IAPD Report

DAVID CHARLES LEVINE

CRD# 2569418

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 CHARLES LEVINE (CRD# 2569418)

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 **05/05/2026**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	ARETE WEALTH MANAGEMENT, LLC	CRD# 44856	01/17/2023
IA	ARETE WEALTH ADVISORS, LLC	CRD# 145488	01/19/2023

QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **7** 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	B. RILEY WEALTH MANAGEMENT	2543	Boca Raton, FL	10/12/2021 - 11/16/2022
IA	B. RILEY WEALTH ADVISORS, INC.	115927	BOCA RATON, FL	01/04/2021 - 11/16/2022
B	NATIONAL SECURITIES CORPORATION	7569	BOCA RATON, FL	01/15/2015 - 07/23/2022

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

DISCLOSURE INFORMATION

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

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

The following types of events are disclosed about this representative:

Type	Count
Regulatory Event	2

Qualifications

REGISTRATIONS

This section provides the SRO, states and U.S. territories in which the representative is currently registered and licensed, the category of each registration, and the date on which the registration becomes effective. This section also provides, for each firm with which the representative is currently employed, the address of each location where the representative works.
This individual is currently registered with **7** jurisdiction(s) and 1 SRO(s) through his or her employer(s).

Employment 1 of 2

Firm Name: **ARETE WEALTH MANAGEMENT, LLC**
Main Address: 1115 W FULTON MARKET
3RD FLOOR
CHICAGO, IL 60607
Firm ID#: 44856

	Regulator	Registration	Status	Date
B	FINRA	General Securities Principal	Approved	01/17/2023
B	FINRA	General Securities Representative	Approved	01/17/2023
B	California	Agent	Approved	03/23/2023
B	Florida	Agent	Approved	03/17/2023
B	Maine	Agent	Approved	01/18/2023
B	New Jersey	Agent	Approved	04/14/2023
B	New Mexico	Agent	Approved	05/04/2026
B	Oregon	Agent	Approved	05/07/2026
B	Pennsylvania	Agent	Approved	03/20/2023

Branch Office Locations

Boca Raton, FL

Employment 2 of 2

Firm Name: **ARETE WEALTH ADVISORS, LLC**
Main Address: 1115 W FULTON MARKET
3RD FLOOR

Qualifications

	CHICAGO, IL 60607
Firm ID#:	145488

	Regulator	Registration	Status	Date
IA	California	Investment Adviser Representative	Approved	03/23/2023
IA	Florida	Investment Adviser Representative	Approved	03/16/2023
IA	Maine	Investment Adviser Representative	Approved	01/19/2023
IA	New Jersey	Investment Adviser Representative	Approved	05/17/2023
IA	Pennsylvania	Investment Adviser Representative	Approved	03/20/2023

Branch Office Locations

ARETE WEALTH ADVISORS, LLC
Boca Raton, FL

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 3 state securities law exams.

Principal/Supervisory Exams

	Exam	Category	Date
B	General Securities Principal Examination (S24)	Series 24	07/12/2013

General Industry/Product Exams

	Exam	Category	Date
B	Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
B	General Securities Representative Examination (S7)	Series 7	01/18/1995

State Securities Law Exams

	Exam	Category	Date
IA B	Uniform Combined State Law Examination (S66)	Series 66	11/17/2020
IA	Uniform Investment Adviser Law Examination (S65)	Series 65	01/19/2005
B	Uniform Securities Agent State Law Examination (S63)	Series 63	06/12/2003

PROFESSIONAL DESIGNATIONS

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

No information reported.

Registration & Employment History

PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

	Registration Dates	Firm Name	ID#	Branch Location
B	10/12/2021 - 11/16/2022	B. RILEY WEALTH MANAGEMENT	CRD# 2543	Boca Raton, FL
IA	01/04/2021 - 11/16/2022	B. RILEY WEALTH ADVISORS, INC.	CRD# 115927	BOCA RATON, FL
B	01/15/2015 - 07/23/2022	NATIONAL SECURITIES CORPORATION	CRD# 7569	BOCA RATON, FL
B	04/30/2010 - 04/10/2014	NATIONAL SECURITIES CORPORATION	CRD# 7569	BOCA RATON, FL
IA	07/08/2008 - 10/01/2010	SUMMIT CAPITAL MANAGEMENT GROUP, LLC	CRD# 147434	BOCA RATON, FL
IA	07/23/2008 - 03/31/2010	GUNNALLEN FINANCIAL, INC	CRD# 17609	TAMPA, FL
B	05/09/2005 - 03/31/2010	GUNNALLEN FINANCIAL, INC	CRD# 17609	TAMPA, FL
IA	05/27/2005 - 07/22/2008	GUNNALLEN FINANCIAL, INC	CRD# 17609	TAMPA, FL
B	10/24/2003 - 05/11/2005	DELTA EQUITY SERVICES CORPORATION	CRD# 15650	BOLTON, MA
B	05/08/2003 - 10/07/2003	NOBLE INTERNATIONAL INVESTMENTS, INC.	CRD# 15768	BOCA RATON, FL
IA	03/20/2002 - 05/01/2003	RYAN BECK & CO.	CRD# 3248	NEW YORK, NY
B	03/19/2002 - 05/01/2003	RYAN BECK & CO.	CRD# 3248	FLORHAM PARK, NJ
B	01/24/2002 - 04/12/2002	FAHNESTOCK & CO. INC.	CRD# 249	NEW YORK, NY
B	06/09/1999 - 10/27/1999	SANDS BROTHERS & CO., LTD.	CRD# 26816	NEW YORK, NY
B	05/05/1997 - 03/29/1999	NATHAN & LEWIS SECURITIES, INC.	CRD# 8503	NEW YORK, NY
B	03/15/1995 - 12/16/1996	ZWEIG SECURITIES CORP.	CRD# 22898	HARTFORD, CT
B	01/20/1995 - 02/10/1995	BT BROKERAGE CORPORATION	CRD# 16570	NEW YORK, NY

Registration & Employment History

PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

Registration Dates	Firm Name	ID#	Branch Location

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
01/2023 - Present	Arete Wealth Advisors, LLC	Interim Chief Operating Officer	Y	Chicago, IL, United States
01/2023 - Present	Arete Wealth Management, LLC	Interim Chief Operating Officer	Y	Chicago, IL, United States
11/2020 - 11/2022	NATIONAL ASSET MANAGEMENT	INVESTMENT ADVISOR REPRESENTATIVE	Y	BOCA RATON, FL, United States
04/2010 - 11/2022	NATIONAL SECURITIES CORPORATION	REGISTERED REPRESENTATIVE	Y	BOCA RATON, FL, 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) LEVINE HOLDINGS LLC 1200 N FEDERAL HIGHWAY 2ND FLOOR BOCA RATON FL OWNER TAX FLOW PASS THROUGH ENTITY FOR PERSONAL FINANCIAL AND FAMILY MATTERS START JUNE 2014....(2) PROPER ICE CREAM, Proper Congress Kitchen, Proper Boca Raton - BOCA RATON, RETAIL STORE ENGAGED IN THE SALE OF ICE CREAM, BAKED GOODS AND DESSERTS, PARTNER, BOCA RATON, FL, NOT INVESTMENT RELATED.

Disclosure Summary

Disclosure Information

What you should know about reported disclosure events:

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

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

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

As mentioned in the "About IAPD" section on page 1 of this report, information contained in IAPD comes from Investment Adviser Representatives, firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the IAPD report. The different versions will be separated by a solid line with the reporting source labeled.

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

- A disclosure event may have a status of *pending, on appeal,* or *final*.
  - A "pending" disclosure event involves allegations that have not been proven or formally adjudicated.
  - A disclosure event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
  - A "final" disclosure event has been concluded and its resolution is not subject to change.
- A final disclosure event generally has a disposition of *adjudicated, settled* or *otherwise resolved*.
  - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
  - A "settled" matter generally represents a disposition wherein the parties involved in a dispute reach an agreement to resolve the matter. Please note that Investment Adviser Representatives and firms may choose to settle customer disputes or regulatory matters for business or other reasons.
  - A "resolved" matter usually includes a disposition wherein no payment is made to the customer or there is no finding of wrongdoing on the part of the Investment Adviser Representative. Such matters generally involve customer disputes.

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

DISCLOSURE EVENT DETAILS

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

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

The following types of events are disclosed about this representative:

Type	Count
Regulatory Event	2

Regulatory Event

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

Disclosure 1 of 2

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	
Date Initiated:	05/31/2022
Docket/Case Number:	2019061652402
Employing firm when activity occurred which led to the regulatory action:	National Securities Corporation
Product Type:	Other: Unspecified Securities
Allegations:	Without admitting or denying the findings, Levine consented to the sanctions and to the entry of findings that he attempted to recoup sales representatives' selling concessions in the absence of a penalty bid applied to the entire syndicate. The findings stated that Levine's member firm acted as the lead underwriter or co-manager for three initial public offerings (IPOs). In connection with the IPOs, Levine, in his roles as the firm's chief executive officer (CEO) during one of the IPOs, and sales manager during the other two IPOs, participated in the announcement of the terms of the offerings to the firm's sales force. Levine also directed members of the firm's syndicate department to send launch emails to its sales force in connection with the IPOs, which included flipper policies. Despite the absence of a syndicate penalty bid, in connection with each of the IPOs, Levine directed the firm's branch managers and sales representatives that the firm would be implementing a flipper policy, pursuant to which the firm would track sales of the new issue for 30 days following each offering and recoup selling concessions from representatives whose customers flipped shares during that time frame.
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:	05/31/2022
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Suspension
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?	No
(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?	
(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	

(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?

Sanction 1 of 1

Sanction Type:	Suspension
Capacities Affected:	All capacities
Duration:	one month
Start Date:	06/21/2022
End Date:	07/20/2022

Monetary Sanction 1 of 1

Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	$10,000.00
Portion Levied against individual:	$10,000.00
Payment Plan:	
Is Payment Plan Current:	
Date Paid by individual:	06/23/2022
Was any portion of penalty waived?	No
Amount Waived:	

Reporting Source:	Individual
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	
Date Initiated:	05/31/2022
Docket/Case Number:	2019061652402
Employing firm when activity occurred which led to the regulatory action:	National Securities Corporation

Product Type:	Other: Unspecified Securities
Allegations:	Without admitting or denying the findings, Levine consented to the sanctions and to the entry of findings that he attempted to recoup sales representatives' selling concessions in the absence of a penalty bid applied to the entire syndicate. The findings stated that Levine's member firm acted as the lead underwriter or co-manager for three initial public offerings (IPOs). In connection with the IPOs, Levine, in his roles as the firm's chief executive officer (CEO) during one of the IPOs, and sales manager during the other two IPOs, participated in the announcement of the terms of the offerings to the firm's sales force. Levine also directed members of the firm's syndicate department to send launch emails to its sales force in connection with the IPOs, which included flipper policies. Despite the absence of a syndicate penalty bid, in connection with each of the IPOs, Levine directed the firm's branch managers and sales representatives that the firm would be implementing a flipper policy, pursuant to which the firm would track sales of the new issue for 30 days following each offering and recoup selling concessions from representatives whose customers flipped shares during that time frame.
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:	05/31/2022
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Suspension
Sanction 1 of 1	
Sanction Type:	Suspension
Capacities Affected:	All Capacities
Duration:	One month
Start Date:	06/21/2022
End Date:	07/20/2022
Monetary Sanction 1 of 1	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	$10,000.00
Portion Levied against individual:	$10,000.00
Payment Plan:	
Is Payment Plan Current:	
Date Paid by individual:	
Was any portion of penalty waived?	No
Amount Waived:	

Disclosure 2 of 2

Reporting Source:	Regulator
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Cease and Desist
Date Initiated:	04/07/2011
Docket/Case Number:	3-14327
Employing firm when activity occurred which led to the regulatory action:	GUNNALLEN FINANCIAL, INC.
Product Type:	No Product
Allegations:	SEC ADMIN RELEASE 34-64222, APRIL 7, 2011: THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE INSTITUTED PURSUANT TO SECTIONS 15(B) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AGAINST DAVID C. LEVINE ("LEVINE" OR "RESPONDENT"). THE COMMISSION FOUND THAT: THE PROCEEDINGS ARISE OUT OF VIOLATIONS BY A FORMER BROKER-DEALER, OF REGULATION S-P, WHICH GOVERNS THE PRIVACY AND PROTECTION OF CONSUMER FINANCIAL INFORMATION. BETWEEN MARCH AND JUNE 2010, AS IT WAS WINDING DOWN ITS BUSINESS OPERATIONS AND PLANNED TO FILE FOR BANKRUPTCY, THE FORMER BROKER-DEALER'S PRESIDENT AUTHORIZED THE TRANSFER OF APPROXIMATELY 16,000 DIRECT APPLICATION ACCOUNTS WITH AN ESTIMATED TOTAL NET ASSET VALUE OF $850 MILLION TO LEVINE, WHO THEN SERVED AS THE FORMER BROKER-DEALER'S NATIONAL SALES MANAGER, AND ANY BROKER-DEALER WITH WHOM HE BECAME AFFILIATED. DIRECT APPLICATION ACCOUNTS ARE THOSE ACCOUNTS HELD BY THE PRODUCT ISSUER, TYPICALLY A MUTUAL FUND OR INSURANCE COMPANY. IN CONNECTION WITH THIS TRANSFER, AND PRIOR TO RESIGNING FROM THE FORMER BROKER-DEALER, LEVINE DOWNLOADED NONPUBLIC CUSTOMER INFORMATION FOR THE 16,000 ACCOUNTS ON A PORTABLE THUMB DRIVE. LEVINE RESIGNED FROM THE FORMER BROKER-DEALER ON APRIL 23, 2010, AND THEN AFFILIATED WITH A NEW BROKER-DEALER. TWO WEEKS AFTER JOINING THE NEW BROKER-DEALER, LEVINE MAILED A LETTER, REVIEWED AND APPROVED BY THE FORMER BROKER-DEALER'S PRESIDENT AND ON THE FORMER BROKER-DEALER'S LETTERHEAD, NOTIFYING THE 16,000 CUSTOMERS THAT THE FORMER BROKER-DEALER COULD NO LONGER SERVICE THE ACCOUNTS, THAT LEVINE AND HIS BUSINESS PARTNER WERE SERVICING THE ACCOUNTS, AND ADVISING THEM OF THEIR RIGHT TO "OPT OUT" OF THE TRANSFER. THIS LETTER FAILED TO PROVIDE CUSTOMERS WITH A REASONABLE OPPORTUNITY TO OPT OUT OF THE TRANSFER BECAUSE, AMONG OTHER THINGS, IT WAS SENT AFTER THE CUSTOMERS' INFORMATION WAS TRANSFERRED TO LEVINE AND IT DID NOT PROVIDE PROCEDURES ON HOW TO EXERCISE THAT RIGHT, CONTACT INFORMATION OR EVEN THE IDENTITY OF THE NEW BROKER-DEALER. THEREAFTER, LEVINE SUPPLIED THE BROKER-DEALER RECEIVING THE ACCOUNTS WITH NONPUBLIC PERSONAL INFORMATION FOR THE 16,000 ACCOUNTS,

	INCLUDING THE PRODUCT CUSTODIAN, THE ACCOUNT HOLDER'S NAME AND ADDRESS, AND THE ACCOUNT NUMBER AND VALUE FOR EACH ACCOUNT. THE FORMER BROKER-DEALER'S TRANSFER OF THIS NONPUBLIC INFORMATION WITHOUT PROVIDING ITS CUSTOMERS REASONABLE NOTICE TO OPT OUT VIOLATED RULE 10(A)(1) OF REGULATION S-P (17 C.F.R. §248.10(A)(1)), WHICH PROHIBITS BROKER-DEALERS FROM DISCLOSING NONPUBLIC PERSONAL INFORMATION THEY COLLECT FROM CUSTOMERS TO NONAFFILIATED THIRD PARTIES UNLESS THEY NOTIFY THEIR CUSTOMERS OF THEIR RIGHT TO OPT OUT OF THE DISCLOSURE IN ACCORDANCE WITH RULE 7(A) OF REGULATION S-P (17 C.F.R. §248.7(A)), AND THEY PROVIDE THEIR CUSTOMERS WITH A REASONABLE OPPORTUNITY TO OPT OUT OF THE DISCLOSURE. LEVINE ALSO TOOK POSSESSION OF THE INFORMATION IN A MANNER THAT PLACED THE INFORMATION AT RISK OF UNAUTHORIZED ACCESS AND USE IN CONTRAVENTION OF THE FORMER BROKER-DEALER'S OBLIGATION TO ENSURE THE SECURITY AND CONFIDENTIALITY OF THE INFORMATION AS REQUIRED BY RULE 30(A) OF REGULATION S-P ("SAFEGUARD RULE") (17 C.F.R. §248.30(A)). LEVINE WILLFULLY AIDED AND ABETTED AND CAUSED THE FORMER BROKER-DEALER'S VIOLATIONS OF RULES 7(A) AND 10(A) OF REGULATION S-P UNDER THE EXCHANGE ACT. LEVINE WILLFULLY AIDED AND ABETTED AND CAUSED THE FORMER BROKER-DEALER'S VIOLATIONS OF RULE 30(A) OF REGULATION S-P.
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:	04/07/2011
Sanctions Ordered:	Cease and Desist Censure Civil and Administrative Penalty(ies)/Fine(s)
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?	No
(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:	$20,000.00

Portion Levied against individual:	$20,000.00
Payment Plan:	
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 THE PROCEEDINGS, RESPONDENT SUBMITTED AN OFFER OF SETTLEMENT ("OFFER"), WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THE 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, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER HIM AND THE SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED, RESPONDENT CONSENTED TO THE ENTRY OF THE ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTIONS 15(B) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ("ORDER"). THE COMMISSION FOUND THAT LEVINE WILLFULLY AIDED AND ABETTED AND CAUSED THE FORMER BROKER-DEALER'S VIOLATIONS OF RULES 7(A), 10(A) AND 30(A) OF REGULATION S-P UNDER THE EXCHANGE ACT. THE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN RESPONDENT LEVINE'S OFFER. PURSUANT TO SECTIONS 15(B) AND 21C OF THE EXCHANGE ACT, THE COMMISSION ORDERED THAT: A. RESPONDENT LEVINE CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF RULE 30(A) OF REGULATION S-P UNDER THE EXCHANGE ACT. B. RESPONDENT LEVINE IS CENSURED. C. RESPONDENT LEVINE SHALL PAY A CIVIL MONEY PENALTY OF $20,000 TO THE UNITED STATES TREASURY.

Reporting Source:	Individual
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Cease and Desist
Date Initiated:	04/07/2011
Docket/Case Number:	3-14327

Employing firm when activity occurred which led to the regulatory action:	GUNNALLEN FINANCIAL, INC.
Product Type:	No Product
Allegations:	SEC ADMIN RELEASE 34-64222, APRIL 7, 2011: THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE INSTITUTED PURSUANT TO SECTIONS 15(B) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AGAINST DAVID C. LEVINE ("LEVINE" OR "RESPONDENT"). THE COMMISSION FOUND THAT: THE PROCEEDINGS ARISE OUT OF VIOLATIONS BY A FORMER BROKER-DEALER, OF REGULATION S-P, WHICH GOVERNS THE PRIVACY AND PROTECTION OF CONSUMER FINANCIAL INFORMATION. BETWEEN MARCH AND JUNE 2010, AS IT WAS WINDING DOWN ITS BUSINESS OPERATIONS AND PLANNED TO FILE FOR BANKRUPTCY, THE FORMER BROKER-DEALER'S PRESIDENT AUTHORIZED THE TRANSFER OF APPROXIMATELY 16,000 DIRECT APPLICATION ACCOUNTS WITH AN ESTIMATED TOTAL NET ASSET VALUE OF $850 MILLION TO LEVINE, WHO THEN SERVED AS THE FORMER BROKER-DEALER'S NATIONAL SALES MANAGER, AND ANY BROKER-DEALER WITH WHOM HE BECAME AFFILIATED. DIRECT APPLICATION ACCOUNTS ARE THOSE ACCOUNTS HELD BY THE PRODUCT ISSUER, TYPICALLY A MUTUAL FUND OR INSURANCE COMPANY. IN CONNECTION WITH THIS TRANSFER, AND PRIOR TO RESIGNING FROM THE FORMER BROKER-DEALER, LEVINE DOWNLOADED NONPUBLIC CUSTOMER INFORMATION FOR THE 16,000 ACCOUNTS ON A PORTABLE THUMB DRIVE. LEVINE RESIGNED FROM THE FORMER BROKER-DEALER ON APRIL 23, 2010, AND THEN AFFILIATED WITH A NEW BROKER-DEALER. TWO WEEKS AFTER JOINING THE NEW BROKER-DEALER, LEVINE MAILED A LETTER, REVIEWED AND APPROVED BY THE FORMER BROKER-DEALER'S PRESIDENT AND ON THE FORMER BROKER-DEALER'S LETTERHEAD, NOTIFYING THE 16,000 CUSTOMERS THAT THE FORMER BROKER-DEALER COULD NO LONGER SERVICE THE ACCOUNTS, THAT LEVINE AND HIS BUSINESS PARTNER WERE SERVICING THE ACCOUNTS, AND ADVISING THEM OF THEIR RIGHT TO "OPT OUT" OF THE TRANSFER. THIS LETTER FAILED TO PROVIDE CUSTOMERS WITH A REASONABLE OPPORTUNITY TO OPT OUT OF THE TRANSFER BECAUSE, AMONG OTHER THINGS, IT WAS SENT AFTER THE CUSTOMERS' INFORMATION WAS TRANSFERRED TO LEVINE AND IT DID NOT PROVIDE PROCEDURES ON HOW TO EXERCISE THAT RIGHT, CONTACT INFORMATION OR EVEN THE IDENTITY OF THE NEW BROKER-DEALER. THEREAFTER, LEVINE SUPPLIED THE BROKER-DEALER RECEIVING THE ACCOUNTS WITH NONPUBLIC PERSONAL INFORMATION FOR THE 16,000 ACCOUNTS, INCLUDING THE PRODUCT CUSTODIAN, THE ACCOUNT HOLDER'S NAME AND ADDRESS, AND THE ACCOUNT NUMBER AND VALUE FOR EACH ACCOUNT. THE FORMER BROKER-DEALER'S TRANSFER OF THIS NONPUBLIC INFORMATION WITHOUT PROVIDING ITS CUSTOMERS REASONABLE NOTICE TO OPT OUT VIOLATED RULE 10(A)(1) OF REGULATION S-P (17 C.F.R. §248.10(A)(1)), WHICH PROHIBITS BROKER-DEALERS FROM DISCLOSING NONPUBLIC PERSONAL INFORMATION THEY COLLECT FROM CUSTOMERS TO NONAFFILIATED THIRD PARTIES UNLESS THEY NOTIFY THEIR CUSTOMERS OF THEIR RIGHT TO OPT OUT OF THE DISCLOSURE IN ACCORDANCE WITH RULE 7(A) OF REGULATION S-P (17 C.F.R. §248.7(A)), AND THEY PROVIDE THEIR CUSTOMERS WITH A REASONABLE OPPORTUNITY TO OPT OUT OF THE DISCLOSURE. LEVINE ALSO TOOK POSSESSION OF THE INFORMATION IN A MANNER THAT PLACED THE INFORMATION AT RISK OF UNAUTHORIZED ACCESS AND USE IN CONTRAVENTION OF THE FORMER BROKER-DEALER'S OBLIGATION TO

	ENSURE THE SECURITY AND CONFIDENTIALITY OF THE INFORMATION AS REQUIRED BY RULE 30(A) OF REGULATION S-P ("SAFEGUARD RULE") (17 C.F.R. §248.30(A)). LEVINE WILLFULLY AIDED AND ABETTED AND CAUSED THE FORMER BROKER-DEALER'S VIOLATIONS OF RULES 7(A) AND 10(A) OF REGULATION S-P UNDER THE EXCHANGE ACT. LEVINE WILLFULLY AIDED AND ABETTED AND CAUSED THE FORMER BROKER-DEALER'S VIOLATIONS OF RULE 30(A) OF REGULATION S-P.
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:	04/07/2011
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:	$20,000.00
Portion Levied against individual:	$20,000.00
Payment Plan:	
Is Payment Plan Current:	
Date Paid by individual:	04/14/2011
Was any portion of penalty waived?	No
Amount Waived:	
Broker Statement	AS MY PRIOR FIRM WAS CLOSING, APPROXIMATELY 10% OF THE FIRM'S DIRECTLY HELD MUTUAL FUND AND VARIABLE ANNUITY ACCOUNTS WERE IDENTIFIED AS NOT HAVING A CURRENT BROKER OR AGENT TO PROVIDE ONGOING SERVICE. ACCORDINGLY, THE PRIOR FIRM'S PRESIDENT AUTHORIZED THE RELEASE TO ME OF CERTAIN INFORMATION IN ORDER TO OFFER TO PROVIDE ONGOING SERVICE AND INITIATE A TRANSFER OF THESE ACCOUNTS. SUBSTANTIAL EFFORTS WERE MADE TO ENSURE THAT THE TRANSFER PROCESS WAS DONE IN ACCORDANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS. AMONG OTHER THINGS, NOTICE WAS PROVIDED TO THESE ACCOUNTHOLDERS TO ADVISE THEM THAT UNLESS THEY OPTED-OUT OR MADE OTHER ARRANGEMENTS, ONGOING SERVICE WOULD TRANSFER TO ME AT A NEW FIRM. SUBSEQUENTLY, THE SEC DETERMINED THAT THE TRANSFER OF INFORMATION AND THE NOTICE TO CLIENTS DID NOT FULLY COMPLY WITH CERTAIN PROVISIONS OF REGULATION S-P. I AGREED TO SETTLE THIS MATTER, WITHOUT ADMITTING OR DENYING THE SEC'S FINDINGS, TO AVOID THE TIME AND EXPENSE OF FURTHER PROCEEDINGS.

End of Report

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