



## IAPD Report

# DAVID ALEXANDER ROURKE SR

CRD# 2089364

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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

### DAVID ALEXANDER ROURKE SR (CRD# 2089364)

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 **04/29/2022**.

### CURRENT EMPLOYERS

Firm	CRD#	Registered Since
IA STRATEGIC PLANNING GROUP, INC.	CRD# 124855	02/07/2005

### QUALIFICATIONS

This representative is currently registered in **0** SRO(s) and **2** 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 QA3 FINANCIAL CORP.	14754	WELLESLEY, MA	05/06/2002 - 02/11/2011
B TOWER EQUITIES, INC.	16195	DAYTON, OH	11/19/1999 - 05/03/2002
B SUNPOINT SECURITIES, INC.	25442	LONGVIEW, TX	03/16/1995 - 11/19/1999

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	4
Customer Dispute	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 **2** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

### Employment 1 of 1

Firm Name: **STRATEGIC PLANNING GROUP, INC.**  
Main Address: 57 RIVER STREET  
#306  
WELLESLEY, MA 02481  
Firm ID#: 124855

	Regulator	Registration	Status	Date
	Massachusetts	Investment Adviser Representative	Approved	02/07/2005
	New Hampshire	Investment Adviser Representative	Approved	01/09/2019

### Branch Office Locations

**STRATEGIC PLANNING GROUP, INC.**  
57 RIVER STREET  
SUITE 306  
WELLESLEY, MA 02481



## 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 2 state securities law exams.**

#### Principal/Supervisory Exams

Exam	Category	Date
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No information reported.

#### General Industry/Product Exams

Exam	Category	Date
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<b>B</b> Direct Participation Programs Representative Examination (S22)	Series 22	05/23/1997
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<b>B</b> Investment Company Products/Variable Contracts Representative Examination (S6)	Series 6	08/30/1990
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#### State Securities Law Exams

Exam	Category	Date
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<b>IA</b> Uniform Investment Adviser Law Examination (S65)	Series 65	04/24/1995
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<b>B</b> Uniform Securities Agent State Law Examination (S63)	Series 63	12/29/1993
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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	05/06/2002 - 02/11/2011	QA3 FINANCIAL CORP.	CRD# 14754	WELLESLEY, MA
B	11/19/1999 - 05/03/2002	TOWER EQUITIES, INC.	CRD# 16195	DAYTON, OH
B	03/16/1995 - 11/19/1999	SUNPOINT SECURITIES, INC.	CRD# 25442	LONGVIEW, TX
B	09/04/1990 - 03/20/1995	PRUCO SECURITIES CORPORATION	CRD# 5685	NEWARK, NJ
B	09/04/1990 - 12/10/1993	THE PRUDENTIAL INSURANCE COMPANY OF AMERICA	CRD# 680	NEWARK, NJ

### 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
03/1995 - Present	STRATEGIC PLANNING GROUP INC	OWNER/FINANCIAL PLANNER	Y	WELLESLEY, MA, 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	4
Customer Dispute	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 4

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	Massachusetts Securities Division
<b>Sanction(s) Sought:</b>	Cease and Desist Censure Civil and Administrative Penalty(ies)/Fine(s)
<b>Date Initiated:</b>	08/13/2019
<b>Docket/Case Number:</b>	E-2018-0044
<b>URL for Regulatory Action:</b>	<a href="http://sec.state.ma.us/sct/current/sctspg/MSD-SPG-Consent-Order-2019-09-24.pdf">http://sec.state.ma.us/sct/current/sctspg/MSD-SPG-Consent-Order-2019-09-24.pdf</a>
<b>Employing firm when activity occurred which led to the regulatory action:</b>	Strategic Planning Group, Inc.
<b>Product Type:</b>	Equity-OTC
<b>Allegations:</b>	Conflict of interest, failure to disclose
<b>Current Status:</b>	Final
<b>Resolution:</b>	Consent
<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>	09/24/2019



**Sanctions Ordered:** Cease and Desist  
Censure  
Civil and Administrative Penalty(ies)/Fine(s)

**Monetary Sanction 1 of 1**

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

**Total Amount:** \$225,000.00

**Portion Levied against individual:** \$225,000.00

**Payment Plan:** Five installments of \$45,000 over 360 days

**Is Payment Plan Current:** Yes

**Date Paid by individual:** 10/04/2019

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

**Amount Waived:**

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**Reporting Source:** Individual

**Regulatory Action Initiated By:** Secretary of the Commonwealth of Massachusetts Securities Division

**Sanction(s) Sought:** Cease and Desist  
Censure  
Civil and Administrative Penalty(ies)/Fine(s)  
Undertaking

**Date Initiated:** 11/09/2018

**Docket/Case Number:** E-2018-0044

**Employing firm when activity occurred which led to the regulatory action:** Strategic Planning Group, Inc.

**Product Type:** Equity Listed (Common & Preferred Stock)

**Allegations:** The order found that the firm, Rourke, and Sherman invested the firm's clients' funds in the stock of Ecoark Holdings, Inc. but had failed to disclose to such clients that Rourke and Sherman had both personally invested in Ecoark stock and had also received shares of Ecoark stock in exchange for providing consulting services to the company. As a result, the firm, Rourke, and Sherman breached their fiduciary duties to the firm's clients by failing to disclose the resulting inherent conflict of interest under which they had a potential incentive to invest clients' funds in Ecoark to support or increase Ecoark's stock price.

**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?** Yes



**Resolution Date:** 09/24/2019

**Sanctions Ordered:** Cease and Desist  
Censure  
Civil and Administrative Penalty(ies)/Fine(s)  
Undertaking  
Other: Undertaking requiring, within 60 days of order, the distribution of the order to each of the firm's existing or former clients for whose account the firm purchased Ecoark stock.

**Monetary Sanction 1 of 1**

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

**Total Amount:** \$225,000.00

**Portion Levied against individual:** \$0.00

**Payment Plan:** The Firm was fined \$225,000 with payments to be made in five equal installments with the final installment to be paid 360 days.

**Is Payment Plan Current:** Yes

**Date Paid by individual:**

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

**Amount Waived:**

#### Disclosure 2 of 4

**Reporting Source:** Regulator

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

**Sanction(s) Sought:** Other: N/A

**Date Initiated:** 09/24/2019

**Docket/Case Number:** 3-19498

**Employing firm when activity occurred which led to the regulatory action:** Strategic Planning Group, Inc.

**Product Type:** No Product

**Allegations:** IA Release 5363, September 24, 2019: The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 ("Advisers Act"), against Strategic Planning Group, Inc. ("SPG"), David A. Rourke ("Rourke"), and Jarrod A. Sherman ("Sherman") (collectively "Respondents"). This matter involves SPG's failure to adequately disclose conflicts of interest to its clients. The firm's co-principals, Rourke and Sherman, invested SPG clients' funds, over which SPG had discretionary authority, in the publicly-traded stock of Ecoark Holdings, Inc. ("Ecoark"). Respondents failed to disclose that Rourke and Sherman had been contractually retained by Ecoark to provide consulting services in exchange for each receiving 100,000 shares (later split-adjusted to 50,000 shares) of Ecoark common stock. As a result, Respondents negligently breached their fiduciary duties to SPG's clients in



violation of Section 206(2) of the Advisers Act by failing to disclose Rourke and Sherman's connections to Ecoark and the resulting inherent conflict of interest under which Rourke and Sherman had a potential incentive to invest SPG clients' funds in Ecoark to support or increase Ecoark's stock price.

**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?**

Yes

**Resolution Date:**

09/24/2019

**Sanctions Ordered:**

Cease and Desist  
Censure  
Civil and Administrative Penalty(ies)/Fine(s)  
Undertaking

**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 1**

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

**Total Amount:** \$75,000.00

**Portion Levied against individual:** \$75,000.00

**Payment Plan:**

**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, Rourke willfully violated Section 206(2) of the Advisers Act. In determining to accept the Offer, the Commission considered remedial acts promptly undertaken by Rourke and cooperation afforded the Commission staff. Accordingly, it is hereby ordered that Rourke cease and desist from committing or causing any violations and any future violations of Section 206(2) of the Advisers Act. Rourke is censured. Rourke shall



pay a civil money penalty in the amount of \$75,000. Rourke shall comply with the undertakings enumerated in the order.

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**Reporting Source:** Individual

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

**Sanction(s) Sought:** Cease and Desist  
Censure  
Civil and Administrative Penalty(ies)/Fine(s)  
Undertaking

**Date Initiated:** 11/09/2018

**Docket/Case Number:** 3-19498

**Employing firm when activity occurred which led to the regulatory action:** Strategic Planning Group, Inc.

**Product Type:** Equity Listed (Common & Preferred Stock)

**Allegations:** The order found that the firm, Rourke, and Sherman invested the firm's clients' funds in the stock of Ecoark Holdings, Inc. but had failed to disclose to such clients that Rourke and Sherman had both personally invested in Ecoark stock and had also received shares of Ecoark stock in exchange for providing consulting services to the company. As a result, the firm, Rourke, and Sherman breached their fiduciary duties to the firm's clients by failing to disclose the resulting inherent conflict of interest under which they had a potential incentive to invest clients' funds in Ecoark to support or increase Ecoark's stock price.

**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?** Yes

**Resolution Date:** 09/24/2019

**Sanctions Ordered:** Cease and Desist  
Censure  
Civil and Administrative Penalty(ies)/Fine(s)  
Undertaking  
Other: Undertaking requiring, within 30 days of order, the distribution of the order to each of the firm's existing or former clients for whose account the firm purchased Ecoark stock, and thereafter to any existing or new client before the firm purchases Ecoark stock for any such client's account.

**Monetary Sanction 1 of 1**

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

**Total Amount:** \$350,000.00

**Portion Levied against individual:** \$75,000.00



**Payment Plan:** Firm was fined \$200,000. Mr. Sherman & Mr. Rourke were fined \$75,000 each. Five payments to be made in equal installments.

**Is Payment Plan Current:** Yes

**Date Paid by individual:** 10/01/2019

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

**Amount Waived:**

**Disclosure 3 of 4**

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** ILLINOIS

**Sanction(s) Sought:** Denial

**Other Sanction(s) Sought:**

**Date Initiated:** 09/26/2006

**Docket/Case Number:** 0600397

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

**Product Type:** No Product

**Other Product Type(s):**

**Allegations:** RESPONDENT'S APPLICATION FOR REGISTRATION AS A SALESPERSON IN THE STAE OF ILLINOIS IS DENIED PURSUANT TO SECTION 8.E. (I)(J) OF THE ILLINOIS SECURITIES LAW.

**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:** 09/26/2006

**Sanctions Ordered:** Revocation/Expulsion/Denial

**Other Sanctions Ordered:**

**Sanction Details:** RESPONDENT'S APPLICATION FOR REGISTRATION AS A SALESPERSON IN THE STAE OF ILLINOIS IS DENIED PURSUANT TO SECTION 8.E. (I)(J) OF THE ILLINOIS SECURITIES LAW.

**Regulator Statement** RESPONDENT'S APPLICATION FOR REGISTRATION AS A SALESPERSON IN THE STAE OF ILLINOIS IS DENIED PURSUANT TO SECTION 8.E. (I)(J) OF THE ILLINOIS SECURITIES LAW. IF YOU HAVE ANY QUESTION PLEASE CONTACT DAN TUNICK AT 312-793-3384

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**Reporting Source:** Individual  
**Regulatory Action Initiated By:** STATE OF ILLINOIS  
**Sanction(s) Sought:** Denial  
**Date Initiated:** 08/17/2006  
**Docket/Case Number:** 0600397  
**Employing firm when activity occurred which led to the regulatory action:** QA3 FINANCIAL CORP  
**Product Type:** No Product  
**Allegations:** RESPONDENTS APPLICATION TO REGISTER AS A SALESPERSON IN IL IS SUMMARILY DENIED PURSUANT TO SECTION 8E (I) (9J) OF IL SECURITIES LAW.  
**Current Status:** Final  
**Resolution:** RESPONDENTS APPLICATION TO REGISTER AS A SALESPERSON IN IL IS SUMMARILY DENIED PURSUANT TO SECTION 8E (I) (9J) OF IL SECURITIES  
**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:** 08/17/2006  
**Sanctions Ordered:** Denial  
**Broker Statement** RESPONDENT'S APPLICATION FOR REGISTRATION AS A SALESPERSON IN THE STAE OF ILLINOIS IS SUMMARILY DENIED PURSUANT TO SECTION 8.E. (I)9J) OF THE ILLINOIS SECURTITIES LAW.

**Disclosure 4 of 4**

**Reporting Source:** Regulator  
**Regulatory Action Initiated By:** NASD  
**Sanction(s) Sought:**  
**Date Initiated:** 08/19/2005  
**Docket/Case Number:** [E042004009701](#)  
**Employing firm when activity occurred which led to the regulatory action:** QA3 FINANCIAL CORP.  
**Product Type:** Mutual Fund  
**Allegations:** NASD CONDUCT RULES 2310 AND 2110- RESPONDENT RECOMMENDED THE PURCHASE OF CLASS B MUTUAL FUNDS TO PUBLIC CUSTOMERS WITHOUT HAVING REASONABLE GROUNDS TO BELIEVE THAT THE CLASS B SHARES, AS OPPOSED TO THE CLASS A SHARES, WERE SUITABLE FOR THE CUSTOMERS.



**Current Status:** Final

**Resolution:** Acceptance, Waiver & Consent(AWC)

**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:** 08/19/2005

**Sanctions Ordered:** Civil and Administrative Penalty(ies)/Fine(s)  
Suspension

**Regulator Statement** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, HE IS SUSPENDED FROM ASSOCIATION WITH ANY NASD MEMBER IN ANY CAPACITY FOR TEN BUSINESS DAYS AND FINED \$7500. HIS SUSPENSION SHALL COMMENCE WITH THE OPENING OF BUSINESS ON OCTOBER 3, 2005 AND WILL CONCLUDE AT THE CLOSE OF BUSINESS OCTOBER 14, 2005. FINES PAID.

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**Reporting Source:** Individual

**Regulatory Action Initiated By:** NASD

**Sanction(s) Sought:**

**Other Sanction(s) Sought:**

**Date Initiated:** 08/19/2005

**Docket/Case Number:** E0420040097-01

**Employing firm when activity occurred which led to the regulatory action:** QA3 FINANCIAL CORP

**Product Type:** Mutual Fund(s)

**Other Product Type(s):**

**Allegations:** NASD CONDUCT RULES 2310 AND 2110-RESPONDENT RECOMMENDED THE PURCHASE OF CLASS B MUTUAL FUNDS TO PUBLIC CUSTOMERS WITHOUT HAVING REASONABLE GROUNDS TO BELIEVE THAT THE CLASS B SHARES, AS OPPOSED TO THE CLASS A SHARES, WERE SUITABLE FOR THE CUSTOMERS.

**Current Status:** Final

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 08/19/2005

**Sanctions Ordered:** Monetary/Fine \$7,500.00  
Suspension

**Other Sanctions Ordered:**

**Sanction Details:** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, HE IS SUSPENDED FROM ASSOCIATION WITH ANY



NASD MEMBER IN ANY CAPACITY FOR TEN BUSINESS DAYS AND FINED \$7500.00. SUSPENSION SHALL COMMENCE WITH OPENING OF BUSINESS ON OCTOBER 3, 2005 AND WILL CONCLUDE AT THE CLOSE OF BUSINESS OCTOBER 14, 2005.



## 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 2

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** QA3 FINANCIAL CORP

**Allegations:** CLIENT ALLEGES ON INFORMATION AND BELIEF THAT REFERRING GREENPARK MORTGAGE WAS DESIGNED TO YIELD MATERIAL BENEFITS TO MR. ROURKE. CLIENT ALLEGES THAT REVERSE MORTGAGE WAS NOT IN HER BEST INTEREST.

**Product Type:** Other: REVERSE MORTGAGE

**Alleged Damages:** \$250,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

### Customer Complaint Information

**Date Complaint Received:** 03/09/2010

**Complaint Pending?** Yes

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement** I DID NOT BENEFIT IN ANY WAY FROM THIS RECOMMENDATION. OVER A PERIOD OF 12 YRS, CLIENT CONSISTENTLY OVERSPENT AND WS MADE AWARE THAT HER MONEY WAS RUNNING OUT. REVERSE MORTGAGE WAS ONLY WAY TO KEEP HOUSE.

### Disclosure 2 of 2

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** QA3 FINANCIAL CORP

**Allegations:** CLIENT ALLEGES IN 6/08 CLIENT WANTED TO LIQUIDATE HIS EQUITY PORTFOLIO AND MOVE TO CDS. OVER PERIOD OF 11 YEARS, WE CONSISTENTLY KEPT THE CLIENTS PORTFOLIO AT A 40/60 DEBT TO EQUITY RATIO. WE ADVISED AGAINST THE CLIENTS DESIRE TO TRY TO TIME THE MARKET.

**Product Type:** Mutual Fund

**Alleged Damages:** \$70,702.00



**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

**Customer Complaint Information**

**Date Complaint Received:** 07/01/2009

**Complaint Pending?** Yes

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement**

CLEINT WANTED TO TRY TO TIME THE MARKET IN WHICH OVER THE PAST 11 YEARS WE HAVE NEVER DONE THIS. WE CONSISTENTLY BALANCE EVERY CLIENT TO A STATED DEBT TO EQUITY RATIO. EVERY ONE OF OUR CLIENTS CAN WITHDRAW THEIR MONIES AND OR SELL SECURITIES ANY TIME, THEY ALWAYS HAVE THE ULTIMATE RESPONSIBLITY REGARDING THEIR FUNDS.



## End of Report

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