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December 12, 2013

**Via Commercial Courier**

Ms. Elizabeth Murphy  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549-1090

**Re: In the Matter of the Association of Raymond Grenier (CRD # 1404159) with Bolton Securities Corporation (BD # 129376)**

Dear Ms. Murphy:

Effective December 12, 2013, and pursuant to the Securities Exchange Act of 1934 ("SEA" or "Exchange Act") Rule 19h-1(a)(3)(iv)(A)&(B) ("Rule 19h-1"), the Financial Industry Regulatory Authority ("FINRA") hereby gives notification to the United States Securities and Exchange Commission ("SEC" or "the Commission") of the association of Raymond Grenier as an associated person, acting in a non-registered capacity, with Bolton Securities Corporation ("BSC" or "the Firm").<sup>1</sup>

**Grenier's Disqualifying Event**

Grenier's disqualification resulted from an February 21, 2002 SEC Order Instituting Public Proceedings, Making Findings and Imposing Remedial Sanctions ("Order").<sup>2</sup> The Order arose out of the failure of Delta Equity Services Corporation n/k/a<sup>3</sup> Bolton Global Capital ("BGC") and Grenier's failure to reasonably supervise brokers in BGC's offices in Maryland and Ohio with a view towards preventing violations of Sections 5(a), 5(c), and 17(a) of the

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<sup>1</sup>See Membership Continuance Application filed by BSC on behalf of Raymond Grenier, executed on June 20, 2011 (attached as Exhibit 1).

<sup>2</sup>See SEC Order Instituting Public Proceedings, Making Findings and Imposing Remedial Sanctions, *In the Matter of Delta Equity Services, Corporation and Raymond L. Grenier, Jr.* (February 21, 2002) (attached as Exhibit 2).

<sup>3</sup>See BD Amendment for BGC, evidencing the name change from Delta Equity Services Corp. to Bolton Global Capital, dated November 5, 2012 (attached as Exhibit 3).

Securities Act of 1933 and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder.

The brokers, located in BGC's Maryland and Ohio offices, ("the Maryland and Ohio brokers") misappropriated most of the investor funds raised through the fraudulent offer and sale of certain unregistered securities and converted a substantial portion of these funds for their own use and benefit.<sup>4</sup> In addition, one of the brokers used investor funds to make principal and interest payments to other investors who had invested in the unregistered securities at earlier points in time, as well as to investors who had lost money in prior investments promoted by the broker.

Grenier's failure to adequately respond to indications of problems with the Maryland and Ohio brokers, resulted in his failure to reasonably supervise within the meaning of Section 15(b)(4)(E). BGC also failed to reasonably supervise the Maryland and Ohio brokers with a view to preventing and detecting violations of Sections 5(a), 5(c) and 17(a) of the Securities Act and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder. BGC was also found to have failed to establish written supervisory procedures, or a system for implementing such procedures, which were reasonably designed to prevent or detect violations of the federal securities laws, and willfully violated Section 17(a) of the Exchange Act and Rules 17a-3 and 17a-4 thereunder.

As a result of his misconduct, the SEC barred Grenier from association in a supervisory capacity, with a right to reapply after one year and three months, censured him, and fined him \$15,000. The SEC also censured BGC and the firm was fined it \$45,000. BGC was also required to retain an independent consultant to conduct a comprehensive review of its supervisory, compliance, and other policies and procedures. Further, the independent consultant was to recommend, at a minimum, policies and procedures that address each of the deficiencies identified in the Order and an effective system for both implementing such policies and procedures and maintaining records to evidence compliance with the undertaking.

### **Grenier's Proposed Business Activities**

Grenier currently serves as an investment adviser representative of Bolton Global Asset Management ("BGAM").<sup>5</sup> The Firm has represented that Grenier will act in the capacity of Director of Business Development of BSC.<sup>6</sup> He currently oversees recruitment for BGC. Thus, BSC has represented that "From time to time, in recruiting brokers to BGC, he [Grenier] will tell the broker about BSC and the firms are jointly marketed, which Mr.

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<sup>4</sup> See Exhibit 2.

<sup>5</sup> BSC is both a FINRA member broker-dealer and a federally registered investment adviser. BSC represents that it operates its advisory business under the name Bolton Global Asset Management ("BGAM") (f/k/a/ Delta Global Asset Management). See Bates pp. 88 and 89, item #2.3, of Exhibit 1.

<sup>6</sup> See Bates p. 89, item # 2.4 of Exhibit 1

Grenier arranges.<sup>7</sup> Grenier will not receive any direct compensation from BSC in his role as Director of Business Development.<sup>8</sup> Further, the Firm represents that Grenier “holds no management, executive or staff position with and has no active, day-to-day role in BSC.”<sup>9</sup>

The relationship between BSC and BGC is borne out of Grenier being the majority owner of BGC; his wife, Mary, being the beneficial owner of the trust that controls BSC<sup>10</sup>; and Steven Preskenis is a control person of each firm, being the President, Chief Compliance Officer (“CCO”) and General Counsel of BSC and he’s the President, Chief Operations Officer (“COO”) and General Counsel of BGC.<sup>11</sup>

### **Grenier’s Registration and Employment History**

Grenier is the majority owner<sup>12</sup> and Chief Executive Officer of BGC. He was first registered in the securities industry in January 1986 as a General Securities Representative (Series 7).<sup>13</sup> He has also qualified for the following other registrations:

- |   |               |
|---|---------------|
| • Uniform Securities Agent – State Law Exam (Series 63) | April 1986    |
| • General Securities Principal (Series 24)              | May 1991      |
| • Financial & Operations Principal (Series 27)          | May 1991      |
| • Registered Options Principal (Series 4)               | December 1993 |
| • Municipal Securities Principal (Series 53)            | June 1995     |
| • Requalified as a General Securities Principal         | December 1995 |
| • Uniform Combined State Law Exam (Series 66)           | March 2006    |

Grenier has been registered with the following broker-dealers:<sup>14</sup>

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<sup>7</sup>See email from Steve Preskenis to Lorraine Lee, of FINRA, dated November 8, 2012 (attached as Exhibit 4).

<sup>8</sup>Id.

<sup>9</sup>Id.

<sup>10</sup>Bolton Financial Group, Inc. (“BFG”) is the majority owner of BSC, owning 75% or more of the Firm. BSC has represented that shares of BFG are held in trust for the benefit of Mary Grenier, the wife of Raymond Grenier. Philippe Grenier is the trustee of the voting trust and he is the son of Mary and Raymond Grenier. See Exhibit 1, Bates p. 89, item 2.1.

<sup>11</sup>See email from Steve Preskenis to Lorraine Lee of FINRA, dated December 9, 2013; the Direct Owners/Executive Officers of BSC & BGC; and organizational charts for both entities (attached as Exhibit 5).

<sup>12</sup>See Direct Owners/Executive Officers of BGC and the firm’s organizational chart (attached as Exhibit 6).

<sup>13</sup>See Grenier’s Exam Information from the records of the Central Registration Depository (“CRD”) (attached as Exhibit 7).

<sup>14</sup>See Grenier’s U4 Employment History from the records of CRD (attached as Exhibit 8).

- |                                     |                     |
|-------------------------------------|---------------------|
| • BSC <sup>15</sup>                 | 2006 to the present |
| • BGC                               | 05/1991 - Present   |
| • Clary Financial Planning Services | 04/1991 – 11/1991   |
| • Capitol Advisory Corporation      | 05/1986 – 05/1991.  |

#### Previous 19h-1 Filings

On February 19, 2004, NASD (n/k/a FINRA) approved Grenier's association with BGC in a supervisory capacity, pursuant to SEA Rule 19h-1.<sup>16</sup> On October 5, 2004, the SEC concurred with NASD's approval by the issuance of an Order Approving Application for Relief from a Statutory Disqualification, in the matter of Grenier and his association with BGC.<sup>17</sup>

#### FINRA Statutory Disqualification Examinations of Grenier

Since 2005, Grenier and BGC have been subjected to seven statutory disqualification examinations, which were conducted by the FINRA examination staff.<sup>18</sup> No exceptions were found in any of the examinations and all were Filed Without Action ("FWA").

#### Grenier's Additional Regulatory History

On May 25, 1995, Grenier submitted a Letter of Acceptance Waiver and Consent ("AWC") to the National Association of Securities Dealers ("NASD") due to violations of Article III, Sections 1 and 27 of the Rules of Fair Practice.<sup>19</sup> Specifically, BGC, acting through Grenier, failed to establish and enforce written supervisory procedures as well as to establish an adequate supervisory system. Grenier and BGC were jointly and severally fined \$5,000, and

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<sup>15</sup>BSC is a dually registered broker-dealer and a registered investment advisor. Since 2006 Grenier has been registered with BSC's investment advisory army **only**. *See* Grenier's current registrations with BSC, the Registration History Details and the Identifying Information for BGAM (attached as Exhibit 9).

<sup>16</sup>*See* Notice Pursuant to Rule 19h-1, In the Matter of the Association of Raymond L. Grenier, Jr. with Delta Equity Services Corporation (attached as Exhibit 10).

<sup>17</sup>*See* the SEC's Order Approving Application for Relief from a Statutory Disqualification in the Matter of Raymond L. Grenier with Delta Equity Services Corporation (attached as Exhibit 11).

<sup>18</sup>*See* disposition documents from Statutory Disqualification Examinations of Grenier from 2005 – 2012 (attached as Exhibit 12). FINRA's 2013 Statutory Disqualification examination of Grenier has commenced but has not yet been finalized.

<sup>19</sup>*See* CRD Disclosure Occurrence Composite, # 64478 (attached as Exhibit 13).

Grenier was ordered to requalify as a General Securities Principal (Series 24) within 90 days of the filing date of the AWC. Grenier requalified for the Series 24 on December 6, 1995.<sup>20</sup>

#### Customer Complaints Naming Grenier

Grenier has been the subject of five customer complaints. The complaints were filed between 1996 and 2002. The complaints alleged unauthorized trading, suitability, churning, failure to supervise and breach of fiduciary. The majority of the complaints were settled through arbitration and Grenier did not contribute to the settlements.<sup>21</sup>

#### Criminal Matters

In July 2006, the United States District Court, Northern District of Ohio indicted Grenier and BGC ("the defendants") on one count of making false statements to the SEC, in violation of 18 U.S.C. Sections 2 and 1001. This matter was in connection with a *Wells* submission which was related to Grenier's disqualifying event. On July 28, 2006, the defendants' moved to dismiss the indictment as time-barred under the relevant statute of limitations. On September 5, 2006, the Court granted the defendants motion to dismiss.<sup>22</sup> On September 8, 2006, the Government filed a motion for reconsideration, which was opposed by the defendants on September 14, 2006. In an Opinion & Order, dated September 28, 2006, the Court found that the Government failed to present a sufficient basis for it to reconsider its Order granting the defendants' motion to dismiss.<sup>23</sup>

In January 1, 1972, Grenier was charged with a criminal matter.<sup>24</sup> No additional details were reported in CRD. In a response received from BSC, Grenier has represented that the 1972 incident was related to a DUI charge that he received while attending college in Canada.<sup>25</sup>

Aside from his disqualifying event, Grenier has not been the subject of any informal or additional formal proceedings, additional criminal events or additional customer complaints.

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<sup>20</sup>See Exhibit 7.

<sup>21</sup>See Legacy Disclosure Occurrences Details or Composites for the five customer complaints filed against Grenier (all attached as Exhibit 14).

<sup>22</sup>See United States of America vs. Raymond L. Grenier and Delta Equity Services Corp., Case No. 5:06-CR-346, dated September 5, 2006 (attached as Exhibit 15).

<sup>23</sup>See Opinion & Order in the United States of America vs. Raymond L. Grenier and Delta Equity Services Corp., Case No. 5:06-CR-346, dated September 28, 2006 (attached as Exhibit 16).

<sup>24</sup>See CRD Disclosure Occurrence Composite # 64477 (attached as Exhibit 17).

<sup>25</sup>See email communication from Steven Preskenis, of BSC, to Lorraine Lee, of FINRA, dated December 9, 2013 (attached as Exhibit 18).

## **Grenier's Proposed Supervisors**

### *Grenier's Primary Supervisor – Steven Preskenis*

BSC proposes that Steven Preskenis ("Preskenis") will act as Grenier's primary supervisor.<sup>26</sup> Preskenis currently serves as President, CCO and General Counsel of BSC.<sup>27</sup> He is also the President, CCO and General Counsel of BGC.<sup>28</sup>

Preskenis has been registered as a General Securities Principal since February 2007.<sup>29</sup> He received an official waiver for the General Securities Representative registration (Series 7) in September 2006.<sup>30</sup>

Preskenis has been registered with the following broker-dealers:

- |                                 |                   |
|---------------------------------|-------------------|
| • BSC                           | 06/2009 - Present |
| • BGC                           | 09/2008 - Present |
| • Investors Capital Corporation | 08/2000 – 1/2003  |

Preskenis has not been the subject of any informal or formal proceedings, criminal events or customer complaints.

### *Grenier's Interim Supervisor – Martha Moore*

In Preskenis' absence, Martha Moore will act as Grenier's interim supervisor.<sup>31</sup> Moore also works from the Firm's home office and she serves as a General Securities Principal at the Firm.<sup>32</sup>

Moore first qualified for the Uniform Securities Agent – State Law Exam (Series 63) in December 1999. She then qualified as a General Securities Representative (Series 7) in

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<sup>26</sup>See CRD records for Steve Preskenis (attached as Exhibit 19).

<sup>27</sup>See BSC's Organizational Chart (attached as Exhibit 20).

<sup>28</sup>See Preskenis' registrations with BGC and BGC's organizational chart (both attached as Exhibit 21).

<sup>29</sup>See Exhibit 19.

<sup>30</sup>Preskenis has represented that he was granted a waiver based on his credentials and overall experience in the industry. See email communication from Steven Preskenis, of BSC, to Lorraine Lee, of FINRA, dated December 9, 2013 (attached as Exhibit 22).

<sup>31</sup>See email from Steve Preskenis to Lorraine Lee, of FINRA, dated November 20, 2012 (attached as Exhibit 23).

<sup>32</sup>See CRD records for Martha Moore, CRD # 3140567 (attached as Exhibit 24).

February 1999; as a Registered Options Principal (Series 4) in April 2000; and as a General Securities Principal Representative (Series 24) in May 2002.<sup>33</sup>

Moore has been employed with BSC since June 2009. She is also associated with BGC and has been with that entity since February 1996. She is currently registered with BGC as a General Securities Representative, General Securities Principal and a Registered Options Principal.<sup>34</sup>

Moore has not been the subject of any informal or formal proceedings, criminal events or customer complaints.

### **The Firm's Information**

BSC has been a FINRA (f/k/a/ NASD) member since August 2009.<sup>35</sup> The Firm represents that it has one Office of Supervisory Jurisdiction ("OSJ") and two branch offices. BSC also represents that it has 12 employees; 10 of whom are registered principals and 6 registered representatives and 2 foreign associates.

### **Basis for FINRA's Filing of the 19h-1 Notification**

SEA Rule 19h-1(a)(3)(iv)(A)&(B) reads, in part:

A notice need not be filed with the Commission pursuant to this rule if. . .

- iv. The disqualification previously
  - A. was a basis for the institution of an administrative proceeding pursuant to a provision of the federal securities laws, and
  - B. was considered by the Commission in determining a sanction against such person in the proceeding; and the Commission concluded in such proceeding that it would not restrict or limit the future securities activities of such person in the capacity now proposed or, if it imposed any such restrictions or limitations for a specified time period, such time period has elapsed;

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<sup>33</sup>Id.

<sup>34</sup>Id.

<sup>35</sup>See email from Steve Preskenis to Lorraine Lee, of FINRA, dated December 12, 2013 (attached as Exhibit 25).

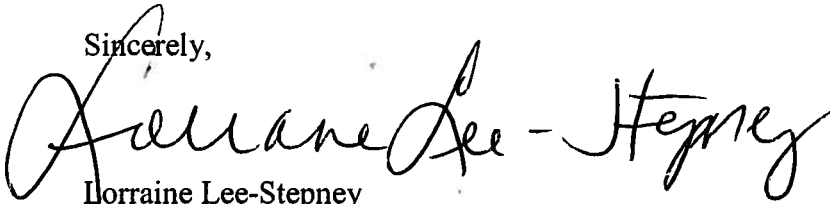
Ms. Elizabeth Murphy  
U.S. Securities and Exchange Commission  
December 12, 2013  
Page 8

This Application meets all applicable conditions of this rule. As previously discussed, Grenier's disqualification was previously the basis for the institution of an administrative proceeding, and this proceeding did not restrict or limit his future securities activities as an associated person, acting in a non-registered capacity. Specifically, Grenier was barred from associating in a supervisory capacity. BSC proposes that he act in a non-registered capacity, with no supervisory duties or responsibilities.<sup>36</sup> Grenier will act in the non-registered capacity as Director of Business Development of BSC.<sup>37</sup> Grenier's primary responsibilities will be recruiting and marketing. He will not hold any management, executive or staff position with BSC or have an active day-to-day role at the Firm.<sup>38</sup> Given that Grenier will not be acting in a supervisory capacity, it is therefore appropriate for FINRA to file this notification pursuant to SEA Rule 19h-1(a)(3)(iv)(A)&(B).

The Firm is not a member of any other self-regulatory organization.

Please direct any questions to the undersigned.

Sincerely,

A handwritten signature in black ink, reading "Lorraine Lee-Stepney". The signature is fluid and cursive, with the first name "Lorraine" being the most prominent part.

Lorraine Lee-Stepney  
Manager, Statutory Disqualification Program  
FINRA

Enclosures

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<sup>36</sup>Grenier is not seeking to act in the same capacity, in which he was approved in his earlier 19h-1 Notice approval, therefore we could not rely upon Rule 19h-1(a)(3)(ii) as the basis of Grenier's proposed association with BSC.

<sup>37</sup>See Bates p. 89 item # 2.4 of Exhibit 1

<sup>38</sup>See Exhibit 4.



Ms. Elizabeth Murphy  
U.S. Securities and Exchange Commission  
December 12, 2013  
Page 9

cc: Steven C. Preskenis, Esq. (Via Commercial Courier)  
President & General Counsel  
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## **List of Exhibits**

1. Membership Continuance Application filed by BSC on behalf of Raymond Grenier, executed on June 20, 2011.
2. SEC Order Instituting Public Proceedings, Making Findings and Imposing Remedial Sanctions, *In the Matter of Delta Equity Services, Corporation and Raymond L. Grenier, Jr.* (February 21, 2002).
3. BD Amendment for BGC, evidencing the name change from Delta Equity Services Corp. to Bolton Global Capital, dated November 5, 2012.
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6. Direct Owners/Executive Officers of BGC and the firm's organizational chart.
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8. Grenier's U4 Employment History from the records of CRD.
9. Grenier's current registrations with BSC, the Registration History Details and the Identifying Information for BGAM.
10. Notice Pursuant to Rule 19h-1, In the Matter of the Association of Raymond L. Grenier, Jr. with Delta Equity Services Corporation.
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