# IAPD Report

## JOSEPH FRANCIS RINALDI, III MR.

CRD# 1012144

# IAPD Information About Representatives

IAPD offers information on all current-and many former representatives. Investors are strongly encouraged to use IAPD to check the background of representatives before deciding to conduct, or continue to conduct, business with them.

**What is included in a IAPD report?**

IAPD reports for individual representatives include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards.

It is important to note that the information contained in an IAPD 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 representative, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

**Where did this information come from?**

The information contained in IAPD comes from the Investment Adviser Registration Depository (IARD) and FINRA's Central Registration Depository, or CRD, (see more on CRD below) and is a combination of:

- information the states require representatives and firms to submit as part of the registration and licensing process, and
- information that state regulators report regarding disciplinary actions or allegations against representatives.

**How current is this information?**

Generally, representatives are required to update their professional and disciplinary information in IARD within 30 days.

**Need help interpreting this report?**

For help understanding how to read this report, please consult NASAA's IAPD Tips page http://www.nasaa.org/IAPD/IARReports.cfm

**What if I want to check the background of an Individual Broker or Brokerage Firm?**

To check the background of an Individual Broker or Brokerage firm, you can search for the firm or individual in IAPD. If your search is successful, click on the link provided to view the available licensing and registration information in FINRA's BrokerCheck website.

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

It is recommended that you learn as much as possible about an individual representative or Investment Adviser firm before deciding to work with them. Your state securities regulator can help you research individuals and certain firms doing business in your state. The contact information for state securities regulators can be found on the website of the North American Securities Administrators Association http://www.nasaa.org

# Report Summary

## JOSEPH FRANCIS RINALDI, III MR. (CRD# 1012144)

The report summary provides an overview of the representative's professional background and conduct. The information contained in this report has been provided by the representative, investment adviser and/or securities firms, and/or securities regulators as part of the states' investment adviser registration and licensing process. The information contained in this report was last updated by the representative, a previous employing firm, or a securities regulator on **12/03/2024**.

## CURRENT EMPLOYERS

| | Firm | CRD# | Registered Since |
|---|---|---|---|
| IA | QUANTUM FINANCIAL ADVISORS INC | CRD# 113563 | 10/01/2004 |

## QUALIFICATIONS

This representative is currently registered in **0** SRO(s) and **1** jurisdiction(s).

Is this representative currently Inactive or Suspended with any regulator? **No**

**Note:** Not all jurisdictions require IAR registration or may have an exemption from registration.
Additional information including this individual's qualification examinations and professional designations is available in the Detailed Report.

## REGISTRATION HISTORY

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

| | FIRM | CRD# | LOCATION | REGISTRATION DATES |
|---|---|---|---|---|
| B | RAS SECURITIES CORP. | 28212 | NEW YORK, NY | 10/04/1995 - 12/07/1995 |
| B | GRUNTAL & CO. INCORPORATED | 372 | NEW YORK, NY | 01/26/1994 - 09/09/1994 |
| B | AEGIS SECURITIES CORPORATION | 26581 | NEW YORK, NY | 09/16/1991 - 11/15/1991 |

For additional registration and employment history details as reported by the individual, refer to the Registration and Employment History section of the Detailed Report.

## DISCLOSURE INFORMATION

Disclosure events include certain criminal charges and convictions, formal investigations and disciplinary actions initiated by regulators, customer disputes and arbitrations, and financial disclosures such as bankruptcies and unpaid judgments or liens.

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

The following types of events are disclosed about this representative:

| Type | Count |
|---|---|
| Regulatory Event | 2 |

# Qualifications

## REGISTRATIONS

This section provides the SRO, states and U.S. territories in which the representative is currently registered and licensed, the category of each registration, and the date on which the registration becomes effective. This section also provides, for each firm with which the representative is currently employed, the address of each location where the representative works.
This individual is currently registered with **1** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

### Employment 1 of 1

Firm Name: **QUANTUM FINANCIAL ADVISORS INC**

Main Address: 51 MONROE STREET
SUITE 1902
ROCKVILLE, MD 20850

Firm ID#: 113563

| | Regulator | Registration | Status | Date |
|---|---|---|---|---|
| IA | Maryland | Investment Adviser Representative | Approved | 11/11/2011 |

### Branch Office Locations

**QUANTUM FINANCIAL ADVISORS INC**
51 MONROE STREET
SUITE 1902
ROCKVILLE, MD 20850

 

# Qualifications

## PASSED INDUSTRY EXAMS

This section includes all industry exams that the representative has passed. Under limited circumstances, a representative may attain registration after receiving an exam waiver based on a combination of exams the representative has passed and qualifying work experience. Likewise a new exam requirement may be grandfathered based on a representative's specific qualifying work experience. Exam waivers and grandfathering 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 |
|---|---|---|---|
| B | General Securities Representative Examination (S7) | Series 7 | 09/13/1991 |
| B | National Commodity Futures Examination (S3) | Series 3 | 03/06/1987 |
| B | Investment Company Products/Variable Contracts Representative Examination (S6) | Series 6 | 10/21/1981 |

### State Securities Law Exams

| | Exam | Category | Date |
|---|---|---|---|
| IA | Uniform Investment Adviser Law Examination (S65) | Series 65 | 06/17/2004 |
| B | Uniform Securities Agent State Law Examination (S63) | Series 63 | 02/25/1994 |

## PROFESSIONAL DESIGNATIONS

This section details that the representative has reported **0** professional designation(s).

No information reported.

 

# Registration & Employment History

## PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

| | Registration Dates | Firm Name | ID# | Branch Location |
|---|---|---|---|---|
| B | 10/04/1995 - 12/07/1995 | RAS SECURITIES CORP. | CRD# 28212 | NEW YORK, NY |
| B | 01/26/1994 - 09/09/1994 | GRUNTAL & CO. INCORPORATED | CRD# 372 | NEW YORK, NY |
| B | 09/16/1991 - 11/15/1991 | AEGIS SECURITIES CORPORATION | CRD# 26581 | |
| B | 07/25/1987 - 02/13/1988 | MORGAN STANLEY MARKET PRODUCTS INC. | CRD# 19794 | |
| B | 12/23/1986 - 10/29/1987 | MORGAN STANLEY & CO., INCORPORATED | CRD# 8209 | |
| B | 11/20/1981 - 09/23/1982 | FIRST INVESTORS CORPORATION | CRD# 305 | |

## EMPLOYMENT HISTORY

Below is the representative's employment history for up to the last 10 years.

| Employment Dates | Employer Name | Position | Investment Related | Employer Location |
|---|---|---|---|---|
| 06/1996 - Present | QUANTUM FINANCIAL ADVISORS | PRESIDENT & SENIOR MANAGING DIRECTOR | Y | ROCKVILLE, MD, United States |

## OTHER BUSINESS ACTIVITIES

This section includes information, if any, as provided by the representative regarding other business activities the representative 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.

No information reported.

 

# Disclosure Summary

## Disclosure Information

**What you should know about reported disclosure events:**

**(1) Certain thresholds must be met before an event is reported to IARD, for example:**

- A law enforcement agency must file formal charges before an Investment Adviser Representative is required to report a particular criminal event.;
- A customer dispute must involve allegations that an Investment Adviser Representative engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least $5,000.

**(2) Disclosure events in IAPD reports come from different sources:**

As mentioned in the "About IAPD" section on page 1 of this report, information contained in IAPD comes from Investment Adviser Representatives, 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 IAPD report. The different versions will be separated by a solid line with the reporting source labeled.

**(3) There are different statuses and dispositions for disclosure events:**

- A disclosure event may have a status of *pending, on appeal,* or *final*.
  - A "pending" disclosure event involves allegations that have not been proven or formally adjudicated.
  - A disclosure event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
  - A "final" disclosure event has been concluded and its resolution is not subject to change.
- A final disclosure 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 represents a disposition wherein the parties involved in a dispute reach an agreement to resolve the matter. Please note that Investment Adviser Representatives and firms may choose to settle customer disputes or regulatory matters for business or other reasons.
  - A "resolved" matter usually includes a disposition wherein no payment is made to the customer or there is no finding of wrongdoing on the part of the Investment Adviser Representative. Such matters generally involve customer disputes.

**(4) You may wish to contact the Investment Adviser Representatives to obtain further information regarding any of the disclosure events contained in this IAPD report.**

## DISCLOSURE EVENT DETAILS

When evaluating this information, please keep in mind that some items may involve pending actions or allegations that may be contested and have not been resolved or proven. The event may, in the end, be withdrawn, dismissed, resolved in favor of the Investment Adviser Representative, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to the Investment Adviser Registration Depository. Some of the specific data fields contained in the report may be blank if the information was not provided.

The following types of events are disclosed about this representative:

| Type | Count |
|---|---|
| Regulatory Event | 2 |

### Regulatory Event

This disclosure event may include a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a federal regulator such as the Securities and Exchange Commission or the Commodities Futures Trading Commission, or a foreign financial regulatory body) for a violation of investment-related rules or regulations. This disclosure event may also include a revocation or suspension of an Investment Adviser Representative's authority to act as an attorney, accountant or federal contractor.

#### Disclosure 1 of 2

| | |
|---|---|
| **Reporting Source:** | Individual |
| **Regulatory Action Initiated By:** | MARYLAND ATTORNEY GENERAL, SECURITIES DIVISION |
| **Sanction(s) Sought:** | Cease and Desist |
| **Other Sanction(s) Sought:** | |
| **Date Initiated:** | 06/22/2004 |
| **Docket/Case Number:** | 2004-0368 |
| **Employing firm when activity occurred which led to the regulatory action:** | QUANTUM FINANCIAL ADVISORS, INC. |
| **Product Type:** | No Product |
| **Other Product Type(s):** | |
| **Allegations:** | MR. RINALDI, WITHOUT ADMITTING OR DENYING ANY ALLEGATIONS, ENTERED INTO A CONSENT ORDER WITH THE SECURITIES DIVISION OF THE MARYLAND ATTORNEY GENERAL, WHICH PROVIDED THAT, 1) MR. RINALDI ACTED AS AN INVESTMENT ADVISER REPRESENTATIVE WITHOUT REGISTERING WITH THE STATE OF MARYLAND, 2) QFA ACTED AS A FEDERAL COVERED ADVISER WITHOUT FILING A NOTICE OF REGISTRATION WITH THE STATE OF MARYLAND, 3) QFA DEDUCTED FEES DIRECTLY FROM CLIENT ACCOUNTS WITHOUT COMPLYING WITH THE REQUISITE SAFEGUARDS, AND 4) QFA OFFERED UNREGISTERED SECURITIES TO THE PUBLIC ON ITS WEBSITE IN VIOLATION OF SECTION 11-501 OF THE MARYLAND SECURITIES ACT.<br><br>QFA PAID THE STATE OF MARYLAND $3,594, WHICH REPRESENTS PAYMENT OF REGISTRATION FEES OWED, PLUS INTEREST. |

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|---|---|
| **Current Status:** | Final |
| **Resolution:** | Consent |
| **Resolution Date:** | 01/30/2006 |
| **Sanctions Ordered:** | Cease and Desist/Injunction<br>Monetary/Fine $3,594.00 |
| **Other Sanctions Ordered:** | |
| **Sanction Details:** | THE TOTAL AMOUNT OF THE FINE WAS $3,594. THIS AMOUNT WAS LIMITED TO THE AMOUNT OWED TO THE STATE FOR PRIOR YEARS REGISTRATION FEES, PLUS INTEREST. |

## Disclosure 2 of 2

| | |
|---|---|
| **Reporting Source:** | Regulator |
| **Regulatory Action Initiated By:** | DISTRICT OF COLUMBIA DEPARTMENT OF INSURANCE, SECURITIES AND BANKING |
| **Sanction(s) Sought:** | Cease and Desist |
| **Other Sanction(s) Sought:** | CONSENT AGREEMENT AND ORDER |
| **Date Initiated:** | 12/22/2003 |
| **Docket/Case Number:** | SB-04-03 |
| **Employing firm when activity occurred which led to the regulatory action:** | QUANTUM FINANCIAL ADVISORS INC. |
| **Product Type:** | Other |
| **Other Product Type(s):** | OFFERING OF COMMON STOCK AND REITS. |
| **Allegations:** | RESPONDENT QUANTUM FINANCIAL ADVISORS, INC. ("OFA") AND JOSEPH F. RINALDI ENGAGED IN ACTS OR PRACTICES CONSTITUTING VIOLATIONS OF THE SECURITIES ACT OF 2000 PRETAINING TO INVESTMENT ADVISERS AND INVESTMENT ADVISER REPRESENTATIVES AND THE RULES GOVERNING SECURITIES OFFERINGS IN THE DISTRICT OF COLUMBIA. |
| **Current Status:** | Final |
| **Resolution:** | Other |
| **Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?** | No |
| **Resolution Date:** | 06/22/2004 |
| **Sanctions Ordered:** | Cease and Desist/Injunction |
| **Other Sanctions Ordered:** | THE RESPONDENT SHALL CEASE AND DESIST FROM ANY AND ALL OTHER OR FURTHER VIOLATIONS OF THE ACT. |
| **Sanction Details:** | WITHOUT ADMITTING OR DENYING THE EXISTENCE OF A VIOLATION, THE RESPONDENTS CONSENTED TO THE ENTRY OF THIS ORDER TO CEASE AND DESIST FROM ANY AND ALL OTHER OR FURTHER VIOLATIONS OF THE |

 

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|---|---|
| | ACT. THE COMMISSIONER SIGNED A CONSENT AGREEMENT AND ORDER WITH THE RESPONDENTS. THE ORDER, IN PART, SETTLES ON-GOING VIOLATIONS OF THE DC SECURITIES ACT, NAMELY, OFFERING UNREGISTERED SECURITIES, AND EMPLOYING UNLICENSED SECURITIES PROFESSIONALS (INVESTMENT ADVISER REPRESENTATIVES) IN THE DISTRICT OF COLUMBIA. PARTLY, AS A RESULT OF THIS ORDER, THE RESPONDENTS AGREE THAT:<br>(1)RINALDI WILL BE UNDER HEIGHTEN SUPERVISION;<br>(2)QFA WILL HAVE ITS BOOKS AND RECORDS AUDITED BY AN INDEPENDENT CONSULTANT TO TAKE CORRECTIVE ACTION OF QFA'S RECORDS AND BUSINESS PRACTICES;<br>(3)QFA AND RINALDI WILL REFRAIN FROM OPERATING IN ANY JURISDICTION WHERE IT IS UNLICENSED OR UNREGISTERED;<br>(4)QFA AND RINALDI WILL SUBMIT WRITTEN CUSTOMER COMPLAINTS TO THE EXAMINATIONS DIVISION FOR TWO (2) YEARS; AND<br>(5) QFA AND RINALDI WILL NOTIFY THE EXAMINATIONS DIVISION THIRTY (30) DAYS PRIOR TO THEIR MOVE TO ANOTHER LOCATION IN OR OUTSIDE OF THE DISTRICT OF COLUMBIA. |
| **Regulator Statement** | BASED ON AN EXAMINATION CONDUCTED BY THE DEPARTMENT OF INSURANCE, SECURITIES AND BANKING, THERE IS A CONTINUING INVESTIGATION INTO RINALDI'S PAST CONDUCT AND BUSINESS PRACTICE WHICH MAY HAVE VIOLATED THE DISTRICT OF COLUMBIA'S SECURITIES ACT. FINAL DISPOSITION WILL FOLLOW SHORTLY. PLEASE CALL JAY KNIGHT, ASSISTANT DIRECTOR, SECURITIES BUREAU, DEPARTMENT OF INSURANCE, SECURITIES AND BANKING AT 202-442-4794. |

| | |
|---|---|
| **Reporting Source:** | Individual |
| **Regulatory Action Initiated By:** | DISTRICT OF COLUMBIA DEPARTMENT OF INSURANCE, SECURITIES AND BANKING |
| **Sanction(s) Sought:** | Cease and Desist |
| **Other Sanction(s) Sought:** | AGREED TO TAKE CORRECTIVE ACTION AS SET FORTH IN A CONSENT AGREEMENT WITH THE DISTRICT OF COLUMBIA. ALL CORRECTIVE ACTIONS AS SET FORTH IN THE CONSENT AGREEMENT HAVE BEEN COMPLETED. |
| **Date Initiated:** | 06/22/2004 |
| **Docket/Case Number:** | SB-04-03 |
| **Employing firm when activity occurred which led to the regulatory action:** | QUANTUM FINANCIAL ADVISORS, INC., |
| **Product Type:** | No Product |
| **Other Product Type(s):** | |
| **Allegations:** | ON THE BASIS OF A PRELIMINARY INVESTIGATION, D.C. FOUND EVIDENCE OF VIOLATIONS OF THE SECURITIES ACT OF 2000, THE RULES PERTAINING TO INVESTMENT ADVISERS AND IA REPRESENTATIVES AND THE RULES GOVERNING SECURITIES OFFERINGS IN D.C. MR. RINALDI, WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, CONSENTED TO AN ENTRY OF AN ORDER WHICH INCLUDED CERTAIN CORRECTIVE ACTIONS TO BE TAKEN BY MR. RINALDI, ALL OF WHICH HAVE BEEN COMPLETED. |
| **Current Status:** | Final |
| **Resolution:** | Consent |

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|---|---|
| **Resolution Date:** | 06/22/2004 |
| **Sanctions Ordered:** | Cease and Desist/Injunction |
| **Other Sanctions Ordered:** | UNDERTAKING |
| **Sanction Details:** | MR. RINALDI AGREED TO TAKE CERTAIN CORRECTIVE ACTIONS. ALL CORRECTIVE ACTIONS BY MR. RINALDI HAVE BEEN COMPLETED. |

## End of Report

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