



IAPD Report

WILLIAM STEPHEN COSTAS

CRD# 1759628

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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

WILLIAM STEPHEN COSTAS (CRD# 1759628)

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 **06/26/2024**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	UBS FINANCIAL SERVICES INC.	CRD# 8174	06/07/1991
IA	UBS FINANCIAL SERVICES INC.	CRD# 8174	07/08/1997

QUALIFICATIONS

This representative is currently registered in **10** SRO(s) and **16** 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	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	NEW YORK, NY	11/25/1987 - 05/30/1991

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	1
Customer Dispute	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 **16** jurisdiction(s) and **10** SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **UBS FINANCIAL SERVICES INC.**
Main Address: 1200 HARBOR BOULEVARD
WEEHAWKEN, NJ 07086
Firm ID#: 8174

Regulator	Registration	Status	Date
B BOX Exchange LLC	General Securities Representative	Approved	05/16/2012
B Cboe Exchange, Inc.	General Securities Representative	Approved	06/07/1991
B FINRA	General Securities Representative	Approved	06/07/1991
B NYSE American LLC	General Securities Representative	Approved	06/07/1991
B NYSE Arca, Inc.	General Securities Representative	Approved	10/11/1992
B NYSE Texas, Inc.	General Securities Representative	Approved	07/13/2022
B Nasdaq ISE, LLC	General Securities Representative	Approved	01/25/2008
B Nasdaq PHLX LLC	General Securities Representative	Approved	10/16/1993
B Nasdaq Stock Market	General Securities Representative	Approved	07/12/2006
B New York Stock Exchange	General Securities Representative	Approved	06/07/1991
B Arizona	Agent	Approved	02/02/1998
B California	Agent	Approved	02/14/1994
IA California	Investment Adviser Representative	Approved	07/08/1997



Qualifications

Regulator	Registration	Status	Date
B Colorado	Agent	Approved	12/09/1997
B District of Columbia	Agent	Approved	06/16/2020
B Hawaii	Agent	Approved	06/18/2015
B Idaho	Agent	Approved	06/15/2022
B Illinois	Agent	Approved	11/09/1995
B Indiana	Agent	Approved	02/03/2017
B Missouri	Agent	Approved	05/28/2004
B Nevada	Agent	Approved	06/11/1998
B New Jersey	Agent	Approved	09/13/1996
B New York	Agent	Approved	06/07/1991
B Ohio	Agent	Approved	05/01/1995
B Pennsylvania	Agent	Approved	03/13/2002
B Virginia	Agent	Approved	08/21/2003
B Washington	Agent	Approved	06/27/2001

Branch Office Locations

UBS FINANCIAL SERVICES INC.
3011 TOWNSGATE ROAD
SUITE 300
WESTLAKE VILLAGE, CA 91361

UBS FINANCIAL SERVICES INC.
Oak Park, CA



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, 2 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams


Exam	Category	Date
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No information reported.

General Industry/Product Exams


Exam	Category	Date
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 Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
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 General Securities Representative Examination (S7)	Series 7	11/21/1987
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State Securities Law Exams

Exam	Category	Date
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 Uniform Securities Agent State Law Examination (S63)	Series 63	12/08/1987
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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	11/25/1987 - 05/30/1991	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	CRD# 7691	NEW YORK, NY

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
11/2013 - Present	UBS FINANCIAL SERVICES INC	FINANCIAL ADVISOR	Y	WESTLAKE VILLAGE, CA, 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.

1) 24 HOUR FITNESS. THOUSAND OAKS, CA 91360 START DATE 01/13/03 BUSINESS - HEALTH CLUB TITLE - INSTRUCTOR 3-4 HOURS PER WEEK DUTIES - AEROBICS INSTRUCTION // 2) SPECTRUM CLUB / FITNESS CENTER (GYM)/ 2400 WILLOW LANE THOUSAND OAKS, CA 91361 / GROUP X INSTRUCTOR/ START DATE 5/22/2013 - / 4 HRS // 3) Yarrow Family YMCA / 31105 Thousand Oaks Blvd. Westlake Village, CA 91362 / United States / Youth development / Sports Facility / Indoor cycling instructor / No / No / No / Start Date 9/7/2019 // 4) Fitness 19 / Gym / Fitness Center / 161 N. Reino Rd. Newbury Park, CA 91320 / United States / Fitness instructor - one hour per week / fitness19.com / Start Date 2/25/2020 // 5) Gold's Gym; Fitness center (Gym); 197 N Moorpark Rd, Thousand Oaks, CA 91360; Group X instructor; Start date: 6/5/2013; Hours per month: 4; Investment-related: No

6)NAME OF OTHER BUSINESS:Crunch fitness / INVESTMENT RELATED?: N / ADDRESS: 2655 Erringer Road,simi valley / NATURE OF THE BUSINESS: Fitness center (Gym) / POSITION: Group X instructor / DUTIES:/ START DATE: 7/14/22 / HOURS DEVOTED TO BUSINESS: NA



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	1
Customer Dispute	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 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Other: n/a
Date Initiated:	07/20/2020
Docket/Case Number:	3-19884
Employing firm when activity occurred which led to the regulatory action:	UBS Financial Services Inc.
Product Type:	Debt-Municipal

Allegations: The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Sections 15(b) and 15B(c) of the Securities Exchange Act of 1934 ("Exchange Act") and Section 203(f) of the Investment Advisers Act of 1940 ("Advisers Act") against William S. Costas ("Respondent"). The Commission finds that this matter involves negligent conduct by William S. Costas ("Costas"), a registered representative with UBS Financial Services Inc. ("UBS"). Between April and May 2016, Costas placed orders during retail order periods for new issue municipal bonds with UBS's syndicate desk on behalf of a customer. The customer (known in the industry as a "flipper") was an unregistered broker engaged in the business of buying and immediately reselling, or "flipping," new issue municipal bonds. Municipal issuers hold retail order periods to prioritize the sale of bonds to retail investors, and often require that the customer's zip code be included in the order to denote that the customer resides in the issuer's jurisdiction and is entitled to retail priority. Costas negligently submitted some of his flipper customer's orders with inaccurate zip codes during retail order periods. In addition, between June



2015 and October 2016, Costas helped UBS bond traders improperly obtain new issue municipal bonds for UBS's own inventory through his flipper customer. Costas did this by facilitating the UBS traders' use of his flipper customer as a proxy to place orders for UBS's inventory, with the understanding that the flipper, in turn, would place the orders as a "customer" of an underwriting firm in primary bond offerings. This practice circumvented the priority of orders and gave the UBS traders' orders higher priority in the bond allocation process. Once the flipper customer had obtained the bonds from the underwriter, Costas facilitated the sale of the bonds from the flipper to UBS. As a result of the conduct described herein, Costas violated Rules G-11(k) and G-17 of the Municipal Securities Rulemaking Board ("MSRB").

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:

07/20/2020

Sanctions Ordered:

Civil and Administrative Penalty(ies)/Fine(s)
Disgorgement
Monetary Penalty other than Fines

Other: Limitations on activities: Costas shall not offer, purchase, or sell negotiated new issue municipal securities on behalf of (1) any broker, dealer, investment adviser, or municipal securities dealer, or (2) any customer or client of any broker, dealer, investment adviser, or municipal securities dealer, for a period of twelve months.

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?

Yes

(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?

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

No

(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 3

Monetary Related Sanction: Disgorgement

Total Amount: \$14,503.00

Portion Levied against individual: \$14,503.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Monetary Sanction 2 of 3

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

Total Amount: \$25,000.00

Portion Levied against individual: \$25,000.00



Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Monetary Sanction 3 of 3

Monetary Related Sanction: Monetary Penalty other than Fines

Total Amount: \$2,082.00

Portion Levied against individual: \$2,082.00

Payment Plan: prejudgment interest on disgorgement

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Regulator Statement

Respondent has submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept. As a result of his conduct, Costas willfully violated Rules G-11(k) and G-17 of the Municipal Securities Rulemaking Board ("MSRB"). Accordingly, it is hereby ordered that Costas be subject to the following limitations on his activities for twelve months, commencing immediately upon the entry of this Order: Costas shall not offer, purchase, or sell negotiated new issue municipal securities on behalf of (1) any broker, dealer, investment adviser, or municipal securities dealer, or (2) any customer or client of any broker, dealer, investment adviser, or municipal securities dealer, for the time period specified above.

Respondent Costas shall pay disgorgement of \$14,503 and prejudgment interest of \$2,082 to the Securities and Exchange Commission. Respondent Costas shall also pay a civil money penalty in the amount of \$25,000 to the Securities and Exchange Commission.

Reporting Source: Individual

Regulatory Action Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Sanction(s) Sought: Civil and Administrative Penalty(ies)/Fine(s)
Disgorgement
Other: Limitation on activities

Date Initiated: 07/20/2020

Docket/Case Number: 3-19884

Employing firm when activity occurred which led to the regulatory action: UBS FINANCIAL SERVICES, INC

Product Type: Debt-Municipal



Allegations:	On July 20, 2020, the Securities and Exchange Commission ("SEC") issued an administrative order against William S. Costas relating to certain orders for negotiated new issue municipal bonds in 2015 and 2016 ("Order"). Specifically, the Order found that Mr. Costas negligently (i) submitted some orders of one ineligible customer with inaccurate zip codes during retail order periods that municipal issuers hold to prioritize the sale of bonds to retail investors; and (ii) facilitated the entry of orders for UBS bond traders who improperly obtained new issue municipal bonds for UBS's own inventory through this same customer. The SEC found that this conduct violated MSRB Rule G-17 and Rule G-11(k). Mr. Costas neither admitted nor denied the findings in the Order.
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:	07/20/2020
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Other: 12-month limitation on negotiated new issue municipal bond activities.
Monetary Sanction 1 of 2	
Monetary Related Sanction:	Disgorgement
Total Amount:	\$16,585.00
Portion Levied against individual:	\$16,585.00
Payment Plan:	50% due within 10 days of order; remainder due within one year of order
Is Payment Plan Current:	Yes
Date Paid by individual:	07/24/2020
Was any portion of penalty waived?	No
Amount Waived:	
Monetary Sanction 2 of 2	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$25,000.00
Portion Levied against individual:	\$25,000.00
Payment Plan:	50% due within 10 days of order; remainder due within one year of order
Is Payment Plan Current:	Yes
Date Paid by individual:	07/24/2020
Was any portion of penalty waived?	No
Amount Waived:	



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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:	Individual
Employing firm when activities occurred which led to the complaint:	UBS FINANCIAL SERVICES INC
Allegations:	THE COMPLAINT AROSE OUT OF THE SALE OF AN AUCTION RATE SECURITY (ARS) THAT WAS MADE PRIOR TO THE WIDESPREAD ILLIQUIDITY IN THE ARS MARKET THAT OCCURRED IN FEBRUARY 2008
Product Type:	Other: AUCTION RATE SECURITIES
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	THE CUSTOMER DID NOT MAKE A CLAIM FOR COMPENSATORY DAMAGES AND/OR DAMAGES WERE DETERMINED TO BE LESS THAN \$5,000
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:	05/29/2008
Complaint Pending?	No
Status:	Settled
Status Date:	12/23/2008
Settlement Amount:	\$28,800,000.00
Individual Contribution Amount:	\$0.00

Broker Statement	THE COMPLAINT AROSE IN CONNECTION WITH THE INDUSTRY WIDE BREAKDOWN OF THE LIQUIDITY IN THE MARKET FOR AUCTION RATE SECURITIES ("ARS"). THE FIRM AGREED TO REPURCHASE THE ARS SECURITIES AT ISSUE AT PAR VALUE FROM THE CLIENT PURSUANT TO A GLOBAL REPURCHASE AGREEMENT IT ENTERED INTO WITH SEVERAL REGULATORY BODIES. THIS WAS NOT A SETTLEMENT OF A DISPUTE BETWEEN THE CLIENT AND THE REPRESENTATIVE AND WAS NOT BASED ON THE MERITS OF THE CLIENT'S SPECIFIC CONCERNS OR ANY FINDING OF FAULT OR WRONGDOING BY THE NAMED REPRESENTATIVE. THE NAMED REPRESENTATIVE WAS NOT A PARTY TO, AND DID NOT AGREE TO OR PARTICIPATE IN, THE REPURCHASE AGREEMENT BETWEEN THE FIRM AND THE RELEVANT REGULATORY BODIES. THE NAMED REPRESENTATIVE DID NOT MAKE ANY PAYMENTS TO THE CLIENT AND THE NAMED REPRESENTATIVE WAS NOT ASKED TO AND DID NOT CONTRIBUTE
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TO THE SETTLEMENT AMOUNT. THE LISTED "SETTLEMENT AMOUNT" REPRESENTS ONLY THE GROSS INITIAL PAR VALUE OF THE ARS POSITION AND DOES NOT TAKE INTO ACCOUNT THE ACTUAL VALUE OF THE ARS POSITION AT THE TIME THE FIRM RECEIVED IT BACK FROM THE CLIENT IN CONNECTION WITH THE SETTLEMENT. THIS MATTER IS BEING REPORTED AS A SETTLEMENT PURSUANT TO THE REQUIREMENTS OF FINRA REGULATORY NOTICE 09-12.



End of Report

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