

BrokerCheck Report

STEVEN ROBERT LUFTSCHEIN

CRD# 2690117

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About BrokerCheck®

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

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

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

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

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

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:

- o information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
- o information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

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

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

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

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

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



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

brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. [For more information about FINRA, visit www.finra.org.](http://www.finra.org)

Thank you for using FINRA BrokerCheck.

STEVEN R. LUFTSCHEIN

CRD# 2690117

This broker is not currently registered.

Report Summary for this Broker



This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

Broker Qualifications

This broker is not currently registered.

This broker has passed:

- 0 Principal/Supervisory Exams
- 3 General Industry/Product Exams
- 2 State Securities Law Exams

Registration History

This broker was previously registered with the following securities firm(s):

JOSEPH STONE CAPITAL L.L.C.

CRD# 159744
HUNTINGTON, NY
05/2017 - 05/2018

AEGIS CAPITAL CORP.

CRD# 15007
MELVILLE, NY
06/2013 - 10/2016

JOHN THOMAS FINANCIAL

CRD# 40982
NEW YORK, NY
10/2012 - 06/2013

Disclosure Events

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

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

The following types of disclosures have been reported:

Type	Count
Regulatory Event	1
Customer Dispute	17

Broker Qualifications



Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

This broker is not currently registered.



Broker Qualifications

Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below.

This individual has passed 0 principal/supervisory exams, 3 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
Securities Industry Essentials Examination	SIE	05/21/2018
General Securities Representative Examination	Series 7	04/02/1996
Investment Company Products/Variable Contracts Representative Examination	Series 6	12/07/1995

State Securities Law Exams

Exam	Category	Date
Uniform Investment Adviser Law Examination	Series 65	07/22/2002
Uniform Securities Agent State Law Examination	Series 63	12/07/1995

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at www.finra.org/brokerqualifications/registeredrep/.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
05/2017 - 05/2018	JOSEPH STONE CAPITAL L.L.C.	159744	HUNTINGTON, NY
06/2013 - 10/2016	AEGIS CAPITAL CORP.	15007	MELVILLE, NY
10/2012 - 06/2013	JOHN THOMAS FINANCIAL	40982	NEW YORK, NY
08/2011 - 10/2012	ROCKWELL GLOBAL CAPITAL LLC	142485	MELVILLE, NY
01/2010 - 08/2011	PAULSON INVESTMENT COMPANY, INC.	5670	HAUPPAUGE, NY
10/2004 - 01/2010	GUNNALLEN FINANCIAL, INC	17609	HAUPPAUGE, NY
10/2002 - 11/2004	MAXIM GROUP LLC	120708	NEW YORK, NY
01/2001 - 10/2002	INVESTEC ERNST & COMPANY	266	NEW YORK, NY
07/1996 - 01/2001	JOSEPHTHAL & CO., INC.	3227	NEW YORK, NY
04/1996 - 08/1996	J.W. BARCLAY & CO., INC.	23350	WOODBIDGE, NJ
12/1995 - 01/1996	METLIFE SECURITIES INC.	14251	SPRINGFIELD, MA
12/1995 - 01/1996	METROPOLITAN LIFE INSURANCE COMPANY	4095	NEW YORK, NY

Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.

Employment Dates	Employer Name	Employer Location
05/2017 - Present	JOSEPH STONE CAPITAL, LLC	HUNTINGTON, NY
10/2016 - 04/2017	T FARESE & SONS	NEWARK, NJ
06/2013 - 10/2016	AEGIS CAPITAL CORP	MELVILLE, NY
10/2012 - 06/2013	JOHN THOMAS FINANCIAL	NEW YORK, NY
08/2011 - 10/2012	ROCKWELL GLOBAL CAPITAL, LLC	MELVILLE, NY



Registration and Employment History

Employment History, continued

Employment Dates	Employer Name	Employer Location
01/2010 - 08/2011	PAULSON INVESTMENT COMPANY, INC.	HAUPPAGUE, NY

Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

1) PROVIDENCE CONSTRUCTION CORP., 37-88 REVIEW AVE. LONG ISLAND CITY, NY 11101; MTA CONSTRUCTION CONTRACTOR, NOT INVESTMENT RELATED; TRACK WORKER, INCLUDING CONCRETE WORK AND LAYING TRACKS FOR MTA & LIRR; START DATE: 11/7/2015; 25 HOURS PER MONTH DEVOTED TO BUSINESS DURING NON-SECURITIES TRADING HOURS.

2)

NAME: T FARESE & SONS

ADDRESS: 217 PIONEER ST, NEWARK, NEW JERSEY

NATURE: WASTE MANAGEMENT/RECYCLING

NON-INVESTMENT RELATED

STARTED: 09/15/2016

TITLE: CHIEF FINANCIAL OFFICER

DUTIES: ROUTE ANALYSIS AND PROFITABILITY

COMPENSATION: SALARY

80 HOURS/MONTH DEVOTED

3 HOURS PER DAY DURING TRADING HOURS



Disclosure Events

What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - o A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
 - o A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
 - o
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - o As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
 - o
4. **There are different statuses and dispositions for disclosure events:**
 - o A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - § A "pending" event involves allegations that have not been proven or formally adjudicated.
 - § An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - § A "final" event has been concluded and its resolution is not subject to change.
 - o A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - § An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - § A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - § A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Regulatory Event	1	0	0



Customer Dispute	1	16	N/A
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Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

Regulatory - Pending

This type of disclosure event involves a pending formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory agency such as the Securities and Exchange Commission, foreign financial regulatory body) for alleged violations of investment-related rules or regulations.

Disclosure 1 of 1

Reporting Source: Regulator

Regulatory Action Initiated By: FINRA

Sanction(s) Sought:

Date Initiated: 05/13/2020

Docket/Case Number: [2016051704303](#)

Employing firm when activity occurred which led to the regulatory action: Aegis Capital Corp.

Product Type: Other: Unspecified Securities

Allegations: The complaint alleges that Luftschein controlled the volume and frequency of trading in the customers' accounts, deciding what securities to buy and sell, the quantities, the price, and when each transaction would occur. Luftschein also frequently made unauthorized trades in these accounts. Luftschein deliberately incurred unreasonably high trading costs in the customers' accounts, which made it virtually impossible for the accounts to be profitable. Indeed, Luftschein's trading in the customers' accounts caused more than \$261,000 in losses, while Luftschein received substantial income from trading the accounts. Luftschein also masked the true costs of his trading from customers by placing a high percentage of the trades as riskless principal trades. The complaint also alleges that Luftschein's trading in the customers' accounts was excessive and quantitatively unsuitable for the



customers, as evidenced by high annualized turnover rates and cost-to-equity ratios, the size and frequency of the transactions, the transaction costs incurred and the customers' investment objectives and needs. Luftschein did not have a reasonable basis to believe that his trading was suitable. The complaint further alleges that Luftschein effected trades in the customer accounts without first discussing with, and obtaining authorization from, the customers. None of the customer accounts were listed as discretionary accounts. The customers never gave Luftschein discretionary trading authority.

Current Status:

Pending



Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

Disclosure 1 of 13

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	AEGIS CAPITAL CORP
Allegations:	TIME FRAME: 2013. CLAIMANT ALLEGES NEGLIGENCE, UNAUTHORIZED TRADING, CHURNING, UNSUITABILITY, BREACH OF CONTRACT, BREACH OF FIDUCIARY DUTY.
Product Type:	Other: UNSPECIFIED
Alleged Damages:	\$150,000.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA ATLANTA, GA
Docket/Case #:	18-01797
Filing date of arbitration/CFTC reparation or civil litigation:	05/09/2018

Customer Complaint Information

Date Complaint Received:	05/11/2018
Complaint Pending?	No
Status:	Settled
Status Date:	01/22/2019
Settlement Amount:	\$132,500.00
Individual Contribution Amount:	\$0.00



Disclosure 2 of 13

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	AEGIS CAPITAL CORP
Allegations:	TIME FRAME: UNSPECIFIED. CLAIMANT ALLEGES UNAUTHORIZED TRADING AND UNSUITABLE INVESTMENT RECOMMENDATIONS.
Product Type:	Other: UNSPECIFIED
Alleged Damages:	\$1,461,217.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA; NEW YORK, NY
Docket/Case #:	18-00408
Filing date of arbitration/CFTC reparation or civil litigation:	01/31/2018

Customer Complaint Information

Date Complaint Received:	02/12/2018
Complaint Pending?	No
Status:	Settled
Status Date:	05/30/2019
Settlement Amount:	\$569,962.38
Individual Contribution Amount:	\$0.00

Disclosure 3 of 13

Reporting Source:	Firm
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Employing firm when activities occurred which led to the complaint: AEGIS CAPITAL CORP

Allegations: TIME FRAME: 04/24/2014 TO 05/31/2016. CLAIMANT ALLEGES UNSUITABLE INVESTMENT RECOMMENDATIONS, UNAUTHORIZED TRADING, EXCESSIVE TRADING, MISREPRESENTATIONS AND OMISSIONS, BREACH OF CONTRACT AND BREACH OF FIDUCIARY DUTY.

Product Type: Equity-OTC
Equity Listed (Common & Preferred Stock)

Alleged Damages: \$269,131.00

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): FINRA NEW YORK, NY

Docket/Case #: 17-01007

Date Notice/Process Served: 04/28/2017

Arbitration Pending? No

Disposition: Settled

Disposition Date: 03/16/2018

Monetary Compensation Amount: \$100,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: AEGIS CAPITAL CORP

Allegations: TIME FRAME: 04/24/2014 TO 05/31/2016. CLAIMANT ALLEGES UNSUITABLE INVESTMENT RECOMMENDATIONS, UNAUTHORIZED TRADING, EXCESSIVE TRADING, MISREPRESENTATIONS AND OMISSIONS, BREACH OF CONTRACT AND BREACH OF FIDUCIARY DUTY.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$269,131.00



Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA NEW YORK, NY
Docket/Case #:	17-01007
Date Notice/Process Served:	04/28/2017
Arbitration Pending?	Yes

Disclosure 4 of 13

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Paulson Investment Company, LLC
Allegations:	Customers allege unsuitable investment recommendations, unauthorized trading, negligence, negligent supervision, federal securities law violations, Georgia blue sky law violations, control person liability and respondeat superior, breach of fiduciary duty and excessive trading from January 2010 through August 2011.
Product Type:	Debt-Municipal Equity-OTC Equity Listed (Common & Preferred Stock) Investment Contract Other: Exchange Traded Funds
Alleged Damages:	\$2,172,561.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA
Docket/Case #:	17-01932
Filing date of arbitration/CFTC reparation or civil litigation:	07/21/2017

Customer Complaint Information



Date Complaint Received: 08/15/2017
Complaint Pending? No
Status: Settled
Status Date: 04/30/2018
Settlement Amount: \$800,000.00
Individual Contribution Amount: \$0.00

Reporting Source: Broker
Employing firm when activities occurred which led to the complaint: PAULSON INVESTMENT COMPANY

Allegations: Customers allege unsuitable investment recommendations, unauthorized trading, negligence, negligent supervision, federal securities law violations, Georgia blue sky law violations, control person liability and respondeat superior, breach of fiduciary duty and excessive trading from January 2010 through August 2011.

Product Type: Debt-Municipal
 Equity-OTC
 Equity Listed (Common & Preferred Stock)
 Investment Contract
 Other: EXCHANGE TRADED FUNDS

Alleged Damages: \$2,172,561.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA DISPUTE RESOLUTION

Docket/Case #: 17-01932

Filing date of arbitration/CFTC reparation or civil litigation: 07/21/2017

Customer Complaint Information



Date Complaint Received: 08/15/2017

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 5 of 13

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: AEGIS CAPITAL CORP

Allegations: TIME FRAME: JUNE 2013 TO JANUARY 2016. CLIENTS ALLEGE UNSUITABLE RECOMMENDATIONS AND MISHANDLING OF THEIR ACCOUNTS.

Product Type: Other: UNSPECIFIED

Alleged Damages: \$2,000,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? No

Customer Complaint Information

Date Complaint Received: 06/03/2016

Complaint Pending? No

Status: Settled

Status Date: 10/13/2016

Settlement Amount: \$782,000.00

Individual Contribution Amount: \$0.00

Firm Statement AMENDMENT TO OCCURRENCE #1885746. PREVIOUS FILING WAS ENTERED PREMATURELY. THE CORRECT SETTLEMENT DATE IS 10/13/2016.

Reporting Source: Broker



Employing firm when activities occurred which led to the complaint:	Aegis Capital Corp
Allegations:	TIME FRAME: June 2013 to January 2016. Clients allege unsuitable recommendations and mishandling of their accounts.
Product Type:	Other: Unspecified
Alleged Damages:	\$2,000,000.00
Alleged Damages Amount Explanation (if amount not exact):	ESTIMATED
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	06/03/2016
Complaint Pending?	No
Status:	Settled
Status Date:	09/20/2016
Settlement Amount:	\$782,000.00
Individual Contribution Amount:	\$0.00

Broker Statement	The broker vehemently denies any and all claims made by the client. The client contacted the broker multiple times on a daily basis to discuss the accounts in question and sent the broker thousands of emails, many containing financial newsletters during the life of the account. The client conducted extensive research on all positions and would contact the broker to place several hundred unsolicited transactions during the life of the account, some of which were in penny stocks. The client is extremely knowledgeable and suitable for the activity in the account. We believe that through the process provided by FINRA, the broker will be vindicated.
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Disclosure 6 of 13

Reporting Source:	Broker
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Employing firm when activities occurred which led to the complaint:	ROCKWELL GLOBAL CAPITAL, LLC.
Allegations:	OVER USE OF MARGIN
Product Type:	Equity-OTC Equity Listed (Common & Preferred Stock)
Alleged Damages:	\$21,378.00
Is this an oral complaint?	Yes
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	03/01/2012
Complaint Pending?	No
Status:	Settled
Status Date:	04/03/2012
Settlement Amount:	\$21,378.00
Individual Contribution Amount:	\$21,378.00
Broker Statement	THIS WAS A FRIEND OF THE FAMILY WHO AFTER BEING A CLIENT WITH MR. LERNER FOR OVER 10 YEARS VERBALLY CLAIMED HIS AUTHORIZED TRADES WERE TOO HEAVILY IN MARGIN. IN ORDER TO AVOID A EXPENSIVE AND LENGTHY ARBITRATION MR. LERNER SETTLED THE MATTER.

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Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	GUNNALLEN FINANCIAL, INC.
Allegations:	FAILURE TO SUPERVISE
Product Type:	Equity-OTC Equity Listed (Common & Preferred Stock)



Alleged Damages: \$1,000,000.00

Alleged Damages Amount Explanation (if amount not exact): ADDITIONAL CLAIMS FOR VARIOUS FEES AND COURT COSTS ARE INCLUDED IN THE CLAIM.

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA ARBITRATION, SUBMISSION AGREEMENT

Docket/Case #: 10-03873

Filing date of arbitration/CFTC reparation or civil litigation: 08/30/2010

Customer Complaint Information

Date Complaint Received: 10/20/2010

Complaint Pending? No

Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)

Status Date: 12/01/2010

Settlement Amount: \$0.00

Individual Contribution Amount: \$0.00

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): FINRA ARBITRATION, SUBMISSION AGREEMENT

Docket/Case #: 10-03873

Date Notice/Process Served: 10/20/2010

Arbitration Pending? No

Disposition: Settled

Disposition Date: 04/18/2012



Monetary Compensation Amount:	\$275,000.00
Individual Contribution Amount:	\$275,000.00
Broker Statement	CASE WAS SETTLED TO AVOID THE COST OF ARBITRATION.

Disclosure 8 of 13

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	GUNNALLEN
Allegations:	CUSTOMER ALLEGES REPRESENTATIVE FAILED TO FOLLOW INVESTEMENT OBJECTIVES, RESULTING IN SUBSTANTIAL LOSSES TO PORTFOLIO VALUE.
Product Type:	No Product
Alleged Damages:	\$179,066.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No
Arbitration/Reparation forum or court name and location:	
Docket/Case #:	
Filing date of arbitration/CFTC reparation or civil litigation:	04/08/2010

Customer Complaint Information

Date Complaint Received:	04/08/2010
Complaint Pending?	No
Status:	Evolved into Arbitration/CFTC reparation (the individual is a named party)
Status Date:	08/11/2010
Settlement Amount:	



**Individual Contribution
Amount:**

Arbitration Information

**Arbitration/CFTC reparation
claim filed with (FINRA, AAA,
CFTC, etc.):**

FINRA

Docket/Case #:

10-03873

Date Notice/Process Served:

08/11/2010

Arbitration Pending?

No

Disposition:

Settled

Disposition Date:

04/18/2012

**Monetary Compensation
Amount:**

\$275,000.00

**Individual Contribution
Amount:**

\$275,000.00

Broker Statement

CASE WAS SETTLED TO AVOID THE COST OF ARBITRATION

Disclosure 9 of 13

Reporting Source:

Firm

**Employing firm when
activities occurred which led
to the complaint:**

INVESTEC ERNST AND COMPANY AND MAXIM GROUP

Allegations:

CLAIMANT ALLEGES EXCESSIVE AND UNAUTHORIZED TRADING,
INVESTMENT IN UNSUITABLE SECURITIES AND THE USE OF MARGIN
WITHOUT AUTHORIZATION.

Product Type:

Equity - OTC

Other Product Type(s):

OPTIONS AND MUTUAL FUNDS

Alleged Damages:

\$392,387.44

Customer Complaint Information

Date Complaint Received:

Complaint Pending?

Status:

Arbitration/Reparation



Status Date:

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD CASE NUMBER 06-03161

Date Notice/Process Served: 07/06/2006

Arbitration Pending? No

Disposition: Settled

Disposition Date: 02/07/2008

Monetary Compensation Amount: \$77,500.00

Individual Contribution Amount: \$0.00

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: MAXIM GROUP LLC

Allegations: STATEMENT OF CLAIM ALLEGES EXCESSIVE TRADING, UNSUITABILITY OF SECURITIES AND UNAUTHORIZED TRANSACTIONS.

Product Type: Equity - OTC

Other Product Type(s): EQUITY - LISTED
LISTED OPTIONS

Alleged Damages: \$25,000.00

Customer Complaint Information

Date Complaint Received:

Complaint Pending?

Status: Arbitration/Reparation

Status Date:

**Settlement Amount:**

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD CASE NO. 06-03161

Date Notice/Process Served: 07/11/2006

Arbitration Pending? No

Disposition: Settled

Disposition Date: 04/11/2007

Monetary Compensation Amount: \$15,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: INVESTEC AND MAXIM GROUP LLC

Allegations: MARKET LOSS, EXCESSIVE COMMISSIONS, UNAUTHORIZED TRADING, UNSUITABLE TRADES, FAILURE TO FOLLOW INSTRUCTIONS IN 2002.

Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s): OPTIONS

Alleged Damages: \$392,387.44

Customer Complaint Information

Date Complaint Received: 07/10/2006

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 07/10/2006

Settlement Amount:



**Individual Contribution
Amount:**

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.:	NASD DR# 06-03161
Date Notice/Process Served:	07/10/2006
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	04/11/2007
Monetary Compensation Amount:	\$15,000.00
Individual Contribution Amount:	\$0.00

Disclosure 10 of 13

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	MAXIM GROUP LLC
Allegations:	EXCESSIVE COMMISSIONS
Product Type:	Equity - OTC
Alleged Damages:	\$52,586.00

Customer Complaint Information

Date Complaint Received:	03/19/2004
Complaint Pending?	No
Status:	Settled
Status Date:	03/19/2004
Settlement Amount:	\$52,586.00
Individual Contribution Amount:	\$52,586.00



Disclosure 11 of 13

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: MAXIM GROUP LLC

Allegations: EXCESSIVE COMMISSIONS

Product Type: Equity - OTC

Alleged Damages: \$31,400.00

Customer Complaint Information

Date Complaint Received: 03/16/2004

Complaint Pending? No

Status: Settled

Status Date: 03/16/2004

Settlement Amount: \$31,400.00

Individual Contribution Amount: \$31,400.00

Disclosure 12 of 13

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: MAXIM GROUP LLC

Allegations: EXCESSIVE COMMISSIONS

Product Type: Equity - OTC

Alleged Damages: \$15,000.00

Customer Complaint Information

Date Complaint Received: 03/22/2004

Complaint Pending? No

Status: Settled

Status Date: 03/22/2004

Settlement Amount: \$15,000.00



Individual Contribution Amount: \$15,000.00

Disclosure 13 of 13

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: INVESTEC (US) INCORPORATED

Allegations: CLIENT ALLEGED THAT FORMER INVESTEC (US) INCORPORATED ACCOUNT EXECUTIVE, STEVEN LUFTSHEIN ENGAGED IN UNAUTHORIZED, EXCESSIVE AND UNSUITABLE TRADING IN HER INVESTEC ACCOUNT

Product Type: Equity - OTC

Alleged Damages: \$73,752.00

Customer Complaint Information

Date Complaint Received: 01/22/2004

Complaint Pending? No

Status: Settled

Status Date: 01/22/2004

Settlement Amount: \$40,000.00

Individual Contribution Amount: \$10,000.00

Firm Statement INVESTEC AND MR. LUFTSCHEIN SETTLES THE COMPLAINT WITHOUT ADMITTING OR CONCEDED ANY LIABILITY TO THE CUSTOMER AND SOLELY TO AVOID THE TIME AND EXPENSE OF LITIGATION

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: INVESTEC (US) INCORPORATED

Allegations: CLIENT ALLEGED THAT FORMER INVESTEC (US) INCORPORATED ACCOUNT EXECUTIVE, STEVEN LUFTSCHEIN, ENGAGED IN UNAUTHORIZED, EXCESSIVE AND UNSUITABLE TRADING IN HER ACCOUNT.



Product Type: Equity - OTC

Alleged Damages: \$73,752.00

Customer Complaint Information

Date Complaint Received: 01/22/2004

Complaint Pending? No

Status: Settled

Status Date: 01/22/2004

Settlement Amount: \$40,000.00

Individual Contribution Amount: \$10,000.00



Customer Dispute - Closed-No Action / Withdrawn / Dismissed / Denied

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a consumer-initiated, investment-related written complaint containing allegations that the broker engaged in sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities, which was closed without action, withdrawn, or denied.

Disclosure 1 of 3

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	ROCKWELL GLOBAL CAPITAL, LLC.
Allegations:	UNAUTHORIZED TRADING
Product Type:	Equity-OTC
Alleged Damages:	\$24,377.92
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	11/16/2012
Complaint Pending?	No
Status:	Denied
Status Date:	11/19/2012

Settlement Amount:

Individual Contribution Amount:

Firm Statement

THIS IS A UNFOUNDED COMPLAINT. PHONE RECORDS PROVE THAT ALL TRADES WERE AUTHORIZED. THE CLIENT SIGNED ONTO HIS ACCOUNT ONLINE TO VIEW THE TRANSACTIONS AS WELL. THERE WERE NO COMPLAINTS PRIOR TO THE LETTER FROM HIS ATTORNEY. IN ADDITION THIS WAS AN ACCOUNT THAT MY PARTNER HANDLED. I NEVER TRADED FOR [CUSTOMER].



Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: ROCKWELL GLOBAL CAPITAL, LLC

Allegations: UNAUTHORIZED TRADING

Product Type: Equity-OTC

Alleged Damages: \$24,377.92

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? No

Customer Complaint Information

Date Complaint Received: 11/16/2012

Complaint Pending? No

Status: Denied

Status Date: 11/19/2012

Settlement Amount:

Individual Contribution Amount:

Broker Statement THIS IS A UNFOUNDED COMPLAINT. PHONE RECORDS PROVE THAT ALL TRADES WERE AUTHORIZED. THE CLIENT SIGNED ONTO HIS ACCOUNT ONLINE TO VIEW THE TRANSACTIONS AS WELL. THERE WERE NO COMPLIANTS PRIOR TO THE LETTER FROM HIS ATTORNEY. IN ADDITION THIS WAS AN ACCOUNT THAT MY PARTNER HANDLED. I NEVER TRADED FOR MR. SWETMON.

Disclosure 2 of 3

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: JOSEPHTHAL & CO., INC.

Allegations: CLIENT ALLEGES THAT RR MADE UNAUTHORIZED TRADES IN HIS ACCOUNT. THE RR ALSO BOUGHT ADDITIONAL SHARES OF ATMEL STOCK



WITHOUT DISCUSSING IT WITH HIM. DAMAGE AMOUNT UNSPECIFIED BUT ESTIMATED TO BE \$11,480.00

Product Type: Equity - OTC

Alleged Damages: \$11,480.00

Customer Complaint Information

Date Complaint Received: 03/21/2001

Complaint Pending? No

Status: Denied

Status Date: 04/02/2001

Settlement Amount:

Individual Contribution Amount:

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: JOSEPHTHAL & CO., INC.

Allegations: CLIENT ALLEGES THAT RR MADE UNATHORIZED TRADES IN HIS ACCOUNT. THE RR ALSO BOUGHT ADDITIONAL SHARES OF ATMEL STOCK WITHOUT DISCUSSING IT WITH HIM.. DAMAGE AMOUNT UNSPECIED, BUT ESTIMATED TO BE \$11,480.

Product Type: Equity - OTC

Alleged Damages: \$11,480.00

Customer Complaint Information

Date Complaint Received: 03/21/2001

Complaint Pending? No

Status: Denied

Status Date: 04/02/2001

Settlement Amount:

Individual Contribution Amount:

**Disclosure 3 of 3**

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	JOSEPHTHAL & CO. INC.
Allegations:	CUSTOMER ALLEGES THAT AGENT VIOLATED REGULATION T MARGIN REQUIREMENTS TO ENGAGE IN EXCESSIVE TRADING.
Product Type:	Equity Listed (Common & Preferred Stock)
Alleged Damages:	\$33,140.00

Customer Complaint Information

Date Complaint Received:	06/29/1999
Complaint Pending?	No
Status:	Denied
Status Date:	08/31/1999
Settlement Amount:	
Individual Contribution Amount:	



Customer Dispute - Pending

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, consumer-initiated, investment-related written complaint containing allegations that the broker engaged in, sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities.

Disclosure 1 of 1

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	AEGIS CAPITAL CORP
Allegations:	TIME FRAME: UNSPECIFIED. CLAIMANT ALLEGES EXCESSIVE AND UNSUITABLE TRADING, FALSE AND MISLEADING STATEMENTS.
Product Type:	No Product
Alleged Damages:	\$200,000.00
Is this an oral complaint?	No
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA, SYRACUSE NY
Docket/Case #:	19-03414
Filing date of arbitration/CFTC reparation or civil litigation:	12/06/2019

Customer Complaint Information

Date Complaint Received:	01/13/2020
Complaint Pending?	Yes
Settlement Amount:	
Individual Contribution Amount:	

End of Report



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