Disciplinary and Other FINRA Actions

Firms Fined, Individuals Suspended

Network 1 Financial Securities Inc. (CRD #13577, Red Bank, New Jersey) and Michael Robert Molinaro (CRD #2358346, Staten Island, New York)
March 4, 2025 – A Letter of Acceptance, Waiver and Consent (AWC) was issued in which the firm was censured, fined $400,000, and required to continue to retain at its own expense a third-party consultant to conclude a comprehensive review of the adequacy of the firm's compliance with FINRA Rules 3310(a), (b), and (f), and to recommend procedural and systemic changes relating to the same. Molinaro was suspended from association with any FINRA member in any principal capacity and as an Anti-Money Laundering Compliance Officer (AMLCO) for three months. In light of Molinaro's financial status, no monetary sanctions have been imposed. Without admitting or denying the findings, the firm and Molinaro consented to the sanctions and to the entry of findings that they developed and implemented an AML compliance program that was not reasonably designed to achieve compliance with the requirements of the Bank Secrecy Act (BSA) and its implementing regulations. The findings stated that the firm's Customer Identification Program (CIP) was not reasonably designed to verify the identity of foreign customers opening accounts at the firm who did not appear in person at the firm or to reasonably verify the identity of many customers who opened accounts to invest in initial public offerings (IPOs) for small-cap issuers. In addition, the firm and Molinaro did not establish and implement policies and procedures that could be reasonably expected to detect and cause the reporting of suspicious transactions concerning the firm's investment banking business. As a result of these deficiencies, the firm did not detect or reasonably investigate AML red flags across multiple areas of its investment banking business. Molinaro was designated as the firm's AMLCO and was responsible for all aspects of its AML program. Despite having knowledge of the AML red flags, Molinaro never conducted an AML investigation concerning any of this activity. The findings also stated that the firm did not establish, maintain, and enforce a supervisory system reasonably designed to review and retain electronic communications of its registered representatives, including off-channel communications such as personal text messages or messages sent through third-party applications. The firm did not take any supervisory steps to check whether its registered persons might be using off-channel communications for business purposes and did not respond to red flags that its registered persons were using unapproved, off-channel communications. As a result, the firm did not preserve certain business-related off-channel communications. The unretained and unsupervised communications included communications with firm customers about: requests to transfer shares out of the firm; private investments in public

Reported for May 2025

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).

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equity (PIPE) deals; and financial advice about IPO investments. Ultimately, the firm engaged a third-party enterprise platform to collect and retain messages sent through third-party applications by its registered representatives. The firm also revised the firm's written supervisory procedures (WSPs) to allow for the use of those applications to assist with servicing foreign customers and updated its WSPs related to its associated persons' use of text messages.

The suspension is in effect from April 7, 2025, through July 6, 2025. (**FINRA Case #2022076211301**)

United First Partners LLC (CRD #155456, New York, New York) and Elizabeth Anne Dickerson (CRD #1917497, Red Bank, New Jersey)
March 24, 2025 – An AWC was issued in which the firm was censured, fined $215,000, and required to certify that it has remediated the issues identified in the AWC and implemented a reasonably designed supervisory system, including WSPs. Dickerson was fined $5,000 and suspended from association with any FINRA member in any principal capacity for one month. Without admitting or denying the findings, the firm and Dickerson consented to the sanctions and to the entry of findings that they failed to establish and maintain a reasonable supervisory system, including written procedures, relating to outside brokerage accounts. The findings stated that the firm's procedures failed to identify any steps to verify that the firm received and reviewed duplicate statements for each of the outside brokerage accounts, and failed to state how compliance should review duplicate statements for indicia of potential violations, how often such reviews should be conducted, and how such reviews should be documented. At times, Dickerson relied on a manual process to request the outside brokerage account statements. However, Dickerson did not have a regular practice of tracking which statements she requested, and she did not verify that she received the account statements that she requested. Further, Dickerson did not consistently review annual compliance attestations required by associated persons to disclose new outside brokerage accounts, and she failed to obtain annual compliance questionnaires from any representatives in 2021. In addition, Dickerson failed to maintain a record of the specific brokerage accounts she reviewed each month. For approximately a year, Dickerson failed to review any outside brokerage account statements during the COVID-19 pandemic, when she was not working from the firm's office, and was aware that the statements were being sent to the firm's office. Dickerson made no efforts to have the outside brokerage account statements sent to a different location, or otherwise made available to her. As a result of Dickerson's failure to reasonably monitor and review outside brokerage accounts, respondents failed to detect and investigate trading by three employees in securities covered by the firm's research group. The findings also stated that the firm and Dickerson failed to establish and maintain policies and procedures reasonably designed to restrict or limit the information

flow between its research department personnel and sales and trading personnel so as to prevent sales and trading department personnel from utilizing non-public advance knowledge of research reports for their benefit. The firm had no physical or information barriers to limit sales and trading personnel's access to research reports prior to publication. In practice, the firm and Dickerson, who was the firm's research principal, permitted unrestricted interactions between the firm's research analysts and its sales and trading staff. The firm's research analysts regularly circulated pre-publication draft research reports to sales and trading staff to obtain their input, including on the recommendations of the reports. Dickerson was copied on these communications, but she did not restrict the pre-publication review of the reports. In addition, Dickerson was aware that the content of the research reports, including recommendations, was discussed at regular meetings held between research analysts and sales and trading staff. However, Dickerson did not monitor or limit the types of information shared at these meetings. Moreover, the firm's research analysts and sales and trading staff routinely communicated in internal chat rooms. Dickerson, who was also responsible for the review of electronic communications, did not restrict this practice or follow up on any of these communications. The findings also included that the firm failed to report Trade Reporting and Compliance Engine-eligible (TRACE-eligible) transactions and failed to establish and maintain a reasonable supervisory system related to TRACE reporting. FINRA found that the firm failed to report municipal transactions to the Real-time Transaction Reporting System (RTRS) and failed to establish and maintain a reasonable supervisory system related to RTRS reporting. The firm's WSPs did not address the firm's TRACE reporting or RTRS reporting obligations. FINRA also found that the firm failed to provide customers with accurate options confirmations and failed to establish and maintain a reasonable supervisory system related to confirmations. Certain confirmations did not identify whether the firm was acting in a principal or agent capacity, and other confirmations were missing timestamps and did not contain a statement to the effect that the firm would furnish time of the transaction upon written request. In addition, the firm's WSPs required the review of a sample of options confirmations on a quarterly basis. However, the WSPs did not identify the personnel responsible for the review, address how the review would be documented, or contain the steps to be taken if the review identified inaccurate or incomplete information.

The suspension is in effect from April 21, 2025, through May 20, 2025. (**FINRA Case #2020065261801**)

Firms Fined

Tradeweb Direct LLC (CRD #103787, New York, New York)
March 4, 2025 – An AWC was issued in which the firm was censured and fined $65,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it violated Municipal Securities Rulemaking Board (MSRB) Rule G-14 by failing to include the Non-Transaction-Based Compensation (NTBC) indicator when reporting municipal securities transactions with customers that did not include a mark-up, mark-down, or commission to the MSRB's RTRS. The findings stated that the failure to report the special condition indicator resulted from a technical error associated with the firm's transition to a new clearing firm. Subsequently, the firm remediated the technical error and began properly including the NTBC indicator on reported trades affected by this special condition. (**FINRA Case #2022076268801**)

Redbridge Securities LLC (CRD #287912, Plano, Texas)
March 6, 2025 – An AWC was issued in which the firm was censured, fined $475,000, and required to continue to retain a third-party consultant to conduct a comprehensive review of the adequacy of its compliance with FINRA Rules 3310(a), 3310(b), 3310(c) and 3310(f), and to recommend procedural and systemic changes relating to the same. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish and implement an AML compliance program reasonably designed to detect and cause the reporting of suspicious transactions by the firm's customers. The findings stated that the firm's AML program was not reasonably designed to detect or investigate red flags of suspicious activity, including potentially manipulative trading. The firm's written procedures did not reasonably address how the firm would detect or investigate red flags. The firm's written procedures also failed to identify the specific alerts and reports used by the firm to identify potentially suspicious transactions, and they did not describe how such alerts or reports should be utilized by the firm's AML analysts. In addition, the firm did not have a reasonable system to investigate the red flags of suspicious activity that its surveillance identified. As a result, the firm failed to detect or reasonably investigate red flags in connection with customer deposits and trading activity in low-priced securities. The findings also stated that the firm failed to establish and implement an AML program reasonably designed to achieve compliance with customer identification and risk profile requirements. The firm failed to reasonably assess the identity verification risks posed by opening accounts for customers domiciled in China, many of whom had known connections to the issuers. The firm's CIP procedures did not describe how the firm should investigate red flags of identity theft during the account opening process. Furthermore, the firm's customer due diligence procedures did not require the firm to create risk profiles for customers. The firm also failed to identify or follow up on instances in which a customer's account activity was inconsistent with their

stated financial resources, including several instances where customers transferred money or acquired securities with a market value greater than their stated financial circumstances. The firm also failed to establish procedures to reasonably monitor for such inconsistencies in customer profile information. The findings also included that the firm failed to conduct a reasonable independent test of its AML program in 2019 and 2020 or any independent test in 2021. FINRA found that the firm failed to establish, maintain, and enforce a supervisory system reasonably designed to achieve compliance with federal securities laws and FINRA rules prohibiting market manipulation. The firm's WSPs did not directly address market manipulation and the firm's supervisory system was not reasonably designed to detect and address red flags of potentially manipulative trading. Moreover, even though the firm did use exception reports related to wash trading, the review and investigation of those alerts was insufficient to detect or reasonably address market manipulation. (**FINRA Case #2020068737101**)

Robert W. Baird & Co. Incorporated (CRD #8158, Milwaukee, Wisconsin) as successor-in-interest to Hefren-Tillotson, Inc. (CRD #53, Pittsburgh, Pennsylvania)
March 6, 2025 – An AWC was issued in which the firm was censured, fined $100,000, and ordered to pay $557,830.64, 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, as successor-in-interest to Hefren-Tillotson, violated Reg BI's Compliance Obligation. The findings stated that Hefren-Tillotson's registered representatives recommended that customers open Portfolio Review Program accounts, which enrolled the customers in an advisory service, even though the customers were already receiving those services through their existing or simultaneously opened Portfolio Review or investment advisory accounts. These customers did not receive any additional services by opening these accounts. As a result, these customers paid $557,830.64 in unnecessary account fees. Subsequently, Baird voluntarily discontinued charging Portfolio Review fees and recommending Portfolio Review accounts after its acquisition of Hefren-Tillotson's brokerage business. The findings also stated that Hefren-Tillotson's written procedures, and supervisory system, were not reasonably designed to achieve compliance with Reg BI's requirement that account-type recommendations are in the customer's best interest. The firm's WSPs did not provide any procedures or guidance regarding the factors to consider when recommending Portfolio Review Program accounts. Moreover, the firm's WSPs did not require representatives to consider whether customers would benefit from a recommendation to open a new Portfolio Review account when the customer was already receiving the services provided in connection with that account type. The firm's WSPs also failed to detail any steps that principals should take to determine whether an account-type recommendation was in the customer's best interest in light of the customer's investment profile, the costs of such an account, and the services provided in connection with that account. (**FINRA Case #2022075391301**)

Sanctuary Securities, Inc. (CRD #205, Indianapolis, Indiana)
March 11, 2025 – An AWC was issued in which the firm was censured, fined $150,000, and required to certify that it has remediated the issues identified in the AWC and implemented a reasonably designed supervisory system, including WSPs. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to develop and implement an AML program reasonably designed to achieve compliance with the requirements of the BSA and its implementing regulations. The findings stated that the firm did not take reasonable steps to detect and cause the reporting of suspicious transactions. The firm received various types of exception reports from its clearing firm but lacked reasonable written guidance concerning how to review them. As a result of lacking reasonable written guidance, the firm cleared many transactions identified by the reports without a reasonably documented evaluation of whether they raised red flags of suspicious activity. In addition, the firm did not establish and implement appropriate risk-based procedures for conducting ongoing customer due diligence, including understanding the nature and purpose of customer relationships in order to develop a customer risk profile. Furthermore, the firm failed to establish and implement a reasonably designed CIP. The firm's WSPs required the firm to collect certain essential facts about its customers at account opening including name, date of birth, and address. However, the WSPs did not require the firm to collect an identification number from new customers, did not provide reasonable procedures for the verification of the identities of its customers, and did not address how the firm would respond to circumstances where it could not form a reasonable belief that it knew the true identity of a customer. The findings also stated, while the firm retained an outside consultant to conduct an independent test of its AML program, that test failed to address material aspects of the firm's AML program. (**FINRA Case #2023077024501**)

FTP Securities LLC (CRD #129356, San Francisco, California)
March 12, 2025 – An AWC was issued in which the firm was censured and fined $35,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish, maintain, and enforce a supervisory system, including WSPs, reasonably designed to achieve compliance with applicable FINRA rules for reviewing and evaluating outside business activities (OBAs). The findings stated that the firm received written notice that a registered person was engaging in investment-related OBAs and that he would be entitled to a management fee and carried interest as compensation. However, the firm failed to reasonably review and evaluate whether the activities would interfere with or otherwise compromise the registered person's responsibilities to the firm or its customers or be viewed by customers or the public as part of the firm's business. The firm also failed to reasonably evaluate the advisability of prohibiting or imposing specific conditions or limitations on his activities or to determine whether they were properly characterized as OBAs or should have been treated as outside securities activities. (**FINRA Case #2022076764101**)

Northern Trust Securities, Inc. (CRD #7927, Chicago, Illinois)
March 17, 2025 – 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 report its commissions to TRACE for certain transactions in TRACE-eligible Corporate Debt Securities, Agency Debt Securities, Securitized Products, and U.S. Treasury Securities. The findings stated that the incomplete reporting was caused by delays associated with the firm's manual calculation of commissions. During periods of large transaction volume, the firm was unable to calculate all of its commissions within 15 minutes of execution, and it erroneously determined that it was not required to report its commissions for these transactions because the firm was unable to timely calculate the commissions. The findings also stated that the firm failed to establish and maintain a supervisory system reasonably designed to achieve compliance with FINRA Rule 6730. The firm failed to address known delays associated with its manual calculation of commissions to ensure it timely reported its commissions during periods of heavy trading volume. This issue was resolved when the firm automated the commission calculation process. (**FINRA Case #2020067553301**)

Mariner Financial Group dba Mariner Investment Group (CRD #35993, Houston, Texas)
March 18, 2025 – An AWC was issued in which the firm was censured, fined $25,000, and ordered to pay $26,864.84, plus interest, in restitution to a customer. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it willfully violated Rule 15l-1(a)(1) (Reg BI) of the Securities Exchange Act of 1934 (Exchange Act) by failing to establish, maintain, and enforce a supervisory system, including written procedures, reasonably designed to achieve compliance with Reg BI. The findings stated that the firm's WSPs contained no provisions relating to Reg BI until at least May 2023, and even then, discussed it only in general terms. The WSPs did not address the obligations set forth in Reg BI at all, nor did they describe how the firm's associated persons should implement, comply with, and supervise the firm's obligations under Reg BI. The firm subsequently updated its WSPs to address Reg BI in greater detail. The findings also stated that the firm failed to reasonably supervise a representative's recommendation of a non-traditional exchange-traded product (NT-ETP). The representative recommended that a 90-year-old customer purchase a daily-reset NT-ETP. The representative identified the purchase as "solicited" on the firm's books and records, which should have alerted the firm to the representative's non-compliance with the firm's prohibition. However, the firm failed to identify or investigate this red flag. The customer subsequently held the NT-ETP for 292 days at a realized loss of $26,864.84. (**FINRA Case #2023077084701**)

National Financial Services LLC (CRD #13041, Boston, Massachusetts)
March 19, 2025 – An AWC was issued in which the firm was censured, fined $100,000, and required to certify that it has remediated the issues identified in the AWC and implemented a reasonably designed supervisory system, including WSPs. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to timely transfer over 5,600 Unit Investment Trusts (UITs) via Automated Customer Account Transfer Service (ACATS). The findings stated that the firm sought to configure its automated transfer-of-assets system to block transfers of UITs that were within five days of their redemption dates to avoid potential customer dissatisfaction caused by delivering shares and paying out the redemption on those same shares. However, because of a coding error, the system blocked transfers of all UITs with a pending redemption, regardless of their redemption dates. The firm effected the transfers an average of 19 business days after validating transfer instructions and did not transfer twelve of those UITs until over 100 business days after validating transfer instructions. Because many of the UITs had already reached their redemption dates by the time the firm transferred them, the firm transferred redemption proceeds for approximately 4,000 of the UITs, instead of transferring the UITs in kind, as the customers had instructed. The findings also stated that the firm failed to establish, maintain, and enforce a system, including WSPs, reasonably designed to supervise the timely completion of ACATS transfers for UITs with pending corporate events (e.g., a redemption date) that complied with FINRA Rule 11870(e). Before November 2023, the firm had no supervisory system, including WSPs, addressing UITs whose ACATS transfers the firm blocked due to a pending redemption or other corporate event. And while the system, including WSPs, that the firm established in November 2023 is designed to block ACATS transfers due to imminent corporate events, it is not designed to achieve compliance with NFS's obligation to complete each transfer within three business days following the validation of a transfer instruction. As an initial matter, the firm currently blocks ACATS transfers of UITs that are within five business days of their redemption dates, regardless of whether this would delay a transfer longer than three business days after the firm's validation of a transfer instruction. The firm also has no system for monitoring whether an ACATS transfer that NFS blocked due to a pending corporate event is nearing the three-business-day deadline for completion of transfer. Nor does the firm have a system for reviewing whether it transferred, within the three-business-day deadline, all UITs whose ACATS transfers the firm blocked due to pending corporate events. (**FINRA Case #2022076846301**)

Tigress Financial Partners, LLC (CRD #154717, New York, New York)
March 20, 2025 – An AWC was issued in which the firm was censured and fined $100,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it did not develop and implement an AML program reasonably designed to detect and report suspicious transactions given its new business line. The findings stated that the firm onboarded hundreds of new

customers domiciled in high-risk foreign jurisdictions. The firm's AML program, included in its WSPs, provided that the firm would monitor for suspicious activity using available exception reports or review of a sufficient amount of account activity to permit identification of patterns of unusual activity and the presence of red flags. However, the WSPs did not include reasonable guidance regarding what available exception reports or account activity should be reviewed, how patterns of unusual activity were to be detected, or how to investigate and document investigations of unusual activity or red flags. The firm relied on a periodic manual review of hard copy blotters to detect and review for red flags. This manual process required line-by-line evaluation without the use of sorting, risk ranking, automation, or any other tools to identify trends or potentially suspicious activity or patterns of activity. This practice was unreasonable given the firm's customer base and the volume and types of securities transactions and money movements in firm accounts. In addition, the firm's AML compliance program did not include appropriate risk-based procedures for conducting ongoing customer due diligence. The firm's WSPs did not reasonably identify what risk factors would subject a customer to additional due diligence, how the firm would determine which accounts would be subject to additional due diligence, when the additional due diligence would be performed, and what additional due diligence would consist of. Only the few firm customers identified as politically exposed persons were designated as high risk or subjected to additional due diligence. Moreover, the firm did not understand the nature and purpose of the customer relationship of certain high-risk customers. As a result, the firm did not reasonably develop a customer risk profile for certain customers who utilized shell or private investment companies; were under investigation by the FBI; or were domiciled in, doing business in, or regularly transacting with counterparties in jurisdictions known as bank secrecy havens, tax shelters, or high-risk geographic locations. The firm's annual independent AML testing for each year identified deficiencies in the firm's procedures for conducting ongoing customer due diligence. The findings also stated that the firm did not disclose mark-ups and mark-downs on customer confirmations or reasonably supervise for compliance with its customer confirmation obligations. The firm's representatives did not manually enter prevailing market price information when executing corporate debt transactions on external platforms as required, despite the firm's clearing firm providing notice and training to the firm regarding a manual entry requirement. This issue persisted until the firm was notified of these deficiencies by FINRA. Moreover, the firm did not have reasonable policies or procedures regarding the disclosures required on non-institutional customer confirmations. The firm conducted a single supervisory review of its customer confirmations. The firm examined a sample of confirmations but did not identify any missing disclosures. The firm's clearing firm provided the firm with periodic reports showing that the prevailing market price and mark-up or mark-down for the subject transactions was "$0.00." Had the firm reviewed those reports, it could have examined the related confirmations and seen that the required mark-up or mark-down disclosure was blank. The firm has since updated its policies

and procedures to address the requirements of FINRA Rule 2232(c) and to provide for regular supervisory reviews of the content of customer confirmations. (**FINRA Case #2018060034002**)

NewEdge Securities, LLC fka NewEdge Securities, Inc. and Mid Atlantic Capital Corporation (CRD #10674, Pittsburgh, Pennsylvania)
March 21, 2025 – An AWC was issued in which the firm was censured, fined $275,000, and ordered to pay disgorgement of unlawful profits in the amount of $750,746, plus interest. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it submitted orders to underwriters for new issue municipal bonds without disclosing that the orders were for the firm's dealer account. The findings stated that the orders were placed by two firm branches founded and owned by two of the firm's registered principals that also submitted orders to underwriters for new issue municipal bonds during the retail order period when the orders were not for a retail customer, but instead were for the firm's dealer account. A registered representative of the branches was tasked with establishing relationships with the underwriters to facilitate purchases of new issue municipal bonds and sent letters stating that the branches constituted a "family office/Registered Investment Advisor" when they did not. After establishing relationships with underwriters on the premise that the branches were a customer (and not a broker-dealer), the firm received improper allocations of the orders. The branches quickly resold the bonds on the secondary market, earning a total of $750,746 in ill-gotten gains. The findings also stated that the firm failed to report dealer municipal bond transactions to RTRS. The findings also included that the firm failed to establish, maintain, and enforce a supervisory system, including WSPs, reasonably designed to ensure compliance with MSRB rules, and failed to reasonably respond to red flags indicating it was obtaining improper allocations of new issue municipal bonds. In practice, the firm had no supervisory processes to ensure that orders placed for its dealer accounts were accurately disclosed as such and that orders placed during the retail order period were for bona fide retail customers. Although the principals both reviewed the daily trades for the branches, they did not review those trades for compliance with the applicable MSRB rule. In addition, firm supervisors received numerous communications reflecting that the representative was mischaracterizing the branches to obtain treatment by underwriters as a customer but took no reasonable steps to investigate or address the representative actions. The firm later updated its policies and procedures regarding orders for new issue municipal bonds. FINRA found that the firm failed to preserve and perform any supervisory review of Bloomberg instant messages sent and/or received by representatives at the branches, including messages related to orders for new issue municipal bonds where the firm failed to disclose that the orders were for its dealer account. The firm did not independently identify this error for eight years and only discovered it when FINRA sent a request for the messages. (**FINRA Case #2019063566201**)

USCA Securities LLC (CRD #103789, Houston, Texas)
March 27, 2025 – An AWC was issued in which the firm was censured and fined $75,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it conducted a securities business on 35 days while failing to maintain its minimum required net capital. The findings stated that the firm incurred net capital deficiencies because it inaccurately calculated its aggregate indebtedness and net capital when participating in firm commitment offerings as a co-manager or selling group member. In addition, later deficiencies occurred because the firm misstated certain allowable assets, including intercompany receivables owed to itself by affiliated entities, non-allowable commissions receivable, and account balances. The firm also incurred net capital deficiencies after an employee transferred money from the firm's bank account to a bank account held by the firm's parent company. The findings also stated that the firm maintained inaccurate books and records and filed inaccurate Financial and Operational Combined Uniform Single (FOCUS) reports. The firm's inaccurate books and records resulted from its misstatement of certain allowable assets and liabilities. In addition, the firm miscalculated and overstated its net capital. As a consequence, the FOCUS reports overstated the firm's net capital in amounts that ranged from $38,965 to $1,020,734. The findings also included that the firm failed to establish and maintain a supervisory system, including WSPs, reasonably designed to achieve compliance with net capital requirements. The firm's WSPs assigned the firm's Financial and Operations Principal (FINOP) with responsibility for calculating and reporting the firm's net capital position. However, the firm did not provide any written guidance, in its WSPs or elsewhere, concerning how and when net capital calculations should be performed in connection with firm commitment offerings in which it participated. The firm's WSPs also assigned the firm's FINOP with responsibility for supervising additions to, and withdrawals from, the firm's equity capital. However, the firm did not place any limitations on transfers of funds outside of the firm, including to affiliates, and did not require the FINOP to review or approve such transfers before they were made, notwithstanding the risk that such transactions could negatively impact the firm's net capital position. The firm has since enhanced its supervisory system and WSPs concerning net capital compliance. (**FINRA Case #2022073302002**)

Thurston, Springer, Miller, Herd & Titak, Inc. dba Thurston Springer Financial (CRD #8478, Indianapolis, Indiana)
March 31, 2025 – An AWC was issued in which the firm was censured, fined $150,000, and required to certify that it has completed a review of firm emails for compliance with FINRA Rule 4530 and made any necessary 4530 disclosures, and that it has implemented a supervisory system, including WSPs, reasonably designed to achieve compliance with the violations cited in the AWC. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish, maintain, and enforce a supervisory system, including WSPs, reasonably

designed to achieve compliance with Reg BI. The findings stated that while the firm's WSPs discussed Reg BI in general terms, they did not establish procedures for achieving compliance with Reg BI's Care and Conflict of Interest Obligations. The findings also stated that the firm failed to establish a supervisory system, including WSPs, reasonably designed to achieve compliance with its obligations to file and deliver customer relationship summaries (Form CRS). Specifically, the firm's WSPs do not include procedures regarding delivering the Form CRS to prospective and new retail customers, updating the Form CRS when necessary, or creating and maintaining records related to the Form CRS. Moreover, the WSPs do not designate a supervisor with responsibility to achieve compliance with the firm's Form CRS obligations. The findings also included that the firm failed to establish, maintain, and enforce a reasonable supervisory system for email reviews, including reasonable procedures for conducting such reviews. The firm's supervisory procedures did not address its review of electronic communications to identify potential customer complaints, which could require reporting. FINRA found that the firm failed to timely amend two Forms U4 to disclose that registered representatives were named as defendants in a customer-initiated civil litigation involving allegations of sales practice violations, and failed to disclose the litigation to FINRA. In December 2020, a customer filed a complaint in the Circuit Court of Hamilton County, Indiana, naming the firm and two of its registered representatives as defendants. The plaintiff alleged securities-related misconduct that met the requirements for mandatory reporting under FINRA Rule 4530(f). FINRA also found that the firm failed to establish a supervisory system, including WSPs, reasonably designed to achieve compliance with its obligation to review outside brokerage accounts of its associated persons. In addition, the firm failed to obtain duplicate statements and trade confirmations for outside brokerage accounts held by its associated persons and disclosed to the firm. In addition, FINRA determined that the firm failed to inspect its only Office of Supervisory Jurisdiction (OSJ) and branch locations that were due for inspections. Moreover, FINRA found that the firm failed to conduct reasonable supervisory control testing. The firm's designated principal failed to provide annual reports to senior management detailing the systems of supervisory controls, the summary of the test results, any significant issues identified, and any modifications to the procedures implemented in response to the test results. Moreover, for all but one year, the firm's chief executive officer (CEO) failed to make the required certification. For the remaining year, the CEO failed to include any of the required language. (**FINRA Case #2021069376701**)

Individuals Barred

David Lee Jerke (CRD #5129935, Tacoma, Washington)
March 3, 2025 – An AWC was issued in which Jerke was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Jerke consented to the sanction and to the entry of findings that he refused to provide documents and information as requested by FINRA in connection with its investigation into the allegations made in a Uniform Termination Notice for Securities Industry Registration (Form U5) filled by his member firm. The findings stated that Jerke's association with the firm had been terminated because he had solicitated a loan from a customer without notice to and approval from the firm. (**FINRA Case #2024084491401**)

Glenn Ngo (CRD #7200876, San Marcos, California)
March 4, 2025 – An AWC was issued in which Ngo was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Ngo consented to the sanction and to the entry of findings that he refused to produce information and documents requested by FINRA in connection with its investigation into whether he had participated in a potential private securities transaction away from his member firm. (**FINRA Case #2024081737401**)

James Allen Bowman (CRD #4469446, Columbia, Missouri)
March 6, 2025 – An AWC was issued in which Bowman was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Bowman 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 personally reimbursed his customers for losses and fees in their accounts. (**FINRA Case #2024084129301**)

Jordan Paul Meadow (CRD #6116538, Plainfield, New Jersey)
March 10, 2025 – An AWC was issued in which Meadow was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Meadow consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA in connection with an investigation into potential excessive trading at his member firm. (**FINRA Case #2018056490326**)

Martin Barwikowski (CRD #5257475, Parlin, New Jersey)
March 14, 2025 – An AWC was issued in which Barwikowski was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Barwikowski consented to the sanction and to the entry of findings that he refused to produce information and documents requested by FINRA

in connection with its investigation into potential sales practice violations by Barwikowski. The findings stated that FINRA sought, among other items, certain electronic communications and bank and other financial records. (**FINRA Case #2018056490322**)

Nathan D. Caldwell (CRD #7380221, Corinth, Mississippi)
March 19, 2025 – An AWC was issued in which Caldwell was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Caldwell consented to the sanction and to the entry of findings that he refused to provide documents and information requested by FINRA in connection with its investigation into allegations made on his Form U5 filed by his member firm. The findings stated that Caldwell had been discharged from the firm as a result of his termination from a subscribing financial institution for unauthorized bank account transfers from a customer's account to his own account. (**FINRA Case #2024083648301**)

Joseph Michael Cannon (CRD #6341199, Lake Bluff, Illinois)
March 19, 2025 – An AWC was issued in which Cannon was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Cannon 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 of transactions in his personal bank accounts that were referenced in a Form U5 filed for him by his member firm. The findings stated that Cannon's firm permitted him to resign while under internal review for a series of questionable transactions associated with both his personal bank accounts and client investment accounts. (**FINRA Case #2023080630201**)

Cody Michael Keller (CRD #6669454, Harrisburg, Pennsylvania)
March 19, 2025 – An AWC was issued in which Keller was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Keller consented to the sanction and to the entry of findings that he failed to provide information and documents requested by FINRA in connection with its investigation into the circumstances giving rise to Form U5s filed by his member firms. The findings stated that one of the firms permitted Keller to resign after it discovered that he paid a customer from his personal bank account in what appeared to be an attempt to avoid a customer complaint, engaged in an undisclosed and unapproved OBA, and did not provide factual responses when asked about his actions and activities. The second firm discharged Keller for failing to disclose a regulatory action with the state of Pennsylvania on his Uniform Application for Securities Industry Registration or Transfer (Form U4). (**FINRA Case #2023079675401**)

Derek Lee Copeland (CRD #4347572, Charlotte, North Carolina)
March 24, 2025 – An AWC was issued in which Copeland was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Copeland consented to the sanction and to the entry of findings that he participated in 74 private securities transactions without providing prior written notice to, or receive written approval from, his member firm. The findings stated that the transactions involved different securities and 27 individuals, most of which were customers of Copeland's firm, who collectively invested nearly $11 million. Copeland received at least $173,000 in compensation, including through management, consulting, and recommendation fees. Moreover, Copeland falsely attested on annual compliance attestations that he did not solicit clients or non-clients for involvement or investment in products that were not approved by his firm. The findings also stated that Copeland communicated about securities-related business, including securities offered through his firm and private securities transactions, using communication channels not approved, captured, or maintained by his firm. Copeland falsely attested on firm compliance questionnaires that he only used approved and captured communication channels for communications relating to securities-related business. Nonetheless, Copeland exchanged over 2,250 communications with his firm colleagues, firm customers, other investors, and offering company partners using his private email addresses, text messages sent and received through his private mobile phone, and messages sent and received through online platforms. Copeland's firm did not capture or maintain the communications, causing it to maintain incomplete books and records. (**FINRA Case #2023077756701**)

John Michael Palma (CRD #6848651, Staten Island, New York)
March 25, 2025 – An AWC was issued in which Palma was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Palma 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 this matter originated from a FINRA cycle examination of Palma's former member firm. (**FINRA Case #2019060753511**)

Linda Lucille Sokol Francis (CRD #811073, Western Springs, Illinois)
March 25, 2025 – An AWC was issued in which Sokol Francis was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Sokol Francis 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 allegations made by her member firm on a Form U5 filing. The findings stated that Sokol Francis was discharged because she utilized discretion in brokerage accounts without written authorization. (**FINRA Case #2023077019901**)

Christopher James Christensen (CRD #7680869, Issaquah, Washington)
March 27, 2025 – An Order Accepting Offer of Settlement was issued in which Christensen was barred from association with any FINRA member in all capacities. Without admitting or denying the allegations, Christensen consented to the sanction and to the entry of findings that he failed to provide documents and information requested by FINRA as part of its examination of his OBAs and private securities transactions. The findings stated that FINRA opened the cause examination after the parent company of Christensen's member firm declared bankruptcy. Christensen was the founder and CEO of the parent company, and it, through various subsidiaries, raised millions of dollars from thousands of investors purportedly to invest in real estate projects. Christensen's role with the parent company was disclosed on his Form U4. The findings also stated that Christensen failed to appear for testimony requested by FINRA as part of its examination. Christensen's failure to provide documents and information and testimony in response to FINRA's requests significantly impeded FINRA's examination and deprived it of material information regarding his alleged OBAs and private securities transactions. (**FINRA Case #2023080678101**)

Mark Frederic Seruya (CRD #1108375, Sunny Isles, Florida)
March 27, 2025 – An AWC was issued in which Seruya was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Seruya consented to the sanction and to the entry of findings that he refused to provide information and documents requested by FINRA as a part of its investigation into the circumstances giving rise to a Form U5 filed by his member firm. The findings stated that Seruya and the firm mutually agreed to separate following an internal review concerning his disclosure of and participation in outside business investments involving clients, and his use of non-firm approved messaging platform to engage in firm business-related communications. (**FINRA Case #2024083143001**)

Dennis Matthew Lovett Jr. (CRD #5181580, Hingham, Massachusetts)
March 31, 2025 – An AWC was issued in which Lovett was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Lovett consented to the sanction and to the entry of findings that he refused to provide information and documents requested by FINRA in connection with its investigation into allegations made by his member firm on a Form U5 filing. The findings stated that Lovett was terminated by his firm for violation of company policy related to his corporate credit card. In addition, Lovett responded to FINRA's initial request but did not produce most of the documents sought, including bank records necessary for FINRA's investigation. However, Lovett did not respond to a second request for information and documents. (**FINRA Case #2023080791601**)

Individuals Suspended

Jonathan Earl Best (CRD #2225091, Henderson, Texas)
March 3, 2025 – An Order Accepting Offer of Settlement was issued in which Best was assessed a deferred fine of $12,500, suspended from association with any FINRA member in all capacities for three months, and ordered to pay deferred disgorgement of compensation received in the amount of $10,760.88, plus pre-judgment interest. Without admitting or denying the allegations, Best consented to the sanctions and to the entry of findings that he effected unauthorized trades in the account of a senior customer with diminished capacity. The findings stated that the customer was the only person authorized to transact in the account, which was non-discretionary. Further, Best's member firm prohibited discretionary trading in retail brokerage accounts, including the customer's account. The customer executed estate planning documents, and one of the documents provided that Best and the customer's accountant would be granted co-power of attorney in the event that two physicians provided written statements, under oath, that they deemed the customer to be incapacitated. The firm prohibited representatives from serving as power of attorney for customers unless, in exceptional cases, approval was granted by the representative's supervisor and the firm's central compliance department. Best became aware that the customer was exhibiting signs of diminished capacity, and later informed her relative, who had been appointed medical power of attorney for the customer, that he could not effect any transactions in the customer's account due to her diminished capacity. In addition, Best requested that the relative obtain a second physician's letter deeming the customer incapacitated in order to trigger his appointment as her co-power of attorney pursuant to the estate planning documents that she had executed. The relative did not obtain a second physician's letter. Best subsequently submitted an OBA request to his firm for approval to serve as the customer's future co-power of attorney and provided his supervisor with a copy of the document that the customer had executed that appointed Best as future co-power of attorney under certain conditions. Best also informed his supervisor of the customer had been diagnosed with an illness. However, Best failed to inform his supervisor that the customer was unable to care for herself, was living in a facility that cares for individuals who have a diminished capacity, and was unable to discuss and understand investments. Best also never alerted his supervisor to the growing cash position in the customer's account as a result of the customer's inability to authorize transactions. Best's supervisor rejected his OBA request and further instructed him to formally recuse himself from the appointment and provide documentation of the recusal. Best never provided such documentation. In addition, Best effected the purchase of laddered brokered certificates of deposit (CDs) in the customer's account with the cash proceeds from matured and called bonds without seeking the authorization for these trades from the customer. The principal value of the unauthorized trades in the customer's account totaled $14,199,847. Best earned

$10,760.88 in compensation by placing these trades. The findings also that Best submitted two compliance attestations to his firm in which he falsely attested "no" to the firm's question asking if he had "any senior investors or other vulnerable adults for which [he was] concerned with their capacity to make sound decisions." Best's attestations were false because he knew that the customer could not understand or authorize trades for her account due to her diminished capacity.

The suspension is in effect from April 7, 2025, through July 6, 2025. (**FINRA Case #2020068641501**)

Christopher Denis (CRD #7315092, North Lauderdale, Florida)
March 3, 2025 – An AWC was issued in which Denis was fined $5,000 and suspended from association with any FINRA member in all capacities for 18 months. Without admitting or denying the findings, Denis consented to the sanctions and to the entry of findings that he twice arranged to be, and was, present in the same room as his business partner while she took Securities Industry Essentials (SIE) examinations in order to assist her in cheating on the examinations. The findings stated that Denis previously took the SIE examination and, therefore, knew that the SIE Rules of Conduct prohibit cheating or attempted cheating, including having other persons in the test room during testing.

The suspension is in effect from April 7, 2025, through October 6, 2026. (**FINRA Case #2023078027502**)

William Worthen King (CRD #1432593, Vero Beach, Florida)
March 3, 2025 – An AWC was issued in which King 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, King consented to the sanctions and to the entry of findings that he exercised discretion when he placed trades in six brokerage accounts held by four firm customers, three of whom were seniors, without prior written authorization from the customers and without his member firm having accepted the accounts as discretionary. The findings stated that King discussed investment strategy with the customers but had not received authorization to exercise discretion. In addition, King inaccurately attested in compliance questionnaires that he had not exercised discretionary trading authority in customer accounts.

The suspension was in effect from March 3, 2025, through April 1, 2025. (**FINRA Case #2022077401201**)

Richard Joseph Perlongo (CRD #4913481, Matawan, New Jersey)
March 6, 2025 – An AWC was issued in which Perlongo was fined $5,000, suspended from association with any FINRA member in all capacities for three months, and ordered to pay $18,925 in restitution to a customer. Without admitting or denying

the findings, Perlongo consented to the sanctions and to the entry of findings that he excessively and unsuitably traded a customer's account. The findings stated that the customer relied on Perlongo's advice and routinely followed his recommendations and, as a result, Perlongo exercised de facto control over the account. Perlongo recommended frequent in-and-out trading even when the price of his recommended securities did not materially change. As a result of Perlongo's recommendations, the customer paid $18,925 in commissions and suffered $70,107 in realized losses.

The suspension is in effect from April 7, 2025, through July 6, 2025. (**FINRA Case #2018056490324**)

Jarrett Carter Thomas (CRD #5491743, Arlington, Virginia)
March 17, 2025 – An AWC was issued in which Thomas was assessed a deferred fine of $7,500 and suspended from association with any FINRA member in all capacities for 45 days. Without admitting or denying the findings, Thomas consented to the sanctions and to the entry of findings that he made an unauthorized transaction by effecting a $50,000 fund transfer based on instructions he received from an elderly customer who he knew no longer had the capacity or authority to give such instructions. The findings stated that Thomas received written notice from a doctor at the customer's long-term care facility that she lacked the capacity to manage her personal affairs. Thomas did not inform anyone at his member firm about the customer's incapacitation, and he accepted oral instructions from the customer to transfer the funds from her account at her firm to her outside bank account. The firm did not discover the customer's incapacitation until after Thomas' voluntary resignation from the firm.

The suspension was in effect from March 17, 2025, through April 30, 2025. (**FINRA Case #2023079639201**)

Martin Allan Barth (CRD #1030462, Garrison, New York)
March 21, 2025 – An AWC was issued in which Barth was suspended from association with any FINRA member in all capacities for 16 months. In light of Barth's financial status, no monetary sanctions have been imposed. Without admitting or denying the findings, Barth consented to the sanction and to the entry of findings that he acted in contravention of Sections 17(a)(2) and (3) of the Securities Act of 1933 (the Securities Act) by making material misrepresentations and omissions in connection with marketing private placement offerings to other selling representatives at his member firm and recommending those offerings to his own customers. The findings stated that the offerings' sole purpose was to raise capital for an investment in a real estate investment trust (REIT). Barth recommended two offerings to prospective investors and encouraged other representatives at his firm to recommend the offerings to their customers. Among other things, Barth reviewed and disseminated offering documents, including private placement memoranda and subscription agreements.

The offering documents disclosed that the selling representative and firm would receive a five percent sales commission on any investment in the offerings, and that the firm would receive a three percent dealer-manager fee. Separately, Barth was associated with an affiliate of the REIT's management company and was entitled to receive additional selling compensation directly from the affiliate. The offering documents did not disclose Barth's entitlement to this additional compensation. In connection with his work on these two offerings, Barth omitted material information when marketing and soliciting investments in the offerings. In addition, Barth knew or was negligent in not knowing, but failed to disclose to prospective investors and other selling representatives at the firm, that the REIT's management company had been unsuccessfully pursuing a public listing for the REIT for several years, and that the management company was experiencing negative cashflow. Ultimately, Barth's firm sold the offerings to 21 investors. The total principal amount of the investments was approximately $1.6 million. Among these investors were two of Barth's customers, who invested a total of $55,000 in the offerings based on Barth's recommendations. Barth received more than $30,000 in connection with marketing and recommending the offerings, of which more than $23,000 was undisclosed compensation paid by the affiliate. The findings also stated that Barth made reckless misrepresentations of material facts and omitted material information in communications with the New York State Department of Labor (NYDOL) in connection with applying for, and receiving, Pandemic Unemployment Assistance (PUA). Barth submitted 70 certifications claiming PUA benefits. In each certification, Barth represented that he did not work and did not receive compensation exceeding $504 during the prior week, which was the maximum amount he could earn in a week and still receive full unemployment benefits for that week. In fact, throughout this period, Barth worked for his firm and his OBA, and he received income that exceeded the $504 weekly threshold 34 out of 70 times. In total, while receiving PUA benefits, Barth earned approximately $50,000 in income. As a result of Barth's reckless misrepresentations and omissions, the NYDOL provided him with approximately $37,000 in PUA benefits to which he was not entitled.

The suspension is in effect from April 21, 2025, through August 20, 2026. (**FINRA Case #2020066757803**)

Gaelin Michaela Monkman-Kotz (CRD #7329637, Pasadena, California)
March 21, 2025 – An AWC was issued in which Monkman-Kotz 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, Monkman-Kotz consented to the sanctions and to the entry of findings that she caused her member firm to maintain incomplete books and records by being included on more than 4,000 messages through a social media application, some of which she sent, with various firm personnel and customers. The findings stated that these

communications concerned the firm's business including, but not limited to topics such as customers' trading, trade surveillance and related compliance concerns, and regulatory requests.

The suspension was in effect from April 7, 2025, through May 6, 2025. (**FINRA Case #2022077267701**)

Anthony Neil Wenham (CRD #4531762, Stamford, Connecticut)
March 26, 2025 – An Order Accepting Offer of Settlement was issued in which Wenham 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 allegations, Wenham consented to the sanctions and to the entry of findings that he falsified firm records when he concealed unrealized losses by recording or causing to be recorded inaccurate marks for forward start reverse repurchase positions in his member firm's electronic recordkeeping system. The findings stated that as a result of Wenham's inaccurate marks, his firm's books and records reflected a combined value for the positions that was overstated by millions of dollars. Wenham's firm discovered the inaccurate marks and implemented an automated process for marking the positions. After implementing the automated marking system, the firm's marks for the positions showed a combined net present value of approximately negative $9,000,000.

The suspension is in effect from March 31, 2025, through June 29, 2025. (**FINRA Case #2022073296301**)

Jason Michael Poschinger (CRD #6450544, Indianapolis, Indiana)
March 27, 2025 – An Order Accepting Offer of Settlement was issued in which Poschinger was assessed a deferred fine of $20,000 and suspended from association with any FINRA member in all capacities for six months. Without admitting or denying the allegations, Poschinger consented to the sanctions and to the entry of findings that he downloaded from his member firm's computer systems confidential information that constituted nonpublic personal customer information and sent the customer data to two non-firm email addresses that he controlled and provided the information to another FINRA member firm for his own benefit. The findings stated that while associated with his firm, Poschinger received an employment offer from the other firm, which Poschinger accepted. Poschinger then downloaded files from his firm's databases containing customer names, Social Security numbers, phone numbers, addresses, birth dates, account numbers, and account values for customers. Poschinger did not inform his firm that he was taking the information, and he did not give the customers notice and opportunity to prevent the transfer of their information. Poschinger's firm discovered that he had transmitted nonpublic personal customer information away from the firm and terminated him. After Poschinger's termination, his firm requested that he sign an

affidavit making certain attestations. The findings also stated that Poschinger made false statements to his firm by signing the affidavit attesting that he had not and would not share the nonpublic personal customer information with any third party, that he had permanently and completely deleted the nonpublic personal customer information, that he no longer had any nonpublic personal customer information in his possession, and that he would not use any of the nonpublic personal customer information to contact the firm's customers. However, before signing the affidavit, Poschinger had transmitted the nonpublic personal customer information to his new business email address, submitted the nonpublic personal customer information concerning customers to his new firm's operations personnel to identify them as his clients, and he did not delete the information. Poschinger thereafter used the nonpublic personal customer information to contact his firm's customers, notify them that he had moved to a new firm, and invite certain of them to transition their business to his new firm. The findings also included that Poschinger made false statements to his new firm by providing nonpublic personal customer information to it along with a signed Statutory Agent Agreement Schedule A. The signed agreement contained representations and warranties by Poschinger that the customer information that he provided was either publicly available or known to him independently of his association with his firm and that he had not copied or taken the information from the firm. In fact, the customer information was not publicly available and known to Poschinger independently of his association with the firm, and he had copied and taken the information from the firm. FINRA found that Poschinger opened four accounts at other FINRA member firms and an account at another financial institution in which securities transactions could be effected and in which he held a beneficial interest without seeking or receiving prior written consent of his firm to open the accounts.

The suspension is in effect from April 7, 2025, through October 6, 2025. (**FINRA Case #2021073173701**)

Decision Issued

The Office of Hearing Officers (OHO) issued the following decision, which has been appealed to or called for review by the National Adjudicatory Counsel (NAC) as of March 31, 2025. The NAC may increase, decrease, modify or reverse the findings and sanctions imposed in the decision. Initial decisions where the time for appeal has not yet expired will be reported in future FINRA Disciplinary & Other Actions.

James Anthony Iannazzo (CRD #2807988, Southport, Connecticut)
March 3, 2025 – Iannazzo appealed an OHO decision to the NAC. Iannazzo was fined $50,000 and suspended from association with any FINRA member in all capacities for two years. The sanctions were based on findings that Iannazzo structured cash withdrawals and deposits totaling $845,890 with knowledge of, and an intent to

evade, federal currency reporting requirements. The findings stated that on days that Iannazzo obtained more than $10,000 in cash he typically withdrew between $8,000 and $9,500 from a joint checking account he held with his wife, and on the same day withdrew the daily maximum of $2,500 from a separate individual cash management account held at another financial institution using an ATM. In this way, Iannazzo avoided triggering the requirement of the financial institution to file a currency transaction report (CTR) for currency transactions exceeding $10,000. On many occasions, Iannazzo withdrew or deposited tens of thousands of dollars in cash in the span of a few weeks, or even a few days, thereby avoiding cash transactions that exceeded $10,000 in any single day. Iannazzo never engaged in cash transactions that exceeded $10,000 at the same financial institution on any one day. Iannazzo repeated these patterns with some modifications throughout an approximately six-year period, although there were months-long stretches during which he engaged in no cash withdrawal or deposit activity. The Extended Hearing Panel majority concluded that FINRA proved by a preponderance of the evidence that Iannazzo unlawfully and intentionally structured transactions. The Extended Hearing Panel majority also found that Iannazzo took steps to conceal the full extent of his cash transactions and refused to accept responsibility for his own actions. One of the panelists from the Extended Hearing Panel dissented from the majority of the Panel regarding the sole cause of the Complaint alleging that Iannazzo engaged in structuring.

The sanctions are not in effect pending review. (**FINRA Case #2020067734001**)

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.

Calvin Lee Gray (CRD #7575351, Salem, Missouri)
March 6, 2025 – Gray was named a respondent in a FINRA complaint alleging that he failed to provide information and documents requested by FINRA as a part of its investigation into whether he violated any FINRA rules or federal securities laws while associated with his member firm. The complaint alleges that the firm disclosed to FINRA that Gray had been indicted in the United States District Court for the Eastern District of Missouri for conspiracy to commit bank fraud, fraud in connection with identification documents, aggravated identity theft, and fraud in connection with access devices. As a result, FINRA began investigating the allegations set forth in the federal indictment, including whether Gray committed fraud or engaged in

identity theft with respect to any brokerage customers. FINRA sought information related to Gray's potential use of customer information, including correspondence, phone records, bank records, and other relevant information. The production of the requested information and documents were material and Gray's failure to provide the requested information and documents impeded FINRA's investigation. (**FINRA Case #2024083063101**)

Nana Kwame Kwakye-Bissah (CRD #7044974, Alexandria, Virginia)
March 27, 2025 – Kwakye-Bissah was named a respondent in a FINRA complaint alleging that he failed to respond to FINRA's requests for documents and information as part of its investigation into whether he falsified documents and converted customer funds. The findings stated that Kwakye-Bissah did not provide any of the documents or information or respond to the requests in any way. The information and documents were material to FINRA's investigation because they directly related to whether Kwakye-Bissah falsified customer information and converted customer funds. Kwakye-Bissah's failure to provide the requested documents and information impeded FINRA's investigation into his potential misconduct. (**FINRA Case #2024083571501**)

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.)

EKATS Securities Inc. dba SBC Partners (CRD #284750)
New York, New York
(March 10, 2025)

EKATS Securities Inc. dba SBC Partners (CRD #284750)
New York, New York
(March 14, 2025)

Realblocks Private Securities, Inc. (CRD #306101)
New York, New York
(March 10, 2025)

Realblocks Private Securities, Inc. (CRD #306101)
New York, New York
(March 14, 2025)

Realblocks Private Securities, Inc. (CRD #306101)
New York, New York
(March 28, 2025)

Wood (Arthur W.) Company, Inc. (CRD #3798)
Boston, Massachusetts
(March 10, 2025)

Wood (Arthur W.) Company, Inc. (CRD #3798)
Boston, Massachusetts
(March 14, 2025)

Individual 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.)

Cassandra N. Heitz (CRD #6171982)
Columbia Falls, Montana
(March 20, 2025)
FINRA Case #2024082464401

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.)

Daylon Figueroa (CRD #6816547)
Nashville, Tennessee
(March 3, 2025)
FINRA Case #2024082304501

Kristina Jaymes Hoisington (CRD #6830489)
Lewiston, Idaho
(March 31, 2025)
FINRA Case #2024082839101

Lawrence Nathaniel Parker (CRD #6959513)
St. Petersburg, Florida
(March 31, 2025)
FINRA Case #2024081795601

Gian Carlo Piovanetti (CRD #5366726)
San Juan, Puerto Rico
(March 31, 2025)
FINRA Case #2024083029801

Jedidiah Ropheka Yohannes (CRD #7065205)
Dallas, Texas
(March 3, 2025)
FINRA Case #2024081636701

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.)

John Douglas Engler Sr. (CRD #835827)
Augusta, Georgia
(March 20, 2025)
FINRA Arbitration Case #23-03178

Joseph Alan Seidler (CRD #4281220)
Austin, Texas
(March 25, 2025 – April 16, 2025)
FINRA Arbitration Case #22-00037/ ARB250001/FINRA Case #20250846770

Robert A. Thomas (CRD #2283452)
Bangor, Maine
(March 31, 2025)
FINRA Arbitration Case #23-01153

Robert James Tracy (CRD #1513899)
Atlantic Highlands, New Jersey
(March 10, 2025)
FINRA Arbitration Case #23-02302/ARB240021/FINRA Case #2024083955901

Robert Thomas Wong (CRD #6441718)
New York, New York
(August 20, 2021 – March 14, 2025)
FINRA Arbitration Case #20-03987

PRESS RELEASE:

FINRA Orders Robinhood Financial to Pay $3.75 Million in Restitution to Customers; Fines Robinhood Financial and Robinhood Securities for AML, Supervisory and Disclosure Violations

FINRA has **ordered Robinhood Financial to pay $3.75 million to its customers, and fined Robinhood Financial and Robinhood Securities $26 million** for violating numerous FINRA rules, including failing to respond to red flags of potential misconduct.

"In recent years, the brokerage industry has continued to evolve and develop innovative services and technologies that have allowed millions of new investors to access the markets," said **Bill St. Louis, Executive Vice President and Head of Enforcement at FINRA**. "Today's action reminds FINRA members that compliance with core regulatory obligations remains critical to safeguarding and serving all investors."

FINRA found, among other things, that:

Robinhood Financial provided customers with inaccurate or incomplete disclosures regarding its practice of "collaring" market orders by converting them to limit orders. Robinhood Financial has agreed to pay restitution of $3.75 million to certain customers whose market orders were collared and canceled, and who then re-entered their orders and received executions at an inferior price.

Robinhood Financial and Robinhood Securities failed to establish and implement reasonable AML programs, which caused the firms to fail to detect, investigate or report suspicious activity, including manipulative trading, suspicious money movements and instances where customers' accounts were taken over by third-party hackers. Robinhood Financial also failed to establish a reasonable CIP, which resulted in the firm opening thousands of accounts when it had not reasonably verified the customer's identity.

Robinhood Securities failed to reasonably supervise its clearing technology system, which was used to clear trades for Robinhood Financial. The firm failed to reasonably respond to several red flags of processing delays due to increased demand on the system. Ultimately, the clearing system experienced severe latency in January 2021 due to a surge in trading volume and volatility, which, in turn, impacted Robinhood Securities' clearing operations and its ability to satisfy certain regulatory obligations.

Robinhood Financial failed to reasonably supervise and retain social media communications promoting the firm that were posted by paid social media influencers. Some of these communications included statements that were promissory or not fair and balanced, and thus misleading to investors.

Robinhood Securities failed to comply with numerous aspects of the firm's reporting obligations for blue sheets (securities trading information), FINRA trade reporting facilities and the Consolidated Audit Trail.

FINRA found that in each of these areas, and other areas described in the letter of acceptance, waiver and consent (AWC), Robinhood Financial and Robinhood Securities failed to establish a reasonable supervisory system to comply with FINRA rule obligations, including in some areas failing to reasonably respond to red flags of potential misconduct. Some of the areas addressed in the AWC were self-reported by the firms.

In settling these matters, Robinhood Financial and Robinhood Securities consented to the entry of FINRA's findings, without admitting or denying the charges. The firms also agreed to certify that they remediated the issues identified in the AWC.