Disciplinary and Other FINRA Actions

Reported for September 2026

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).

Search for FINRA Disciplinary Actions
All formal disciplinary actions are made available through a publicly accessible online search tool called FINRA Disciplinary Actions Online shortly after they are finalized.

Visit **www.finra.org/disciplinaryactions** to search for cases using key words or phrases, specified date ranges or other criteria.

Firms Fined, Individuals Sanctioned

Centaurus Financial, Inc. (CRD #30833, Anaheim, California) and Patrick Michael Carroll (CRD #2676119, Cadillac, Michigan)
July 15, 2026 – A Letter of Acceptance, Waiver and Consent (AWC) was issued in which the firm was censured, fined $475,000, and ordered to pay $634,488.56 in restitution to customers. Carroll was fined $10,000 and suspended from association with any FINRA member in all capacities for 12 months. Without admitting or denying the findings, the firm and Carroll consented to the sanctions and to the entry of findings that the firm failed to establish, maintain, and enforce a supervisory system, including written supervisory procedures (WSPs), reasonably designed to achieve compliance with applicable rules regarding recommendations of variable annuities by three representatives. The findings stated that the firm failed to establish a supervisory system or WSPs reasonably designed to supervise recommended deferred variable annuity exchanges to determine if they were suitable because the firm did not provide reasonable guidance to principal reviewers regarding the impact of surrender fees on the suitability of exchanges, nor did it provide reasonably detailed standards for assessing the loss of benefits, such as living benefit riders. The firm lacked procedures reasonably designed to surveil its representatives’ rates of deferred variable annuity exchanges, including who was responsible for such surveillance, how often it would take place, what tools to use to conduct the surveillance, or what parameters to consider when evaluating whether exchange rates were inappropriate. The findings also stated that Carroll recommended, and the firm failed to reasonably supervise, 88 unsuitable variable annuity exchanges that Carroll lacked a reasonable basis to recommend. Although Carroll documented the amount of the surrender fees each customer paid and the bonuses they would receive, he failed to reasonably consider and document the impact of surrender fees on the suitability of the exchange and, relatedly, whether, and to what extent, the customers would benefit from the bonus-share’s increased fees and surrender period given the amount of surrender fees they paid and the bonus amount they

received. The firm failed to identify or investigate red flags, suggesting that the transactions may be unsuitable. The firm failed to reasonably consider key suitability factors, including the surrender fees imposed, totaling $561,409.01, and the loss of appreciated living benefit riders for several of the customers. The findings also included that the firm's written policies and procedures were not reasonably designed to achieve compliance with Rule 15*l*-1(a)(1) under the Securities Exchange Act of 1934 (Reg BI) or to address conflicts of interest associated with variable annuity and account-type recommendations, and the firm failed to reasonably supervise such recommendations by two representatives. The firm did not establish, maintain, and enforce written policies and procedures reasonably designed to mitigate the conflicts of interest related to incentives for these registered representatives to place their interests ahead of the customer's interest in recommending products and services that pay both commissions and fees, resulting in potentially higher total costs for these representatives' customers. In addition, the firm's WSPs failed to address factors that these two representatives and their supervisors should consider in evaluating recommendations of variable annuities with various available share classes and with respect to related account type recommendations. Accordingly, the customers who were seeking ongoing management of their variable annuity sub-accounts paid $73,079.55 more in fees than they would have paid if they had purchased advisory shares in an advisory account. Subsequently, the firm updated its supervisory systems and WSPs. FINRA found that Carroll willfully failed to disclose three federal tax liens and inaccurately attested on four annual compliance questionnaires from his firm that he did not have any undisclosed liens.

The suspension is in effect from August 5, 2026, through August 4, 2027. **(FINRA Case #2019064499301)**

World Choice Securities, Inc. (CRD #30933, Columbus, Ohio) and Robert Kenneth Cargin (CRD #1825995, Westerville, Ohio)
July 15, 2026 – An AWC was issued in which the firm was censured and fined $28,000, and Cargin was fined $5,000 and suspended from association with any FINRA member in all capacities for four months. A lower fine was imposed against the firm after considering, among other things, its revenue and financial resources. Without admitting or denying the findings, the firm and Cargin consented to the sanctions and to the entry of findings that the firm failed to reasonably supervise the due diligence of a private real estate offering. The findings stated that the firm failed to reasonably supervise whether the due diligence on the offering complied with the Care Obligation of Reg BI. The firm designated a firm representative as responsible for conducting the due diligence notwithstanding his affiliation with, and ongoing compensation from, the real estate development company. The firm approved sales of the offering without determining whether the due diligence was independent. The findings also stated that the firm failed to establish, maintain, and enforce written policies and procedures reasonably designed to achieve compliance with Reg BI's Care and Conflicts of Interest Obligations in connection with its recommendations to retail and non-retail customers to invest in private placements. The firm's written procedures recited the general obligation to conduct private placement due diligence and listed the categories of information that may be considered as part of the due diligence. However, the WSPs failed to provide any other guidance or procedures for how to carry out the due diligence. In addition, the firm's WSPs required its chief compliance officer (CCO) to review the firm's business lines to determine if conflicts of interest exist and to ascertain how conflicts of interest will be mitigated. However, the WSPs did not provide any guidance or procedures to assist the CCO in carrying out these responsibilities. The

findings also included that the firm distributed communications that included erroneous and/or misleading information that failed to identify risks associated with the offering. FINRA found that the firm failed to timely file with FINRA a private placement memorandum, term sheet, or any other required document relating to the offering until 17 months after the first sale. FINRA also found that Cargin executed 19 approval forms for private securities transactions (PSTs) that were dated between November 2021 and August 2022, when the transactions had occurred, which created the inaccurate impression that Cargin had pre-approved these transactions when he had not.

The suspension is in effect from August 5, 2026, through December 4, 2026. **(FINRA Case #2022076766203)**

Firms Fined

Brown Associates, Inc. (CRD #5049, Chattanooga, Tennessee)
July 20, 2026 – An AWC was issued in which the firm was censured, fined $30,000, and required to comply with the undertaking enumerated in this AWC. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish, maintain, and enforce a supervisory system, including WSPs, reasonably designed to achieve compliance with its obligations to conduct reasonable due diligence on private placement offerings sold by the firm to retail customers. The findings stated that although the firm's WSPs required it to note red flags and conduct further inquiry upon encountering them, the procedures neither defined what constituted a "red flag" requiring investigation, nor did they address the inquiry required to reasonably investigate a red flag. During this period, the firm acted as placement agent for seven private placement offerings sponsored by the same multi-family housing company. Each offering sought to raise money by selling units in a special purpose entity formed by the sponsor to invest in real estate and was structured as a contingency offering. The offering documents for each offering contained material discrepancies and internal contradictions regarding the contingency requirements for closing. Two of the seven offerings used private placement memoranda (PPMs) with internal contradictions stating conflicting contingency requirements within the same document. These material inconsistencies constituted red flags requiring investigation before the firm could reasonably recommend or participate in the distribution of these securities. The firm had been previously alerted by FINRA to similar contingency discrepancies in offering documents for prior offerings by the same sponsor in which the firm had served as placement agent. Despite this prior notice, the firm conducted no investigation of the inconsistencies in the seven subsequent offerings and took no supervisory action to address them. Nonetheless, all seven offerings ultimately closed with the sale of all units offered. **(FINRA Case #2021071226901)**

Virtu Americas, LLC (CRD #149823, New York, New York)
July 20, 2026 – An AWC was issued in which the firm was censured and fined a total of $100,000, of which $20,000 is payable to FINRA. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish and maintain a supervisory system, including WSPs, reasonably designed to achieve compliance with the firm's limit order display obligations. The findings stated that the firm's supervisory reviews were not reasonably designed to detect potential violations of Reg National Market System (NMS) Rule 604 and FINRA Rule 6460. After becoming aware that the automated exception reports used by the firm to detect

potential violations of these rules had ceased functioning, it tasked an employee with conducting a manual review of limit orders to identify potential violations while the automated exception reports were not functioning. However, the firm could not reasonably rely on the manual review due to the volume of limit orders. Subsequently, the employee responsible for performing the manual reviews departed from the firm. As a result, from June 2021 until August 2022, the firm did not conduct any manual reviews for potential violations. In August 2022, the firm implemented a new automated exception report. In addition, the firm's WSPs did not describe what should be considered by firm personnel to determine whether any violations of Reg NMS Rule 604 or FINRA Rule 6460 had actually occurred. Further, the WSPs did not describe the manual review, including the steps to take in conducting the manual review such as the volume, frequency, or sampling methodology to be employed. Ultimately, the firm implemented updated WSPs to monitor for compliance with FINRA Rule 6460 and Reg NMS Rule 604 to ensure the firm's automated systems designed to display customer orders were functioning properly. **(FINRA Case #2020068985002)**

TastyTrade, Inc. (CRD #277027, Chicago, Illinois)
July 21, 2026 – An AWC was issued in which the firm was censured and fined $850,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to conduct reasonable regular and rigorous reviews to ensure its customers' equities orders obtained best execution. The findings stated that the firm relied on a smart order router to direct all customer equity orders exclusively to five market makers, all of which paid the firm for the order flow. Between 2020 and 2022, the firm routed over 8.8 million equity orders totaling over 1.7 billion executed shares. The firm's best execution committee met on a quarterly basis to review the firm's order routing practices and the execution quality of customer orders. However, the committee only reviewed the execution quality received from the five market makers to which the firm routed customer orders. The firm did not review data on the execution quality available at competing market centers to which it did not already route its order flow. The findings also stated that the firm failed to establish and maintain a supervisory system, including WSPs, reasonably designed to comply with its best execution obligations. The firm relied upon the reviews of its best execution committee as its supervisory system for compliance with its best execution obligations. However, those reviews failed to consider whether the firm could have obtained better execution quality from competing markets and failed to reasonably consider all relevant aspects of the execution quality provided by the firm's existing routing arrangements. In addition, the firm's WSPs lacked procedures for comparing the execution quality available at competing markets and reviewing orders on a type-of-order basis. Ultimately, the firm improved its supervisory systems, including its WSPs. **(FINRA Case #2017056224801)**

Logan, Kevin Christopher dba The Logan Group Securities (CRD #40259, Roseville, California)
July 27, 2026 – An AWC was issued in which the firm was censured, fined $70,000, and required to comply with the undertaking enumerated in the AWC. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it willfully violated Reg BI by failing to establish, maintain, and enforce written policies and procedures, and a supervisory system, reasonably designed to achieve compliance with the Compliance Obligation of Reg BI. The findings stated that initially, the firm had no written policies and procedures, including WSPs, addressing Reg BI. Subsequently, the firm's WSPs provided only general information and did not describe how to prevent, detect, or promptly correct violations of, or to otherwise achieve compliance with, Reg BI. In addition, the firm's WSPs were not reasonably designed to consistently obtain and analyze enough

customer information to have a reasonable basis to believe that recommendations to purchase or exchange variable annuities were in the best interest of the particular retail customer. As a result, the firm failed to collect and consider customer profile information in connection with certain recommended deferred variable annuity purchases or exchanges. The findings also stated that the firm willfully violated section 17(a)(1) of the Exchange Act and Exchange Act Rule 17a-14 by violating Form Customer Relationship Summary (CRS) requirements and failing to establish and maintain a supervisory system reasonably designed to comply with Form CRS. The firm was required to file a Form CRS with the Securities and Exchange Commission (SEC) by June 30, 2020. Although the firm first filed its Form CRS in October 2020, it did not deliver Form CRS to its retail investors until September 2021. In addition, the firm's Form CRS omitted required information. Despite the firm's disciplinary history, including an AWC with FINRA, its Form CRS stated that neither the firm nor anyone in the firm had any legal or disciplinary history. The firm did not update its Form CRS to disclose the firm's disciplinary history until July 14, 2023. Moreover, the firm's Form CRS WSPs did not include procedures describing how the firm should supervise the preparation, filing, delivery, and updating of its Form CRS. Ultimately, the firm updated its WSPs to include these procedures. The findings also included that the firm failed to reasonably supervise recommendations of deferred variable annuity purchases and exchanges. The firm adopted WSPs requiring registered representatives to use a client account form to document disclosure and suitability determinations for recommendations to purchase or exchange deferred variable annuities, however the form did not detail features of the recommended deferred variable annuities. In addition, the firm did not have WSPs addressing which variable annuity features should be disclosed to customers, how to disclose the features to customers or how to determine whether there was a reasonable basis to believe that customers were informed of such features. The firm also failed to document principal review and approval of deferred variable annuity applications submitted from March 2021 to present, contrary to FINRA requirements. **(FINRA Case #2021069397901)**

RBC Capital Markets, LLC (CRD #31194, New York, New York)
July 28, 2026 – An AWC was issued in which the firm was censured and fined $275,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to develop and implement an anti-money laundering (AML) compliance program reasonably designed to detect and cause the reporting of suspicious transactions. The findings stated that the firm introduced three new transaction monitoring rules that were intended to identify red flags of suspicious money movements. However, the firm configured the parameters and thresholds of these monitoring rules in a manner that did not capture many of the types of transactions the rules were intended to detect. As a result, the monitoring rules either failed to generate useful alerts or otherwise did not identify red flags of suspicious money movements that the firm should have investigated. In practice, the firm failed to effectively review the monitoring rules to determine whether the rules were identifying suspicious money movements in customer accounts so as to enable the firm to investigate and report the suspicious transactions. In addition, the firm delegated to two different groups responsibilities for assessing the effectiveness of the transaction monitoring rules and for decommissioning ineffective rules, but the firm did not have procedures for the two groups to coordinate or escalate concerns. Consequently, the three rules that failed to generate useful alerts remained in place for years and the firm failed to identify, investigate, and report suspicious transactions that these rules were designed to detect. The firm ultimately updated its procedures to require periodic assessments of its automated transaction

monitoring rules to determine whether they are effectively enabling the firm to detect and cause the reporting of suspicious transactions. **(FINRA Case #2022075967301)**

Individuals Barred

Tory A. Duggins (CRD #4556340, Bronx, New York)
July 6, 2026 – An Office of Hearing Officers (OHO) decision became final in which Duggins was barred from association with any FINRA member in all capacities. The sanction was based on the findings that Duggins failed to appear for on-the-record testimony requested by FINRA in connection with an investigation into his potential churning and excessive trading at his member firm. The findings stated that Duggins initially cooperated with FINRA's investigation by responding to requests for documents and information. FINRA then asked Duggins to appear and provide on-the-record testimony in connection with its investigation. However, Duggins did not appear and provide the requested testimony and never contacted FINRA to reschedule before any of the three scheduled testimony dates. Duggins' failure to provide testimony impeded FINRA's investigation into potentially serious misconduct. **(FINRA Case #2025084815701)**

Michael Stephen Schoolcraft (CRD #6375300, South Elgin, Illinois)
July 13, 2026 – An AWC was issued in which Schoolcraft was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Schoolcraft consented to the sanction and to the entry of findings that he refused to produce information and documents requested by FINRA in connection with its investigation into personal loans from customers. The findings stated that Schoolcraft initially cooperated with FINRA's investigation; however, he ceased doing so. **(FINRA Case #2025085271501)**

James Fredrick Tighe (CRD #3129233, Phoenix, Arizona)
July 17, 2026 – An OHO decision became final in which Tighe was barred from association with any FINRA member in all capacities. The sanction was based on the findings that Tighe failed to provide documents and information and failed to appear for on-the-record testimony requested by FINRA during its investigation into the details surrounding disclosures provided by his member firm on a Uniform Termination Notice for Securities Industry Registration (Form U5). The findings stated that the firm had discharged Tighe due to various concerns, including his failure to fully disclose to the firm allegations of potential unauthorized activity by a third party in a customer account. After reviewing the Form U5, FINRA became concerned that Tighe may have improperly accepted instructions from an unauthorized third party to transfer funds from a client account and that he may have used unapproved personal devices for business-related communications. Tighe's refusal to provide the requested documents, information, and testimony impeded FINRA's investigation of his potential misconduct. **(FINRA Case #2025084675801)**

Taspia Rahman (CRD #7757705, Brooklyn, New York)
July 24, 2026 – An AWC was issued in which Rahman was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Rahman consented to the sanction and to the entry of findings that she refused to appear for on-the-record testimony requested by FINRA during an investigation that originated from a referral from a testing center that was filed with FINRA regarding a violation of testing regulations. **(FINRA Case #2025086924101)**

David Spencer Cooper (CRD #5357930, Larchmont, New York)
July 27, 2026 – An AWC was issued in which Cooper was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Cooper consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA as part of its targeted examination of his member firm's practices regarding public and private offerings of small-capitalized exchange-listed issuers with business operations in foreign jurisdictions. **(FINRA Case #2025088031502)**

Elias Chris Gerodemos (CRD #7510054, Crown Point, Indiana)
July 30, 2026 – An AWC was issued in which Gerodemos was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Gerodemos consented to the sanction and to the entry of findings that he refused to provide information and documents requested by FINRA in connection with its investigation concerning, among other things, criminal felony charges pending against him. The findings stated that this matter originated from FINRA's review of a Form U5 filed by Gerodemos' member firm that disclosed that he was subject to criminal felony charges, and that he was terminated for violation of the firm's Code of Conduct. **(FINRA Case #2026090419801)**

Individuals Suspended

Kim Thien Tran (CRD #5575725, Sugar Land, Texas)
July 2, 2026 – An AWC was issued in which Tran was assessed a deferred fine of $5,000 and suspended from association with any FINRA member in all capacities for nine months. Without admitting or denying the findings, Tran consented to the sanctions and to the entry of findings that she falsified documents and information relating to a customer's life insurance policy and commingled customer funds with her own. The findings stated that Tran altered the address associated with the insurance policy in the insurance company's system from the customer's address to Tran's residential address. Tran believed the customer, who she had a personal friendship with and was infrequently in the United States, had concerns that mail relating to the insurance policy was being intercepted and that the address change was consistent with the customer's intent. However, Tran did not confirm this understanding with the customer. While residing abroad, the customer obtained loans totaling $14,790 taken against the life insurance policy's cash value. Tran falsified the loan checks by making them payable to her father, who then signed the checks, and deposited the proceeds into a bank account she jointly owned with her father. Tran subsequently transferred portions of the funds to her personal bank account. Tran believed she was authorized to take these actions to safeguard the funds pending their return to the customer, but she did not confirm this understanding with the customer. Following a complaint by the customer, the insurance company reversed the loans.

The suspension is in effect from July 2, 2026, through April 1, 2027. **(FINRA Case #2024084471901)**

Jeremy Jeffery Squires (CRD #6584655, Center Point, Iowa)
July 15, 2026 – An AWC was issued in which Squires was assessed a deferred fine of $5,000 and suspended from association with any FINRA member in all capacities for one month. Without admitting or denying the findings, Squires consented to the sanctions and to the entry of findings

that he failed to timely amend his Uniform Application for Securities Industry Registration or Transfer (Form U4) to disclose that he had been charged with a felony. The findings stated that Squires knew that he had been charged with a felony no later than his September 2, 2024, initial court appearance but failed to notify his member firm of the felony charge and failed to amend his Form U4 within the required 30 days to disclose it. The felony charge was ultimately disclosed on a Form U5 filed by Squires' firm, approximately four months after Squires' initial felony charge.

The suspension was in effect from July 15, 2026, through August 14, 2026. **(FINRA Case #2024084515701)**

Charles Scott Burford (CRD #1658201, Dallas, Texas)
July 20, 2026 – A judgment of the U.S. Court of Appeals for the Fifth Circuit became final after a formal mandate was issued in accordance with the court's judgment issued April 28, 2026. The judgment denied Burford's petition for review. Burford was fined $10,000 and suspended from association with any FINRA member in all capacities for six months for effecting unauthorized transactions in his deceased customer's account. The sanctions were based on the findings that when the customer died, Burford did not immediately notify his member firm or deem the customer's account "frozen," as the firm's policies required. Instead, over the next fourteen months, Burford (without informing his firm) executed five trades in the customer's brokerage account and facilitated three transfers from the account to the customer's widow, who asked Burford to execute these transactions. Subsequently, Burford submitted the customer's death certificate to his firm so that the widow could take the required minimum distribution from the customer's retirement account by year's end. Burford admitted during his disciplinary hearing that he had "likely" waited fourteen months to submit the death certificate because he did not want the firm to discover his transactions in the customer's brokerage account. Burford also continued to execute trades in the customer's brokerage account and to facilitate transfers to the widow from that account. In all, Burford, at the widow's request, executed nine trades totaling nearly $130,000 and facilitated eight withdrawals totaling nearly $85,000. After learning that the customer's daughter intended to contest the will, Burford asked his firm to freeze the customer's brokerage account. However, Burford did not notify the firm about the transactions he had already made in the account. Burford informed the firm about his transactions in the account after the daughter's attorney informed him that she had challenged the will in Texas probate court and warned him that the firm could be liable for the distributions from the customer's brokerage account.

The suspension is in effect from July 21, 2026, through January 20, 2027. **(FINRA Case #2019064656601)**

Theodore William Byrer (CRD #2980696, Westfield, Indiana)
July 23, 2026 – An AWC was issued in which Byrer was suspended from association with any FINRA member in all capacities for 14 months. In light of Byrer's financial status, no monetary sanction has been imposed. Without admitting or denying the findings, Byrer consented to the sanction and to the entry of findings that he willfully violated Reg BI by recommending an options trading strategy to four retail customers, two married couples, that was not in their best interest or suitable for them. The findings stated that Byrer recommended that the customers engage in an options trading strategy involving purchases of out-of-the-money puts where the underlying assets were equity index funds. None of the customers owned shares of the equity index funds that underlay the

recommended put options contracts. Byrer initially intended this strategy to hedge the customers' other long equity positions against general market downturn and volatility. Over time, Byrer recommended the customers purchase put options contracts that were further out-of-the-money or closer in time to the expiration date in increasing quantities and frequency. Byrer recommended one couple engage in a speculative options strategy, which exposed the customers to risk of losing their premiums, despite the couple having an investment objective of "capital appreciation," a risk tolerance of "moderate," and Byrer's awareness of their imminent retirement plans. Byrer's recommendation resulted in almost $400,000 in put option losses and generated over $62,000 in commissions. With respect to the other married couple, Byrer did not have a reasonable basis to believe that a series of options transactions he recommended were not excessive, were in the customers' best interest, or were suitable. Ultimately, Byrer's recommendations to this couple resulted in over $360,000 in put options losses and generated over $217,000 in commissions. The findings also stated that Byrer made false entries in his member firm's customer contact system and mismarked solicited trades as unsolicited. The findings also included that Byrer exercised discretion without prior written authorization when entering trades in four customer accounts. Although the customers understood Byrer was conducting trading in their accounts, none had given him prior written authorization, and his firm had not accepted the accounts as discretionary. In addition, Byrer inaccurately stated that he did not exercise discretion in any customer account in annual compliance questionnaires submitted to the firm. FINRA found that Byrer used unapproved personal text messages to communicate with customers about firm business, sent promissory and unwarranted communications through some of those messages and failed to include the requisite disclosures related to options recommendations. Byrer's use of an unapproved text messaging device caused his firm not to comply with applicable retention rules related to communications. Furthermore, Byrer inaccurately stated that he did not use unapproved communications channels on annual compliance questionnaires submitted to the firm.

The suspension is in effect from July 23, 2026, through September 22, 2027. **(FINRA Case #2023078559701)**

Decision Issued

The OHO issued the following decision, which has been appealed to or called for review by the NAC as of July 31, 2026. The National Adjudicatory Council (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.

Brian James Pavelko (CRD #6347352, McAdoo, Pennsylvania)
July 10, 2026 – Pavelko appealed an OHO decision to the NAC in which he was barred from association with any FINRA member in all capacities for failing to provide certain information and documents requested by FINRA. While investigating Pavlko's involvement inprivate placement iofferings, FINRA sreceived copies of Pavelko's state and federal tax returns for the years 2020 and 2021 and bank account statements. The information in the tax returns and bank account statements led FINRA to open a new investigation because those documents showed that he had received pandemic-related unemployment compensation from the New Jersey Department of Labor, Division of Unemployment Insurance (NJDUI) while he was working at and receiving compensation from a

member firm and while also receiving compensation from an outside business activity (OBA). Pavelko later confirmed that he applied for Pandemic Unemployment Assistance (PUA) from NJDUI, and NJDUI approved his application. Pavelko received approximately $37,000 in PUA benefits between May 2020 and September 2021. During the same period, Pavelko received compensation totaling approximately $54,000 in connection with his work for the firm and the OBA. The information from Pavelko's tax returns and bank statements raised the question of what he had said to the New Jersey authorities about his securities industry work and compensation in his application for pandemic-related unemployment compensation and in any subsequent submissions related to his PUA benefits. FINRA wanted to determine whether he hadmade material misrepresentations or omissions in his application for pandemic-related unemployment compensation about his employment with, and income from, the firm and OBA. FINRA also became concerned that Pavelko may have provided ongoing misrepresentations about his securities industry compensation when he regularly checked-in with the NJDUI. If Pavelko did make such misstatements about his securities business and compensation for the purpose of obtaining pandemic-related unemployment compensation that he may not have been entitled to receive, FINRA considered that such misconduct would be a violation of its ethical conduct rule. Pavelko later gave sworn testimony in an on-the-record interview ("OTR") about his application for pandemic-related unemployment compensation and his efforts to obtain a copy of his application to provide to FINRA. The investigation expanded to address whether he gave false testimony at his OTR. FINRA considered false testimony to be a violation of its ethical conduct rule. Both the inquiry into what Pavelko told the New Jersey authorities about his securities business and compensation and the inquiry into whether he gave false testimony were focused on Pavelko's potential violation of FINRA Rule 2010 and his trustworthiness to be in an industry that relies on the honesty of its participants.

The sanction is not in effect pending review. **(FINRA Case #2020066757804)**

Complaint Filed

FINRA issued the following complaints. Issuance of a disciplinary complaint represents FINRA's initiation of a formal proceeding in which findings as to the allegations in the complaint have not been made, and does not represent a decision as to any of the allegations contained in the complaint. Because these complaints are unadjudicated, you may wish to contact the respondents before drawing any conclusions regarding these allegations in the complaint.

John Polemis (CRD #4270012, San Diego, California)
May 13, 2026 – John Polemis was named a respondent in a FINRA complaint alleging he made material misrepresentations to a customer, who was terminally-ill, to induce the customer to provide him with 20 loans, totaling $28,000. The complaint alleges that Polemis represented to the customer that he would repay the funds, often by a specific date and with interest. However, Polemis never repaid any of the funds he received. The complaint also alleges that Polemis solicited and obtained these loans in violation of his firms' written policies and procedures. The complaint further alleges that after the customer's death, Polemis placed two trades with a total principal value of approximately $157,579 in one of the customer's accounts, without prior authorization. The trades generated $3,151.59 in commission. In addition, the complaint alleges that Polemis failed to

provide information and documents requested by FINRA in connection with its investigation. (FINRA Case #2024083264201)

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

First Commonwealth Securities Corporation (CRD #20854)
Atlanta, Georgia
(July 18, 2026)

Firm Suspended for Failure to Provide Information or Keep Information Current Pursuant to FINRA Rule 9552 (The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

Opes Bespoke Securities LLC (CRD #129841)
New York, New York
(July 6, 2026)

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.)

Clinton Edmund Galloway (CRD #851674)
Marina Del Rey, California
(July 9, 2026)
FINRA Case #2024082520001

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.)

Amanda Rose Brostek (CRD #6264776)
Syracuse, New York
(July 27, 2026)
FINRA Case #2025088063601

Francis Patrick Cunningham (CRD #2105075)
Memphis, Tennessee
(July 6, 2026)
FINRA Case #2025088115701

Sean Plunkett (CRD #8040309)
Glen Allen, Virginia
(July 20, 2026)
FINRA Case #2025088474501

Robert W. Strang III (CRD #3271839)
Westfield, New York
(July 6, 2026)
FINRA Case #2025086580301

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.)

George John Carines (CRD #4068906)
Sugar Land, Texas
(July 8, 2026)
FINRA Arbitration Case #24-00971

Francis Patrick Cunningham (CRD #2105075)
Memphis, Tennessee
(July 29, 2026)
FINRA Arbitration Case #26-00307

Barrington Edwin Gist (CRD #6178480)
Mount Juliet, Tennessee
(July 22, 2026 – August 18, 2026)
FINRA Arbitration Case #24-02082

Stephen Ray Quisenberry (CRD #7276742)
Franklin, Tennessee
(July 24, 2026)
FINRA Arbitration Case #24-02595/ARB260007/FINRA Case #2026089743901

Justin Thaddeus Ranger (CRD #5229729)
New Orleans, Louisiana
(July 16, 2026 – July 24, 2026)
FINRA Arbitration Case #24-00877

PRESS RELEASE

FINRA Fines UBS Financial $20 Million for Anti-Money Laundering Violations

Includes Repeat Violations Resulting in a Failure to Reasonably Monitor More Than 60,000 Transactions Totaling $10 Billion

FINRA has fined UBS Financial Services Inc. (UBS Financial) $20 million for anti-money laundering (AML) violations.

FINRA found that UBS Financial again failed to establish and implement an AML compliance program reasonably expected to detect and cause the reporting of suspicious transactions involving foreign currency wires. FINRA also found that UBS Financial did not reasonably implement its customer due diligence program with respect to certain retail customers and failed to timely detect and report suspicious money movements by those customers.

"Member firms operating in global markets bear a responsibility to design and implement AML programs that are tailored to their business model and capable of reasonably monitoring transactions for potentially suspicious activity," said Bill St. Louis, Executive Vice President and Head of Enforcement at FINRA. "This action underscores FINRA's approach to progressive discipline, which includes escalating sanctions for recidivist misconduct."

In December 2018, FINRA fined UBS Financial $4.5 million for failing to reasonably monitor foreign currency wires, which allow customers to send and receive foreign currency. During a subsequent routine examination of the member firm, FINRA discovered that UBS Financial failed to remediate the foreign currency wire monitoring violations at issue in the 2018 settlement and, as a result, the member firm's AML program failures related to foreign currency wires persisted through June 2023.

Between January 2019 and January 2021, UBS Financial continued to use the unreasonable legacy monitoring system that was the subject of the member firm's 2018 settlement. This system included a quarterly manual review of a report that contained thousands of foreign currency wires, which did not reasonably allow for the identification of suspicious or unusual patterns and often failed to include material information related to the geographic locations at issue. The member firm implemented an automated transaction monitoring tool in February 2021 which, due to an incomplete data file and labeling change, omitted a significant percentage of the member firm's activity. This omitted activity included approximately 33% of foreign currency wires in retail customer accounts approved to engage in foreign currency spot activity.

Between January 2019 and June 2023, UBS Financial failed to reasonably monitor more than 60,000 foreign currency wires totaling more than $10 billion, including wires involving high-risk geographic locations, excessive transfers, unusually large dollar amounts, no apparent business purpose and instances where the member firm previously filed suspicious activity reports for similar activity by the same accounts.

UBS Financial also failed to reasonably implement its customer due diligence program with respect to certain retail customers for which the member firm failed to timely detect and investigate risk factors. These factors included customers' connections to higher risk geographic locations, including Russia, unexplained changes in domicile and employment, material adverse media, and potential political exposure. This led UBS Financial to incorrectly assign and maintain lower risk ratings for those customers, resulting in less scrutiny of their transaction activity. As a result, UBS Financial did not detect and report certain suspicious transactions involving money movements.

In settling **this matter**, UBS Financial accepted and consented to the entry of FINRA's findings, without admitting or denying them.

FINRA is committed to ensuring member firms maintain robust AML programs capable of detecting and preventing money laundering, terrorist financing and other illicit activities that threaten market integrity and investor protection. It provides resources to help member firms comply with AML rules. FINRA Regulatory Notice 19-18 provides guidance to member firms regarding suspicious activity monitoring and reporting obligations under FINRA Rule 3310 (Anti-Money Laundering Compliance Program). In addition, FINRA provides updated guidance and compliance training to member firms about their AML compliance obligations. The 2026 FINRA Annual Regulatory Oversight Report contains information about FINRA's areas of concern related to AML.