

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

MOMENTIX CAPITAL, INC.  
(CRD No. 20130),

Respondent.

Expedited Proceeding  
No. DFC250001

RCM No. 20250879941

Hearing Officer—MJD

**EXPEDITED DECISION**

February 3, 2026

**For failing to pay FINRA dues, fees, and other charges, Respondent's FINRA membership is cancelled.**

*Appearances*

For the Complainant: Christen Sproule, Esq., and John R. Baraniak, Jr., Esq., Department of Enforcement, Financial Industry Regulatory Authority

For the Respondent: Thomas J. McCabe, Esq., The McCabe Law Firm PC

**DECISION**

**I. Introduction**

Respondent Momentix Capital, Inc., (“Momentix” or the “Firm”) filed a Uniform Request for Broker-Dealer Withdrawal (Form BDW) on September 26, 2025. Instead of approving the withdrawal, FINRA sent Momentix a Notice of Cancellation of Membership in Connection with Unpaid Dues, Fees and Other Charges (“Cancellation Notice”) pursuant to FINRA Rule 9553 because the Firm owed FINRA unpaid arbitration fees and fines. Momentix stayed the effectiveness of the Cancellation Notice by requesting a hearing before FINRA’s Office of Hearing Officers (“OHO”).

I held a hearing on December 22, 2025. FINRA’s Department of Enforcement and Momentix stipulated that the Firm owed FINRA \$52,180.43. Momentix presented no defense. I therefore cancel Momentix’s FINRA membership. The cancellation of Momentix’s membership shall not become effective until the time for filing an application for review with the Securities and Exchange Commission has expired and no such application is filed or, if an application for review is timely filed, until the Securities and Exchange Commission completes its review under Section 19 of the Securities Exchange Act of 1934.

## II. Findings of Fact and Conclusions of Law

### A. Momentix's Background and Jurisdiction

Momentix has been a FINRA member since 1987.<sup>1</sup> Although it requested termination of its membership with the filing of Form BDW, that request is pending and Momentix remains subject to FINRA's jurisdiction.<sup>2</sup>

### B. Findings of Fact

On September 26, 2025, Momentix filed a Form BDW requesting withdrawal of its FINRA registration.<sup>3</sup> On October 14, 2025, FINRA sent the Firm a Cancellation Notice, pursuant to FINRA Rule 9553, because the Firm had not paid FINRA outstanding arbitration fees and the remaining portion of a fine it had agreed to pay in installments.<sup>4</sup>

The Cancellation Notice cited Article IV, Section 5 of FINRA's By-Laws, which requires that all indebtedness due to FINRA be paid in full before FINRA deems a termination of membership effective.<sup>5</sup> According to the Cancellation Notice, Momentix at the time owed FINRA \$61,096.10, consisting of \$39,592.43 in Dispute Resolution Services fees and fines of \$21,503.67.<sup>6</sup> It informed the Firm that if it did not submit payment in full, its membership would be cancelled on November 4, 2025.<sup>7</sup>

The Cancellation Notice also explained that Momentix could request a hearing with OHO before the effective date of cancellation.<sup>8</sup> The hearing request had to "set forth with specificity any and all defenses" to the Rule 9553 action.<sup>9</sup> On October 21, 2025, the Firm timely filed a

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<sup>1</sup> Amended Stipulations ("Stip.") (Dec. 22, 2025) ¶¶ 1-2.

<sup>2</sup> See Art. IV, Sec. 5 of FINRA's By-Laws, which provides, "Membership in the Corporation may be voluntarily terminated only by formal resignation. Resignations of members must be filed via electronic process or such other process as the Corporation may prescribe and addressed to the Corporation. Any member may resign from the Corporation at any time. Such resignation shall not take effect until 30 days after receipt thereof by the Corporation and until all indebtedness due the Corporation from such member shall have been paid in full and so long as any complaint or action is pending against the member under the Rules of the Corporation. The Corporation, however, may in its discretion declare a resignation effective at any time."

<sup>3</sup> Joint Exhibit ("JX-") 1; JX-6, at 1; Stip. ¶ 3.

<sup>4</sup> JX-2; JX-3; JX-7; JX-8; Stip. ¶ 4.

<sup>5</sup> JX-2, at 1; Art. IV, Sec. 5 of FINRA's By-Laws.

<sup>6</sup> JX-2, at 1; Stip. ¶ 4. See also JX-4, which is FINRA staff's calculations of the total amount Momentix owed at the time FINRA sent the Cancellation Notice.

<sup>7</sup> JX-2, at 2; Stip. ¶ 4.

<sup>8</sup> JX-2, at 2.

<sup>9</sup> JX-2, at 2. See also FINRA Rule 9553(e).

hearing request with OHO.<sup>10</sup> The hearing request stayed the imposition of the Cancellation Notice.<sup>11</sup>

Momentix does not dispute that it is indebted to FINRA, and accordingly did not assert any defenses to the Cancellation Notice. Indeed, at the hearing, it stipulated to the amount it owed FINRA.<sup>12</sup> The Firm's written request for a hearing stated only that it had filed a Form BDW and "would like to set up a payment plan," without specifying any defenses.<sup>13</sup>

On October 22, 2025, I issued a Notice of Hearing and Case Management and Scheduling Order scheduling the hearing for November 20, 2025. Although Momentix's hearing request failed to specify its defense as required by Rule 9553(e), OHO afforded the Firm an opportunity to present a defense.

On November 3, 2025, I held a pre-hearing conference with the parties. Counsel for the Firm explained that Momentix had requested a hearing because it was trying to wind down its affairs "in an orderly fashion" in order to resolve its financial obligations to multiple creditors and was engaged in the process of moving its remaining customer accounts to other broker-dealers.<sup>14</sup> The Firm wished to avoid being shut down so that its customers would not be left "in limbo."<sup>15</sup> Counsel anticipated that it would take another month to move approximately 50 customer accounts out of the Firm, during which time it would still generate some income.<sup>16</sup> Counsel asked for additional time to resolve these issues, wind down the Firm's business in an orderly manner, and attempt to reach an installment payment plan with FINRA.<sup>17</sup>

On November 12, 2025, I held a second pre-hearing conference with the parties. Momentix's counsel reiterated that the Firm was focused on moving its customers' accounts and remaining registered representatives to new firms because it could not sustain its operations and therefore was "looking to go out of business."<sup>18</sup> Later on November 12, the parties filed stipulations and their joint exhibit list.<sup>19</sup> Enforcement also filed its list of potential witnesses.

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<sup>10</sup> Momentix Request for Hearing.

<sup>11</sup> FINRA Rule 9553(d).

<sup>12</sup> The Cancellation Notice said the Firm owed \$61,096.10. By the time of the hearing, the parties stipulated that the Firm owes FINRA \$52,180.43. Stip. ¶ 7.

<sup>13</sup> Momentix Request for Hearing. Momentix acknowledged that it was properly served with the Cancellation Notice, which it received on October 16, 2025. Stip. ¶¶ 5-6.

<sup>14</sup> Transcript of Pre-Hearing Conference (Nov. 3, 2025) 6.

<sup>15</sup> Transcript of Pre-Hearing Conference (Nov. 3, 2025) 6, 10.

<sup>16</sup> Transcript of Pre-Hearing Conference (Nov. 3, 2025) 10, 13.

<sup>17</sup> Transcript of Pre-Hearing Conference (Nov. 3, 2025) 15, 20.

<sup>18</sup> Transcript of Pre-Hearing Conference (Nov. 12, 2025) 5-6.

<sup>19</sup> The parties later filed amended stipulations and an amended joint exhibit list.

On November 14, 2025, I issued an order continuing the hearing from November 20 to December 22, 2025.<sup>20</sup> Pursuant to Rule 9559(d)(6), I found that good cause existed for a reasonable continuance because of the potential risks posed to the Firm's customers by cancelling Momentix's registration before it was able to transfer their accounts. The one-month continuance gave Momentix additional time to complete the transfer of all customer accounts.<sup>21</sup>

### **C. Enforcement Established that Momentix Was Indebted to FINRA**

I held a hearing on December 22, 2025. In anticipation of the hearing, the parties filed amended joint stipulations and 20 joint exhibits (JX-1 through JX-20), all of which I admitted into evidence. At the hearing, neither party called any witnesses and Momentix did not seek to admit any exhibits of its own in addition to the parties' joint exhibits.<sup>22</sup>

By reviewing on the record the facts set forth in the stipulations and demonstrating the relevance of the parties' joint exhibits,<sup>23</sup> counsel for Enforcement established the predicate for the Cancellation Notice and a sufficient factual record on which I am able to decide the case. Enforcement proved that, as the parties had stipulated, as of December 19, 2025, Momentix owed FINRA \$52,180.43, consisting of \$52,062.43 in Dispute Resolution Services arbitration fees and \$118 in fees owed for Central Registration Depository services.<sup>24</sup> The Firm further stipulated that it had not entered into a fully executed settlement agreement with FINRA or filed a bankruptcy petition.<sup>25</sup>

I therefore find that Momentix has failed to pay FINRA dues, fees, and other charges totaling \$52,180.43.

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<sup>20</sup> FINRA Rule 9559(f)(4) provides that in a case brought under FINRA Rule 9553 a hearing should be held within 30 days after a respondent files a request for a hearing. Because Momentix filed its hearing request on October 21, 2025, a hearing would ordinarily have taken place by November 20, 2025.

<sup>21</sup> Order Continuing Hearing Date (Nov. 14, 2025), at 1. On December 16, 2025, I held a third pre-hearing conference. Momentix's counsel informed me that the Firm had transferred custody of all the remaining customer accounts to a clearing firm and that the Securities and Exchange Commission had recently terminated the Firm's broker-dealer registration. Transcript of Pre-Hearing Conference (Dec. 16, 2025) 4-5. The Firm's successful transfer of its customers' accounts removed the need to delay the hearing beyond December 22, 2025.

<sup>22</sup> Hearing Transcript ("Tr.") 5-6.

<sup>23</sup> Tr. 9-12.

<sup>24</sup> Stip. ¶ 7; JX-18. Three days before the hearing, on December 19, 2025, Momentix wired FINRA \$21,801.84 to pay off the remaining balance of a \$75,000 fine imposed pursuant to a September 2023 Letter of Acceptance, Waiver and Consent that the Firm contracted to pay under an installment payment plan. In an email the same day, counsel for Momentix informed FINRA that it would not pay outstanding Dispute Resolution Services arbitration fees. JX-7; JX-8; JX-20. In addition to the stipulations, the amounts Momentix owed to FINRA are supported by ten Dispute Resolution Services invoices FINRA staff sent the Firm during 2025 for the costs of arbitration proceedings. See Tr. 13; JX-9 through JX-17 and JX-19.

<sup>25</sup> Stip. ¶ 8.

### III. Sanctions

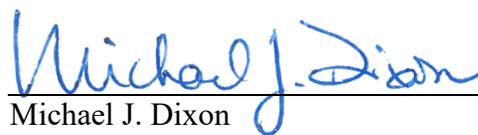
In determining the appropriate sanction,<sup>26</sup> I considered the importance of a firm's obligation to pay dues, fees, and other charges owed to FINRA. I also considered that Momentix has filed a Form BDW, demonstrating that it no longer intends to operate as a FINRA member, and that its counsel represented in three pre-hearing conferences that the Firm sought an orderly end to its business. Counsel also has told FINRA that the Firm does not intend to pay the remaining outstanding debt owed to FINRA. Cancelling Momentix's membership encourages other member firms to pay their dues, fees, and other charges, "which furthers the stability of FINRA and protection of the public interest."<sup>27</sup>

Accordingly, I find it appropriate to cancel Momentix's FINRA membership.

### IV. Order

The FINRA membership of Respondent Momentix Capital, Inc., is cancelled. The cancellation of Momentix's membership shall not become effective until the time for filing an application for review with the Securities and Exchange Commission has expired and no such application is filed or, if an application for review is timely filed, until the Securities and Exchange Commission completes its review under Section 19 of the Securities Exchange Act of 1934.

Momentix is also **ORDERED** to pay costs of \$1,352, which includes \$602 for the hearing transcript plus a \$750 administrative fee. The costs are due and payable upon the issuance of this decision.<sup>28</sup>

  
Michael J. Dixon  
Hearing Officer

Copies to:

Momentix Capital, Inc., c/o Glenn Visco, Chief Compliance Officer (via overnight courier and first-class mail)  
Thomas J. McCabe, Esq., Counsel for Momentix Capital, Inc. (via email)  
Christen Sproule, Esq., FINRA Enforcement (via email)  
Michael P. Manning, Esq., FINRA Enforcement (via email)

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<sup>26</sup> FINRA Rule 9559(n)(1) provides that a hearing officer "may approve, modify or withdraw any and all sanctions, requirements, restrictions or limitations imposed by the notice and, pursuant to Rule 8310(a), may also impose any other fitting sanction."

<sup>27</sup> *Dep't of Enforcement v. Arque Cap., Ltd.*, No. DFC230002, 2023 NASDR OHO LEXIS 1, at \*23 (OHO Dec. 1, 2023) (finding it appropriate to cancel the FINRA membership of respondent firm that had not paid outstanding dues, fees, and other charges in an expedited proceeding brought under FINRA Rule 9553).

<sup>28</sup> I considered and rejected without discussion all other arguments by the parties.