



## IAPD Report

# DAVID ANTHONY NAGLER

CRD# 1190128

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Please contact FINRA with any concerns.



## 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

### DAVID ANTHONY NAGLER (CRD# 1190128)

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 **06/09/2025**.

### CURRENT EMPLOYERS

Firm	CRD#	Registered Since
IA NEW LINE CAPITAL, LLC	CRD# 143677	07/25/2007

### 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
IA MORGAN STANLEY	7556	SANTA FE, NM	12/13/2005 - 12/08/2006
B MORGAN STANLEY DW INC.	7556	SANTA FE, NM	12/06/2005 - 12/08/2006
IA CITIGROUP GLOBAL MARKETS INC.	7059	SANTA FE, NM	04/19/2002 - 11/29/2005

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
Civil Event	1
Customer Dispute	1
Termination	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: **NEW LINE CAPITAL, LLC**  
Main Address: SANTA FE, NM  
Firm ID#: 143677

Regulator	Registration	Status	Date
<b>IA</b> New Mexico	Investment Adviser Representative	Approved	07/25/2007

#### Branch Office Locations

**NEW LINE CAPITAL, LLC**  
SANTA FE, NM




## 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 1 principal/supervisory exam, 2 general industry/product exams, and 2 state securities law exams.**



#### Principal/Supervisory Exams

Exam	Category	Date
 General Securities Sales Supervisor Examination (Options Module & General Module) (S8)	Series 8	08/17/1999

#### General Industry/Product Exams

Exam	Category	Date
 General Securities Representative Examination (S7)	Series 7	08/18/1984
 Investment Company Products/Variable Contracts Representative Examination (S6)	Series 6	12/14/1983

#### State Securities Law Exams

Exam	Category	Date
 Uniform Investment Adviser Law Examination (S65)	Series 65	01/27/1997
 Uniform Securities Agent State Law Examination (S63)	Series 63	10/09/1989

### 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
IA	12/13/2005 - 12/08/2006	MORGAN STANLEY	CRD# 7556	SANTA FE, NM
B	12/06/2005 - 12/08/2006	MORGAN STANLEY DW INC.	CRD# 7556	SANTA FE, NM
IA	04/19/2002 - 11/29/2005	CITIGROUP GLOBAL MARKETS INC.	CRD# 7059	SANTA FE, NM
B	04/05/2002 - 11/29/2005	CITIGROUP GLOBAL MARKETS INC.	CRD# 7059	NEW YORK, NY
B	05/24/1996 - 04/15/2002	UBS PAINWEBBER INC.	CRD# 8174	WEEHAWKEN, NJ
B	11/11/1992 - 05/29/1996	SUTRO & CO. INCORPORATED	CRD# 801	SAN FRANCISCO, CA
B	07/12/1989 - 11/12/1992	SMITH BARNEY, HARRIS UPHAM & CO., INCORPORATED	CRD# 7059	NEW YORK, NY
B	07/24/1986 - 07/12/1989	AMERICAN GENERAL SECURITIES INCORPORATED	CRD# 13626	PHOENIX, AZ
B	12/15/1983 - 10/04/1984	NEL EQUITY SERVICES CORPORATION	CRD# 615	

### 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
12/2006 - Present	NEW LINE CAPITAL	MANAGER	Y	SANTA FE, NM, 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
Civil Event	1
Customer Dispute	1
Termination	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

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Sanction(s) Sought:</b>	Cease and Desist
<b>Date Initiated:</b>	02/04/2015
<b>Docket/Case Number:</b>	3-16371
<b>Employing firm when activity occurred which led to the regulatory action:</b>	NEW LINE CAPITAL, LLC
<b>Product Type:</b>	No Product
<b>Allegations:</b>	IA RELEASE 40-4017 / FEBRUARY 4, 2015: IA RELEASE 40-4017 / FEBRUARY 4, 2015: THE SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED AGAINST DAVID NAGLER ("RESPONDENT"). ON THE BASIS OF THIS ORDER AND RESPONDENT'S OFFER, THE COMMISSION FINDS THAT: NAGLER IS THE OWNER, MANAGING MEMBER, PORTFOLIO MANAGER, AND CHIEF COMPLIANCE OFFICER OF THE OTHER RESPONDENT, AN INVESTMENT ADVISER (IA) REGISTERED WITH THE COMMISSION. HOWEVER, THIS PROCEEDING ARISES OUT OF IMPROPER REGISTRATION AND MATERIAL MISSTATEMENTS MADE IN FORMS ADV BY THE IA. SINCE 2012, THE IA FALSELY REPRESENTED THAT ITS PRINCIPAL OFFICE AND PLACE OF BUSINESS WAS IN WYOMING, A STATE THAT DOES



NOT REGULATE INVESTMENT ADVISERS, TO MAINTAIN THE FIRM'S COMMISSION REGISTRATION AFTER RULES WENT INTO EFFECT RESTRICTING SUCH REGISTRATION TO ADVISERS WITH MORE ASSETS UNDER MANAGEMENT. THE IA ALSO OVERSTATED ITS ASSETS UNDER MANAGEMENT IN FILINGS WITH THE COMMISSION. IN ADDITION, ALTHOUGH THE IA HAD REGISTERED AS AN INVESTMENT ADVISER WITH THE COMMISSION, IT FAILED TO MAINTAIN AND MAKE AVAILABLE TO THE COMMISSION'S STAFF, BOOKS AND RECORDS REQUIRED UNDER THE ADVISERS ACT. NAGLER, THE IA'S OWNER, WAS RESPONSIBLE FOR ALL OF ITS FILINGS AND RECORDKEEPING, AND AIDED AND ABETTED AND CAUSED ALL OF ITS VIOLATIONS. AS A RESULT OF THE CONDUCT NAGLER WILLFULLY AIDED AND ABETTED AND CAUSED THE IA'S VIOLATIONS OF, SECTION 203A OF THE ADVISERS ACT; WILLFULLY VIOLATED SECTION 207 OF THE ADVISERS ACT; AND WILLFULLY AIDED AND ABETTED AND CAUSED THE IA'S VIOLATIONS OF SECTION 204(A) OF THE ADVISERS ACT AND RULES 204-2(A) AND 204-2(B) THEREUNDER.

<b>Current Status:</b>	Final
<b>Resolution:</b>	Order
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	Yes
<b>Resolution Date:</b>	02/04/2015
<b>Sanctions Ordered:</b>	Cease and Desist Censure Civil and Administrative Penalty(ies)/Fine(s)
<b>If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?</b>	Yes
<b>(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?</b>	Yes



**(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or**

Yes

**(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?**

No

**Monetary Sanction 1 of 1**

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)

**Total Amount:** \$25,000.00

**Portion Levied against individual:** \$25,000.00

**Payment Plan:** JOINTLY AND SEVERALLY

**Is Payment Plan Current:**

**Date Paid by individual:**

**Was any portion of penalty waived?** No

**Amount Waived:**

**Regulator Statement**

IN ANTICIPATION OF THE INSTITUTION OF THESE PROCEEDINGS, RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS HEREIN, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER HIM AND THE



SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED, RESPONDENT CONSENT TO THE ENTRY OF THIS ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTIONS 203(E), 203(F) AND 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER. IN VIEW OF THE FOREGOING, THE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN RESPONDENT'S OFFER. ACCORDINGLY, IT IS HEREBY ORDERED THAT: RESPONDENT CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTIONS 203A, 204(A) AND 207 OF THE ADVISERS ACT AND RULES 204-2(A) AND 204-2(B) THEREUNDER. RESPONDENT IS CENSURED. RESPONDENT SHALL, WITHIN 10 DAYS OF THE ENTRY OF THIS ORDER, PAY A CIVIL MONEY PENALTY, JOINTLY AND SEVERALLY, IN THE AMOUNT OF \$25,000 TO THE SECURITIES AND EXCHANGE COMMISSION.

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**Reporting Source:** Individual

**Regulatory Action Initiated By:** UNITED STATES SECURITIES AND EXCHANGE COMMISSION

**Sanction(s) Sought:** Censure  
Monetary Penalty other than Fines

**Date Initiated:** 02/04/2015

**Docket/Case Number:** 3-16371

**Employing firm when activity occurred which led to the regulatory action:** NEW LINE CAPITAL

**Product Type:** No Product

**Allegations:** ON FEBRUARY 4, 2015, THE SECURITIES AND EXCHANGE COMMISSION ENTERED AN ORDER ("ORDER") AGAINST NEW LINE CAPITAL AND MR. NAGLER BASED ON AN OFFER OF SETTLEMENT ("OFFER") EXECUTED ON SEPTEMBER 3, 2014 WITH THE SEC'S DENVER REGIONAL OFFICE ("STAFF"). IN THE OFFER, NEW LINE AND MR. NAGLER NEITHER ADMITTED NOR DENIED THE ALLEGATIONS MADE BY THE STAFF OF VIOLATIONS OF THE INVESTMENT ADVISERS ACT OF 1940 ("ADVISERS ACT") AND RULES THEREUNDER. IN THE ORDER, THE SEC NOTED THE ALLEGATIONS BY THE STAFF, SUMMARIZED AS FOLLOWS:

?PRINCIPAL OFFICE: THE STAFF ALLEGED THAT, ALTHOUGH NEW LINE AND MR. NAGLER CLAIMED THEIR PRINCIPAL PLACE OF BUSINESS WAS IN WYOMING, AND IN FACT MAINTAINED BOTH AN OFFICE AND KEPT RECORDS AT THIS LARAMIE OFFICE, IT WAS NOT THE ADVISER'S TRUE PRINCIPAL PLACE OF BUSINESS;

?RECORDS: 1. THE STAFF ALLEGED THAT MR. NAGLER INCLUDED IN NEW LINE'S CALCULATION OF NEW LINE ASSETS UNDER MANAGEMENT ("AUM") CERTAIN ASSETS THAT THE STAFF ALLEGES SHOULD NOT HAVE BEEN INCLUDED (ALTHOUGH THE STAFF ACKNOWLEDGES THAT THE VALUE OF SUCH ASSETS WAS NOT INCLUDED IN ADVISORY FEE CALCULATIONS);

2. THE STAFF ALLEGES THAT NEW LINE HAD THE ABILITY TO DEDUCT ADVISORY FEES FROM CLIENT BROKERAGE ACCOUNTS, THUS



NEW LINE HAD CUSTODY OF CLIENT FUNDS, BUT DID NOT MAKE AND KEEP THE RECORDS REQUIRED UNDER SUCH CIRCUMSTANCES,

AS A RESULT, THE SEC FOUND, SOLELY FOR PURPOSES OF THE ORDER, THAT NEW LINE WILLFULLY VIOLATED, AND MR. NAGLER WILLFULLY AIDED AND ABETTED AND CAUSED NEW LINE'S VIOLATION OF, SECTIONS 203A (IMPROPER REGISTRATION), SECTION 204(A) AND RULES 204-2(A) AND (B) THEREUNDER (BOOKS AND RECORDS), AND SECTION 207 (WILLFUL UNTRUE STATEMENT IN APPLICATION). IN ITS ORDER, THE SEC RECOGNIZED THAT NEW LINE AND NAGLER NEITHER ADMITTED NOR DENIED THAT ANY OF THE STAFF'S ALLEGATIONS WAS TRUE. THE SEC ORDERED NEW LINE TO CEASE AND DESIST SUCH VIOLATIONS, CENSURED NEW LINE AND MR. NAGLER, AND IMPOSED A CIVIL MONEY PENALTY OF \$25,000.

**Current Status:** Final

**Resolution:** Settled

**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?** Yes

**Resolution Date:** 02/04/2015

**Sanctions Ordered:** Cease and Desist  
Censure  
Other: CIVIL MONEY PENALTY OF \$25,000

#### Monetary Sanction 1 of 1

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)

**Total Amount:** \$25,000.00

**Portion Levied against individual:** \$12,500.00

**Payment Plan:**

**Is Payment Plan Current:**

**Date Paid by individual:** 02/04/2015

**Was any portion of penalty waived?** No

**Amount Waived:**

#### Disclosure 2 of 2

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:**

**Other Sanction(s) Sought:**

**Date Initiated:** 03/06/2007

**Docket/Case Number:** [2005003406001](#)



**Employing firm when activity occurred which led to the regulatory action:** SMITH BARNEY/MORGAN STANLEY DW INC.

**Product Type:** No Product

**Other Product Type(s):**

**Allegations:** NASD RULE 2110 - DAVID A. NAGLER BORROWED \$3,000 FROM A PUBLIC CUSTOMER EVEN THOUGH HIS MEMBER FIRM'S WRITTEN PROCEDURES PROHIBITED BORROWING AND LENDING MONEY FROM OR TO A CLIENT UNDER ANY CIRCUMSTANCES. NAGLER FAILED TO REQUEST OR OBTAIN PERMISSION FROM HIS MEMBER FIRM TO BORROW MONEY FROM A PUBLIC CUSTOMER. NAGLER MISLED ANOTHER MEMBER FIRM WHEN HE FAILED TO ADVISE THE FIRM DURING THE HIRING PROCESS THAT HE HAD BEEN PERMITTED TO RESIGN FROM A MEMBER FIRM FOR VIOLATING FIRM POLICY REGARDING THE PROHIBITION OF BORROWING FUNDS FROM PUBLIC CUSTOMERS.

**Current Status:** Final

**Resolution:** Decision & Order of Offer of Settlement

**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:** 08/08/2007

**Sanctions Ordered:** Monetary/Fine \$10,000.00  
Suspension

**Other Sanctions Ordered:**

**Sanction Details:** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, NAGLER CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, HE IS FINED \$10,000 AND SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY CAPACITY FOR 20 BUSINESS DAYS. THE FINE IS DUE AND PAYABLE IMMEDIATELY UPON REASSOCIATION WITH A MEMBER FIRM FOLLOWING THE SUSPENSION OR PRIOR TO ANY REQUEST FOR RELIEF FROM ANY STATUTORY DISQUALIFICATION RESULTING FROM THIS OR ANY OTHER EVENT OR PROCEEDING, WHICHEVER IS EARLIER. THE SUSPENSION IN ANY CAPACITY IS IN EFFECT FROM SEPTEMBER 4, 2007 THROUGH OCTOBER 1, 2007.

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**Reporting Source:** Individual

**Regulatory Action Initiated By:** NASD

**Sanction(s) Sought:**

**Other Sanction(s) Sought:**

**Date Initiated:** 03/06/2007

**Docket/Case Number:** [2005003406001](#)



**Employing firm when activity occurred which led to the regulatory action:**

CITIGROUP (SMITH BARNEY) AND MORGAN STANLEY

**Product Type:**

No Product

**Other Product Type(s):**

**Allegations:**

SMITH BARNEY: BORROWED \$3,000. FROM A FRIEND/CLIENT WITHOUT FIRM PERMISSION.  
MORGAN STANLEY: MISREPRESENTED REASON FOR TERMINATION BY SMITH BARNEY.

**Current Status:**

Pending

**Broker Statement**

I WAS NOT AWARE THAT BORROWING MONEY FROM A FRIEND/CLIENT WAS AGAINST FIRM POLICY OR AN NASD RULE VIOLATION. THE LOAN WAS REPAYED WITH INTEREST. THE FIRM LEARNED OF THE LOAN WHEN MY FRIEND THANKED ME FOR REPAYING IT. I BELIEVE THE REAL REASON FOR MY TERMINATION WAS A COMPENSATION DISPUTE. MORGAN STANLEY CLAIMS I MISREPRESENTED THE GROUNDS FOR MY TERMINATION BY SMITH BARNEY. I DISPUTE THAT CLAIM. I ANSWERED THE QUESTIONS THEY ASKED ME BASED ON MY UNDERSTANDING AT THE TIME. I ADVISED THEM OF THE NASD INVESTIGATION AND THE DETAILS OF THE LOAN IN JANUARY 2006. THEY DID NOT TERMINATE ME UNTIL DECEMBER.



## Civil Event

This disclosure event involves an injunction issued by a foreign or domestic court in connection with investment-related activity, a finding by a domestic or foreign court of a violation of any investment-related statute or regulation, or an action dismissed by a domestic or foreign court pursuant to a settlement agreement.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Relief Sought:</b>	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines
<b>Date Court Action Filed:</b>	06/02/2025
<b>Product Type:</b>	No Product
<b>Type of Court:</b>	Federal Court
<b>Name of Court:</b>	United States District Court for the District of New Jersey
<b>Location of Court:</b>	Albuquerque, NM
<b>Docket/Case #:</b>	1:25-CV-00516
<b>Employing firm when activity occurred which led to the action:</b>	New Line Capital, LLC
<b>Allegations:</b>	<p>Plaintiff Securities and Exchange Commission ("Plaintiff" or "Commission") alleges in the complaint against Defendants David A. Nagler and New Line Capital, LLC ("New Line" and, together with Nagler, "Defendants") that Nagler and New Line, an entity he founded, owns, and controls, are investment advisers to New Line's clients. As investment advisers, Defendants Nagler and New Line owe fiduciary duties to New Line's investment advisory clients and are obligated to act in the clients' best interests, to employ reasonable care to avoid misleading clients, and to fully disclose all material facts, including any conflicts of interest. From at least April 5, 2019 through December 2024, Defendants charged advisory fees in excess of what they promised to New Line clients and charged certain clients for "consulting" without their knowledge or consent. In doing so, Defendants breached their fiduciary duties and defrauded New Line clients. New Line and Nagler defrauded New Line investment advisory clients in connection with two types of fees New Line charged clients: 1) annual advisory fees; and 2) hourly fees for services. First, Defendants breached their fiduciary duties to New Line clients by making false and misleading statements and by failing to disclose material facts regarding annual advisory fees that New Line charged clients. Defendants misrepresented that they "take care to assure" that New Line's advisory fees are capped at 2% annually when, in fact, Defendants charged numerous clients more than 2% per year and did not make any efforts to prevent overcharging clients. Further, Defendants failed to disclose that Nagler used subjective criteria, such as how "demanding" he found a client, to determine the amount of advisory fees charged, and failed to disclose that New Line may charge clients more than 2%. During the Relevant Period, New Line's clients paid, and New Line and Nagler received, approximately \$125,000 in advisory fees beyond the 2% annual limit disclosed to New Line clients. Defendants breached their fiduciary duties in connection with their practice of billing New Line clients hourly fees for services without notice to clients that they were purportedly providing specific services. Defendants did not disclose to New Line clients that hourly fees may be charged without notice or the material conflicts of interest that resulted from this practice. During the Relevant Period, New Line's clients paid, and New Line and Nagler</p>



received, approximately \$325,000 in hourly fees. By their actions, Defendants violated, and unless restrained and enjoined will continue to violate, Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 ("Advisers Act").

**Current Status:**

Pending

**Limitations or Restrictions in Effect During Appeal:**

na



## Customer Dispute

This section provides information regarding a customer dispute that was reported to the Investment Adviser Registration Depository (IARD) by the Investment Adviser Representative (IAR), an investment adviser and/or securities firm, and/or a securities regulator. The event may include a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit that contains allegations of sales practice violations against the individual.

The customer dispute may be pending or may have resulted in a civil judgment, arbitration award, monetary settlement, closure without action, withdrawal, dismissal, denial, or other outcome.

### Disclosure 1 of 1

**Reporting Source:** Regulator

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

**Allegations:** OMISSION OF MATERIAL FACT, NEGLIGENCE, BREACH OF FIDUCIARY DUTY

**Product Type:** Other

**Other Product Type(s):** UNKNOWN TYPE OF SECURITIES

**Alleged Damages:** \$134,709.00

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** [NASD - CASE #99-00446](#)

**Date Notice/Process Served:** 02/01/1999

**Arbitration Pending?** No

**Disposition:** Award

**Disposition Date:** 08/14/2000

**Disposition Detail:** >08/29/00 RESPONDENTS SHALL BE AND HEREBY ARE JOINTLY AND SEVERALLY LIABLE TO CLAIMANT IN THE AMOUNT OF \$98,710.40 AS COMPENSATORY DAMAGES AND 15% INTEREST.

.....

**Reporting Source:** Individual

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

**Allegations:** CLAIMANT ALLEGES NEGLIGENCE, BREACH OF FIDUCIARY DUTY AND FAILURE TO ADVISE REGARDING THE MANDATORY EXCHANGE FEATURE AND DECLINE IN MARKET PRICE OF THE 7/98 AND 8/98 INVESTMENTS IN SHARES OF TRUST ISSUED MANDATORY EXCHANGE SECURITIES (TIMES). SEEKS DAMAGES IN THE AMOUNT OF \$134,709. PAINWEBBER RECEIVED COMPLAINT ON 2/24/99

**Product Type:** Other

**Other Product Type(s):** TRUST ISSUED MANADATORY EXCHANGE SECURITIES (TIMES)

**Alleged Damages:** \$134,709.00

### Customer Complaint Information

**Date Complaint Received:** 02/24/1999



<b>Complaint Pending?</b>	No
<b>Status:</b>	Arbitration/Reparation
<b>Status Date:</b>	02/24/1999
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	
<b>Arbitration Information</b>	
<b>Arbitration/Reparation Claim filed with and Docket/Case No.:</b>	<a href="#">NASD-99-00446</a>
<b>Date Notice/Process Served:</b>	02/24/1999
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Award to Customer
<b>Disposition Date:</b>	08/18/2000
<b>Monetary Compensation Amount:</b>	\$98,710.40
<b>Individual Contribution Amount:</b>	\$0.00
<b>Broker Statement</b>	AT ARBITRATION CLAIMANT REQUESTED AWARD OF \$210,000. ARBITRATION PANEL FOUND PAINWEBBER AND NAGLER JOINTLY AND SEVERALLY LIABLE TO CLAIMANT FOR \$98,710.40.



## Termination

This disclosure event involves a situation where the Investment Adviser Representative voluntarily resigned, was discharged or was permitted to resign after allegations were made that accused the Investment Adviser Representative of violating investment-related statutes, regulations, rules or industry standards of conduct; fraud or the wrongful taking of property; or failure to supervise in connection with investment-related statutes, regulations, rules or industry standards of conduct.

### Disclosure 1 of 2

**Reporting Source:** Individual  
**Firm Name:** MORGAN STANLEY  
**Termination Type:** Discharged  
**Termination Date:** 12/08/2006  
**Allegations:** MISREPRESENTATION OF REASONS FOR TERMINATION FROM SMITH BARNEY.  
**Product Type:** No Product

### Disclosure 2 of 2

**Reporting Source:** Individual  
**Firm Name:** SMITH BARNEY  
**Termination Type:** Discharged  
**Termination Date:** 11/03/2005  
**Allegations:** BORROWED \$3,000 FROM A FRIEND WITHOUT EMPLOYER APPROVAL.  
**Product Type:** No Product



## End of Report

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