



IAPD Report

WILLIAM FRANK MASUCCI

CRD# 1267408

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

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

WILLIAM FRANK MASUCCI (CRD# 1267408)

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 **02/18/2021**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
IA	ROYALE ASSET MANAGEMENT LLC	CRD# 281827	04/20/2021

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	H.J. MEYERS & CO., INC.	15609	ROCHESTER, NY	11/13/1989 - 10/05/1998
B	MONMOUTH INVESTMENTS, INC.	14047	ROCHESTER, NY	02/02/1989 - 09/13/1991
B	ALISON, BAER SECURITIES INC.	11808	ROCHESTER, NY	04/10/1989 - 10/19/1989

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	6
Civil Event	1



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: **ROYALE ASSET MANAGEMENT LLC**
Main Address: ROCHESTER, NY
Firm ID#: 281827

Regulator	Registration	Status	Date
IA New York	Investment Adviser Representative	Approved	04/20/2021

Branch Office Locations

ROYALE ASSET MANAGEMENT LLC
ROCHESTER, NY



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 Principal Examination (S24)	Series 24	07/22/1986

General Industry/Product Exams

	Exam	Category	Date
	National Commodity Futures Examination (S3)	Series 3	06/28/1984
	General Securities Representative Examination (S7)	Series 7	05/19/1984

State Securities Law Exams

	Exam	Category	Date
	Uniform Investment Adviser Law Examination (S65)	Series 65	03/31/2021
	Uniform Securities Agent State Law Examination (S63)	Series 63	05/24/1984

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	11/13/1989 - 10/05/1998	H.J. MEYERS & CO., INC.	CRD# 15609	ROCHESTER, NY
B	02/02/1989 - 09/13/1991	MONMOUTH INVESTMENTS, INC.	CRD# 14047	
B	04/10/1989 - 10/19/1989	ALISON, BAER SECURITIES INC.	CRD# 11808	
B	03/04/1988 - 02/08/1989	ALLIED CAPITAL GROUP, INC.	CRD# 13146	
B	08/05/1987 - 03/16/1988	GRAYSTONE NASH, INC.	CRD# 10635	
B	10/04/1985 - 08/11/1987	THE STUART-JAMES COMPANY, INC.	CRD# 11691	
B	06/22/1984 - 10/07/1985	SHEARSON LEHMAN BROTHERS INC.	CRD# 7506	

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
11/2015 - Present	Royale Asset Management LLC	Managing Member	Y	ROCHESTER, NY, 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	6
Civil Event	1

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 6

Reporting Source:	Regulator
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Cease and Desist
Other Sanction(s) Sought:	
Date Initiated:	02/07/2000
Docket/Case Number:	FILE #3-10140
Employing firm when activity occurred which led to the regulatory action:	H.J. MEYERS & CO.
Product Type:	Other
Other Product Type(s):	COMMON STOCK
Allegations:	SEC ADMINISTRATIVE PROCEEDING RELEASE 33-7795 AND 34-42393, FEBRUARY 7, 2000; THE COMPLAINT ALLEGES THAT RESPONDENT, ACTING ON BEHALF OF HIS MEMBER FIRM, GENERATED APPROXIMATELY \$877,000 IN ILLEGAL PROFITS BY MANIPULATING THE PRICE OF A COMMON STOCK OF A CORPORATION. ON JUNE 24, 1996, HIS FIRM UNDERWROTE THE COMMON STOCK INITIAL PUBLIC OFFERING (IPO) AND SOLD APPROXIMATELY 1.9 MILLION, OR 80% OF THE IPO STOCK TO ITS RETAIL CUSTOMERS. THE ORDER ALLEGES THAT WEEKS BEFORE THE STOCK IPO, RESPONDENTS ORCHESTRATED THE ALLOCATION OF THE IPO SHARES. THEY ALLOCATED THE MAJORITY OF THE IPO SHARES TO SEVERAL BRANCH OFFICES. THIS ALLOCATION WAS MADE FOR THE PURPOSE OF ENHANCING THE FIRM'S CONTROL OF THE FLOAT IN THE



AFTERMARKET. IT WAS BASED ON THE ABILITY OF THE STAFF'S SALES IN VARIOUS OFFICES TO DISCOURAGE CUSTOMERS FROM SELLING BACK THEIR IPO SHARES WHILE SIMULTANEOUSLY SELLING CUSTOMERS ADDITIONAL SHARES IN THE AFTERMARKET. THE RESPONDENTS ALSO ALLEGEDLY SOUGHT TO CREATE PENT-UP DEMAND FOR THE STOCK DURING THE FIRST FIVE DAYS OF AFTERMARKET TRADING. FIRM'S SALES TO ITS CUSTOMERS WERE BASED ON PURPORTED AFTERMARKET DEMAND THAT HAD BEEN CREATED DURING THE IPO SOLICITATION PERIOD. THE ORDER ALSO ALLEGES THAT AS PART OF THE SCHEME, THE RESPONDENTS ALLOCATED 170,000 IPO SHARES TO THEMSELVES AND OTHERS OFFICE MANAGERS AND REGISTERED REPRESENTATIVES ("EXECUTIVES"). THE EXECUTIVES IN TURN SOLD THEIR ALLOCATED IPO SHARES TO THEIR OWN CUSTOMERS (FAVORED ACCOUNTS). THE ORDER ALLEGES THAT DURING THE FIRST TWO DAYS OF AFTERMARKET TRADING, THE FAVORED ACCOUNTS SOLD OR "FLIPPED" VIRTUALLY ALL OF THEIR IPO SHARES BACK TO THE FIRM AT A PROFIT. ACCORDING TO THE ORDER, THESE "FLIPPED" SHARES GENERATED COMMISSIONS FOR MASUCCI AND THE OTHER FIRM EXECUTIVES. THE "FLIPPED" SHARES ALSO CREATED A BLOCK OF STOCK THAT THE FIRM SOLD TO OTHER CUSTOMERS DURING THE MANIPULATIVE PERIOD AT INFLATED PRICES.

Current Status:

Final

Resolution:

Order

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:

02/09/2001

Sanctions Ordered:

Cease and Desist/Injunction
Disgorgement/Restitution
Monetary/Fine \$60,000.00

Other Sanctions Ordered:**Sanction Details:**

SEC ADMINISTRATIVE PROCEEDING RELEASES 33-7950 AND 34-43946, FEBRUARY 9, 2001; WITHOUT ADMITTING OR DENYING THE FINDINGS CONTAINED IN THIS ORDER, EXCEPT FOR THE COMMISSION'S JURISDICTION WITH RESPECT TO THE MATTERS SET FORTH IN THIS ORDER AND THOSE FACTS WHICH ARE SET FORTH IN THE ORDER, WHICH MASUCCI ADMITS, MASUCCI CONSENTS TO THE ENTRY OF THIS ORDER. ACCORDINGLY, IT IS HEREBY ORDERED THAT: PURSUANT TO SECTION 8A OF THE SECURITIES ACT AND SECTION 21C OF THE EXCHANGE ACT, MASUCCI IS HEREBY ORDERED TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATION AND ANY FUTURE VIOLATION OF SECTION 17(A) OF THE SECURITIES ACT, SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5 THEREUNDER AND CAUSING ANY VIOLATION AND ANY FUTURE VIOLATION OF SECTION 15(C)(1) OF THE EXCHANGE ACT AND RULES 15C1-2, AND 15C1-8 THEREUNDER. MASUCCI SHALL PAY DISGORGEMENT IN THE AMOUNT OF \$9,494 AND PREJUDGMENT INTEREST IN THE AMOUNT OF \$4,361. MASUCCI SHALL PAY A CIVIL PENALTY OF \$60,000.

Regulator Statement

MASUCCI WILLFULLY VIOLATED SECTION 17(A) OF THE SECURITIES ACT, AND SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5, THEREUNDER, AND WILLFULLY AIDED AND ABETTED HIS FIRM'S WILLFUL VIOLATIONS OF SECTION 15(C)(1) OF THE EXCHANGE ACT AND RULES



15C1-2, AND 15C1-8 THEREUNDER.

Disclosure 2 of 6

Reporting Source: Regulator

Regulatory Action Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Sanction(s) Sought: Bar

Other Sanction(s) Sought:

Date Initiated: 01/22/1999

Docket/Case Number: FILE NO. 3-9816

Employing firm when activity occurred which led to the regulatory action: ALLIED CAPITAL GROUP, INC.

Product Type: Penny Stock(s)

Other Product Type(s):

Allegations: SEC ADMINISTRATIVE PROCEEDING RELEASE 34-40965, JANUARY 22, 1999; THE COMMISSION ALLEGED THAT MASUCCI, DURING 1988, ENGAGED IN REPEATED FRAUDULENT CONDUCT, INCLUDING DIRECTING THAT REPRESENTATIVES OF SEVERAL BRANCH OFFICES MAKE FRAUDULENT MISREPRESENTATIONS AND OMISSIONS IN CONNECTION WITH THE OFFER AND SALE TO CUSTOMERS OF SEVERAL PENNY STOCKS.

Current Status: Final

Resolution: Order

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: 01/13/2006

Sanctions Ordered: Bar

Other Sanctions Ordered:

Sanction Details: SEC ADMINISTRATIVE PROCEEDING RELEASE 34-53121, JANUARY 13, 2006; WILLIAM MASUCCI IS SUBJECT TO A JANUARY 22, 1999 COMMISSION CONSENT ORDER (THE "ORDER") THAT BARS HIM FROM ASSOCIATION WITH ANY BROKER, DEALER, MUNICIPAL SECURITIES DEALER, INVESTMENT COMPANY, OR INVESTMENT ADVISER AND FROM PARTICIPATION IN ANY OFFERING OF PENNY STOCK. MASUCCI SEEKS TO VACATE THOSE PORTIONS OF THE ORDER THAT BAR HIM FROM ASSOCIATION WITH ANY INVESTMENT COMPANY OR INVESTMENT ADVISER. WE CONCLUDE THAT IT IS APPROPRIATE TO MODIFY THE BAR AGAINST MASUCCI BY VACATING THOSE PORTIONS OF THE ORDER THAT PROHIBIT MASUCCI FROM ASSOCIATING WITH INVESTMENT ADVISERS AND INVESTMENT COMPANIES. ACCORDINGLY, IT IS ORDERED THAT THE JANUARY 22, 1999 ORDER ENTERED AGAINST WILLIAM MASUCCI, TO THE EXTENT THAT IT BARS HIM FROM ASSOCIATION WITH ANY INVESTMENT ADVISER OR INVESTMENT COMPANY, BE, AND IT HEREBY IS, VACATED.



Regulator Statement WITHOUT ADMITTING OR DENYING THE FINDINGS OF FACT OR CONCLUSIONS OF LAW, WHICH ARE ADMITTED, MASUCCI CONSENTS TO THE ENTRY OF THIS ORDER INSTITUTING A PUBLIC PROCEEDING, MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS ("ORDER"). ACCORDINGLY, IT IS ORDERED THAT: MASUCCI IS BARRED FROM ASSOCIATION WITH ANY BROKER, DEALER, INVESTMENT COMPANY, INVESTMENT ADVISER OR MUNICIPAL SECURITIES DEALER; AND MASUCCI IS BARRED FROM PARTICIPATION IN ANY OFFERING OF PENNY STOCK.

Disclosure 3 of 6

Reporting Source: Regulator

Regulatory Action Initiated By: AL

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 12/01/1998

Docket/Case Number: OR-98-0076

Employing firm when activity occurred which led to the regulatory action: H. J. MEYERS CO., INC.

Product Type:

Other Product Type(s):

Allegations: ON OCTOBER 29, 1998, THE MASSACHUSETTS SECURITIES DIVISION ISSUED A FINAL ORDER WHICH REVOKED THE REGISTRATION OF H.J. MEYERS CO., INC. AND ITS EMPLOYEES MICHAEL J. BERGIN, JOESPH W. GALLIGAN SR., WILLIAM F. MASUCCI, ROBERT J. SETTEDUCATI, AND JAMES A VILLA, AS A SECURITIES BROKER DEALER AND AGENTS IN THE COMMONWEALTH OF MASSACHUSETTS. IN ADDITION, THE FINAL ORDER SUSPENDED THE REGISTRATION OF H.J. MEYERS EMPLOYEE GARY C. LIDDICOAT FOR A PERIOD OF TWO YEARS. THE FINDINGS OF FACT INCLUDED: FAILURE TO SUPERVISE AGENTS, HIGH PRESSURE AND ABUSIVE SALES PRACTICES, BASELESS PREDICTIONS OF GAIN, UNAUTHORIZED TRANSACTIONS, FAILURE TO EXECUTE TRADES AS DIRECTED BY INVESTORS AND INSUFFICIENT COMPLIANCE SYSTEM TO MONITOR BRANCH OFFICE ACTIVITIES. PURSUANT TO SECTION 8-6-3, CODE OF ALABAMA, MAY BAR, CENSOR, SUSPEND OR REVOKE THE REGISTRATION OF ANY DEALER OR AGENT IF IT FINDS THAT THEY ARE THE SUBJECT OF AN ORDER BY AN ADMINISTRATOR OF ANOTHER STATE, BASED ON FACTS WHICH WOULD CURRENTLY CONSTITUTE A GROUND FOR AN ORDER UNDER THE ALABAMA SECURITIES ACT.

Current Status: Final

Resolution: Order

Resolution Date: 12/01/1998

Sanctions Ordered: Revocation/Expulsion/Denial

Other Sanctions Ordered:



Sanction Details: SAME AS ALLEGATIONS
Regulator Statement SAME AS ALLEGATIONS CONTACT: CARL SALLE'
334-242-2984

Disclosure 4 of 6

Reporting Source: Regulator
Regulatory Action Initiated By: MASSACHUSETTS SECURITIES DIVISION

Sanction(s) Sought:
Other Sanction(s) Sought:

Date Initiated: 10/23/1997
Docket/Case Number: 96-357

Employing firm when activity occurred which led to the regulatory action: H.J. MEYERS & CO., INC.

Product Type: Equity Listed (Common & Preferred Stock)
Other Product Type(s):

Allegations: ON OCTOBER 23, 1997, THE MASSACHUSETTS SECURITIES DIVISION FILED AN AMENDED ADMINISTRATIVE COMPLAINT AGAINST H.J. MEYERS & CO., INC. (DOCKET NO. 96- 357), MICHAEL BERGIN, WILLIAM MASUCCI, ROBERT J. SETTEDUCATI AND JAMES A. VILLA AS RESPONDENTS.

Current Status: Final
Resolution: Order
Resolution Date: 01/03/2001
Sanctions Ordered: Monetary/Fine \$5,000.00
Other Sanctions Ordered:

Sanction Details: PURSUANT TO A FINAL ORDER ISSUED JANUARY 03,2001 WILLIAM MASUCCI WAS ORDERED TO PAY AN ADMINISTRATIVE FINE OF \$5,000. MASSUCCI'S UNDERTAKING TO NEVER SEEK REGISTRATION WITH THE DIVISION IN ANY CAPACITY IS ACCEPTED.

Regulator Statement CONTACT: THOMAS RYAN(617) 727-3548

Reporting Source: Individual
Regulatory Action Initiated By: COMMONWEALTH OF MASSACHUSETTS
Sanction(s) Sought:
Other Sanction(s) Sought:
Date Initiated: 10/23/1997
Docket/Case Number: 96-357



Employing firm when activity occurred which led to the regulatory action: H.J. MEYERS & CO., INC.

Product Type:

Other Product Type(s):

Allegations: THE AMENDED ADMINISTRATIVE COMPLAINT ALLEGES THAT FIRM USED HIGH PRESSURE SALES TACTICS AND FAILED TO ADEQUATELY SUPERVISE ITS SALES FORCE.

Current Status: Final

Resolution: Order

Resolution Date: 10/29/1998

Sanctions Ordered: Cease and Desist/Injunction
Monetary/Fine \$10,000.00
Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details: PENDING

Disclosure 5 of 6

Reporting Source: Regulator

Regulatory Action Initiated By: DELAWARE

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 08/07/1989

Docket/Case Number: 89-07-01

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

Product Type:

Other Product Type(s):

Allegations:

Current Status: Final

Resolution: Stipulation and Consent

Resolution Date: 03/02/1990

Sanctions Ordered: Suspension

Other Sanctions Ordered:

Sanction Details:

Regulator Statement 5/2/90-FORM U6 (8018-10890) DISCLOSES: ON MARCH 2, 1990, THE DELAWARE SECURITIES DIVISION AND WILLIAM F. MASUCCI ENTERED INTO A STIPULATION AND CONSENT AGREEMENT WITH FINAL ORDER TO RESOLVE THE STATE'S COMPLAINT AGAINST WILLIAM MASUCCI. WITHOUT



ADMITTING OR DENYING THE ALLEGATIONS IN THE COMPLAINT, WILLIAM MASUCCI AGREED TO A SUSPENSION OF HIS REGISTRATION IN DELAWARE FOR A PERIOD OF ONE YEAR FROM THE DATE OF THE COMMISSIONER'S ORDER ADOPTING THE STIPULATION. IN ADDITION, MR. MASUCCI AGREED NOT TO REAPPLY AS AN AGENT OR BROKER-DEALER IN DELAWARE FOR A PERIOD OF THREE YEARS FROM THE DATE OF THE ORDER AND TO PAY COSTS TO THE DIVISION IN THE SUM OF \$1,000. THE AUGUST 7, 1989 COMPLAINT AND NOTICE OF INTENT TO REVOKE AGENT REGISTRATION ISSUED AGAINST MASUCCI CHARGED HIM WITH VIOLATING THE DELAWARE SECURITIES ACT FROM JUNE 1988 TO OCTOBER 1988 BY MAKING UNTRUE STATEMENTS OF MATERIAL FACT AND FAILING TO STATE MATERIAL FACTS NECESSARY IN ORDER TO MAKE THE STATEMENTS MADE, IN THE LIGHT UNDER WHICH THEY WERE MADE, NOT MISLEADING; BY ENGAGING IN DISHONEST AND UNETHICAL PRACTICES BY, AMONG OTHER THINGS, FAILING TO MAINTAIN COMPLETE, ACCURATE AND CURRENT DUE DILIGENCE FILES IN CONNECTION WITH A SECURITY, FAILING TO EXERCISE REASONABLE AND PROPER SUPERVISION, AND FAILING TO DELIVER A STOCK CERTIFICATE UPON REQUEST; AND BY SELLING SHARES OF A COMPANY WHEN THE SECURITY WAS NEITHER REGISTERED FOR SALE IN DELAWARE NOR EXEMPT FROM REGISTRATION. (ATTACHED ARE COPIES OF COMPLAINT, STIPULATION AND CONSENT AGREEMENT, AND FINAL ORDER) DOCKET/CASE NO. 89-07-01, DATED MARCH 2, 1990.

Reporting Source: Individual

Regulatory Action Initiated By: STATE OF DELAWARE, OFFICE OF SECURITIES COMMISSIONER

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 08/07/1989

Docket/Case Number: 89-07-01

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

Product Type:

Other Product Type(s):

Allegations: ALLEGED VIOLATIONS OF 6 DEL C. SECTION 7303; 6 DEL C. SECTION 7316 (A), 2, 3, 6 DEL C. SECTION 7304.

Current Status: Final

Resolution: Stipulation and Consent

Resolution Date: 03/02/1990

Sanctions Ordered: Suspension

Other Sanctions Ordered:

Sanction Details: WILLIAM MASUCCI AND THE STATE OF DELAWARE SECURITIES DIVISION ENTERED INTO A STIPULATION AND CONSENT



AGREEMENT WITH FINAL ORDER WHEREIN WITHOUT ADMITTING OR DENYING THE ALLEGATIONS OF THE COMPLAINT, MASUCCI AGREED TO A ONE YEAR SUSPENSION FROM REGISTRATION IN THE STATE OF DELAWARE, AGREED NOT TO REAPPLY AS AN AGENT OR BROKER DEALER IN DELAWARE FOR A PERIOD OF THREE (3) YEARS FROM THE DATE OF THE ORDER AND AGREED TO PAY COSTS TO THE STATE IN THE AMOUNT OF \$1,000.00.

Broker Statement

Not Provided

Disclosure 6 of 6

Reporting Source:

Regulator

Regulatory Action Initiated By:

FLORIDA

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated:

12/29/1989

Docket/Case Number:

1145-S-8/89

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

ALLIED CAPITAL GROUP, INC.

Product Type:

Other Product Type(s):

Allegations:

Current Status:

Pending

Regulator Statement

4-7-90 FORM U6 (8212-08090) DISCLOSES: ON DECEMBER 29, 1989, THE FLORIDA DEPARTMENT OF BANKING AND FINANCE ISSUED A NOTICE OF CEASE AND DESIST AND NOTICE OF RIGHTS AGAINST RESPONDENTS: ALLIED CAPITAL GROUP, INC. BARRY FREDMAN..... PETER F. MERCALDI, JR. MICHAEL GROVE..... MARK THOMAS..... MARTIN R. BAREN..... WILLIAM F. MASUCCI..... RONALD GRUSCHOW..... DALE DARGIE..... RICHARD SPATH..... RAYMOND G. KLINGENGERG..... BRUCE BRAY..... PETER LAJOIE..... DANIEL SWEENEY..... JOHN GING..... GLENN JACKSON..... SHARON WARNER..... EDWARD FAY..... JONATHAN KANFER..... FRANK TANTILLO..... MARK WILLIE..... WILLIAM HINE..... HECTOR MCDONALD..... EDWARD LAMBERTUS..... KATHRYN DOMINICK..... STEPHEN SANTACROCE.....GRANT BACHMAN..... RICHARD COLLNER HOWARD BOURLAND..... INFORMING THEM OF THE DEPARTMENT'S INTENTION TO ISSUE A FINAL ORDER TO CEASE AND DESIST AND THE POSSIBLE IMPOSITION OF PENALTIES WHICH MAY INCLUDE: REVOCATION, SUSPENSION AND/OR FINE. RESPONDENTS WERE CHARGED WITH SEVERAL VIOLATIONS OF FLORIDA LAW INCLUDING, BUT NOT LIMITED TO: CHARGING EXCESSIVE MARK-UPS, SALE OF SECURITIES BY UNREGISTERED ASSOCIATED PERSONS, SALE OF UNREGISTERED SECURITIES, FAILURE TO SUPERVISE AND FAILURE TO MAINTAIN ADEQUATE BOOKS AND RECORDS. RESPONDENTS WERE NOTIFIED OF THEIR RIGHTS AND APPEAL



PROCEDURES.
DOCKET/CASE NO. 1145-S-8/89, DATED 12/29/89.

Reporting Source: Individual

Regulatory Action Initiated By: FLORIDA DEPARTMENT OF BANKING AND FINANCE, DIVISION*See FAQ #1*

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 12/29/1989

Docket/Case Number: 1145-S-8/89

Employing firm when activity occurred which led to the regulatory action: ALLIED CAPITAL GROUP, INC.

Product Type:

Other Product Type(s):

Allegations: SECTION S17.121(1), FLORIDA STATUTES; FLORIDA ADMINISTRATIVE RULES 3E-600.013(1) (P) AND 3E-600.014 (4); AND ARTICLE III, SECTION 27 AND 35 (B) OF THE NASD RULES OF FAIR PRACTICE.

Current Status: Pending

Sanctions Ordered:

Other Sanctions Ordered:

Sanction Details: LAST CORRESPONDENCE SENT TO STATE OF FLORIDA ON APPROXIMATELY 3/90. NO RESPONSE RECEIVED.

Broker Statement Not Provided



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

Reporting Source:	Regulator
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Relief Sought:	Disgorgement Injunction
Date Court Action Filed:	09/06/1990
Product Type:	Other: fraudulent penny stocks securities scheme
Type of Court:	Federal Court
Name of Court:	The United States District Court for the District of Colorado
Location of Court:	Denver, Colorado
Docket/Case #:	1:90-cv-1579
Employing firm when activity occurred which led to the action:	ALLIED CAPITAL GROUP, INC.
Allegations:	SEC NEWS DIGEST, ISSUE 90-174, DATED SEPTEMBER 7, 1990, CIVIL PROCEEDINGS DISCLOSE: "COMPLAINT FILED AGAINST POWER SECURITIES CORPORATION."; ON SEPTEMBER 6, 1990 THE COMMISSION ANNOUNCED THE FILING OF A COMPLAINT FOR PERMANENT INJUNCTION AND OTHER RELIEF IN THE U.S. DISTRICT COURT OF THE DISTRICT OF COLORADO AGAINST POWER SECURITIES CORPORATION, ALLIED CAPITAL GROUP, INC., WILLIAM F. MASUCCI, AND OTHERS (DEFENDANTS). THE COMPLAINT ALLEGES THAT THE DEFENDANTS ENGAGED IN VARIOUS FRAUDULENT, DECEPTIVE AND MISLEADING PRACTICES IN THE COURSE OF BUYING AND SELLING PENNY STOCKS IN VIOLATION OF SECTION 17(a) OF THE SECURITIES ACT SECTION 10(b) AND 15(c) OF THE SECURITIES EXCHANGE ACT AND RULES 10b-5 AND 15c1-2.
Current Status:	Final
Resolution:	Judgment Rendered
Resolution Date:	12/23/1998
Sanctions Ordered or Relief Granted:	Injunction Other: restrained
Capacities 1 of 1	
Capacities Affected:	n/a
Duration:	permanent
Start Date:	12/23/1998
End Date:	
Regulator Statement	On December 23, 1998, The United States District Court for the District of Colorado rendered final judgment of permanent injunction against defendant William F. Masucci approved by Judge Daniel B. Sparr. The defendant, his agents, etc. are enjoined and restrained from violating those sections of the securities act



and the exchange act as set forth (Section 17(a) of the Securities Act Section 10(b) and 15(c) OF the Securities Exchange Act and Rules 10b-5 and 15c1-2), and the Consent of defendant is incorporated therein. On March 15, 2016, William F. Masucci filed with the Court a motion to Vacate the Final Judgment of Permanent Injunction and accompanying Declaration of William Masucci pursuant to Rule 60(b)(5) and (6) of the Federal Rules of Civil Procedure. The SEC opposed the motion. On November 15, 2016, the case was reassigned to another judge. All future pleadings should be designated as 90-cv-01579-CMA. On March 24, 2017, the Court rendered an ORDER Denying the Motion to Vacate the Final Judgment of Permanent Injunction.

Reporting Source: Individual

Initiated By: THE SECURITIES AND EXCHANGE COMMISSION

Relief Sought:

Other Relief Sought:

Date Court Action Filed: 09/06/1990

Product Type:

Other Product Types:

Court Details: 90-S-1579

Employing firm when activity occurred which led to the action: ALLIED CAPITAL GROUP, INC.

Allegations: COMPLAINT ALLEGES VIOLATIONS OF FEDERAL SECURITIES LAWS BY 17 DEFENDANTS. THE COMPLAINT ALLEGES TWO CAUSES OF ACTION AGAINST ME. ONE COUNT ALLEGES THAT I VIOLATED SECTION 17(A) OF THE SECURITIES ACT OF 1933, SECTION 10(B), RULE 10B-5 THEREUNDER, AIDED AND ABETTED VIOLATIONS OF THOSE SAME PROVISIONS, SECTION 15(C) OF THE 1934 ACT, RULE 15CL-2 THEREUNDER IN CONNECTION.

Current Status: Pending

Resolution:

Resolution Date:

Sanctions Ordered or Relief Granted:

Other Sanctions:

Sanction Details: PENDING

Broker Statement I DENY ALL ALLEGATIONS AND AM AWAITING AN ADMINISTRATIVE HEARING TO VINDICATE ME TOTALLY.



End of Report

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