of \$5,000, suspended from association with any FINRA member in all capacities for three months and ordered to pay \$6,000, plus interest, in restitution to a customer. Without admitting or denying the findings, Renteria consented to the sanctions and to the entry of findings that he borrowed a total of approximately \$7,500 from two customers of his member firm without its prior knowledge or approval. The findings stated that after Renteria initially borrowed approximately \$1,500 from one of the customers, the firm detected that he was using funds from his own bank account to purchase securities for the customer and commenced an investigation. In response to firm inquiries, Renteria then informed the firm that he had borrowed money from the customer and that he

was purchasing securities for her to repay the loan. Subsequently, Renteria borrowed approximately \$6,000 from the second customer. Renteria repaid the loan from the first customer in full. As of the date of the AWC, Renteria has not repaid any portion of the loan from the second customer. The findings also stated that Renteria falsely certified on the firm's annual compliance questionnaires that he had not borrowed money from any firm customer.

The suspension is in effect from December 16, 2019, through March 15, 2020. ([FINRA Case #2019063663401](#))

Jerry Michael Wells ([CRD #1015358](#), Fairport, New York)

December 4, 2019 – An AWC was issued in which Wells was fined \$5,000 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Wells consented to the sanctions and to the entry of findings that he falsely represented that variable annuity purchases were not variable annuity replacements. The findings stated that Wells completed and submitted variable annuity applications and disclosure forms that falsely represented that each recommended variable annuity would not replace or change one or more existing variable annuity. In fact, as Wells knew, each of the recommended variable annuity purchases was funded, in whole or in part, by proceeds from the sale of, or distributions from, another variable annuity. In addition, Wells failed to complete the replacement forms that his member firm required for these recommended variable annuity purchases. The findings also stated that Wells caused his firm to maintain inaccurate books and records.

The suspension is in effect from January 6, 2020, through March 5, 2020. ([FINRA Case #2016050018101](#))

Alastair Jamie Barnes ([CRD #6355496](#), New York, New York)

December 5, 2019 – An AWC was issued in which Barnes was assessed a deferred fine of \$20,000, suspended from association with any FINRA member in all capacities for three months and ordered to pay FINRA deferred disgorgement of unlawful profits earned in the amount of \$585.66, plus interest. Without admitting or denying the findings, Barnes consented to the sanctions and to the entry of findings that he effected securities transactions in his personal brokerage account while in possession of non-public, confidential information about a customer's position in the subject security, in contravention of his member firm's policies. The findings stated that Barnes did not request, nor receive, pre-approval for either personal transaction, as required by firm policy. Barnes earned profits totaling \$585.66 from the transactions.

The suspension is in effect from December 16, 2019, through March 15, 2020. ([FINRA Case #2018059907201](#))

Andrew Joseph Fairchild ([CRD #1959274](#), Parkland, Florida)

December 6, 2019 – An AWC was issued in which Fairchild was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Fairchild consented to the sanctions and to the entry of findings that he impersonated customers of his member firm in multiple recorded telephone calls to a company in order to request redemptions of funds from variable annuity products the customers had purchased. The findings stated that Fairchild impersonated the customers to circumvent the company's policy permitting only customers to request redemptions over the telephone. All of the customers authorized the transactions, and the company properly processed the redemptions and distributed the funds directly to the customers.

The suspension is in effect from January 6, 2020, through March 5, 2020. ([FINRA Case #2018060848101](#))

Kathryn Renee Charpie ([CRD #840016](#), Rogers, Arkansas)

December 9, 2019 – An AWC was issued in which Charpie 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, Charpie consented to the sanctions and to the entry of findings that she borrowed a total of \$10,100 from a customer without notifying or receiving approval from her member firm. The findings stated that Charpie borrowed the funds from the customer and repaid \$5,640. Charpie further denied borrowing from anyone on annual compliance questionnaires.

The suspension is in effect from December 16, 2019, through March 15, 2020. ([FINRA Case #2018057449501](#))

Harvey Frank ([CRD #2109605](#), Murrieta, California)

December 9, 2019 – An AWC was issued in which Frank was fined \$5,000 and suspended from association with any FINRA member in all capacities for 30 days. Without admitting or denying the findings, Frank consented to the sanctions and to the entry of findings that he improperly disclosed non-public personal information of customers of his member firm to a third party and retained non-public personal information of other firm customers after his departure from it. The findings stated that the firm maintained written policies and procedures prohibiting the disclosure of non-public personal information about customers to unaffiliated third parties. Through this conduct, Frank caused the firm to violate SEC Regulation S-P: Privacy of Consumer Financial Information and Safeguarding Personal Information.

The suspension was in effect from January 6, 2020, through February 4, 2020. ([FINRA Case #2015047496103](#))

Brett David Levinson ([CRD #2644880](#), San Diego, California)

December 9, 2019 – An AWC was issued in which Levinson was fined \$5,000 and suspended from association with any FINRA member in all capacities for 30 days. Without admitting or denying the findings, Levinson consented to the sanctions and to the entry of findings that he improperly disclosed non-public personal information of a customer of his member firm to a third party and retained non-public personal information of other firm customers after his departure from it. The findings stated that the firm maintained written policies and procedures prohibiting the disclosure of non-public personal information about customers to unaffiliated third parties. Through this conduct, Levinson caused the firm to violate SEC Regulation S-P: Privacy of Consumer Financial Information and Safeguarding Personal Information.

The suspension was in effect from December 23, 2019, through January 21, 2020.

([FINRA Case #2015047496101](#))

Louis Ward ([CRD #2080639](#), Coram, New York)

December 9, 2019 – An AWC was issued in which Ward was fined \$10,000, suspended from association with any FINRA member in any principal capacity for six months and ordered to attend and satisfactorily complete 40 hours of continuing education concerning supervisory responsibilities. Without admitting or denying the findings, Ward consented to the sanctions and to the entry of findings that he failed to reasonably supervise registered representatives at his member firm, each of whom recommended unsuitable trades in customer accounts. The findings stated that as the responsible principal at his firm, Ward was aware of multiple red flags in those accounts but failed to take reasonable steps to address them. Ward also failed to follow-up to ensure that the other principals of the firm were investigating these red flags or to taking other appropriate action. The customers brought and subsequently settled an arbitration against the firm regarding one representative's securities recommendations.

The suspension is in effect from January 6, 2020, through July 5, 2020. ([FINRA Case #2017054267101](#))

William Johnston Darby ([CRD #1659917](#), Atlanta, Georgia)

December 10, 2019 – An AWC was issued in which Darby was fined \$7,500 and suspended from association with any FINRA member in all capacities for 45 days. Without admitting or denying the findings, Darby consented to the sanctions and to the entry of findings that he caused his member firm to have inaccurate books and records and that he executed transactions in his customer's account without the customer's knowledge or authorization. The findings stated that a hacker, who had gained access to a firm customer's account, sent emails to Darby, the customer's representative, requesting that he effectuate wire transfers totaling \$511,870 from the customer's account to outside bank accounts. Darby was unaware that an imposter sent the emails. Darby complied with the requests and directed

that the wires be transmitted. Darby falsely advised his sales assistant that he had received verbal confirmation for the wire transfers from the customer and the sales assistant entered that false information into the firm's wire request attestation forms. The findings also stated that to fund the wire transfer requests Darby executed sales of securities in the customer's account, in a total amount of \$525,896, without the customer's knowledge or authorization. The firm reimbursed the customer.

The suspension is in effect from January 6, 2020, through February 19, 2020. ([FINRA Case #2018060504601](#))

Robert P. Allen ([CRD #6267678](#), Grovetown, Georgia)

December 13, 2019 – An AWC was issued in which Allen 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, Allen consented to the sanctions and to the entry of findings that he engaged in an outside business activity by marketing and selling insurance products offered by a non-affiliated insurance company without disclosing the outside business activity to his member firm. The findings stated that Allen's contract with the firm's insurance affiliates prohibited him from selling insurance products through other, non-affiliated insurance companies. Despite this prohibition, Allen earned approximately \$143,000 in commissions by selling fixed indexed annuities through the non-affiliated insurance company with whom he had a prior business relationship. The findings also stated that Allen submitted multiple attestations to his firm that falsely stated he was not engaged in any other business as either a proprietor, partner, officer, director, employee, trustee, agent or otherwise.

The suspension is in effect from December 16, 2019, through March 15, 2020. ([FINRA Case #2019061185701](#))

Thomas Walter Molteni ([CRD #1022911](#), Nashville, Tennessee)

December 16, 2019 – An AWC was issued in which Molteni was fined \$5,000 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Molteni consented to the sanctions and to the entry of findings that he willfully failed to disclose federal tax liens totaling approximately \$250,300 to his member firm or via the timely filing of an amended Form U4.

The suspension is in effect from January 20, 2020, through April 19, 2020. ([FINRA Case #2018060843801](#))

Kawa Saeed Foad ([CRD #5374361](#), Miami, Florida)

December 17, 2019 – An AWC was issued in which Saeed Foad was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Saeed Foad consented to the sanctions and to the entry of findings that he engaged in outside business activities

without providing prior written notice to his member firm. The findings stated that Saeed Foad founded and worked as a partner in a law firm and was an employee of a technology company. Saeed Foad received a salary of approximately \$18,000 from the law firm and earned approximately \$90,000 from the technology company. The findings also stated that Saeed Foad inaccurately certified on firm compliance questionnaires that he would not engage in any outside business activity without prior notification to and written consent from his firm.

The suspension is in effect from January 6, 2020, through April 5, 2020. ([FINRA Case #2018059134401](#))

Ezri Shechter ([CRD #2772177](#), Englewood, New Jersey)

December 17, 2019 – An AWC was issued in which Shechter was fined \$12,500 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Shechter consented to the sanctions and to the entry of findings that he caused customers of his member firm to sign blank or incomplete discretionary trading forms that he then copied and used to complete discretionary trading forms. The findings stated that Shechter caused the firm to make and keep inaccurate books and records regarding the granting of discretionary authority by submitting forms with the photocopied signatures to his firm as originals. The customers signed replacement discretionary authorization forms after FINRA questioned Shechter about the authenticity of the discretionary authorization forms. The finding also stated that Shechter engaged in discretionary trading in customer accounts without prior written authority from the customers and acceptance of the accounts as discretionary by his firm in writing. The customers had orally or implicitly given Shechter authority to exercise discretion in their accounts.

The suspension is in effect from January 20, 2020, through April 19, 2020. ([FINRA Case #2018057296401](#))

Francisco Javier Valenzuela ([CRD #2786970](#), Chula Vista, California)

December 17, 2019 – An AWC was issued in which Valenzuela was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for eight months. Without admitting or denying the findings, Valenzuela consented to the sanctions and to the entry of findings that he willfully failed to amend his Form U4 to disclose a federal tax lien of \$150,967. The findings stated that Valenzuela failed to timely respond to FINRA's requests for documents and information during its investigation into his federal tax lien and the circumstances of his termination from his member firm.

The suspension is in effect from January 6, 2020, through September 5, 2020. ([FINRA Case #2018057266702](#))

Cecil Allen Ross ([CRD #2391047](#), San Angelo, Texas)

December 18, 2019 – An AWC was issued in which Ross was fined \$5,000 and suspended from association with any FINRA member in all capacities for four months. Without admitting or denying the findings, Ross consented to the sanctions and to the entry of findings that he engaged in an unsuitable pattern of short-term trading in UITs in customer accounts. The findings stated that despite the costs associated with purchasing units in new UITs, Ross recommended that most of his customers sell and roll over their positions in UITs after less than one year. Ross' recommendations, which caused his customers to incur unnecessary excess sales charges, were unsuitable considering the frequency and cost of the transactions. Ross' member firm has agreed to pay restitution to customers relating to the early sale of UITs pursuant to a settlement with the SEC.

The suspension is in effect from January 20, 2020, through May 19, 2020. ([FINRA Case #2014042621701](#))

Jonathan Gerald Schnell ([CRD #2821933](#), Denver, Colorado)

December 18, 2019 – An AWC was issued in which Schnell 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, Schnell consented to the sanctions and to the entry of findings that he made false entries in his member firm's customer contact recordkeeping system in order to receive credits that would increase his incentive compensation. The findings stated that almost all of the entries falsely stated that Schnell delivered certain financial planning documents to customers when he did not, and some of the entries falsely stated that Schnell conducted meetings with customers, when he had not.

The suspension is in effect from January 6, 2020, through March 5, 2020. ([FINRA Case #2018057786401](#))

Thomas Michael Grbelja ([CRD #1966191](#), Franklin Lakes, New Jersey)

December 19, 2019 – An AWC was issued in which Grbelja was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for 45 days. Without admitting or denying the findings, Grbelja consented to the sanctions and to the entry of findings that he served as a director of a publicly-traded company without disclosing the position or seeking approval to serve in that capacity from his member firm until after he had started in that role. The findings stated that Grbelja submitted an outside business disclosure form to the firm wherein he disclosed that he had been granted stock and would continue to receive stock over the following five years. The firm denied Grbelja permission to participate in the outside business activity; however, he continued to serve as a director. Later, the firm learned that Grbelja was continuing to serve as a director of the outside business entity, at which point he refused to resign his directorship and resigned from the firm. As compensation for his role, Grbelja received shares of the company's stock.

The suspension is in effect from January 6, 2020, through February 19, 2020. ([FINRA Case #2019062879601](#))

Glen Joseph Webster ([CRD #4839854](#), Kaukauna, Wisconsin)

December 19, 2019 – An AWC was issued in which Webster was suspended from association with any FINRA member in all capacities for three months. In light of Webster's financial status, no monetary sanction has been imposed. Without admitting or denying the findings, Webster consented to the sanction and to the entry of findings that he borrowed \$10,000 from a securities customer without notifying or receiving approval from his member firm and despite its general prohibition of such loans. The findings stated that Webster repaid the loan with interest.

The suspension is in effect from January 6, 2020, through April 5, 2020. ([FINRA Case #2019061193201](#))

John Charles Carneglia ([CRD #4404911](#), Huntington, New York)

December 20, 2019 – An AWC was issued in which Carneglia was fined \$15,000 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Carneglia consented to the sanctions and to the entry of findings that he failed to notify his member firm that he had a financial and beneficial interest in a brokerage account held by his wife at another firm. The findings stated that Carneglia never notified the firm that held his wife's account of his association with his firm. Carneglia also inaccurately represented on his firm's compliance certifications that he had disclosed all brokerage accounts to it. The findings also stated that Carneglia failed to notify his firm of an outside business activity wherein he was a member of a limited liability company that owned an income-generating rental property. Carneglia inaccurately represented on firm compliance certifications that he was not engaged in outside business activities.

The suspension is in effect from January 20, 2020, through March 19, 2020. ([FINRA Case #2018058061801](#))

Howard Brian Landers ([CRD #1233612](#), Miami, Florida)

December 23, 2019 – An AWC was issued in which Landers was suspended from association with any FINRA member in all capacities for two years. In light of Landers' financial status, no monetary sanction has been imposed. Without admitting or denying the findings, Landers consented to the sanctions and to the entry of findings that he was associated with a member firm while he was statutorily disqualified. The findings stated that Landers had previously entered into an Offer of Settlement in which he was found to have willfully failed to timely amend his Form U4 to disclose tax liens. Landers was subject to statutory disqualification as a result of the willful violations. Later, Landers became associated with the firm and it submitted an MC-400 seeking approval of his association

with it. The MC-400 was not approved and was subsequently withdrawn by the firm. Nonetheless, Landers associated with the firm while statutorily disqualified by: conducting exams of its branch offices; reviewing and approving its registered representatives' outside business activities and private securities transactions requests; filing Forms U4 and U5 on behalf of it for its representatives; reviewing requests from regulators and responding to regulators on behalf of it, including requests from FINRA; and holding himself out to third parties as the firm's CCO. The findings also stated that Landers willfully failed to disclose a voluntary petition for bankruptcy on his initial Form U4 filed at the firm, and only disclosed it on an amended Form U4 six months after the initial Form U4 filing and only after FINRA staff began investigating his non-disclosure.

The suspension is in effect from January 6, 2020, through January 5, 2022. ([FINRA Case #2018060415301](#))

Joseph Monroe Lawrence III ([CRD #5605961](#), Hoover, Alabama)

December 23, 2019 – An AWC was issued in which Lawrence was assessed a deferred fine of \$5,000, suspended from association with any FINRA member in all capacities for three months and ordered to pay FINRA deferred disgorgement of commissions received in the amount of \$388, plus interest. Without admitting or denying the findings, Lawrence consented to the sanctions and to the entry of findings that he executed trades totaling \$275,000 in an elderly customer's account without first obtaining her authorization. The findings stated that Lawrence earned a total of about \$388 in commissions for these transactions.

The suspension is in effect from January 6, 2020, through April 5, 2020. ([FINRA Case #2018060812901](#))

Bruno Henrique Silva ([CRD #6820531](#), Astoria, New York)

December 30, 2019 – An AWC was issued in which Silva was assessed a deferred fine of \$15,000 and suspended from association with any FINRA member in all capacities for 16 months. Without admitting or denying the findings, Silva consented to the sanctions and to the entry of findings that he caused his member firm to maintain inaccurate books and records by permitting another registered representative to use his representative code to open accounts and effect securities transactions in customer accounts in states where the other representative was not registered. The findings stated that Silva intentionally structured cash withdrawals totaling \$22,500 by making three separate withdrawals from different bank branches of the same bank to prevent the filing of currency transaction reports (CTRs). Silva had knowledge of CTR requirements from training he received as a registered representative related to the Bank Secrecy Act and CTR requirements.

The suspension is in effect from January 6, 2020, through May 5, 2021. ([FINRA Case #2018058481501](#))

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.

Kane H. Waller ([CRD #4537969](#), Norwell, Massachusetts)

December 2, 2019 – Waller was named a respondent in a FINRA complaint alleging that he shared customers' material non-public block order information with one of his most significant customers on the same side of the market. The complaint alleges that in each instance, Waller executed trades for the customer in the same securities that were the subject of his improper disclosure while the block order information was non-public. On at least two of these occasions, the customer instructed Waller to trade ahead of the other customer's order. After discovering his misconduct, Waller's member firm warned him that his conduct was not acceptable. Yet Waller engaged in the misconduct again. ([FINRA Case #2017055164001](#))

Robert Henderson ([CRD #1160413](#), Miramar, Florida)

December 6, 2019 – Henderson was named a respondent in a FINRA complaint alleging that he engaged in outside business activities without providing prior written notice to his member firm. The complaint alleges that Henderson failed to provide written notice to his firm when he received approximately ten percent of the proceeds from a sale made by one of his outside business activities that was formed to build and sell condominium units. Henderson amended his Form U4 to disclose his involvement with these business activities after FINRA notified the firm of his involvement with one of them, and after FINRA questioned him concerning his involvement with another. The complaint also alleges that Henderson willfully failed to timely amend his Form U4 to disclose federal tax liens, totaling more than \$368,000. ([FINRA Case #2017053462401](#))

Bryce Patrick Jenney ([CRD #6207379](#), Nashville, Tennessee)

December 6, 2019 – Jenney was named a respondent in a FINRA complaint alleging that he failed to provide information and documents and to appear and provide on-the-record testimony requested by FINRA in connection with its investigation into his conduct identified in a Form U5 filed by his member firm. The complaint alleges that the firm filed the Form U5 stating that Jenney had been discharged after allegations that he provided investment advice on a product not available through the firm. Jenney's failure to provide the requested information, documents and testimony prevented FINRA from learning about whether he had engaged in private securities transactions while at the firm and from questioning him about his denial that he had done so. ([FINRA Case #2018060216701](#))

Mercer Hicks III ([CRD #245170](#), Southern Pines, North Carolina)

December 20, 2019 – Hicks was named a respondent in a FINRA complaint alleging that he recommended unsuitable investments to senior customers, some of whom were widows, to purchase speculative non-traded real estate investment trusts (REITs) and non-traded business development companies (BDCs). The complaint alleges that the customers were not seeking to make speculative, high-risk investments. The customers' account documents indicate that they were seeking either to preserve their capital or to have their capital to appreciate. Some of these customers have encountered difficulties liquidating the investments to obtain funds that they needed to pay for medical care. Hicks recommended purchases totaling approximately \$665,000 of these unsuitable REITs and BDCs to the customers. Hicks received a seven percent commission from each sale, totaling approximately \$46,550. Hicks finds his customers primarily by cold calling telephone numbers on club directories he obtains around his North Carolina community. Most of his customers are senior retirees with limited financial resources and knowledge. Before Hicks recommended non-traded REITs and non-traded BDCs, he had recommended that some of his senior customers at issue here invest their funds in variable annuities, which had guaranteed income riders. Later, however, Hicks began recommending that these customers liquidate some or all of their variable annuities, at times incurring withdrawal penalties, to invest in the REITs and BDCs. The complaint also alleges that Hicks failed to conduct reasonable due diligence on the REITs and BDCs. Hicks failed to understand the risks and features associated with these alternative investments before recommending them to his customers. Therefore, Hicks lacked a reasonable basis to recommend the investments. ([FINRA Case #2017052867301](#))

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

Essex Radez LLC (CRD #34649)
Chicago, Illinois
(December 19, 2019)
FINRA Case #2013037586501

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

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

Clinger & Co., Inc. (CRD #1471)
Houston, Texas
(December 5, 2019)

Clinger & Co., Inc. (CRD #1471)
Houston, Texas
(December 9, 2019)

Clinger & Co., Inc. (CRD #1471)
Houston, Texas
(December 26, 2019)
FINRA Case #2019060782901

Financial West Investment Group, Inc. (CRD #16668)
Reno, Nevada
(December 5, 2019)

Financial West Investment Group, Inc. (CRD #16668)
Reno, Nevada
(December 9, 2019)

Financial West Investment Group, Inc. (CRD #16668)
Reno, Nevada
(December 12, 2019)

Firms Suspended for Failure to Pay FINRA Dues, Fees and Other Charges Pursuant to FINRA Rule 9553

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

Gridshare LLC (Funding Portal Org ID #283498)
Portland, Oregon
(December 3, 2019)
GrowthFountain Capital, LLC (Funding Portal Org ID #283380)
New York, New York
(December 3, 2019)

Firm 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 9554

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

Woodstock Financial Group, Inc. (CRD #38095)
Woodstock, Georgia
(December 31, 2019)
FINRA Arbitration Case #18-02750

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.)

James Henry Dresselaers (CRD #1106109)
Germantown, Maryland
(December 11, 2019)
FINRA Case #2016048675902

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.)

Jesse DiLiberto (CRD #6143947)
Lowell, Massachusetts
(December 16, 2019)
FINRA Case #2018058588201

Stephen Douglas Fry (CRD #2928258)
Cordova, Tennessee
(December 30, 2019)
FINRA Case #2019063556801

Timothy Edward Johnson Jr. (CRD #5701828)
Lawrenceville, Georgia
(December 12, 2019)
FINRA Case #2019063419001

Amogh Karney (CRD #6649401)
Omaha, Nebraska
(December 27, 2019)
FINRA Case #2019063011801

Samuel Anthony Mannera (CRD #5971189)
Williamstown, New Jersey
(December 9, 2019)
FINRA Case #2019062860401

Jesse O'Neal McGuire (CRD #5775734)
Kingwood Texas
(December 19, 2019)
FINRA Case #2019062928801

John Alan Mostert (CRD #1981659)
Clearwater, Florida
(December 23, 2019)
FINRA Case #2018059901001

Robert John Murray (CRD #3036275)
Lynbrook, New York
(December 16, 2019)
FINRA Case #2019061942401

Todd Lee Oplinger (CRD #1038182)
Schnecksville, Pennsylvania
(December 6, 2019)
FINRA Case #2018057317801

Jesse Adam Rangel (CRD #6746055)
Bluffton, South Carolina
(December 9, 2019)
FINRA Case #2019062264301

Dain Farrell Stokes (CRD #2960801)
Fremont, New Hampshire
(December 30, 2019)
FINRA Case #2019063757401

Steven James Thrush (CRD #865485)
Tucson, Arizona
(December 9, 2019)
FINRA Case #2019061810401

Robert Eugene Washington (CRD #6816915)
Duluth, Georgia
(December 9, 2019)
FINRA Case #2019063173001

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.)

George Belesis (CRD #4860444)
West Hollywood, California
(December 30, 2019)
FINRA Case #2019061940901

Joseph Charles Berghausen (CRD #6745156)
Louisville, Kentucky
(December 9, 2019)
FINRA Case #2019063801901

Dustin Michael Blount (CRD #5267680)
Vicksburg, Mississippi
(December 30, 2019)
FINRA Case #2019061481901

Felix S. Chu (CRD #2427593)
Pleasant Hill, California
(December 30, 2019)
FINRA Case #2019064165601

Brian Francis Kealoha Colburn (CRD #2357275)
Wilton, Connecticut
(December 23, 2019)
FINRA Case #2019063916501

Michael Scott Drury (CRD #5766920)
Sandy, Utah
(December 23, 2019)
FINRA Case #2019062607001

Robert Hoon Lee (CRD #5916602)
Diamond Bar, California
(December 26, 2019)
FINRA Case #2019063796001

Hiep Quoc Nguyen (CRD #6870011)
Quincy, Massachusetts
(December 2, 2019)
FINRA Case #2019063697101

Gregory Alan Ricker (CRD #1834893)
Fort Lauderdale, Florida
(September 13, 2019 – December 9, 2019)
FINRA Case #2019062084001

David Aaron Rockwell (CRD #4236377)
Fort Myers, Florida
(December 16, 2019)
FINRA Case #2019062440602

Paul Andrew Ross (CRD #4724551)
Canton, Michigan
(December 2, 2019)
FINRA Case #2019063719401

Mark Schneck (CRD #5502269)
Budd Lake, New Jersey
(December 2, 2019)
FINRA Case #2019063369901

Eric Alan Zakarin (CRD #1708397)
Cranford, New Jersey
(December 20, 2019)
FINRA Case #2018060108301

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.)

Kevin Lee Cline (CRD #2448720)

Bowling Green, Kentucky
(December 18, 2019)
FINRA Arbitration Case #16-02974

Maxwell Topper Delaney (CRD #5567408)

Revere, Massachusetts
(December 2, 2019)
FINRA Arbitration Case #17-01716

Todd Joseph Henrich (CRD #5931911)

Brooklyn, New York
(December 13, 2019)
FINRA Arbitration Case #18-03414

Garland Sean James (CRD #2308721)

Cambria Heights, New York
(December 18, 2019)
FINRA Arbitration Case #17-00537

Daniel Joseph Kloskowski (CRD #5337590)

Old Bridge, New Jersey
(December 13, 2019)
FINRA Arbitration Case #18-03414

David Wayne Kraft (CRD #2356400)

Jupiter, Florida
(December 10, 2019)
FINRA Arbitration Case #19-01398

Brent W. Lowe (CRD #5602533)

Murrieta, California
(July 15, 2014 – December 10, 2019)
FINRA Arbitration Case #12-03679

Aaron Christopher Ray (CRD #4613258)

New Port Richey, Florida
(December 2, 2019)
FINRA Arbitration Case #16-03105

Andrew Caputo Spaventa (CRD #6175466)

Holbrook, New York
(September 6, 2019 – December 16, 2019)
FINRA Arbitration Case #18-01055

Brian David Williams (CRD #6006745)

Olathe, Kansas
(December 16, 2019)
FINRA Arbitration Case #18-04266

Press Releases

FINRA, NASDAQ, BX, PHLX, ISE, NYSE, NYSE Arca, NYSE American, Cboe, BZX, BYX, EDGA, and EDGX Permanently Bar Samuel Lek and Fine Lek Securities Corporation for Supervisory and Market Access Rule Violations

Samuel Lek, former Chief Executive Officer of Lek Securities Corporation (Lek Securities), has been permanently barred from the securities industry in all capacities, and Lek Securities was fined \$900,000 for violating, among other things, FINRA and Exchange supervisory rules, and Rule 15c3-5 of the Securities Exchange Act of 1934 (the Market Access Rule). The actions were taken by FINRA, along with The NASDAQ Stock Market LLC, the New York Stock Exchange LLC, Cboe Global Markets, and certain of their affiliated Exchanges (collectively, Exchanges). The fine was apportioned among FINRA and the Exchanges.

For several years, Lek Securities provided market access to foreign traders who engaged in various forms of manipulative trading on U.S. equity and options exchanges, including layering, spoofing, and cross-product manipulation. Samuel Lek and Lek Securities substantially assisted this trading through a master-sub account held at Lek Securities and failed to reasonably supervise it.

Broker-dealers are required to establish and maintain reasonable supervisory procedures and market access controls to monitor for potentially manipulative trading activity by their customers, whether the activity is occurring through a master-sub account or otherwise.

Notwithstanding numerous “red flags” and ongoing investigations into the activity by FINRA, the Exchanges and the U.S. Securities and Exchange Commission (SEC), Samuel Lek and Lek Securities allowed the manipulative trading to continue for years. Samuel Lek and Lek Securities even provided office space, computer servers, trading software, and other services to the master-sub account used by those customer-traders.

For these reasons, among others, FINRA and the Exchanges found that Samuel Lek and Lek Securities failed to supervise the activities of the firm’s registered persons to achieve compliance with applicable securities laws and regulations, and failed to establish, maintain, and enforce written supervisory procedures to supervise the types of business in which the firm engaged.

Lek Securities also violated the Market Access Rule, which requires broker-dealers that provide their customers access to an exchange or alternative trading system to reasonably control the financial and regulatory risks of providing such access. Disregarding repeated alerts and communications from regulators concerning potentially manipulative trading in

the master-sub account, Samuel Lek and Lek Securities continued to allow their customers to engage in layering, spoofing, and cross-product manipulation. In addition to Lek Securities' primary violation of the Market Access Rule, FINRA and the Exchanges also found that Samuel Lek caused the firm's violations of the Market Access Rule.

"This case demonstrates that broker-dealers cannot turn a blind eye to their obligations under FINRA and Exchange supervisory rules or under the SEC's Market Access Rule. Enforcing these rules against broker-dealer gatekeepers preserves the integrity of our securities markets," said FINRA and the Exchanges in a joint statement.

In addition to the permanent bar against Samuel Lek individually, and the \$900,000 fine against Lek Securities, the firm also agreed to certain foreign intra-day trading restrictions, an independent monitor, and undertakings.

In settling [this matter](#), Samuel Lek and Lek Securities neither admitted nor denied the charges but consented to the entry of FINRA's and the Exchanges' findings. In determining the appropriate monetary sanction, FINRA and the Exchanges took into account the sanctions imposed by the SEC in its parallel action against Sam Lek and Lek Securities (See *Securities and Exchange Commission v. Lek Securities Corp., et al.*, No. 17-CV-01789 (DLC) (S.D.N.Y. Nov. 11, 2019)). The investigations that led to these actions were conducted by the Departments of Enforcement and Market Regulation at FINRA and the Exchanges.

FINRA Fines Robinhood Financial, LLC \$1.25 Million for Best Execution Violations

FINRA announced that it has fined [Robinhood Financial, LLC](#) \$1.25 million for best execution violations related to its customers' equity orders and related supervisory failures that spanned from October 2016 to November 2017. As part of the settlement, Robinhood also agreed to retain an independent consultant to conduct a comprehensive review of the firm's systems and procedures related to best execution.

FINRA found that for more than a year, Robinhood—which offers its customers the ability to trade in equity securities without being charged commissions—routed its customers' non-directed equity orders to four broker-dealers, all of which paid Robinhood for that order flow. This arrangement is known in the brokerage industry as payment for order flow.

FINRA Rule 5310—Best Execution—requires firms to use reasonable diligence to ascertain the best market for the subject security and buy or sell in such market so that the resultant price to the customer is as favorable as possible under prevailing market conditions. FINRA member firms that route customer orders away for execution can satisfy their best execution obligations by conducting either an order-by-order review of execution quality or a "regular and rigorous review." FINRA Rule 5310 enumerates a number of criteria for firms

to evaluate in these reviews. During its reviews, Robinhood did not reasonably consider the Rule 5310 execution quality factors (such as price improvement) that the firm could obtain from alternative markets. Instead, Robinhood's Best Execution Committee materials focused only on the execution quality of its pre-existing routing destinations, all of which paid Robinhood for that order flow.

In addition, the firm did not perform systematic best execution reviews of several order types, such as nonmarketable limit orders, stop orders, and orders received outside of regular trading hours. Accordingly, hundreds of thousands of orders each month fell outside the firm's "regular and rigorous" review process.

In addition, Robinhood's supervisory system was not reasonably designed to achieve compliance with its best execution obligations. The firm's supervisory system disregarded several order types and factors to be considered in conducting its best execution reviews. Further, the firm's written supervisory procedures concerning best execution and its "regular and rigorous" reviews merely recited the regulatory requirements. They provided no description of the firm's supervisory system or guidance as to how it should supervise to achieve compliance with those requirements.

"Best execution of customer orders is a key investor protection requirement," said Jessica Hopper, Senior Vice President and Acting Head of FINRA's Department of Enforcement. "FINRA member firms must exercise reasonable diligence in performing regular and rigorous reviews to achieve best execution for their customers."

FINRA included best execution as a topic in its 2019 Annual Risk Monitoring and Examination Priorities Letter.

In settling [this matter](#), Robinhood neither admitted nor denied the charges, but consented to the entry of FINRA's findings.

FINRA, Cboe, Nasdaq, NYSE and Affiliated Exchanges Fine Credit Suisse Securities \$6.5 Million for Supervision and Market Access Rule Violations

FINRA, Cboe Global Markets, The Nasdaq Stock Market LLC, the New York Stock Exchange, and their affiliated Exchanges (collectively, "Exchanges") announced that they censured [Credit Suisse Securities \(USA\) LLC](#), and fined the firm a total of \$6.5 million for supervisory violations and violations of various provisions of Rule 15c3-5 of the Securities Exchange Act of 1934 (known as the Market Access Rule). The fine was apportioned among FINRA and the Exchanges.

Over the course of four years, 2010 to 2014, Credit Suisse offered its clients, which included broker-dealers and other institutional entities, some of whom were foreign unregistered entities, direct market access to numerous exchanges. The firm executed over 300 billion shares on behalf of its direct market access clients. During part of that time, certain of the firm's direct market access clients engaged in trading activity that generated over 50,000 alerts at FINRA and the Exchanges for potential manipulative trading, including spoofing, layering, wash sales and pre-arranged trading. Three of the firm's direct market access clients accounted for the majority of the 50,000 alerts for potentially manipulative activity. The same three clients at their peak accounted for about 20 percent of the firm's overall order flow.

FINRA and the Exchanges found that during most of the relevant time period, Credit Suisse did not establish a supervisory system, including written supervisory procedures, reasonably designed to monitor for potential spoofing, layering, wash sales and pre-arranged trading by its direct market access clients. As a result, orders for billions of shares entered the U.S. markets without being subjected to post-trade supervisory reviews for such potential manipulative activity. Moreover, Credit Suisse was put on notice of gaps in its surveillance system by correspondence with one of its direct market access clients and by an internal audit report.

In addition, Credit Suisse violated numerous provisions of the Market Access Rule, which requires broker-dealers that provide their customers access to an exchange or an alternative trading system to reasonably manage the financial and regulatory risks of providing such access. From 2011 to 2017, Credit Suisse violated the Market Access Rule's provisions related to the prevention of erroneous orders, the setting of credit limits and the firm's annual review of the effectiveness of its market access controls and supervisory procedures.

"As gatekeepers to the U.S. markets, it is critical that firms implement a robust supervisory system and actively surveil for manipulative activity in order to protect the integrity of the markets," said FINRA and the Exchanges. "This case demonstrates that firms who do not reasonably do so will be held accountable."

In settling [this matter](#), Credit Suisse neither admitted nor denied the charges, but consented to the entry of FINRA's and the Exchanges' findings.

FINRA Sanctions Five Firms for Failing to Reasonably Supervise Custodial Accounts

Firms Did Not Know Essential Facts About Customers With Custodial Accounts Established Pursuant to the Uniform Transfers to Minors Act (UTMA) and Uniform Gifts to Minors Act (UGMA)

FINRA announced that it has sanctioned five firms—[Citigroup Global Markets Inc.](#); [J.P. Morgan Securities LLC](#); [LPL Financial LLC](#); [Morgan Stanley Smith Barney LLC](#); and [Merrill Lynch, Pierce, Fenner & Smith Incorporated](#)—for failing to reasonably supervise compliance with FINRA Rule 2090, FINRA’s “Know Your Customer” rule.

FINRA Rule 2090 requires member firms and their associated persons to use reasonable diligence to determine the “essential facts” about every customer and “the authority of each person acting on behalf of such customer.” FINRA Regulatory Notice 11-02 stated that a firm must “know its customers not only at account opening but also throughout the life of its relationship with customers in order to, among other things, effectively service and supervise the customers’ accounts,” and that a firm should “verify the ‘essential facts’ about a customer ... at intervals reasonably calculated to prevent and detect any mishandling of a customer’s account that might result from the customer’s change in circumstances.”

UTMA and UGMA accounts are custodial accounts that provide a way to transfer property to a minor beneficiary without the need for a formal trust. The custodian makes all investment decisions on the beneficiary’s behalf until the beneficiary reaches the age of majority, at which point the custodian is required by state law to transfer control over the custodial property to the beneficiary.

The five firms that FINRA has sanctioned permitted customers to open UTMA and UGMA accounts, yet failed to establish, maintain, and enforce reasonable supervisory systems and procedures to track or monitor whether custodians timely transferred control over custodial property to UTMA and UGMA account beneficiaries. As a result, UTMA Account custodians authorized transactions in UTMA Accounts months, or even years, after the beneficiaries reached the age of majority and after the custodians had become obligated to transfer the custodial property.

“FINRA Rule 2090 requires firms to verify the authority of any person purporting to act on behalf of a customer,” said Jessica Hopper, Senior Vice President and Acting Head of FINRA’s Department of Enforcement. “This is essential to safeguarding customer assets—particularly in the case of UTMA and UGMA accounts, where it is essential for firms to implement supervisory systems reasonably designed to verify custodians’ authority to make investment decisions after the account beneficiaries reach the age of majority.”

In settling [this matter](#), the five firms paid combined fines totaling \$1.4 million, and agreed to review their policies, systems, and procedures to ensure that they are reasonably designed to supervise custodial accounts and to achieve compliance with FINRA Rule 2090. The firms neither admitted nor denied the charges, but consented to the entry of FINRA's findings.

FINRA Orders Oppenheimer & Co. Inc. to Pay \$3.8 Million in Restitution to Customers for Supervisory Failures Involving Unit Investment Trusts

FINRA announced that it has ordered [Oppenheimer & Co. Inc.](#) to pay more than \$3.8 million in restitution to customers who incurred potentially excessive sales charges caused by early rollovers of Unit Investment Trusts (UITs). FINRA also fined the firm \$800,000 for failing to reasonably supervise early UIT rollovers.

A UIT is an investment company that offers investors shares, or “units,” in a fixed portfolio of securities in a one-time public offering that terminates on a specific maturity date, often after 15 or 24 months. As a result, UITs are generally intended as long-term investments and have sales charges based on their long-term nature, including an initial and deferred sales charge and a creation and development fee. A registered representative who recommends that a customer sell his or her UIT position before the maturity date and then “rolls over” those funds into a new UIT causes the customer to incur increased sale charges over time, raising suitability concerns.

From January 2011 through December 2015, Oppenheimer executed more than \$6.4 billion in UIT transactions – \$753.9 million of which were early rollovers. However, FINRA found the firm's WSPs and supervisory system – which did not involve the use of automated reports or alerts – were not reasonably designed to supervise the suitability of those early rollovers. As a result, Oppenheimer did not identify that its representatives recommended potentially unsuitable early rollovers that, collectively, may have caused customers to incur more than \$3.8 million in sales charges that they would not have incurred had they held the UITs until their maturity dates.

Jessica Hopper, Senior Vice President and Acting Head of FINRA's Department of Enforcement, said, “FINRA member firms must be mindful of costs to customers when recommending a product, particularly when recommending that customers make short-term sales of products that are intended as long-term investments. Providing restitution to investors remains a top priority for FINRA.”

In determining the fine against Oppenheimer, FINRA recognized the firm's extraordinary cooperation for having (1) provided substantial assistance to FINRA's investigation, including by retaining an outside consultant to analyze the firm's UIT trading and voluntarily sharing the results of the consultant's analysis with FINRA; (2) developed and implemented a methodology that efficiently identified customers eligible for restitution; and (3) voluntarily employed corrective measures to revise its procedures to avoid recurrence of the conduct described above, including by establishing automated alerts to identify when representatives recommend early UIT rollovers.

FINRA's 2018 Regulatory and Examination Priorities Letter advised that FINRA would be reviewing firms' supervisory controls related to UITs.

In settling [this matter](#), Oppenheimer neither admitted nor denied the charges, but consented to the entry of FINRA's findings.