

Disciplinary and Other FINRA Actions

Firms Fined

Virtu Americas LLC fka KCG Americas LLC ([CRD® #149823](#), New York, New York)

February 4, 2020 – A Letter of Acceptance, Waiver and Consent (AWC) was issued in which the firm was censured and fined \$250,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it implemented policies and procedures that failed to reasonably avoid displaying, or engaging in a pattern or practice of displaying, locking or crossing quotations in over-the-counter (OTC) equity securities. The findings stated that the firm did not take into consideration certain technological limitations in its different systems involved in both the sending of OTC link messages and the entering, processing and displaying of orders. Those technological limitations that included a variety of system coding and hardware issues and a reliance on manual processes to implement these policies and procedures caused delays in sending OTC link messages and, in certain instances, caused OTC link messages not to be sent at all. The findings also stated that the firm failed to immediately execute, route or display customer limit orders in OTC equity securities. One of the firm's trading systems was programmed to automatically display orders received from the firm's broker-dealer customers. However, orders that would lock or cross the market would not automatically display but would instead drop into a trader's queue pending manual action. In addition, certain orders that would not lock or cross the market were also excluded from automation based upon risk criteria specified by the firm. The findings also included that the firm reported last sale reports of transactions in National Market System (NMS) equity securities to the FINRA/NASDAQ Trade Reporting Facility (FNTRF) with an incorrect contra capacity code. A coding error in the firm's systems caused principal account type indicator codes, correctly entered by a single firm customer, to result in an incorrect agency capacity code to the FNTRF. The firm took corrective action on this issue. FINRA® found that the firm failed to timely report and accurately report the correct time of execution in transactions in Trade Reporting and Compliance Engine (TRACE®) eligible securities. The firm took corrective action with respect to this issue. FINRA also found that the firm failed to supervise transactions in TRACE-eligible securities to achieve compliance with its reporting obligations under FINRA Rule 6730. Until FINRA inquired about its TRACE reporting, the firm failed to perform any supervisory review for its compliance with TRACE reporting requirements including the timeliness and accuracy of the reporting. ([FINRA Case #2015045441001](#))

BNP Paribas Securities Corp. ([CRD #15794](#), New York, New York)

February 5, 2020 – An AWC was issued in which the firm was censured and fined \$90,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it submitted inaccurate, incomplete, or improperly formatted information to the Order Audit Trail

Reported for April 2020

FINRA has taken disciplinary actions against the following firms and individuals for violations of FINRA rules; federal securities laws, rules and regulations; and the rules of the Municipal Securities Rulemaking Board (MSRB).

System (OATS™). The findings stated that the improperly formatted information failed to contain the Not Held special handling code for an order that originated with a foreign affiliate of the firm. The firm identified a software error that affected only orders received electronically from that foreign affiliate. That software error caused all but one of the firm's failures to report the Not Held special handling code, with the one other instance resulting from human error. The firm learned about the issue through a regulatory inquiry from FINRA, and it subsequently fixed the software error. The findings also stated that the firm failed to make publicly available all information required in order to comply with Rule 606 of Regulation NMS. The firm failed to report the material aspects of its relationship with certain venues to which it routed non-directed orders for execution, including any arrangements for payment for order flow and any profit-sharing relationship. The findings also included that the firm's supervisory system, including its written supervisory procedures (WSPs), were not reasonably designed to achieve compliance with FINRA rules concerning the accuracy of OATS reporting and to achieve compliance with respect to the rules applicable to trading reporting and market-making activity. ([FINRA Case #2015044231302](#))

FIMCO Securities Group, Inc. ([CRD #30343](#), Mequon, Wisconsin)

February 6, 2020 – An AWC was issued in which the firm was censured and fined \$5,000. A lower fine was imposed after considering, among other things, the firm's revenues, financial resources and ability to pay. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to conduct supervisory testing and verification or prepare an annual report documenting the results. The findings stated that the firm failed to prepare annual certifications attesting that it had processes in place to ensure that its supervisory systems and WSPs were reasonably designed to achieve compliance with the laws, rules and regulations governing its business and the activities of its registered representatives. In fact, the firm's chief executive officer completed only one annual certification during a nine-year period; however, that certification was deficient because the firm did not prepare an annual supervisory report for review. ([FINRA Case #2017056627402](#))

Morgan Stanley & Co. LLC ([CRD #8209](#), New York, New York)

February 18, 2020 – An AWC was issued in which the firm was censured and fined \$20,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it permitted individuals who were employed by a foreign affiliate of the firm to effect transactions in a firm proprietary account without requiring the individuals to pass the Series 57 examination and become qualified and registered as Securities Traders. The findings stated that the individuals participated in telephone calls with properly registered employees at the firm's sales trading desk concerning potential trades in emerging market securities and securities related to foreign companies. If the firm effected a trade as a result, the individuals would send the order to a third-party floor broker to execute a transaction in a firm proprietary account. The firm learned about this

issue as a result of FINRA's cycle examination. Later, the firm added pre-trade limits to its order management system to prevent the entry of orders on U.S. exchanges by members of the firm's Brazilian Index Desk at the foreign affiliate. ([FINRA Case #2017053128501](#))

Wedbush Securities Inc. ([CRD #877](#), Los Angeles, California)

February 18, 2020 – An AWC was issued in which the firm was censured and fined \$30,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to transmit Reportable Order Events (ROEs) to OATS due to system issues that arose during its transition between third-party order management systems. The findings stated that due to the same system issues, the firm transmitted ROEs containing inaccurate, incomplete, or improperly formatted data to OATS. ([FINRA Case #2017053704501](#))

ACS Execution Services, LLC ([CRD #17972](#), Red Bank, New Jersey)

February 28, 2020 – 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 reported ROEs to OATS that contained inaccurate, incomplete or improperly formatted data with respect to order events timestamped in milliseconds. The findings stated that the firm failed to establish and maintain a system to supervise the activities of each associated person, as well as WSPs, reasonably designed to achieve compliance with applicable FINRA rules regarding the accuracy of order event timestamps reported to OATS. The firm's supervision of its OATS reporting accuracy included a review of its monthly OATS report cards. OATS' automated daily feedback and monthly report cards, however, do not provide feedback for milliseconds reporting, among other fields. The firm subsequently took corrective action. ([FINRA Case #2018057548201](#))

Individuals Barred

James Adam Paquette ([CRD #2164109](#), Sullivans Island, South Carolina)

January 24, 2020 – The NAC dismissed Paquette's appeal of an OHO decision. Paquette failed to provide the required information and as a result his appeal was considered abandoned, therefore he is barred from association with any FINRA member in all capacities. The sanction was based on findings that Paquette willfully failed to timely update his Form U4 to disclose a felony charge. The findings stated that Paquette's member firm learned of the felony charge when an insurance company informed the firm that it had refused to renew Paquette's appointment as an insurance agent because of the charge. When the firm found out about the charge, Paquette admitted to the firm that he was facing a criminal charge, but did not give further details, such as the fact that the charge was a felony. Paquette's failure to amend his Form U4 continued for more than a year and, most likely, would have continued indefinitely if the insurance company had not informed the firm of the charge. ([FINRA Case #2017054889201](#))

Ana Lucia Chavarriaga ([CRD #4520572](#), Miami, Florida)

February 3, 2020 – An AWC was issued in which Chavarriaga was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Chavarriaga consented to the sanction and to the entry of findings that she backdated documents and drafted false written statements that her member firm provided to FINRA in response to its requests for information. The findings stated that as the firm’s designated supervisor, Chavarriaga was responsible for reviewing and initialing the firm’s TRACE Quality of Markets Report Cards. Chavarriaga signed and backdated report cards and supplied them to the firm, which in turn provided them to FINRA. The backdated report cards gave the false impression to FINRA that Chavarriaga had performed required supervisory reviews. After reviewing the firm’s response to its requests, FINRA noticed inconsistencies between the dates reflected on the firm’s report cards and the dates and activity reflected on FINRA’s TRACE Report Center Usage Log. Chavarriaga admitted that she signed and dated the report cards after receiving FINRA’s letter requesting evidence of supervisory reviews and that she supplied false information in connection with the firm’s response to FINRA’s request. ([FINRA Case #2015046182401](#))

Jeffrey Scott Nimmow ([CRD #2693601](#), Merrimac, Wisconsin)

February 10, 2020 – An AWC was issued in which Nimmow was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Nimmow consented to the sanction and to the entry of findings that he engaged in the sale of promissory notes to investors totaling at least \$3,365,000 without disclosing and receiving approval from his member firm. The findings stated that the promissory notes were for a self-advertised real-estate investment fund and were unregistered securities. The findings also stated that Nimmow was only registered to sell certain categories of securities and did not possess the proper FINRA registration to sell these promissory notes. Nimmow received approximately \$177,937 in commissions for these transactions. Later, the real-estate investment fund filed a voluntary Chapter 11 bankruptcy petition. The Securities and Exchange Commission (SEC) filed a complaint with the U.S. District Court for the Southern District of Florida against the fund and its former owner, among others, claiming that they ran a Ponzi scheme. The U.S. District Court issued a final judgement, requiring the fund and its owner to, among other things, disgorge their ill-gotten gains. The order also required the owner to pay a civil penalty. ([FINRA Case #2018057522001](#))

Ronald Walter Hannes ([CRD #1462241](#), Spokane, Washington)

February 13, 2020 – An AWC was issued in which Hannes was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Hannes consented to the sanction and to the entry of findings that he refused to produce documents and information requested by FINRA during its investigation into allegations that he converted customer funds. The findings stated that Hannes’ member firm terminated his association with it and disclosed that it received notice from a client that funds were paid to Hannes for purchase of a life insurance contract that were not forwarded to the life insurance company. ([FINRA Case #2019064915301](#))

Martin David Batstone ([CRD #2171601](#), Del Mar, California)

February 18, 2020 – An Offer of Settlement was issued in which Batstone was barred from association with any FINRA member in all capacities. Without admitting or denying the allegations, Batstone consented to the sanction and to the entry of findings that he willfully violated Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5(a)-(c) thereunder, and violated FINRA Rule 2020 by transferring \$11,100 in customer funds to his personal bank accounts and using the funds for his personal expenditures. The findings stated that Batstone solicited customers of his member firm to invest a total of \$75,000 in a small limited liability company purporting to provide brand management and product placement services for athletes and entertainers. In soliciting the investments, Batstone informed the customers that their funds would be used by the company for general operating expenses, including marketing and distribution of an energy drink. Batstone's use of the funds for personal expenditures, rather than for the company's business purposes, was material to a reasonable investor's decision to invest in the company. The findings also stated that by using the funds for his personal expenditures rather than for investment purposes, as intended by the customers, Batstone converted and made improper use of the funds. The customers did not authorize Batstone's use of a portion of their funds and he did not return the funds. The findings also included that Batstone never provided written notice, or otherwise informed his firm, of his participation in soliciting investments in the company, which constituted private securities transactions. ([FINRA Case #2019061205201](#))

Paolo Assumpcao Monaco ([CRD #6335521](#), Manchester, New Hampshire)

February 19, 2020 – An AWC was issued in which Monaco was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Monaco consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony or otherwise cooperate with FINRA's investigation into a disclosure reported on a Uniform Termination Notice for Securities Industry Registration (Form U5) submitted by his member firm. The findings stated that the firm submitted the Form U5 terminating Monaco's registration based on concerns about personal trading and related conduct involving a low-priced stock and about disregarding the firm's warnings regarding the same. ([FINRA Case #2018058988801](#))

John Clifford Park ([CRD #5864589](#), Sioux Falls, South Dakota)

February 25, 2020 – An AWC was issued in which Park was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Park consented to the sanction and to the entry of findings that he refused to provide documents and information requested by FINRA in connection with an investigation it began after it received his member firm's Form U5. The findings stated that the Form U5 reported that Park was terminated when an affiliate insurance company terminated his contract after discovering he violated their policies regarding business submission and premium payments. ([FINRA Case #2019064202601](#))

Boris Skorodumov ([CRD #6037563](#), New York, New York)

February 25, 2020 – An AWC was issued in which Skorodumov was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Skorodumov consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony or otherwise cooperate with FINRA’s investigation into Form U5 disclosures made by his member firms. The findings stated that one firm disclosed that Skorodumov was under review for removing confidential information and property, including intellectual property, from the firm. Later, the other firm disclosed that Skorodumov was terminated for cause for policy violations. ([FINRA Case #2019062775401](#))

Joseph Morris Thurnherr ([CRD #5045624](#), Matawan, New Jersey)

February 25, 2020 – An AWC was issued in which Thurnherr was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Thurnherr consented to the sanction and to the entry of findings that he refused to provide documents and information requested by FINRA in connection with an investigation into allegations set forth in a customer-initiated arbitration against him. ([FINRA Case #2019061944201](#))

Individuals Suspended

Peter Douglas Monson ([CRD #2203309](#), Blaine, Minnesota)

February 4, 2020 – An AWC was issued in which Monson was fined \$7,500 and suspended from association with any FINRA member in all capacities for six months. This AWC does not include a restitution component because the beneficiary of the account at issue previously entered into a settlement with Monson and his member firm regarding the conduct described here. Without admitting or denying the findings, Monson consented to the sanctions and to the entry of findings that he engaged in excessive and unsuitable trading in the Individual Retirement Account (IRA) of his customer. The findings stated that Monson actively traded risky, microcap stocks in the customer’s account, even though the account value had declined by more than 60% since its inception and the customer was facing a serious illness. This decline resulted not only from investment losses and commissions charged for trades, but also from more than \$138,000 in withdrawals that the customer used to help finance a family business. The findings also stated that when placing these trades in the customer’s account, Monson regularly exercised discretion without the required authorization from either the customer or the firm for which he worked. Monson also exercised discretion without written authorization when placing trades in the accounts of other customers.

The suspension is in effect from March 2, 2020, through September 1, 2020. ([FINRA Case #2017053162102](#))

John Martin Harman (CRD #4763429, Charleston, South Carolina)

February 5, 2020 – An AWC was issued in which Harman was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for 30 business days. Without admitting or denying the findings, Harman consented to the sanctions and to the entry of findings that he directed customers to sign blank or incomplete distribution request forms for their IRAs which he thereafter completed and submitted for processing. The findings stated that the distributions were sent to the customers, as intended.

The suspension was in effect from February 18, 2020, through March 30, 2020. ([FINRA Case #2019061378001](#))

David Francis Dalton (CRD #60216, Chestnut Hill, Massachusetts)

February 12, 2020 – An AWC was issued in which Dalton was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Dalton consented to the sanctions and to the entry of findings that he exercised discretionary trading authority in customers' accounts without having first obtained written authorization from the customers or his member firm to treat the accounts as discretionary. The findings stated that Dalton made false statements regarding his exercise of discretion in firm annual compliance questionnaires. The findings also stated that Dalton caused the firm to create and maintain inaccurate order memoranda by failing to disclose that he had exercised discretionary trading authority.

The suspension is in effect from February 18, 2020, through May 17, 2020. ([FINRA Case #2020065196802](#))

David Gray Dalton (CRD #2418235, Chestnut Hill, Massachusetts)

February 12, 2020 – An AWC was issued in which Dalton was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Dalton consented to the sanctions and to the entry of findings that he exercised discretionary trading authority in customers' accounts without having first obtained written authorization from the customers or his member firm to treat the accounts as discretionary. The findings stated that Dalton made false statements regarding his exercise of discretion in firm annual compliance questionnaires. The findings also stated that Dalton caused the firm to create and maintain inaccurate order memoranda by failing to disclose that he had exercised discretionary trading authority.

The suspension is in effect from February 18, 2020, through May 17, 2020. ([FINRA Case #2020065196801](#))

Angela Marie Chatfield (CRD #6597761, Phoenix, Arizona)

February 14, 2020 – An AWC was issued in which Chatfield was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for three months. Without admitting or denying the findings, Chatfield consented to the sanctions and to the entry of findings that she engaged in three outside business activities through which she provided accounting and bookkeeping services and acted as office manager and trustee without providing prior written notice to her member firm. The findings stated that Chatfield received compensation for participating in these activities.

The suspension is in effect from February 18, 2020, through May 17, 2020. ([FINRA Case #2018059598101](#))

Thomas M. Murphy (CRD #5654189, Jersey City, New Jersey)

February 18, 2020 – An AWC was issued in which Murphy was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for four months. Without admitting or denying the findings, Murphy consented to the sanctions and to the entry of findings that he executed subscription agreements as an authorized signatory for his member firm, without its authorization, to help clients of the firm's self-directed brokerage business invest in third-party private real estate funds. The findings stated that Murphy executed some of the subscription agreements after his firm instructed him to cease any involvement with the third-party fund manager. Murphy did not receive any compensation from the third-party fund manager for his actions. Murphy's conduct created confusion over the firm's role in the investments and whether the transfers from the clients' IRAs to the private funds would be treated as qualified distributions.

The suspension is in effect from February 18, 2020, through June 17, 2020. ([FINRA Case #2018058148801](#))

Pedro Perez-Riu (CRD #2947699, New York, New York)

February 24, 2020 – An AWC was issued in which Perez-Riu was fined \$5,000 and suspended from association with any FINRA member in all capacities for 10 business days. Without admitting or denying the findings, Perez-Riu consented to the sanctions and to the entry of findings that he caused traders under his supervision at his member firm to execute non-bona fide fixed income transactions. The findings stated that Perez-Riu personally executed some of the non-bona fide transactions. In each instance, Perez-Riu, or his traders, bought or sold fixed income securities from or to another broker-dealer as the counterparty and then, during the same day, sold or bought the same bonds to or from the same counterparty. The other broker-dealer understood that Perez-Riu's firm would sell or buy back the bonds. Perez-Riu made no attempt to conceal these trades and he did not directly profit from engaging in the transaction pairs. The transaction pairs were reported to TRACE.

The suspension was in effect from March 2, 2020, through March 13, 2020. ([FINRA Case #2014041254101](#))

Terrence Edward Bonk ([CRD #1011846](#), Mendota Heights, Minnesota)

February 25, 2020 – An AWC was issued in which Bonk was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for nine months. Without admitting or denying the findings, Bonk consented to the sanctions and to the entry of findings that he borrowed \$8,000 from a customer of his member firm without notifying or obtaining prior written approval from the firm. The findings stated that after the customer demanded repayment of the loan in a message sent to Bonk's firm email address, Bonk requested that the customer send another email stating that the loan was made to Bonk's brother and not to Bonk directly, which the customer did. After his supervisor discovered the emails, Bonk made false statements to the firm and his supervisor in order to conceal the loan.

The suspension is in effect from March 2, 2020, through December 1, 2020. ([FINRA Case #2019063735801](#))

Paul Anthony Falcon ([CRD #2464566](#), Fort Lauderdale, Florida)

February 25, 2020 – An AWC was issued in which Falcon was fined \$5,000 and suspended from association with any FINRA member in all capacities for 30 days. Without admitting or denying the findings, Falcon consented to the sanctions and to the entry of findings that he used an unapproved third-party communication application to conduct securities-related business with customers of his member firm. The findings stated that the firm was not able to capture the communications Falcon sent and received through the application so that it could maintain and preserve them. Falcon continued to use the application for business-related communications after signing a firm policy acknowledgement confirming that he would only use communication devices the firm issued and approved.

The suspension was in effect from March 16, 2020, through April 14, 2020. ([FINRA Case #2018059746001](#))

Kenton Christopher Crabb ([CRD #2397338](#), Mooresville, North Carolina)

February 28, 2020 – An AWC was issued in which Crabb was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for six months. Without admitting or denying the findings, Crabb consented to the sanctions and to the entry of findings that he willfully failed to amend or timely amend his Uniform Application for Securities Industry Registration or Transfer forms (Form U4) to disclose federal and state tax liens totaling nearly \$1.7 million. The findings stated that Crabb disclosed a federal lien approximately seven years after learning of its existence, a federal lien and three state liens approximately two years after learning of their existence, and two federal liens approximately one year after learning of their existence. For three federal liens and one state lien, totaling more than \$1.1 million, Crabb failed to make any disclosures at all. With respect to three of the liens that he untimely disclosed, Crabb represented on his Form U4 that the liens were satisfied when they were not. The findings also stated that

Crabb falsely attested on his member firm's annual compliance questionnaires that he did not have any unsatisfied judgments or liens.

The suspension is in effect from March 2, 2020, through September 1, 2020. ([FINRA Case #2018059489001](#))

Matthew Duane Sibley (CRD #3102207, Park City, Utah)

February 28, 2020 – An AWC was issued in which Sibley was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for six months. Without admitting or denying the findings, Sibley consented to the sanctions and to the entry of findings that he negligently misrepresented his member firm's ability to deliver corporate bonds that were not owned by the firm and that it ultimately failed to deliver to the buyer. The findings stated that without any indication that a customer was interested in selling certain corporate bonds, Sibley began to negotiate the sale of the bonds with a registered representative at another firm. Sibley erroneously believed that the other representative was aware that the trade was still contingent on the firm's ability to acquire the bonds from the customer. Relying on Sibley's messages and a trade confirmation, the other representative reasonably believed that any contingency had been resolved and that the firm had acquired the bonds or had the ability to acquire them. Sibley had no reasonable basis for believing that his firm would be able to acquire the bonds since the customer had not responded to his inquiry as to whether he wanted to sell the bonds. Sibley negligently misrepresented to the other representative's firm that the trade was confirmed. Sibley's firm failed to deliver the bonds to the other firm. The other firm canceled the trade in TRACE and closed out the trade with another customer at a loss. As a result, the other firm suffered a loss of \$489,000.

The suspension is in effect from March 2, 2020, through September 1, 2020. ([FINRA Case #2016049955301](#))

Jody Ethan Thompson (CRD #2391190, Seaford, New York)

February 28, 2020 – An AWC was issued in which Thompson was suspended from association with any FINRA member in all capacities for five months. In light of Thompson's financial status, no monetary sanction has been imposed. Without admitting or denying the findings, Thompson consented to the sanction and to the entry of findings that he recommended several non-public offerings without having a reasonable basis to believe those transactions were suitable. The findings stated that due to Thompson's failure to conduct reasonable diligence, there were risks and costs of the investments that he did not understand. The findings also stated that Thompson exercised discretion in a customer's accounts without prior written authorization from the customer and without seeking or obtaining written authorization from his member firm.

The suspension is in effect from March 2, 2020, through August 1, 2020. ([FINRA Case #2017055815301](#))

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 February 29, 2020. 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.

Robert Juan Escobio ([CRD #703813](#), Coral Gables, Florida)

February 29, 2020 – Escobio appealed an OHO decision to the NAC. Escobio was barred from association with any FINRA member in all capacities. The sanction was based on findings that Escobio failed to comply with FINRA’s requests for documents and information and to appear for on-the-record testimony in connection with FINRA’s investigation into whether he continued to associate with a member firm while statutorily disqualified and following the denial by the NAC of an MC-400 application submitted by the firm.

The sanction is not in effect pending review. ([FINRA Case #2018059545201](#))

Complaint Filed

FINRA issued the following complaint. 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 this complaint is unadjudicated, you may wish to contact the respondent before drawing any conclusions regarding these allegations in the complaint.

Gustavo Alberto Trujillo Franco ([CRD #6793684](#), Guayaquil, Ecuador)

February 26, 2020 – Trujillo Franco was named a respondent in a FINRA complaint alleging that he failed to appear for on-the-record testimony requested by FINRA. The complaint alleges that FINRA began a cause examination of a certain broker-dealer with which Trujillo Franco had dealings. That examination addressed, among other subjects, the broker-dealer’s allegedly fraudulent wire transfers of customer funds to a certain shell company that Trujillo Franco was affiliated with, and the broker-dealer’s dealings with investment advisors that Trujillo Franco was affiliated with that allegedly falsified customer documents and engaged in suspicious trading activity. ([FINRA Case #2019064884501](#))

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

Clinger & Co., Inc. (CRD #1471)
Houston, Texas
(February 14, 2020)

Financial West Investment Group, Inc. (CRD #16668)
Reno, Nevada
(February 13, 2020)

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

Financial West Investment Group, Inc. (CRD #16668)
Reno, Nevada
(February 4, 2020)

Portfolio Advisors Alliance, LLC (CRD #101680)
New York, New York
(February 11, 2020)

Woodstock Financial Group, Inc. (CRD #38095)
Woodstock, Georgia
(February 11, 2020)

Individuals Barred for Failure to Provide Information or Keep Information Current Pursuant to FINRA Rule 9552(h) (If the bar has been vacated, the date follows the bar date.)

Joseph Charles Berghausen (CRD #6745156)
Louisville, Kentucky
(February 18, 2020)
FINRA Case #2019063801901

Stephanie Eileen Dannenberg (CRD #6961742)
Southern Pines, North Carolina
(February 3, 2020)
FINRA Case #2019062555901

Gregory Morgan (CRD #2671881)
Dacula, Georgia
(February 7, 2020)
FINRA Case #2019063655001

Wesley Ethan Rayner (CRD #6155709)
Bayville, New Jersey
(February 3, 2020)
FINRA Case #2019062439601

David Aaron Rockwell (CRD #4236377)
Fort Myers, Florida
(February 25, 2020)
FINRA Case #2019062440602

Paul Andrew Ross (CRD #4724551)
Canton, Michigan
(February 11, 2020)
FINRA Case #2019063719401

Mark Schneck (CRD #5502269)
Budd Lake, New Jersey
(February 10, 2020)
FINRA Case #2019063369901

Cynthia Carter Turner (CRD #6678735)
 Largo, Florida
 (February 3, 2020)
 FINRA Case #2019063795901

Dennis Willard Taylor (CRD #1563266)
 Marietta, Georgia
 (February 4, 2020)
 FINRA Case #2018056303901

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.)

Timothy A. Crowley (CRD #5712791)
 Chicago, Illinois
 (February 6, 2020)
 FINRA Case #2018059605401

David Del Rio (CRD #4771963)
 Lehigh Acres, Florida
 (February 24, 2020)
 FINRA Case #2018059884901

Christian Murray Evans (CRD #6325180)
 Dallas, Texas
 (February 20, 2020)
 FINRA Case #2019064102501

Mary Beth Frassetto (CRD #5447585)
 Kimberly, Wisconsin
 (February 24, 2020)
 FINRA Case #2019064223301

Jennifer Lee Holmes (CRD #4107090)
 Culpeper, Virginia
 (February 7, 2020)
 FINRA Case #2019064234201

Yee Yee Htwe (CRD #6437691)
 Mountain View, California
 (February 10, 2020)
 FINRA Case #2019061056802

Randy Leon Jackson (CRD #6505262)
 McDonough, Georgia
 (February 18, 2020)
 FINRA Case #2019062824001

Scott Jordan Levine (CRD #4401053)
 Centerport, New York
 (February 3, 2020)
 FINRA Case #2019061938601

Megan E. McAlinden (CRD #6592358)
 Chicago, Illinois
 (January 16, 2020 – February 20, 2020)
 FINRA Case #2019063881501

Hiep Quoc Nguyen (CRD #6870011)
 Quincy, Massachusetts
 (December 2, 2019 – February 11, 2020)
 FINRA Case #2019063697101

Grizelle Elizabeth Perez (CRD #2890759)
 Houston, Texas
 (February 18, 2020)
 FINRA Case #2019064437801

Michael Edward Spyрка (CRD #1801729)
 Montclair, New Jersey
 (November 29, 2019 – February 11, 2020)
 FINRA Case #2019062733201

Jason Andrew Wilk (CRD #6072438)
 Staten Island, New York
 (November 25, 2019 – February 21, 2020)
 FINRA Case #2019062413201

John Charles Wyshak (CRD #1272260)
 Calabasas, California
 (February 3, 2020)
 FINRA Case #2018057445601

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.)

Neal David Carlson (CRD #4985231)
Houston, Texas
(February 18, 2020)
FINRA Arbitration Case #17-00611

Michael Barry Carter (CRD #3232017)
Knoxville, Tennessee
(February 28, 2020)
FINRA Arbitration Case #19-02732

John Dewey Church (CRD #5186495)
Rochester, Minnesota
(February 25, 2020)
FINRA Arbitration Case #19-02840

Gregory Dennis Clark (CRD #3022625)
Biscayne Park, Florida
(February 25, 2020)
FINRA Arbitration Case #18-04011

Avelino Cortina III (CRD #1723403)
La Jolla, California
(August 3, 2017 – February 13, 2020)
FINRA Arbitration Case #12-00068

William Roy Despard (CRD #66249)
Fort Collins, Colorado
(February 10, 2020)
FINRA Arbitration Case #18-02508

Michael Nicholas Guilfoyle (CRD #5119593)
Ocala, Florida
(February 24, 2020)
FINRA Arbitration Case #19-01881

Kenneth Scott Klaiman (CRD #2205801)
Marblehead, Massachusetts
(February 10, 2020)
FINRA Arbitration Case #19-01223

Paul Gary Liebman (CRD #2205116)
Commack, New York
(February 7, 2020)
FINRA Arbitration Case #19-01407

Adam Omar Morsi (CRD #5891841)
Matawan, New Jersey
(February 24, 2020)
FINRA Arbitration Case #19-01881

Gary Warren Orcutt (CRD #1026934)
Fergus Falls, Minnesota
(February 18, 2020)
FINRA Arbitration Case #19-01621

Vernon David Sears Jr. (CRD #5783551)
San Antonio, Texas
(February 19, 2020)
FINRA Arbitration Case #19-02219

Damion Lenell Smith (CRD #2742796)
Long Beach, California
(February 10, 2020)
FINRA Arbitration Case #19-01315

Walter Lee Sweatt II (CRD #5185453)
White Bear Lake, Minnesota
(February 18, 2020 – March 25, 2020)
FINRA Arbitration Case #19-02189