

Disciplinary and Other FINRA Actions

Firm Expelled, Individual Sanctioned

Dakota Securities International, Inc. ([CRD® #132700](#), Miami, Florida) and Bruce Martin Zipper ([CRD #1019731](#), Miami, Florida)

April 5, 2019 – The firm and Zipper appealed a National Adjudicatory Council (NAC) decision to the Securities and Exchange Commission (SEC). The firm was expelled from FINRA® membership and Zipper was barred from association with any FINRA member in all capacities. The NAC modified the findings and affirmed the sanctions imposed by an Office of Hearing Officers (OHO) decision. The sanctions were based on the findings that Zipper breached the terms of a Letter of Acceptance, Waiver and Consent (AWC) by associating with the firm and engaging in activities that required registration while he was suspended in all capacities and statutorily disqualified, and the firm improperly permitted him to do so. Zipper associated with the firm by facilitating and conducting its securities business. Zipper engaged in activities requiring registration by using his firm email account to communicate with customers about specific securities in their brokerage accounts and to recommend particular securities transactions. The findings further stated that the firm and Zipper intentionally misidentified the representative of record for hundreds of transactions in the firm's books and records, and that the firm failed to establish, maintain and enforce a system of written procedures to supervise its business and associated persons. Specifically, the firm failed to maintain a supervisory system adequate to ensure that Zipper did not associate with the firm during his suspension period and failed to adequately supervise the creation of its books and records.

The expulsion and bar are in effect pending review. ([FINRA Case #2016047565702](#))

Firms Fined

Cantor Fitzgerald & Co. ([CRD #134](#), New York, New York)

April 1, 2019 – An AWC was issued in which the firm was censured, fined \$105,000 and required to address the Regulation NMS (Reg NMS) Rule 611(c) of the Securities Exchange Act of 1934 and supervisory deficiencies described in the AWC and to ensure that it has implemented controls and procedures that are reasonably designed to achieve compliance with the applicable rules and regulations. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to include a code that reflected its reliance on an information barrier when appropriate

Reported for June 2019

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).

in its submissions to Order Audit Trail System (OATS™). The findings stated that the firm's Order Management System (OMS) was designed to report the required information barrier identifier only for activity between different aggregation units at the firm. However, because the firm's broker-dealer desk and market making desk operated within the same aggregation unit, the necessary information barrier identifier was not included in those OATS submissions. The findings also stated that the firm failed to submit execution reports, which are Reportable Order Events (ROEs), to OATS. In certain instances when a firm trader combined multiple orders from the same client before routing that combined order to the trading desk, instead of reporting the required riskless principal leg of a trade, the firm's OMS reported the principal execution, which is an optional submission to OATS. The findings also included that the firm failed to establish and maintain a system that was reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules, including OATS reporting requirements. The firm's failure to identify this issue was caused, at least in part, because its OATS review did not include a component designed to determine whether the information barrier identification was being properly reported. FINRA found that the firm violated Rule 611(c) of Reg NMS by routing an intermarket sweep order (ISO) to a covered exchange priced outside of at least one protected quotation without simultaneously routing additional limit orders to execute against the full displayed size of any protected bid. The firm did not have a reasonable supervisory system to achieve compliance with Rule 611(c) of Reg NMS and as a result, it was not aware that it was not routing secondary ISOs. ([FINRA Case #2015046800201](#))

Pariter Securities, LLC ([CRD #127836](#), Guaynabo, Puerto Rico)

April 9, 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 it utilized the instrumentalities of interstate commerce to engage in securities transactions while failing to maintain its required net capital. The findings stated that the firm did not ensure that its general ledger, trial balance and balance sheet accurately reflected its assets and liabilities and did not accurately compute its net capital. In fact, for two months, the firm did not prepare timely net capital computations but self-reported its failure to complete such net capital computations to FINRA. The firm also filed inaccurate Financial and Operational Combined Uniform Single (FOCUS) reports. Furthermore, the firm did not file notifications with FINRA and the SEC when it either did not maintain its minimum net capital or had its net capital fall below 120 percent of its required net capital. The findings also stated that the firm did not maintain its fidelity bond coverage, as required, and did not notify FINRA, in writing, when its fidelity bond was cancelled or terminated. ([FINRA Case #2017054968801](#))

Euro Pacific Capital, Inc. nka A.G.P. / Alliance Global Partners Corp. ([CRD #8361](#), Westport, Connecticut)

April 11, 2019 – An AWC was issued in which the firm was censured and fined \$10,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it improperly charged a firm client \$6,000 for filing a Form 211

application with FINRA. The findings stated that the client engaged the firm, through a firm registered representative who held the title of managing director, as an investment bank designated advisor for disclosure. The designated advisor for disclosure agreement between the client and the firm required the client to pay four quarterly payments of \$4,000 for a total amount of \$16,000. After the first payment was made, the managing director reached an agreement with a vice president of the client, whereby the firm would file the Form 211 application with FINRA to initiate quotations of the client's Series B shares on the OTCQX Market. The firm, through the managing director, also demanded, and the client's vice president agreed, that the client pay the firm \$6,000 for filing the Form 211. After learning that the managing director had improperly charged the client for filing the Form 211, the firm withdrew the form. In addition, the firm repaid the client the \$6,000 it charged for filing the Form 211 after FINRA initiated an investigation into this matter. ([FINRA Case #2016048551101](#))

Wilson-Davis & Co., Inc. ([CRD #3777](#), Salt Lake City, Utah)

April 12, 2019 – An AWC was issued in which the firm was censured and fined \$32,500. 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 written supervisory procedures (WSPs), reasonably designed to review email correspondence for indications of potential violations of federal securities laws or FINRA rules. The findings stated that the firm lacked any pertinent WSPs, and its methods for reviewing email messages were ineffective and unreasonable given its business, size, structure and customers. The firm's WSPs did not include procedures describing how it would conduct its supervisory review of electronic communications sent or received by its registered individuals. In addition, the emails selected randomly by the firm's email vendor did not constitute a reasonable amount of the firm's overall electronic communications and the search terms that would flag an email for a principal review were not comprehensive enough to yield a meaningful sample of flagged communications. ([FINRA Case #2014042949704](#))

Gelband & Co., Inc. ([CRD #32599](#), New York, New York)

April 25, 2019 – An AWC was issued in which the firm was fined \$5,000. Without admitting or denying the findings, the firm consented to the sanction and to the entry of findings that it failed to conduct an independent test of its anti-money laundering (AML) compliance program for four calendar years. The findings stated that as a placement agent, the firm was required to conduct independent testing of its AML program on an annual basis. For the relevant calendar years, the firm had its designated AML compliance officer, or someone who reported to him, conduct the annual testing of its AML program. Therefore, this testing was not independent. After FINRA informed the firm of its findings, the firm conducted independent testing of its AML program for those calendar years. ([FINRA Case #2018056465601](#))

Firm Sanctioned

Voya Financial Advisors, Inc. ([CRD #2882](#), Des Moines, Iowa)

April 23, 2019 – An AWC was issued in which the firm was censured and required to provide remediation to eligible customers who qualified for, but did not receive, the applicable mutual fund sales charge waivers. As part of this settlement, the firm agrees to pay restitution to eligible customers, which is estimated to total \$125,982 (the amount eligible customers were overcharged, inclusive of interest). Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it disadvantaged certain retirement plan and charitable organization customers that were eligible to purchase Class A shares in certain mutual funds without a front-end sales charge. The findings stated that these eligible customers were instead sold Class A shares with a front-end sales charge or Class B or C shares with back-end sales charges and higher ongoing fees and expenses. These sales disadvantaged eligible customers by causing such customers to pay higher fees than they were actually required to pay. The findings also stated that the firm failed to reasonably supervise the application of sales-charge waivers to eligible mutual fund sales. The firm relied on its financial advisors to determine the applicability of sales charge waivers, but failed to maintain WSPs reasonably designed to assist financial advisors in making this determination. In addition, the firm failed to adequately notify and train its financial advisors regarding the availability of mutual fund sales-charge waivers for eligible customers. The firm failed to adopt adequate controls to detect instances in which they did not provide sales-charge waivers to eligible customers in connection with their mutual fund purchases. As a result of the firm's failure to apply available sales charge waivers, the firm estimates that eligible customers were overcharged by \$104,044 for mutual fund purchases made since January 1, 2009. ([FINRA Case #2016050231901](#))

Individuals Barred

Bradley Allen Latting ([CRD #4850825](#), Jenks, Oklahoma)

April 1, 2019 – An AWC was issued in which Latting was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Latting consented to the sanction and to the entry of findings that he refused to appear for and provide on-the-record testimony requested by FINRA in connection with its investigation into allegations that he commingled and/or converted funds belonging to an elderly client of his member firm's affiliated banking and insurance entities, and failed to disclose his service as the client's power-of-attorney. ([FINRA Case #2018057319702](#))

Adrian Torres Ortega ([CRD #5591481](#), Surprise, Arizona)

April 1, 2019 – An AWC was issued in which Ortega was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Ortega consented to the sanction and to the entry of findings that he failed to provide documents and information requested by FINRA in connection with its investigation into allegations, reported by his member firm on his Uniform Termination Notice for Securities Industry Registration (Form U5), that he debited the funds of customers of his firm's affiliate bank without their knowledge or permission. ([FINRA Case #2018059936201](#))

Kris Lynn Lewis ([CRD #4505097](#), Park City, Kansas)

April 2, 2019 – Lewis withdrew her appeal of an OHO decision to the NAC. Lewis was barred from association with any FINRA member in all capacities. The sanction was based on findings that Lewis willfully failed to timely amend her Uniform Application for Securities Industry Registration or Transfer (Form U4) to disclose a reportable event that was material and subjected her automatically to statutory disqualification from the securities industry. The findings stated that Lewis knowingly provided false information to FINRA on a personal activity questionnaire by denying the reportable event and knowingly provided false information on her member firm's compliance questionnaire. ([FINRA Case #2015047154001](#))

James Cornelius Bylenga ([CRD #705143](#), Kalamazoo, Michigan)

April 5, 2019 – An AWC was issued in which Bylenga was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Bylenga consented to the sanction and to the entry of findings that he refused to produce documents and information requested by FINRA during the course of an investigation that commenced after his former member firm amended his Form U5 reporting that it had initiated an internal review to determine if Bylenga received loans from his client(s) while associated with the firm. ([FINRA Case #2018060282201](#))

Jim Jinkook Seol ([CRD #2876279](#), Lake Forest, California)

April 8, 2019 – A NAC decision became final in which Seol was barred from association with any FINRA member in all capacities. The NAC affirmed the findings and the sanctions imposed by the OHO. The sanction was based on the findings that Seol participated in private securities transactions and engaged in outside business activities without providing prior written notice to, or receiving written approval from, his member firm. The findings stated that Seol formed a corporation through which he solicited investments totaling \$100 million from foreign customers in a limited partnership that he also formed to serve as a qualifying investment facility. In addition, through the corporation, Seol entered into a consulting agreement with an entity to assist it with the identification and solicitation of qualified foreign nationals to develop and operate yogurt shops in the United States. The firm's WSPs prohibited registered representatives from participating in private transactions

and required them to disclose any outside business activity and obtain written approval from the firm before engaging in it. After the firm terminated Seol for violating company policy, he began receiving a salary from the corporation from the fees and expenses that it received from various projects. Seol received more than \$144,000 in salary from the corporation, and the corporation had received at least \$796,405 in management fees from the limited partnership. The findings also stated that Seol provided false statements on his firm's annual compliance questionnaires in response to questions concerning his private securities transactions and outside business activities. ([FINRA Case #2014039839101](#))

Michael Paul Lessard Jr. ([CRD #5968857](#), Rock Hill, South Carolina)

April 9, 2019 – An AWC was issued in which Lessard was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Lessard consented to the sanction and to the entry of findings that he borrowed a total of approximately \$82,750 from two customers without notifying or seeking the approval of either of his member firms. The findings stated that Lessard borrowed \$60,000 from a senior customer whom Lessard only completely repaid after the customer and her accountant confronted him. In addition, Lessard borrowed \$22,750 from another customer whom he never repaid. ([FINRA Case #2018058520801](#))

Tyler James Woodward ([CRD #6032935](#), Colorado Springs, Colorado)

April 9, 2019 – An OHO decision became final in which Woodward was barred from association with any FINRA member in all capacities. The sanction was based on findings that Woodward failed to provide documents and information, and to appear for and provide on-the-record testimony requested by FINRA during the course of an investigation that began after it received a customer complaint against Woodward alleging serious violations of FINRA rules, including conversion. The findings stated that the customer alleged to FINRA that Woodward had persuaded him to transfer more than \$117,000 from his brokerage account at Woodward's member firm to a brokerage account at another FINRA member firm, then to a bank account, and then finally to a company that Woodward created. The customer asserted that Woodward also obtained electronic access to his brokerage account and controlled transactions in that account. The customer alleged that he had made repeated demands to Woodward for the return of his money but that Woodward failed to respond. ([FINRA Case #2018058866401](#))

Thomas H. Laws ([CRD #4494448](#), Silver City, New Mexico)

April 10, 2019 – An AWC was issued in which Laws was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Laws consented to the sanction and to the entry of findings that he refused to appear for and provide on-the-record testimony requested by FINRA during the course of an investigation into whether he potentially violated FINRA rules by engaging in undisclosed outside business activities and/or private securities transactions while associated with a member firm. ([FINRA Case #2019061095601](#))

John William Cutshall ([CRD #874352](#), Woodsboro, Maryland)

April 11, 2019 – An Offer of Settlement was issued in which Cutshall was barred from association with any FINRA member in all capacities. Without admitting or denying the allegations, Cutshall consented to the sanction and to the entry of findings that he abused his position as trustee for trusts that he administered on behalf of deceased and elderly customers by converting and improperly using funds from these trusts. The findings stated that Cutshall served as trustee for the separate trusts of the customers, who were husband and wife, until both customers died. Cutshall used his position as trustee to write checks from the account of the wife’s residuary trust totaling approximately \$400,000 that he deposited into his own bank account. Years later, Cutshall made public for the first time an unwitnessed handwritten note purportedly signed by the husband that named Cutshall as a beneficiary of 50 percent of the assets in his trust as the basis for his taking those funds. The wife and the owner of the residuary trust account did not sign the note, and the wife did not execute any similar document naming Cutshall as beneficiary to her trust. After having already taken the approximately \$400,000 from the wife’s residuary trust account, Cutshall then hired a law firm to give him an opinion about the validity of the handwritten note. The law firm, among other things, advised Cutshall to return all of the money that he had already taken. Cutshall only repaid \$229,100 to the residuary trust account, keeping the difference of \$170,900. The law firm conducted an accounting to determine the funds available for distribution to the beneficiaries of each trust, but Cutshall did not tell the law firm that he had not returned all of the money that he had already taken. The law firm determined that the distribution to Cutshall of 50 percent of the assets of the husband’s trust was approximately \$292,100. Including the funds he previously kept, Cutshall took approximately \$463,000, significantly more than he was purportedly entitled to under the handwritten note. As a result, Cutshall converted funds from the account of the wife’s residuary trust. The findings also stated that Cutshall thwarted his member firms’ ability to supervise his trustee activities by failing to disclose that he had been named as a beneficiary to the trust for which he had been serving as trustee. Moreover, when each firm asked Cutshall to provide copies of the trust documents related to the account of the customer’s residuary trust in connection with his request to continue acting as trustee, he failed to provide a copy of the handwritten note that materially altered the terms of the customer’s trust and made him a beneficiary. Cutshall further actively thwarted his firm’s ability to supervise his activities as trustee by writing checks from the trust as being payable to his bank, rather than to himself, prior to depositing the checks into his personal account at that bank. The findings also included that Cutshall improperly used a check from the brokerage account of his firm customer, another trust for which he served as trustee, to engage in an automated clearinghouse transaction for \$2,000 to gamble. Although he was notified of the disbursement from the trust that day, Cutshall did not repay the trust until a firm compliance employee questioned him about the transaction more than a week later. FINRA found that Cutshall falsely claimed in a completed annual firm questionnaire that he was not named as beneficiary of any non-family member account. ([FINRA Case #2014041590801](#))

Renee Valerie Altamirano ([CRD #5644156](#), Hot Springs, Arkansas)

April 15, 2019 – An AWC was issued in which Altamirano was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Altamirano consented to the sanction and to the entry of findings that she refused to appear for on-the-record testimony requested by FINRA after it began an investigation into allegations that she engaged in an undisclosed outside business activity selling merchandise on eBay, some of which belonged to her supervisor and/or her member firm. ([FINRA Case #2018058102601](#))

Erin Lynn Verespy ([CRD #2727866](#), Trumbull, Connecticut)

April 15, 2019 – An AWC was issued in which Verespy was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Verespy consented to the sanction and to the entry of findings that she refused to appear for on-the-record testimony requested by FINRA after her member firm amended her Form U4 to reflect that she had been named as a defendant in an investment-related, consumer-initiated civil litigation in which it was alleged that she misused and misappropriated the claimants' funds in her capacity as bookkeeper and financial advisor. ([FINRA Case #2018058108001](#))

James Bradley Schwartz ([CRD #3043085](#), New York, New York)

April 16, 2019 – An Offer of Settlement was issued in which Schwartz was barred from association with any FINRA member in all capacities. Without admitting or denying the allegations, Schwartz consented to the sanction and to the entry of findings that he churned customer accounts in willful violation of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The findings stated that Schwartz also excessively traded customer accounts. Schwartz's churning and excessive trading was unsuitable and caused combined losses of more than \$660,000 in these accounts. At the same time, Schwartz's trading generated gross sales credits and commissions of approximately \$277,705, of which he received more than \$194,000. The findings also stated that Schwartz conducted fraudulent and deceptive trading by exercising de facto control over the customer accounts and engaging in unauthorized trading. Schwartz executed trades with a total principal value of approximately \$10 million without his customers' authorization, including unauthorized trades he executed in a customer's account after the customer had died. ([FINRA Case #2016051704302](#))

Nelson A. Freyre-Gallardo ([CRD #5020871](#), San Juan, Puerto Rico)

April 22, 2019 – An AWC was issued in which Freyre-Gallardo was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Freyre-Gallardo consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA after his former member firm filed a Form U5 disclosing that he was discharged for violating firm policy regarding use of its Federal Express account for personal mail expenses. ([FINRA Case #2017054565801](#))

Arnold Schonbrun ([CRD #1027958](#), Cedarhurst, New York)

April 24, 2019 – An AWC was issued in which Schonbrun was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Schonbrun 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 that began after receiving a Form U5 providing the reason for his termination from his member firm as not securities-related, indicating that he used company airline miles and received other benefits from travel providers without proper authorization. The findings stated that although Schonbrun initially cooperated with FINRA's investigation, he ceased to do so. ([FINRA Case #2017054358301](#))

Michael John Ahearn ([CRD #2661001](#), New Hope, Pennsylvania)

April 29, 2019 – An Offer of Settlement was issued in which Ahearn was barred from association with any FINRA member in all capacities. Without admitting or denying the allegations, Ahearn consented to the sanction and to the entry of findings that he provided false and misleading information to FINRA in a written response and provided false testimony to it during an on-the-record interview. The findings stated that FINRA was investigating Ahearn and another registered representative regarding allegations that the other representative failed to disclose to his member firm that he was the trustee of an individual's assets and that he had been named as the executor of her estate. On multiple account-opening documents for the individual's trust, Ahearn represented that the representative was not employed by a FINRA member or other financial services company. When FINRA sent Ahearn a request asking about these account-opening documents, he stated that the representative had told him he was unemployed and had never told him that he was a representative at another broker-dealer. Ahearn repeated this story in the later on-the-record interview when he testified, under oath, that the representative had told him he was unemployed and that he did not learn that the representative worked for another broker-dealer until after opening the individual's accounts. Ahearn has since admitted these statements were false. Ahearn knew at the time he opened the individual's trust accounts that the representative was employed by another broker-dealer, and he deliberately misled FINRA regarding that fact. ([FINRA Case #2016051389101](#))

Kajo Movsesian ([CRD #6762326](#), Glendale, California)

April 29, 2019 – An AWC was issued in which Movsesian was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Movsesian consented to the sanction and to the entry of findings that he refused to provide information and documents requested by FINRA during an investigation into the disclosures made in a Form U5 filed by his former member firm that reported that it had initiated an internal review of him for conduct inconsistent with firm standards regarding personal bank accounts. ([FINRA Case #2018059922101](#))

Anselmo Contreras Jr. ([CRD #4095453](#), Angleton, Texas)

April 30, 2019 – An AWC was issued in which Contreras was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Contreras consented to the sanctions and to the entry of findings that he misused and converted customer funds. The findings stated that Contreras induced a customer of his member firm to give him a \$10,000 check to invest in a real estate venture. However, Contreras deposited the check into his personal bank account and then used the customer's money for his own personal use without the customer's knowledge or consent. The findings also stated that Contreras borrowed \$30,000 from firm customers without the knowledge or approval of the firm. ([FINRA Case #2018057254501](#))

Stuart S. Sutton ([CRD #4925443](#), Honolulu, Hawaii)

April 30, 2019 – An AWC was issued in which Sutton was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Sutton consented to the sanction and to the entry of findings that he refused to provide information requested by FINRA in connection with its investigation of his conduct that led to his discharge by his member firm. The findings stated that the firm disclosed in a Form U5 that Sutton had been discharged due to concerns that he may have incurred certain charges on a personal debit card issued through the firm that he reported as fraudulent and for which he had been reimbursed. ([FINRA Case #2018059950501](#))

Individuals Suspended

Fabiano Medrado de Franco ([CRD #4528382](#), Warrenton, Virginia)

April 2, 2019 – An AWC was issued in which de Franco was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for 10 business days. Without admitting or denying the findings, de Franco consented to the sanctions and to the entry of findings that he emailed unencrypted spreadsheets containing the confidential personal financial information of retirement plan participants to the email account of his outside business without the authority of the participants, his member firm or the firm's affiliate that provided administrative and recordkeeping services. The findings stated that de Franco emailed the spreadsheets so that he could contact a subset of the plan participants on the spreadsheets for the purpose of selling them retirement-planning services through his outside business. De Franco never used the information for any purpose.

The suspension was in effect from April 15, 2019, through April 29, 2019. ([FINRA Case #2017054076501](#))

John Dale Ernst ([CRD #1958252](#), Milwaukee, Wisconsin)

April 3, 2019 – An AWC was issued in which Ernst was assessed a deferred fine of \$5,000, suspended from association with any FINRA member in all capacities for nine months and ordered to pay deferred disgorgement in the amount of \$22,752, plus interest. FINRA reduced the disgorgement amount by \$12,500, which is equal to the disgorgement amount ordered against Ernst by the State of Wisconsin Department of Financial Institutions, Division of Securities, relating to the same promissory note sales at issue here. Without admitting or denying the findings, Ernst consented to the sanctions and to the entry of findings that he engaged in private securities transactions totaling approximately \$509,000 without providing notice to or obtaining approval from his member firm prior to participating. The findings stated that Ernst solicited investors to purchase promissory notes related to a purported real estate investment fund and sold the promissory notes to four investors, three of whom were customers of the firm. Ernst received \$35,252 in commissions in connection with the transactions. The findings also stated that on the annual compliance questionnaires that Ernst submitted to his firm, he indicated that he had not participated in any private securities activities without first obtaining written approval from his firm and that he had not sold promissory notes.

The suspension is in effect from April 15, 2019, through January 14, 2020. ([FINRA Case #2018057754401](#))

Scott Patrick Klor ([CRD #2493369](#), Midlothian, Texas)

April 4, 2019 – An AWC was issued in which Klor was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for 14 months. Without admitting or denying the findings, Klor consented to the sanctions and to the entry of findings that he participated in private securities transactions by soliciting investors, including customers of his member firm, to purchase a variable life insurance policy on the life of an elderly individual with a terminal illness. The findings stated that Klor did not notify his firm of his involvement in the viatical settlement. With Klor's assistance, the investors formed a limited liability company (LLC) to purchase the policy for approximately \$1.4 million. In furtherance of this transaction, Klor communicated with potential investors regarding the policy, assisted in making sales presentations regarding the proposed viatical settlement and consulted with professionals regarding the formation of the LLC. For his efforts in facilitating the transaction, Klor received a four percent interest in the LLC that he requested be placed in his wife's name. Ultimately, when the insured individual passed away the death benefit on the policy was worth less than the total amount invested, and each of the majority members of the LLC lost over \$200,000. The findings also stated that Klor provided inaccurate responses on his firm's annual compliance questionnaires in which he falsely answered questions about whether he had ever participated in a viatical settlement or a joint venture involving the pooling of investor funds for a common purpose.

The suspension is in effect from April 15, 2019, through June 14, 2020. ([FINRA Case #2017054221601](#))

James Bryant Eichner Jr. ([CRD #3221851](#), Roslyn Heights, New York)

April 5, 2019 – An AWC was issued in which Eichner was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for 45 business days. Without admitting or denying the findings, Eichner consented to the sanctions and to the entry of findings that he exercised discretion in customer accounts without obtaining prior written authorization from the customers and without his member firm having accepted the accounts for discretionary trading. The findings stated that Eichner exercised discretion in a deceased customer's account by accepting, on a single occasion, trade instructions from an unauthorized third party. Neither the customer nor the customer's estate had given written authorization allowing Eichner to exercise discretion by accepting instructions from a third party, and his firm had not approved the account for discretionary trading. The findings also stated that Eichner completed compliance questionnaires for the firm attesting that he did not exercise discretion in his customers' accounts.

The suspension is in effect from April 15, 2019, through June 18, 2019. ([FINRA Case #2017053208001](#))

John Robert White ([CRD #6402233](#), Glenview, Illinois)

April 8, 2019 – An AWC was issued in which White was fined \$5,000 and suspended from association with any FINRA member in all capacities for seven months. Without admitting or denying the findings, White consented to the sanctions and to the entry of findings that he forged the signature of his member firm's chief executive officer (CEO) on a document that purported to be a private placement engagement agreement involving the firm and an issuer. The findings stated that White signed the CEO's name on the document, even though White did not have the CEO's permission – nor did the CEO even know about the purported engagement agreement. The findings also stated that White used an unauthorized outside email address to communicate with the issuer about the agreement. White typically deleted emails on his personal accounts on a weekly basis and as a result, he prevented his firm from maintaining all business-related communications as required.

The suspension is in effect from May 6, 2019, through December 5, 2019. ([FINRA Case #2017056786501](#))

Caroline Elizabeth Wisniewski ([CRD #1463513](#), Ponce Inlet, Florida)

April 9, 2019 – An AWC was issued in which Wisniewski was fined \$10,000, suspended from association with any FINRA member in a financial and operations principal (FINOP) capacity for one month and required to requalify by examination as a FINOP. Without admitting or denying the findings, Wisniewski consented to the sanctions and to the entry of findings that she, as FINOP, permitted her member firm to conduct a securities business while below its net capital requirement, failed to prepare timely net capital computations, filed inaccurate FOCUS reports on behalf of the firm and failed to file timely notifications of the firm's net capital deficiencies. The findings stated that Wisniewski caused her firm

to maintain inaccurate books and records by failing to ensure that its general ledger, trial balance and balance sheet accurately reflected its assets and liabilities and by failing to accurately compute the firm's net capital.

The suspension was in effect from May 6, 2019, through June 5, 2019. ([FINRA Case #2017054968802](#))

Justin Robert Cornelison (CRD #4788827, Pittsford, New York)

April 10, 2019 – An AWC was issued in which Cornelison was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for six months. Without admitting or denying the findings, Cornelison consented to the sanctions and to the entry of findings that he willfully failed to amend his Form U4 to disclose that he had been charged with, and subsequently pled guilty to, a felony. The findings stated that Cornelison remained registered through his member firm for another five years without amending his Form U4 to disclose his felony charge and conviction. The findings also stated that Cornelison provided false responses on annual attestations submitted to the firm certifying that his Form U4 was correct and current and that he had not been named or involved in any criminal matters that had not been reported to the firm.

The suspension is in effect from April 15, 2019, through October 14, 2019. ([FINRA Case #2018057932901](#))

Jason Barrett Lane (CRD #4967267, Roslyn, New York)

April 10, 2019 – An AWC was issued in which Lane 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, Lane consented to the sanctions and to the entry of findings that, over the course of more than four years, he failed to notify his member firm about the full nature of his participation in three outside business activities and, in particular, his efforts to solicit investments in those activities, which the firm explicitly prohibited and continuing to work for a company after the firm refused to allow him to participate in activity with it. The findings stated that Lane was attempting to solicit investments, contrary to the firm's restrictions, although none of Lane's attempts to raise capital for his outside business activities resulted in securities transactions. In addition, two of Lane's notices about the outside business activities were untimely.

The suspension is in effect from April 15, 2019, through July 14, 2019. ([FINRA Case #2017056005701](#))

David Bradley Tysk (CRD #1782289, Eden Prairie, Minnesota)

April 10, 2019 – Tysk appealed a NAC decision to the SEC. was fined \$50,000 and suspended from association with any FINRA member in any capacity for one year. The NAC affirmed the findings in the OHO decision and increased the sanctions. The sanctions were based on findings that Tysk altered customer related information in his computer after the customer

complained about the suitability of a recommendation, in violation of FINRA's just and equitable principles of trade rule. Tysk's concealed the alterations of his notes during the firm's investigation of the customer complaint and failed to inform the firm or the customer of his alterations when he produced a copy of his notes in discovery during the arbitration proceeding, in violation of IM-12000 of FINRA's Code of Arbitration Procedure for Customer Disputes and FINRA Rule 2010.

This matter has been appealed to the SEC and the sanctions are not in effect pending review. ([FINRA Case #2010022977801](#))

Denise Marie Bucci ([CRD #1195774](#), Flourtown, Pennsylvania)

April 11, 2019 – An AWC was issued in which Bucci was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for one year. Without admitting or denying the findings, Bucci consented to the sanctions and to the entry of findings that she forged her branch manager's signature on customer account documents and falsified signatures of her member firm's clients by photocopying signatures from previously signed forms and pasting them onto new ones. The findings stated that Bucci's forgeries and falsifications were accommodations to customers regarding transactions they had previously authorized or on forms that they ultimately signed and did not result in customer harm. Moreover, Bucci did not benefit financially from her misconduct. The findings also stated that Bucci caused her firm to maintain inaccurate books and records by forging the signature of her branch manager and falsifying the signatures of firm customers on account-related documents.

The suspension is in effect from April 15, 2019, through April 14, 2020. ([FINRA Case #2017055313301](#))

Gary Arthur Forrest ([CRD #1313782](#), Swartz Creek, Michigan)

April 11, 2019 – An AWC was issued in which Forrest was assessed a deferred fine of \$5,000, suspended from association with any FINRA member in all capacities for 10 months and ordered to pay deferred disgorgement of commissions received in the amount of \$25,905.60, plus interest. Without admitting or denying the findings, Forrest consented to the sanctions and to the entry of findings that he engaged in unapproved private securities transactions involving the sale of promissory notes totaling \$826,986. The findings stated that Forrest solicited investors, some of whom were customers of his member firm, to purchase the promissory notes relating to a purported real-estate investment fund. Forrest received \$25,905 in commissions in connection with these transactions. Although Forrest sought approval to sell the promissory notes, his firm denied his request. Despite this denial, Forrest sold the promissory notes while associated with the firm. Later, the fund filed a voluntary Chapter 11 bankruptcy petition. Subsequent judgments issued by the United States District Court for the Southern District of Florida required the fund and its former owner to, among other things, disgorge their ill-gotten gains and also required the former owner to pay a civil penalty.

The suspension is in effect from April 15, 2019, through February 14, 2020. ([FINRA Case #2018059400801](#))

Brian Lawrence Stephan ([CRD #4222796](#), Jamestown, Ohio)

April 11, 2019 – An Offer of Settlement was issued in which Stephan was fined \$10,000, suspended from association with any FINRA member in all capacities for eight months and ordered to pay \$29,430, plus interest, in restitution to a customer. Without admitting or denying the allegations, Stephan consented to the sanctions and to the entry of findings that he recommended and caused the execution of unsuitable investments for an elderly customer. The findings stated that Stephan recommended that the customer invest in mutual fund Class A shares in 20 different mutual fund families. This recommendation was unsuitable because the customer would have been able to achieve a discount on applicable sales charges by aggregating her mutual fund purchases into fewer fund families. Moreover, Stephan recommended mutual fund purchases in an amount that was relatively slightly less than the level required for a discount on sales charges. The customer paid over \$60,000 in commissions for these transactions. Had the customer invested in larger amounts across fewer fund families, she could have benefitted from sales charge discounts and reduced her costs by approximately \$30,000. Stephan's recommendations caused him to be paid more through commissions, caused the customer to incur excessive sales charges and lacked any reasonable basis. The findings also stated that Stephan mismarked transactions and provided false information on his member firm's mutual fund exchange forms. Stephan marked transactions in the customer's account as unsolicited when they were in fact solicited transactions. Stephan erroneously stated that the exchanges were done because the customer was unhappy with the performance of the original products when in fact, the customer did not complain about the performance of these products. This conduct caused Stephan's firm to maintain inaccurate books and records.

The suspension is in effect from May 6, 2019, through January 5, 2020. ([FINRA Case #2014042022401](#))

Thomas Z. Tan ([CRD #5640035](#), Irvine, California)

April 11, 2019 – An AWC was issued in which Tan was fined \$5,000 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Tan consented to the sanctions and to the entry of findings that he improperly charged a client of his member firm \$6,000 for filing a Form 211 with FINRA. The findings stated that an agreement between the client and the firm required the client to pay four quarterly payments of \$4,000 for a total amount of \$16,000. Later, Tan reached an agreement with a vice president at the client, that the firm would file the Form 211 application with FINRA and that the client would pay the firm \$6,000 for the filing. After learning that Tan had improperly charged the client for the Form 211 filing, the firm withdrew the Form 211.

The suspension is in effect from April 15, 2019, through July 14, 2019. ([FINRA Case #2016048551102](#))

Corey Lee Mireau ([CRD #3046777](#), Eden Prairie, Minnesota)

April 12, 2019 – An AWC was issued in which Mireau was assessed a deferred fine of \$15,000, suspended from association with any FINRA member in all capacities for two years and ordered to pay \$154,458.85, plus interest, in deferred restitution to a customer. Without admitting or denying the findings, Mireau consented to the sanctions and to the entry of findings that he borrowed \$150,000 and \$500, respectively, from two customers of his member firm without notifying or obtaining prior written approval from the firm. The findings stated that Mireau used the \$150,000 that he borrowed from his firm customer to personally invest \$140,000 in a private securities transaction without notifying and receiving prior written approval from the firm. The loan was documented by a written agreement pursuant to which Mireau agreed to repay the principal within one year with 10 percent interest, and share 10 percent of his initial profits from his personal investment with the customer. The loan agreement also permitted Mireau to extend the date on which the principal was due by one additional year. Although Mireau invoked the extension of time by which to repay the customer, to date, he has not repaid any portion of the principal or interest due and owing on the loan. The findings also stated that Mireau performed outside consulting work for a firm customer and a company owned by that customer without providing prior written notice to his firm. Mireau received \$1,250 in compensation for his work. The findings also included that Mireau falsely attested on annual compliance questionnaires that he had disclosed all of his outside business activities to the firm and had not engaged in any unapproved private securities transactions.

The suspension is in effect from April 15, 2019, through April 14, 2021. ([FINRA Case #2017055910301](#))

William Stafford Thurmond ([CRD #870133](#), El Paso, Texas)

April 12, 2019 – An AWC was issued in which Thurmond was assessed a deferred fine of \$25,000, suspended from association with any FINRA member in all capacities for 15 months and ordered to pay deferred disgorgement of commissions received to FINRA in the amount of \$42,724, plus interest. Without admitting or denying the findings, Thurmond consented to the sanctions and to the entry of findings that he recommended unsuitable leveraged and inverse-leveraged exchange traded fund (ETF) transactions to a customer. The findings stated that Thurmond placed trades of leveraged and inverse leveraged ETF trades in the customer's account for a total of approximately \$328,000. Thurmond placed some of these trades without obtaining prior authorization, knowledge or consent from the customer or his power of attorney. Thurmond did not have discretionary trading authority in the customer's account during this time. Moreover, the customer's account held many of the leveraged and inverse-leveraged ETFs much longer than the short holding periods discussed in the prospectuses. In fact, the customer's account held the ETFs for as long as 600 days, with an average holding period of over 150 days. These investments were not suitable given the customer's risk tolerance, financial experience and liquidity. As a result of Thurmond's unsuitable recommendations, the customer suffered losses of \$212,731, while

Thurmond generated \$42,724 in commissions. The customer recovered his losses through an arbitration proceeding against Thurmond's member firm. The findings also stated that Thurmond caused his firm to maintain inaccurate books and records by maintaining authorization forms that the customer had signed but were otherwise blank.

The suspension is in effect from April 15, 2019, through July 14, 2020. ([FINRA Case #2016048867401](#))

Stephen H. Watkins (CRD #6442184, Lighthouse Point, Florida)

April 12, 2019 – An AWC was issued in which Watkins was assessed a deferred fine of \$25,000 and suspended from association with any FINRA member in all capacities for five months. Without admitting or denying the findings, Watkins consented to the sanctions and to the entry of findings that he used an email account associated with his outside business activities for communications related to his securities business. The findings stated that these communications were not inputted, maintained, or preserved by Watkins' member firm, and his use of the outside email account caused the firm to violate its record-keeping obligations. The findings also stated that Watkins had communications with the public, made through a website he maintained, a press release he issued and confidential information memoranda that he distributed, that were not fair and balanced and did not provide a sound basis for evaluating the investments referenced in them. The findings also included that Watkins caused the firm to become net capital deficient by holding securities customer funds in the bank accounts of his outside business activities, over which he had exclusive authority and control.

The suspension is in effect from April 15, 2019, through September 14, 2019. ([FINRA Case #2017055426201](#))

Guy Michael Cheatham (CRD #1026560, Midlothian, Virginia)

April 22, 2019 – An AWC was issued in which Cheatham was fined \$5,000 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Cheatham consented to the sanctions and to the entry of findings that he failed to timely disclose reportable events via filing of an amended Form U4. The findings stated that Cheatham did not report a State of Virginia tax lien or an IRS tax lien to his member firm or via an amended Form U4 until approximately three years late. Additionally, Cheatham did not disclose another IRS tax lien to the firm or via an amended Form U4 until approximately five-and-a-half years late. The findings also stated that Cheatham falsely stated on the firm's annual compliance questionnaires that he did not have any unsatisfied judgments or liens that were not disclosed on his Form U4.

The suspension is in effect from May 20, 2019, through August 19, 2019. ([FINRA Case #2018057877901](#))

Steven Elliott Zerbarini ([CRD #2845669](#), Tarpon Springs, Florida)

April 22, 2019 – An AWC was issued in which Zerbarini was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for one month. Without admitting or denying the findings, Zerbarini consented to the sanctions and to the entry of findings that he exercised discretionary power in effecting purchases of securities in non-discretionary customer accounts without prior written authorization from the customers and without prior written acceptance of the accounts as discretionary by his member firm.

The suspension was in effect from May 6, 2019, through June 5, 2019. ([FINRA Case #2018059336001](#))

James Edward Bashaw ([CRD #1251491](#), Houston, Texas)

April 23, 2019 – An AWC was issued in which Bashaw was fined \$5,000, suspended from association with any FINRA member in all capacities for four months and required to requalify by examination as a General Securities Representative (Series 7) prior to acting in that capacity with any FINRA member. Without admitting or denying the findings, Bashaw consented to the sanctions and to the entry of findings that he borrowed a total of approximately \$200,000 from a customer without seeking or obtaining prior approval of the loans from his member firm. The findings stated that Bashaw did not make repayment on the loans. The findings also stated that in annual compliance questionnaires, Bashaw falsely told his firm that he had not borrowed any money from another individual, which the questionnaires identified as a prohibited activity.

The suspension is in effect from May 20, 2019, through September 19, 2019. ([FINRA Case #2014042876501](#))

Janet Lynn Derrick ([CRD #1395360](#), Chicago, Illinois)

April 24, 2019 – An AWC was issued in which Derrick was suspended from association with any FINRA member in all capacities for four months. In light of Derrick's financial status, no monetary sanctions have been imposed. Without admitting or denying the findings, Derrick consented to the sanction and to the entry of findings that in violation of her member firms' policies, she accepted more than \$70,000 in monetary gifts from an elderly customer. The findings stated that during Derrick's association with the firms, she completed multiple compliance attestations certifying her awareness of both firms' gift policies.

The suspension is in effect from May 6, 2019, through September 5, 2019. ([FINRA Case #2017054473401](#))

Jamie Silber Bennett ([CRD #2740248](#), Sherman Oaks, California)

April 30, 2019 – An AWC was issued in which Bennett was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for 30 days. Without admitting or denying the findings, Bennett consented to the sanctions and to the entry of findings that while assigned responsibility for his member firm’s review and retention of email, he failed to ensure that it captured, retained and reviewed emails related to firm business. The findings stated that a registered representative at a firm branch office was engaged in undisclosed outside business activity at the time, whereby he also attempted to solicit investments. Reasonable review of the representative’s email may have allowed the firm, through Bennett its chief compliance officer (CCO), to discover these issues. The findings also stated that Bennett frequently—if not almost exclusively—used a third-party email account instead of his firm account to conduct firm business. Based on FINRA’s investigation, only three communications—calendar invites—over the relevant period were directed to or from Bennett’s firm email address. Bennett was unable to produce for FINRA all of his business-related, third-party emails. Consequently, Bennett failed to properly retain his own email, thereby causing the firm to act in contravention of Section 17(a) of the Securities Exchange Act of 1934 and Rule 17a-4 promulgated thereunder.

The suspension was in effect from May 6, 2019, through June 4, 2019. ([FINRA Case #2015047201702](#))

Gerard N. Whelan ([CRD #2445147](#), Hull, Massachusetts)

April 30, 2019 – An AWC was issued in which Whelan 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, Whelan consented to the sanctions and to the entry of findings that he participated in private securities transactions without providing prior written notice to or obtaining written approval from his member firm. The findings stated that Whelan, as a non-registered fingerprint person, entered into an agreement with one of his former investment advisory customers to continue to manage her brokerage account. Whelan executed securities transactions in the customer’s brokerage account and during that time, her account increased in value. Whelan did not receive any selling compensation in connection with the transactions he executed in the customer’s account.

The suspension is in effect from May 6, 2019, through August 5, 2019. ([FINRA Case #2018057602801](#))

Decision Issued

The Office of Hearing Officers (OHO) issued the following decision, which has been appealed to or called for review by the NAC as of April 30, 2019. The NAC may increase, decrease, modify or reverse the findings and sanctions imposed in the decision. Initial decisions where the time for appeal has not yet expired will be reported in future issues of FINRA Disciplinary and Other Actions.

Devin Lamarr Wicker ([CRD #4228250](#), New York, New York)

April 12, 2019 – Wicker appealed an OHO decision to the NAC. Wicker was barred from association with any FINRA member in all capacities and ordered to pay \$50,000, plus interest, in restitution to a customer. The sanctions were based on findings that Wicker converted and misused \$50,000 of an investment-banking customer's funds. The findings stated that the customer engaged Wicker's member firm to serve as the managing underwriter for its Initial Public Offer (IPO). Wicker, the firm's majority owner, CEO, CCO and chief financial officer, directed an individual who was associated with his firm to invoice the customer for the funds and the customer wired those funds to the firm for the sole purpose of paying for a law firm's retainer. Wicker did not segregate or reserve those customer funds but instead commingled them with the firm's operating capital. Wicker controlled the firm's operating account and made the decision to use those funds for a purpose other than to pay the law firm, to benefit the firm.

The sanctions are not in effect pending review. ([FINRA Case #2016052104101](#))

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 the allegations in the complaint.

Michael Patrick Murphy ([CRD #2596905](#), New York, New York)

April 15, 2019 – Murphy was named a respondent in a FINRA complaint alleging that he willfully failed to timely amend his Form U4 to disclose three federal income tax liens filed by the IRS and four tax warrants filed by the State of New York totaling more than \$6 million. The findings stated that Murphy ignored his obligation to report the liens and tax warrants. FINRA sent Murphy letters notifying him of tax liens it had identified through public records searches, and reminding him of his obligation to report those liens. Despite this prompting, Murphy still failed to disclose his liens. In addition, Murphy willfully provided inaccurate information on his Form U4 when he belatedly amended it to report that he first learned of those liens and tax warrants only 30 days before he filed the Form U4 amendments. ([FINRA Case #2017053843901](#))

David Manor ([CRD #6033220](#), Brookline, Massachusetts)

April 16, 2019 – Manor was named a respondent in a FINRA complaint alleging that he participated in an unapproved outside business activity with his member firm’s customer, a then 75-year-old retiree. The complaint alleges that Manor failed to disclose his participation in the outside business activity or his compensation from this participation to the firm. Manor assisted the customer in selling mineral rights on a property the customer owned in Texas. As compensation for Manor’s assistance with the sale, the customer wrote a check for \$100,000 made payable to Manor’s spouse disguised as a gift and also paid Manor \$7,000 in cash. The complaint also alleges that Manor recommended unsuitable options transactions to the same customer and effected unsuitable options transactions in the customer’s account held at another firm. Manor recommended and purchased put options totaling \$224,985.37 in the customer’s account, resulting in losses to the customer of approximately \$224,837 in less than three months. Given the elderly customer’s investment objective of moderate growth, his limited income, his limited investment experience and knowledge and his complete lack of experience in options trading, Manor’s recommendations that this customer invest 25-50 percent of his net worth in put options was not suitable. In addition, Manor’s recommendation was unsuitable because the customer lacked the financial knowledge and experience to evaluate the risks of the recommended transactions. The complaint further alleges that Manor did not provide written notice to his firm of the account held away from it, his trading of securities within the account, or his agreement with the customer to receive compensation from any trading profits in the account. In addition, the complaint alleges that Manor shared in the proceeds of the account of the customer. Manor made no financial contribution to the account; it was funded entirely by the customer and he did not receive prior written authorization from his firm to share in the profits of the account. ([FINRA Case #2017056648801](#))

Amanda Justine Sarabia ([CRD #6437164](#), El Paso, Texas)

April 18, 2019 – Sarabia was named a respondent in a FINRA complaint alleging that she failed to provide documents and information and on-the-record testimony requested by FINRA in connection with its investigation into allegations that she converted funds from a co-worker at her former member firm. The complaint alleges that Sarabia was responsible for, and assisted with, various tasks at the firm, including logging and forwarding customer securities checks to a firm supervisor. In this capacity, Sarabia had access to confidential customer information. The firm terminated Sarabia’s employment based on her alleged theft of \$200 by stealing a co-worker’s blank check, making the check payable to cash and cashing the check. ([FINRA Case #2018057635002](#))

Firm Cancelled for Failure to Pay Outstanding Fees Pursuant to FINRA Rule 9553

Essex Radez LLC. (CRD #34649)
Chicago, Illinois
(April 11, 2019)

Firms Suspended for Failure to Supply Financial Information 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.)

Aldwych Securities LLC (CRD #167980)
New York, New York
(April 12, 2019)

Financial West Investment Group, Inc. (CRD #16668)
Reno, Nevada
(April 7, 2019)

Financial West Investment Group, Inc. (CRD #16668)
Reno, Nevada
(April 18, 2019)

First Commonwealth Securities Corporation (CRD #20854)
Atlanta, Georgia
(April 12, 2019)

Paladin Market Advisors, LLC (CRD #13281)
New York, New York
(April 12, 2019)

Potomac Capital Markets, LLC (CRD #39800)
Frederick, Maryland
(April 12, 2019 – May 1, 2019)

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.)

Bryan Wesley Andrzejewski (CRD #1872187)
San Francisco, California
(April 8, 2019)
FINRA Case #2018058289001

Marcus E. Boggs (CRD #5055667)
Chicago, Illinois
(April 15, 2019)
FINRA Case #2018060891101

William Christian Gennity (CRD #4913490)
Staten Island, New York
(April 1, 2019)
FINRA Case #2018057324501

Edwin Alberto Gomez (CRD #5968994)
Rockville, Maryland
(April 11, 2019)
FINRA Case #2018059884201

Charles William LaMarca (CRD #4308390)
Bellmore, New York
(April 15, 2019)
FINRA Case #2018060720701

David William Laveck (CRD #5105803)
Farmington, New York
(April 22, 2019)
FINRA Case #2018058586101

Kevin Michael Won Lee (CRD #6544158)
Redondo Beach, California
(April 12, 2019)
FINRA Case #2018060150701

William Roger Maurer (CRD #6876160)

Jacksonville, Florida
(April 26, 2019)
FINRA Case #2018059669801

Jason Paul Nye (CRD #2394082)

Centerville, Ohio
(April 26, 2019)
FINRA Case #2018057731201

Anthony Frank Sercia (CRD #2067424)

Staten Island, New York
(April 26, 2019)
FINRA Case #2018059045001

John Luis Torres (CRD #6322231)

Sherman Oaks, California
(April 26, 2019)
FINRA Case #2018059605301

David H. Whiting (CRD #6048697)

New York, New York
(April 8, 2019)
FINRA Case #2018058507801

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.)

Carolyn Marie Andrews (CRD #4121976)

Pearland, Texas
(April 8, 2019)
FINRA Case #2018060397101

Meiewyn Claryse Avent (CRD #4955956)

Charlotte, North Carolina
(April 11, 2019)
FINRA Case #2018060979201

Nicholas Alec Bougopoulos (CRD #6541069)

San Francisco, California
(February 4, 2019 – April 2, 2019)
FINRA Case #2018059966701

Marian Lynne Cook (CRD #5720180)

Joplin, Missouri
(April 29, 2019)
FINRA Case #2018060930101

Robert Alan Corley (CRD #2694879)

Jacksonville, Florida
(April 15, 2019)
FINRA Case #2018060959701

Craig Edward Detamore (CRD #4231313)

Champaign, Illinois
(January 7, 2019 – April 5, 2019)
FINRA Case #2018059939701

Jennifer Margaret Dysart (CRD #6690920)

Taylor, Michigan
(April 8, 2019)
FINRA Case #2019061844001

Steven Glen Friedman (CRD #2987568)

Arlington, Virginia
(April 19, 2019)
FINRA Case #2018058107301

Francisco Armando Garcia (CRD #1907144)

El Paso, Texas
(April 1, 2019)
FINRA Case #2019061228301

Sparkle Elisabeth Griffin (CRD #5273183)

Overland Park, Kansas
(April 15, 2019)
FINRA Case #2018059330101

Peter Alvin Heilman (CRD #6060300)

Kansas, Ohio
(April 29, 2019)
FINRA Case #2019061400201

Robert Charles High II (CRD #4568165)
Chandler, Arizona
(April 18, 2019)
FINRA Case #2019061677901

Melissa Paola Irizarry (CRD #6795879)
Edison, New Jersey
(February 11, 2019 – April 2, 2019)
FINRA Case #2018059076001

Richard LaBare (CRD #717987)
Rancho Mirage, California
(April 1, 2019)
FINRA Case #2018060972401

Arnold Mariampolski (CRD #5490441)
Bayside, New York
(April 1, 2019)
FINRA Case #2018061016801

Ziv Ohel (CRD #2275892)
Long Grove, Illinois
(April 17, 2019)
FINRA Case #2016051838401

James Ortega (CRD #6676466)
Pompano Beach, Florida
(April 29, 2019)
FINRA Case #2019061168601

Robert Anthony Powers (CRD #2236389)
West Chester, Pennsylvania
(April 5, 2019)
FINRA Case #2018060604701

Miguel Angel Rubio (CRD #5902328)
El Paso, Texas
(April 29, 2019)
FINRA Case #2019061538501

Rani Soto (CRD #6016117)
Bayonne, New Jersey
(February 4, 2019 – April 23, 2019)
FINRA Case #2018059766701

Terrell L. Thompson-Owens (CRD #6419111)
Silver Spring, Maryland
(April 15, 2019 – April 25, 2019)
FINRA Case #2019061142601

Purnell Scott Thurman (CRD #6359417)
Gaithersburg, Maryland
(April 1, 2019)
FINRA Case #2018060872301

Brandon Adel Yasso (CRD #6711616)
West Bloomfield, Michigan
(April 1, 2019)
FINRA Case #2018059506001

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

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

Helen Thomasine Andrews (CRD #4951340)
Brooklyn, New York
(April 26, 2019)
FINRA Arbitration Case #18-03364

Tatyana Andreyeva (CRD #2875136)
Brooklyn, New York
(April 3, 2019)
FINRA Arbitration Case #18-02193

Gary John Basralian (CRD #14385)
Springfield, New Jersey
(April 23, 2019)
FINRA Arbitration Case #18-04164

Heath Shayne Bowen (CRD #4824684)
Idaho Falls, Idaho
(April 16, 2019)
FINRA Arbitration Case #18-02355

Michael Stephen Cohen (CRD #2239469)
Aventura, Florida
(April 30, 2019)
FINRA Arbitration Case #16-01544

Francis Joseph Gendlek (CRD #1054226)
East Brunswick, New Jersey
(April 24, 2019)
FINRA Arbitration Case #17-00637

Richard Wilson Hartnett (CRD #238990)
Wagner, South Carolina
(April 3, 2019)
FINRA Arbitration Case #17-01987

Anson M. Kanoy (CRD #5533545)
Rincon, Georgia
(April 25, 2019)
FINRA Arbitration Case #18-03420

Eric Joseph Miller (CRD #1844951)
Scottsdale, Arizona
(April 16, 2019)
FINRA Arbitration Case #17-01765

Stephen Allen Murray (CRD #343722)
Delray Beach, Florida
(April 2, 2019)
FINRA Arbitration Case #18-02556

Rameshwar Ramcharran (CRD #2437574)
Tarpon Springs, Florida
(April 24, 2019)
FINRA Arbitration Case #18-03601

Ernest Julius Romer III (CRD #2311741)
Newberry, Michigan
(April 29, 2019)
FINRA Arbitration Case #18-03285

Juan Diego Rumayor (CRD #4643915)
Millbrae, California
(April 18, 2019)
FINRA Arbitration Case #14-02373

Alex Leon Salcedo (CRD #2752730)
Chino Hills, California
(April 26, 2019)
FINRA Arbitration Case #17-02892

James Daniel Webb Jr. (CRD #2342135)
Sebring, Florida
(April 15, 2019)
FINRA Arbitration Case #16-03433

PRESS RELEASE

FINRA Orders [Buckman, Buckman & Reid](#) to Pay Approximately \$205,000 in Restitution to Customers for Supervisory Failures Involving Excessive and Unsuitable Trading Firm Owner Sanctioned for Failing to Supervise Two Registered Representatives

FINRA announced that it has ordered New Jersey-based broker-dealer Buckman, Buckman & Reid, Inc. (BBR) to pay approximately \$205,000 in restitution to seven customers for failing to reasonably supervise two former registered representatives who recommended excessive and unsuitable trades in multiple customer accounts. As part of the settlement, FINRA also required the firm to review and revise its supervisory system and written supervisory procedures. FINRA previously barred both registered representatives from the industry.

Additionally, FINRA sanctioned Harry John (Chip) Buckman, Jr., a Senior Vice President and one of BBR's owners, for failing to supervise the two registered representatives, both of whom reported directly to Buckman. FINRA suspended Buckman from associating with any FINRA member in any principal capacity for three months, assessed a \$20,000 fine, and required him to complete 40 hours of continuing education concerning supervisory responsibilities.

"A firm and its supervisors must be vigilant in identifying and responding to unsuitable activity such as excessive trading and unsuitable concentration of customer accounts, which can result in significant customer harm," said Susan Schroeder, FINRA's Executive Vice President, Department of Enforcement. "In this matter, FINRA has prioritized ensuring that affected customers receive full restitution, the firm fixes its supervisory flaws, and the responsible supervisor is held accountable and receives additional training. Due to the firm's financial condition, FINRA did not impose a fine in addition to these other sanctions – the firm's limited resources are better spent on remedial measures designed to prevent similar misconduct in the future."

FINRA found that BBR and Buckman failed to identify that one of the barred registered representatives, identified as "GK," had engaged in frequent and short-term trading of Unit Investment Trusts (UITs) and other long-term investments with significant up-front costs. For example, GK recommended that a retired couple with an investment objective of "balance/conservative growth" buy and then promptly sell UITs and other long-term investments on 15 separate occasions in a 12-month period. Although GK's trading appeared on monthly reports of potentially excessive trading, no one at BBR actually reviewed the reports. From 2013 to 2014, GK's excessive trading of UITs and other long-term products caused his customers to pay approximately \$210,000 in commissions and resulted in losses of approximately \$163,000.

BBR and Buckman also failed to identify that the second barred registered representative, identified as “RI,” had excessively traded three customers’ accounts. For example, RI made more than 130 trades in the account of an 89 year-old retired customer during a one-year period. Although this customer’s account regularly appeared on BBR’s monthly reports of potentially problematic activity, no one at BBR actually reviewed those reports or conducted reasonable suitability reviews.

BBR and Buckman also failed to reasonably supervise RI’s recommendations that four additional customers purchase concentrated positions in a single, speculative security. For example, RI recommended that one customer, whose net worth was less than \$200,000, invest all of her account holdings in the speculative stock. Although BBR and Buckman were aware that RI had recommended concentrated positions in the stock to customers, neither Buckman nor anyone at BBR took any measures to determine the concentration levels or whether they were suitable for the customers in question.

Buckman’s suspension is in effect from May 20, 2019 through August 19, 2019.

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