

BrokerCheck Report

ODEON CAPITAL GROUP LLC

CRD# 148493

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Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

About BrokerCheck®



BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

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Thank you for using FINRA BrokerCheck.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources.

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)



ODEON CAPITAL GROUP LLC

CRD# 148493

SEC# 8-68033

Main Office Location

750 LEXINGTON AVENUE, 27TH FL.
NEW YORK, NY 10022
Regulated by FINRA New York Office

Mailing Address

750 LEXINGTON AVENUE, 27TH FL.
NEW YORK, NY 10022

Business Telephone Number

212-257-6970

Report Summary for this Firm

This report summary provides an overview of the brokerage firm. Additional information for this firm can be found in the detailed report.

Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Delaware on 09/05/2008.

Its fiscal year ends in December.

Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

Firm Operations

This firm is registered with:

- the SEC
- 2 Self-Regulatory Organizations
- 53 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 15 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm has referral or financial arrangements with other brokers or dealers.

Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	3



Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Delaware on 09/05/2008.

Its fiscal year ends in December.

Firm Names and Locations

This section provides the brokerage firm's full legal name, "Doing Business As" name, business and mailing addresses, telephone number, and any alternate name by which the firm conducts business and where such name is used.

ODEON CAPITAL GROUP LLC

Doing business as ODEON CAPITAL GROUP LLC

CRD# 148493

SEC# 8-68033

Main Office Location

750 LEXINGTON AVENUE, 27TH FL.
NEW YORK, NY 10022

Regulated by FINRA New York Office

Mailing Address

750 LEXINGTON AVENUE, 27TH FL.
NEW YORK, NY 10022

Business Telephone Number

212-257-6970

Other Names of this Firm

Name	Where is it used
ASTERISK CAPITAL LLC	CA, NY, UT
EAS ADVISORS	NY
PBC ADVSIORS LLC	AR, CA, CT, FL, IL, IN, MN, NJ, NY, PA, SC, TX, VA, WI



Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

Direct Owners and Executive Officers

Legal Name & CRD# (if any):	SCHWARTZBERG, EVAN 4577412
Is this a domestic or foreign entity or an individual?	Individual
Position	EXECUTIVE MEMBER, MANAGING DIRECTOR & GENERAL SECURITIES PRINCIPAL
Position Start Date	03/2009
Percentage of Ownership	50% but less than 75%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	VAN ALSTYNE, MATHEW HADLOCK 5616065
Is this a domestic or foreign entity or an individual?	Individual
Position	EXECUTIVE MEMBER, MANAGING DIRECTOR & GENERAL SECURITIES PRINCIPAL
Position Start Date	03/2009
Percentage of Ownership	25% but less than 50%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	DORFMAN, AARON PAUL 6158487
Is this a domestic or foreign entity or an individual?	Individual

Firm Profile



Direct Owners and Executive Officers (continued)

Position FINOP/CFO/PRINCIPAL FINANCIAL OFFICER/PRINCIPAL OPERATIONS OFFICER

Position Start Date 01/2014

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? No

Is this a public reporting company? No

Legal Name & CRD# (if any): TOLLA, CHRISTOPHER J
5516420

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF COMPLIANCE OFFICER/CHIEF INFORMATION OFFICER

Position Start Date 04/2016

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): WOLF, THOMAS MICHAEL
4509850

Is this a domestic or foreign entity or an individual? Individual

Position SVP/ROSFP

Position Start Date 05/2011

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? No

Firm Profile



Direct Owners and Executive Officers (continued)

Is this a public reporting company? No

Firm Profile

This section provides information relating to any indirect owners of the brokerage firm.



Indirect Owners

No information reported.

Firm History

This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.

No information reported.





Firm Operations

Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

This firm is currently registered with the SEC, 2 SROs and 53 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	05/18/2009

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: Yes

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	05/18/2009
Nasdaq Stock Market	Approved	04/07/2010



Firm Operations

Registrations (continued)

U.S. States & Territories	Status	Date Effective	U.S. States & Territories	Status	Date Effective
Alabama	Approved	08/15/2013	North Carolina	Approved	06/19/2014
Alaska	Approved	05/13/2013	North Dakota	Approved	03/13/2014
Arizona	Approved	01/24/2011	Ohio	Approved	09/21/2010
Arkansas	Approved	06/13/2013	Oklahoma	Approved	06/20/2014
California	Approved	06/02/2009	Oregon	Approved	07/15/2014
Colorado	Approved	03/15/2010	Pennsylvania	Approved	07/28/2010
Connecticut	Approved	01/29/2010	Puerto Rico	Approved	04/02/2014
Delaware	Approved	06/04/2013	Rhode Island	Approved	10/03/2013
District of Columbia	Approved	10/25/2010	South Carolina	Approved	11/13/2013
Florida	Approved	01/13/2010	South Dakota	Approved	10/04/2013
Georgia	Approved	05/29/2009	Tennessee	Approved	08/19/2014
Hawaii	Approved	11/01/2011	Texas	Approved	06/01/2009
Idaho	Approved	01/04/2013	Utah	Approved	05/19/2009
Illinois	Approved	08/26/2009	Vermont	Approved	02/28/2014
Indiana	Approved	09/08/2010	Virgin Islands	Approved	08/01/2014
Iowa	Approved	07/30/2013	Virginia	Approved	09/30/2010
Kansas	Approved	07/11/2013	Washington	Approved	05/19/2009
Kentucky	Approved	06/13/2013	West Virginia	Approved	12/19/2013
Louisiana	Approved	11/13/2012	Wisconsin	Approved	07/01/2014
Maine	Approved	05/23/2014	Wyoming	Approved	01/23/2013
Maryland	Approved	10/07/2010			
Massachusetts	Approved	06/08/2009			
Michigan	Approved	08/07/2013			
Minnesota	Approved	05/26/2009			
Mississippi	Approved	09/06/2013			
Missouri	Approved	10/23/2013			
Montana	Approved	01/15/2013			
Nebraska	Approved	06/25/2014			
Nevada	Approved	07/16/2014			
New Hampshire	Approved	10/03/2013			
New Jersey	Approved	08/25/2009			
New Mexico	Approved	09/27/2013			
New York	Approved	05/19/2009			



Firm Operations

Types of Business

This section provides the types of business, including non-securities business, the brokerage firm is engaged in or expects to be engaged in.

This firm currently conducts 15 types of businesses.

Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Underwriter or selling group participant (corporate securities other than mutual funds)
U S. government securities dealer
U S. government securities broker
Municipal securities dealer
Municipal securities broker
Real estate syndicator
Broker or dealer selling oil and gas interests
Put and call broker or dealer or option writer
Broker or dealer selling tax shelters or limited partnerships in primary distributions
Trading securities for own account
Private placements of securities
Broker or dealer selling interests in mortgages or other receivables
Other - INVESTMENT BANKING RELATED SERVICES, EQUITY RESEARCH

Other Types of Business

This firm does effect transactions in commodities, commodity futures, or commodity options.

This firm does not engage in other non-securities business.

Non-Securities Business Description:



Firm Operations

Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

Name: MIRAE ASSET SECURITIES (USA) INC.
CRD #: 30679
Business Address: 810 7TH AVE
 37TH FLOOR
 NEW YORK, NY 10019
Effective Date: 12/06/2023
Description: THE FIRM HAS REFERRAL OR FINANCIAL ARRANGEMENT WITH ITS CLEARING FIRM.

Name: RBC CAPITAL MARKETS, LLC
CRD #: 31194
Business Address: 250 NICOLLET MALL
 MINNEAPOLIS, MN 55401
Effective Date: 03/20/2023
Description: THE FIRM HAS REFERRAL OR FINANCIAL ARRANGEMENT WITH ITS CLEARING FIRM.

Name: HILLTOP SECURITIES INC.
CRD #: 6220
Business Address: 1201 ELM STREET
 SUITE 3500
 DALLAS, TX 75270
Effective Date: 08/08/2019
Description: THE FIRM HAS REFERRAL OR FINANCIAL ARRANGEMENT WITH ITS CLEARING FIRM.

Name: INDUSTRIAL AND COMMERCIAL BANK OF CHINA FINANCIAL SERVICES LLC
CRD #: 131487



Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

Business Address: 1633 BROADWAY
NEW YORK, NY 10019

Effective Date: 12/12/2016

Description: THE FIRM HAS REFERRAL OR FINANCIAL ARRANGEMENT WITH ITS
CLEARING FIRM.

Firm Operations

Industry Arrangements



This firm does have books or records maintained by a third party.

Name: MIRAE ASSET SECURITIES (USA) INC.
CRD #: 30679
Business Address: 810 7TH AVE
 37TH FLOOR
 NEW YORK, NY 10019
Effective Date: 12/06/2023
Description: THE APPLICANT HAS ARRANGED WITH ITS CLEARING FIRM TO MAINTAIN BOOKS AND RECORDS ON ITS BEHALF.

Name: RBC CAPITAL MARKETS, LLC
CRD #: 31194
Business Address: 250 NICOLLET MALL
 MINNEAPOLIS, MN 55401
Effective Date: 03/20/2023
Description: THE APPLICANT HAS ARRANGED WITH ITS CLEARING FIRM TO MAINTAIN BOOKS AND RECORDS ON ITS BEHALF.

Name: HILLTOP SECURITIES INC.
CRD #: 6220
Business Address: 1201 ELM STREET
 SUITE 3500
 DALLAS, TX 75270
Effective Date: 08/08/2019
Description: THE APPLICANT HAS ARRANGED WITH ITS CLEARING FIRM FOR IT TO MAINTAIN BOOKS AND RECORDS ON ITS BEHALF.

Name: INDUSTRIAL AND COMMERCIAL BANK OF CHINA FINANCIAL SERVICES LLC
CRD #: 131487
Business Address: 1633 BROADWAY
 NEW YORK, NY 10019
Effective Date: 12/12/2016
Description: THE APPLICANT HAS ARRANGED WITH ITS CLEARING FIRM FOR IT TO

Firm Operations



Industry Arrangements (continued)

MAINTAIN BOOKS AND RECORDS ON ITS BEHALF.

Name: GLOBAL RELAY

Business Address: 220 CAMBIE ST., 2ND FL.
VANCOUVER, BRITISH COLUMBIA V6B 2M9

Effective Date: 05/17/2009

Description: THE APPLICANT HAS CONTRACTED WITH GLOBAL RELAY FOR IT TO MAINTAIN ITS ELECTRONIC CORRESPONDENCE.

This firm does have accounts, funds, or securities maintained by a third party.

Name: MIRAE ASSET SECURITIES (USA) INC.

CRD #: 30679

Business Address: 810 7TH AVE
37TH FLOOR
NEW YORK, NY 10019

Effective Date: 12/06/2023

Description: THE APPLICANT HAS AN ARRANGEMENT WITH ITS CLEARING FIRM TO MAINTAIN ACCOUNTS, FUNDS, AND SECURITIES ON ITS BEHALF.

Name: RBC CAPITAL MARKETS, LLC

CRD #: 31194

Business Address: 250 NICOLLET MALL
MINNEAPOLIS, MN 55401

Effective Date: 03/20/2023

Description: THE APPLICANT HAS AN ARRANGEMENT WITH ITS CLEARING FIRM FOR IT TO MAINTAIN ACCOUNTS, FUNDS AND SECURITIES ON ITS BEHALF.

Name: HILLTOP SECURITIES INC.

CRD #: 6220

Business Address: 1201 ELM STREET
SUITE 3500
DALLAS, TX 75270

Effective Date: 08/08/2019

Description: THE APPLICANT HAS AN ARRANGEMENT WITH ITS CLEARING FIRM FOR IT TO MAINTAIN ACCOUNTS, FUNDS AND SECURITIES ON ITS BEHALF.

Name: INDUSTRIAL AND COMMERCIAL BANK OF CHINA FINANCIAL SERVICES LLC

Firm Operations



Industry Arrangements (continued)

CRD #: 131487

Business Address: 1633 BROADWAY
NEW YORK, NY 10019

Effective Date: 12/12/2016

Description: THE APPLICANT HAS AN ARRANGEMENT WITH ITS CLEARING FIRM FOR IT TO MAINTAIN ACCOUNTS, FUNDS AND SECURITIES ON ITS BEHALF.

This firm does have customer accounts, funds, or securities maintained by a third party.

Name: MIRAE ASSET SECURITIES (USA) INC.

CRD #: 30679

Business Address: 810 7TH AVE
37TH FLOOR
NEW YORK, NY 10019

Effective Date: 12/06/2023

Description: THE APPLICANT HAS AN ARRANGEMENT WITH ITS CLEARING FIRM FOR IT TO MAINTAIN CUSTOMER ACCOUNTS, FUNDS, AND SECURITIES ON ITS BEHALF.

Name: RBC CAPITAL MARKETS, LLC

CRD #: 31194

Business Address: 250 NICOLLET MALL
MINNEAPOLIS, MN 55401

Effective Date: 03/20/2023

Description: THE APPLICANT HAS AN ARRANGEMENT WITH ITS CLEARING FIRM FOR IT TO MAINTAIN CUSTOMER ACCOUNTS, FUNDS AND SECURITIES ON ITS BEHALF.

Name: HILLTOP SECURITIES INC.

CRD #: 6220

Business Address: 1201 ELM STREET
SUITE 3500
DALLAS, TX 75270

Effective Date: 08/08/2019

Description: THE APPLICANT HAS AN ARRANGEMENT WITH ITS CLEARING FIRM FOR IT TO MAINTAIN CUSTOMER ACCOUNTS, FUNDS AND SECURITIES ON ITS BEHALF.

Name: INDUSTRIAL AND COMMERCIAL BANK OF CHINA FINANCIAL SERVICES

Firm Operations



Industry Arrangements (continued)

LLC

CRD #: 131487

Business Address: 1633 BROADWAY
NEW YORK, NY 10019

Effective Date: 12/12/2016

Description: THE APPLICANT HAS AN ARRANGEMENT WITH ITS CLEARING FIRM FOR IT TO MAINTAIN CUSTOMER ACCOUNTS, FUNDS AND SECURITIES ON ITS BEHALF.

Control Persons/Financing

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.



Firm Operations

Organization Affiliates

This section provides information on control relationships the firm has with other firms in the securities, investment advisory, or banking business.

This firm is, directly or indirectly:

- in control of
 - controlled by
 - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

ODEON CAPITAL ADVISORS LLC is under common control with the firm.

CRD #:	307619
Business Address:	750 LEXINGTON AVE 9TH FLOOR NEW YORK, NY 10065
Effective Date:	01/28/2020
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	EVAN SCHWARTZBERG AND MATHEW VAN ALSTYNE, PRINCIPALS AND CO-FOUNDERS OF ODEON CAPITAL GROUP ARE PRINCIPALS OF NEWLY FORMED ENTITY SDS FAMILY OFFICE, LLC. UPDATED TO REFLECT NAME CHANGE TO ODEON CAPITAL ADVISORS LLC EFFECTIVE 8/8/2022.

This firm is not directly or indirectly, controlled by the following:

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank



Disclosure Events

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	3	0

Disclosure Event Details

What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - A law enforcement agency must file formal charges before a brokerage firm is required to disclose a particular criminal event.
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - Disclosure events for this brokerage firm were reported by the firm and/or regulators. When the firm and a regulator report information for the same event, both versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
 - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" event involves allegations that have not been proven or formally adjudicated.
 - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" event has been concluded and its resolution is not subject to change.
 - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.
5. **You may wish to contact the brokerage firm to obtain further information regarding any of the disclosure events contained in this BrokerCheck report.**

Regulatory - Final

This type of disclosure event involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the U.S. Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of the authority of a brokerage firm or its control affiliate to act as an attorney, accountant or federal contractor.

Disclosure 1 of 3

Reporting Source: Regulator
Current Status: Final



Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO TIMELY REPORT TRADES TO TRACE AND INCORRECTLY REPORTED INTERNAL TRANSFERS TO TRACE AS SECURITIZED PRODUCTS TRANSACTIONS, WHEN THEY WERE NOT REPORTABLE. THE FINDINGS STATED THAT THE FIRM'S LATE REPORTING CONSTITUTED A PATTERN OR PRACTICE OF LATE REPORTING WITHOUT EXCEPTIONAL CIRCUMSTANCES. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO TIMELY REPORT TRADES TO THE MSRB'S RTRS, AND INCORRECTLY REPORTED INTERNAL TRANSFERS TO THE RTRS AS MUNICIPAL SECURITIES TRANSACTIONS, WHEN THEY WERE NOT REPORTABLE. THE FIRM SUBMITTED THE INTERNAL TRANSFERS BECAUSE IT MISTAKENLY BELIEVED THEY WERE REPORTABLE TO THE RTRS. MOST OF THE LATE REPORTS TO TRACE AND RTRS WERE A RESULT OF MANUAL ERRORS AND FAILURES TO SUBMIT AMENDMENTS IN A TIMELY MANNER. THE FINDINGS ALSO INCLUDED THAT THE FIRM'S SUPERVISORY SYSTEM, INCLUDING ITS WSPS FOR TRACE AND MSRB REPORTING, WAS NOT REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE FINRA AND MSRB RULES. THE FIRM'S WSPS DID NOT EXPLAIN HOW SUPERVISORS SHOULD CONDUCT REVIEWS FOR TIMELY REPORTING OR WHEN AND HOW REPORTING ISSUES SHOULD BE ESCALATED. FURTHER, THE FIRM'S WSPS DID NOT EXPLAIN HOW SUPERVISORS SHOULD CONDUCT REVIEWS TO ENSURE THAT THE FIRM'S INTERNAL TRANSFERS WERE NOT REPORTED TO TRACE OR THE RTRS. THE FIRM HAS SINCE UPDATED ITS PROCEDURES TO ADDRESS THESE ISSUES FOR TRACE AND MSRB REPORTING

Initiated By: FINRA

Date Initiated: 10/20/2023

Docket/Case Number: [2016051927501](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: N/A

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/20/2023



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?

No

Sanctions Ordered:

Censure
Monetary/Fine \$100,000.00

Other Sanctions Ordered:

Sanction Details:

THE FIRM WAS CENSURED AND FINED \$100,000.

Reporting Source:

Firm

Current Status:

Final

Allegations:

WITHOUT ADMITTING OR DENYING CERTAIN FINDINGS BY FINRA, THE FIRM CONSENTED TO THE ENTRY OF A LETTER OF ACCEPTANCE, WAIVER AND CONSENT THAT FINDS THAT FROM JULY 2016 THROUGH APRIL 2018 AND FROM AUGUST 2021 THROUGH MARCH 2022, THE FIRM FAILED TO TIMELY REPORT APPROXIMATELY 640 TRADES TO THE TRADE REPORTING AND COMPLIANCE ENGINE (TRACE), AND, FROM FEBRUARY 2017 THROUGH APRIL 2018, INCORRECTLY REPORTED APPROXIMATELY 130 INTERNAL TRANSFERS TO TRACE AS SECURITIZED PRODUCTS TRANSACTIONS, WHEN THEY WERE NOT REPORTABLE. AS A RESULT, THE FIRM VIOLATED FINRA RULES 6730 AND 2010. IN ADDITION, FROM FEBRUARY 2017 THROUGH AUGUST 2019, THE FIRM FAILED TO TIMELY REPORT APPROXIMATELY 225 TRADES TO THE MUNICIPAL SECURITIES RULEMAKING BOARD'S (MSRB) REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS), AND, FROM FEBRUARY 2017 THROUGH MARCH 2021 AND FROM JANUARY 2022 THROUGH AUGUST 2022, INCORRECTLY REPORTED APPROXIMATELY 3,250 INTERNAL TRANSFERS TO THE RTRS AS MUNICIPAL SECURITIES TRANSACTIONS, WHEN THEY WERE NOT REPORTABLE. AS A RESULT, THE FIRM VIOLATED MSRB RULE G-14. FURTHERMORE, FROM JULY 2016 THROUGH JULY 2022, THE FIRM'S SUPERVISORY SYSTEM, INCLUDING ITS WRITTEN SUPERVISORY PROCEDURES (WSPS), WAS NOT REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH TRACE AND MSRB REPORTING RULES. AS A RESULT, THE FIRM VIOLATED FINRA RULES 3110 AND 2010 AND MSRB RULE G-27.

Initiated By:

FINRA

Date Initiated:

10/20/2023

Docket/Case Number:

[2016051927501](#)



Principal Product Type: Other
Other Product Type(s): SECURITIZED PRODUCTS/MUNICIPAL SECURITIES
Principal Sanction(s)/Relief Sought: Other
Other Sanction(s)/Relief Sought: RELIEF SOUGHT
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 10/20/2023
Sanctions Ordered: Censure
 Monetary/Fine \$100,000.00
Other Sanctions Ordered:
Sanction Details: THE FIRM WAS CENSURED AND FINED \$100,000.00

Disclosure 2 of 3

Reporting Source: Regulator
Current Status: Final
Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO REPORT THE CORRECT EXECUTION TIME FOR SECURITIZED PRODUCTS TRANSACTIONS TO THE TRADE REPORTING AND COMPLIANCE ENGINE (TRACE) AND FAILED TO SHOW THE CORRECT TIME OF EXECUTION ON THE MEMORANDUM OF BROKERAGE ORDERS. THE FINDINGS STATED THAT THE FIRM FAILED TO REPORT SECURITIZED PRODUCT TRANSACTIONS TO TRACE WITHIN THE TIME REQUIRED BY FINRA RULE 6730(A).
Initiated By: FINRA
Date Initiated: 11/15/2016
Docket/Case Number: [2015046462601](#)
Principal Product Type: Other
Other Product Type(s): SECURITIZED PRODUCTS
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:



Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/15/2016
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Censure Monetary/Fine \$15,000.00
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS CENSURED AND FINED \$15,000. FINES PAID IN FULL ON 12/7/16.
<hr/>	
Reporting Source:	Firm
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO REPORT THE CORRECT EXECUTION TIME FOR SECURITIZED PRODUCTS TRANSACTIONS TO THE TRADE REPORTING AND COMPLIANCE ENGINE (TRACE) AND FAILED TO SHOW THE CORRECT TIME OF EXECUTION ON THE MEMORANDUM OF BROKERAGE ORDERS. THE FINDINGS STATED THAT THE FIRM FAILED TO REPORT SECURITIZED PRODUCT TRANSACTIONS TO TRACE WITHIN THE TIME REQUIRED BY FINRA RULE 6730(A).
Initiated By:	FINRA
Date Initiated:	11/15/2016
Docket/Case Number:	2015046462601
Principal Product Type:	Other
Other Product Type(s):	SECURITIZED PRODUCTS
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	RELIEF SOUGHT
Resolution:	Acceptance, Waiver & Consent(AWC)



Resolution Date: 11/15/2016

Sanctions Ordered: Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered: NONE

Sanction Details: THE FIRM WAS CENSURED AND FINED \$15,000.00

Disclosure 3 of 3

Reporting Source: Regulator

Current Status: Final

Allegations: SEC EXCHANGE ACT RULE 17A-3, FINRA RULES 2010, 6720, 6730, 6730(A), NASD RULES 3010, 3110: THE FIRM EFFECTED TRANSACTIONS IN SECURITIES THAT WERE ELIGIBLE TO BE REPORTED TO TRACE BUT AT THE TIME OF THE TRANSACTIONS, THE FIRM HAD FAILED TO EXECUTE A TRACE PARTICIPATION AGREEMENT WITH FINRA. AS A RESULT OF THE FIRM'S FAILURE TO EXECUTE A TRACE PARTICIPATION AGREEMENT AND OBTAIN A MARKET PARTICIPANT IDENTIFIER (MPID), THE TRANSACTIONS EFFECTED WERE INCORRECTLY REPORTED TO TRACE USING THE MPID OF THE FIRM'S SUB-CLEARING FIRM. AFTER THE FIRM EXECUTED AND SUBMITTED A TRACE PARTICIPATION AGREEMENT WITH FINRA, THE FIRM FAILED TO TIMELY REPORT TRANSACTIONS IN TRACE WITHIN 15 MINUTES AFTER EXECUTION. THESE LATE TRADE REPORTS CONSTITUTED 21.22% OF THE TOTAL NUMBER OF TRADE REPORTS IN TRACE-ELIGIBLE SECURITIES BY THE FIRM DURING THE REVIEW PERIOD, THEREBY CONSTITUTING A PATTERN OF PRACTICE OF LATE TRANSACTION REPORTING WITHOUT EXCEPTIONAL CIRCUMSTANCES. WITH RESPECT TO THE TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES EFFECTED PRIOR TO THE FIRM SUBMITTING THE TRACE PARTICIPATION AGREEMENT WITH FINRA, THE FIRM'S ORDER MEMORANDA FAILED TO SHOW THE TIMES OF ORDER RECEIPT, ORDER ENTRY AND ORDER EXECUTION. WITH RESPECT TO THE TRANSACTIONS EFFECTED AFTER THE FIRM SUBMITTED THE TRACE PARTICIPATION AGREEMENT WITH FINRA, THE FIRM'S ORDER MEMORANDA FAILED TO SHOW THE TIME OF ORDER EXECUTION. IN ADDITION, THE FIRM'S WRITTEN SUPERVISORY PROCEDURES (WSPS) WERE INADEQUATE WITH RESPECT TO COMPLIANCE WITH TRACE RULES. SPECIFICALLY, THE FIRM'S WSPS FAILED TO IDENTIFY: (I) THE PERSON(S) RESPONSIBLE FOR SUPERVISION WITH RESPECT TO TRACE, (II) THE STEPS TO BE TAKEN TO SUPERVISE COMPLIANCE WITH TRACE RULES, AND (III) HOW SUPERVISION OF TRACE RULES WAS TO BE DOCUMENTED.

Initiated By: FINRA



Date Initiated: 01/05/2011

Docket/Case Number: [2009018780901](#)

Principal Product Type: Other

Other Product Type(s): TRACE-ELIGIBLE SECURITIES

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: N/A

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 01/05/2011

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE IT IS CENSURED AND FINED \$20,000.

Reporting Source: Firm

Current Status: Final

Allegations: SEC EXCHANGE ACT RULE 17A-3, FINRA RULES 2010, 6720, 6730, 6730(A), NASD RULES 3010, 3110: THE FIRM EFFECTED TRANSACTIONS IN SECURITIES THAT WERE ELIGIBLE TO BE REPORTED TO TRACE BUT AT THE TIME OF THE TRANSACTIONS, THE FIRM HAD FAILED TO EXECUTE A TRACE PARTICIPATION AGREEMENT WITH FINRA. AS A RESULT OF THE FIRM'S FAILURE TO EXECUTE A TRACE PARTICIPATION AGREEMENT AND OBTAIN A MARKET PARTICIPANT IDENTIFIER (MPID), THE TRANSACTIONS EFFECTED WERE INCORRECTLY REPORTED TO TRACE USING THE MPID OF THE FIRM'S SUB-CLEARING FIRM. AFTER THE FIRM EXECUTED AND SUBMITTED A TRACE PARTICIPATION AGREEMENT WITH FINRA, THE FIRM FAILED TO TIMELY REPORT TRANSACTIONS IN TRACE WITHIN 15 MINUTES AFTER EXECUTION. THESE LATE TRADE REPORTS CONSTITUTED 21.22%



OF THE TOTAL NUMBER OF TRADE REPORTS IN TRACE-ELIGIBLE SECURITIES BY THE FIRM DURING THE REVIEW PERIOD, THEREBY CONSTITUTING A PATTERN OF PRACTICE OF LATE TRANSACTION REPORTING WITHOUT EXCEPTIONAL CIRCUMSTANCES. WITH RESPECT TO THE TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES EFFECTED PRIOR TO THE FIRM SUBMITTING THE TRACE PARTICIPATION AGREEMENT WITH FINRA, THE FIRM'S ORDER MEMORANDA FAILED TO SHOW THE TIMES OF ORDER RECEIPT, ORDER ENTRY AND ORDER EXECUTION. WITH RESPECT TO THE TRANSACTIONS EFFECTED AFTER THE FIRM SUBMITTED THE TRACE PARTICIPATION AGREEMENT WITH FINRA, THE FIRM'S ORDER MEMORANDA FAILED TO SHOW THE TIME OF ORDER EXECUTION. IN ADDITION, THE FIRM'S WRITTEN SUPERVISORY PROCEDURES (WSPS) WERE INADEQUATE WITH RESPECT TO COMPLIANCE WITH TRACE RULES. SPECIFICALLY, THE FIRM'S WSPS FAILED TO IDENTIFY: (I) THE PERSON(S) RESPONSIBLE FOR SUPERVISION WITH RESPECT TO TRACE, (II) THE STEPS TO BE TAKEN TO SUPERVISE COMPLIANCE WITH TRACE RULES, AND (III) HOW SUPERVISION OF TRACE RULES WAS TO BE DOCUMENTED.

Initiated By: FINRA

Date Initiated: 01/05/2011

Docket/Case Number: [2009018780901](#)

Principal Product Type: Other

Other Product Type(s): TRACE-ELIGIBLE SECURITIES

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: N/A

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 01/05/2011

Sanctions Ordered: Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE IT IS CENSURED AND FINED \$20,000.

End of Report



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