



IAPD Report

DAVID WILLIAM TRENDE

CRD# 2725055

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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 WILLIAM TRENDE (CRD# 2725055)

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 **08/19/2026**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
IA	THE STRATEGIC FINANCIAL ALLIANCE	CRD# 126514	10/26/2022
B	THE STRATEGIC FINANCIAL ALLIANCE, INC.	CRD# 126514	10/26/2022

QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **15** jurisdiction(s).

Is this representative currently Inactive or Suspended with any regulator? **No**

Note: Not all jurisdictions require IAR registration or may have an exemption from registration.

Additional information including this individual's qualification examinations and professional designations is available in the Detailed Report.

REGISTRATION HISTORY

This representative was previously registered with the following firm(s):

	FIRM	CRD#	LOCATION	REGISTRATION DATES
IA	AMERICAN PORTFOLIOS ADVISORS, INC	112697	HOLBROOK, NY	04/09/2013 - 10/27/2022
B	AMERICAN PORTFOLIOS FINANCIAL SERVICES, INC.	18487	Hinckley, OH	02/29/2008 - 10/27/2022
IA	AMERICAN PORTFOLIOS ADVISORS, INC	112697	HOLBROOK, NY	08/14/2008 - 06/16/2011

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	3
Termination	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 **15** jurisdiction(s) and 1 SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **THE STRATEGIC FINANCIAL ALLIANCE**
Main Address: 2200 CENTURY PARKWAY
SUITE 500
ATLANTA, GA 30345
Firm ID#: 126514

	Regulator	Registration	Status	Date
B	FINRA	General Securities Representative	Approved	10/26/2022
B	Alabama	Agent	Approved	10/26/2022
B	Arizona	Agent	Approved	10/26/2022
B	California	Agent	Approved	10/26/2022
B	Florida	Agent	Approved	10/27/2022
B	Kentucky	Agent	Approved	10/26/2022
B	Louisiana	Agent	Approved	10/26/2022
B	Michigan	Agent	Approved	12/12/2024
B	Nevada	Agent	Approved	10/26/2022
B	New Jersey	Agent	Approved	10/26/2022
B	North Carolina	Agent	Approved	10/27/2022
B	Ohio	Agent	Approved	10/26/2022
IA	Ohio	Investment Adviser Representative	Approved	10/26/2022



Qualifications

	Regulator	Registration	Status	Date
B	Pennsylvania	Agent	Approved	10/26/2022
B	South Carolina	Agent	Approved	10/26/2022
B	Texas	Agent	Approved	10/26/2022
IA	Texas	Investment Adviser Representative	Restricted Approval	07/22/2026
B	Virginia	Agent	Approved	10/26/2022

Branch Office Locations

THE STRATEGIC FINANCIAL ALLIANCE

Hinckley, OH



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
B Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
B General Securities Representative Examination (S7)	Series 7	06/25/1998

State Securities Law Exams

Exam	Category	Date
IA B Uniform Combined State Law Examination (S66)	Series 66	07/30/1998



PROFESSIONAL DESIGNATIONS

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

No information reported.

Only professional designations listed in Question 8 of the Form U4 will appear in this section if the appropriate box is checked and verified by the issuing organization at the time of the filing. Learn more about eligible designations at [IARD](#) and [NASAA](#).



Registration & Employment History

PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

	Registration Dates	Firm Name	ID#	Branch Location
IA	04/09/2013 - 10/27/2022	AMERICAN PORTFOLIOS ADVISORS, INC	CRD# 112697	HOLBROOK, NY
B	02/29/2008 - 10/27/2022	AMERICAN PORTFOLIOS FINANCIAL SERVICES, INC.	CRD# 18487	Hinckley, OH
IA	08/14/2008 - 06/16/2011	AMERICAN PORTFOLIOS ADVISORS, INC	CRD# 112697	HOLBROOK, NY
IA	01/11/2008 - 03/10/2008	MULTI-FINANCIAL SECURITIES CORPORATION	CRD# 10299	NORTH ROYALTON, OH
B	07/18/2007 - 03/10/2008	MULTI-FINANCIAL SECURITIES CORPORATION	CRD# 10299	NORTH ROYALTON, OH
B	10/24/2001 - 07/18/2007	LEGACY FINANCIAL SERVICES, INC.	CRD# 38697	NORTH ROYALTON, OH
B	07/06/1998 - 08/03/2001	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
10/2022 - Present	THE STRATEGIC FINANCIAL ALLIANCE, INC.	REGISTERED REPRESENTATIVE/INVESTMENT ADVISOR REPRESENTATIVE	Y	ATLANTA, GA, United States
02/2008 - 10/2022	AMERICAN PORTFOLIOS	REGISTERED REP	Y	CLEVELAND, OH, 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- Name: Wealth Design Partners LLC
Position: Independent Contractor
Nature: fixed insurance consulting
Investment Related: No



Registration & Employment History



OTHER BUSINESS ACTIVITIES

Hours: 10

Securities Trading Hours: 10Start Date: 01/01/2008

Address: 255 Wakefield Run Blvd, Hinckley OH 44233, United States

Description: sale of fixed investment products , life and DI

-2- Name: AEG LLC

Position: Partner Nature: FMO/IMO For fixed Insurance Products and Advanced Business Sucession Planning?Investment

Related: NoHours: 10Securities Trading Hours: 10Start Date: 07/20/2020

Address: NA, Dallas TX 75201, United States

Description: Fixed Insurance sales and Business consulting

-3- Name: Morgan Prescott & Associates

Position: Owner/Sole Proprietor Nature: Consulting and real estate investing Investment Related: No Hours: 1Securities Trading

Hours: 1Start Date: 10/01/2009

Address: 255 Wakefield Run Blvd, Hinckley OH 44233, United States

Description: business consulting and passive real-estate investing



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	3
Termination	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 3

Reporting Source:	Regulator
Regulatory Action Initiated By:	OHIO DIVISION OF SECURITIES
Sanction(s) Sought:	Suspension
Date Initiated:	12/05/2011
Docket/Case Number:	11-048
URL for Regulatory Action:	
Employing firm when activity occurred which led to the regulatory action:	LEGACY FINANCIAL SERVICES, INC.
Product Type:	Annuity-Fixed Annuity-Variable Other: STOCK TO CASH PROGRAM
Allegations:	TRENDE ENTERED INTO A CONSENT ORDER WITH THE OHIO DIVISION OF SECURITIES, CONSENTING TO A 3-MONTH SUSPENSION FOR VIOLATING O.A.C. 1301:6-3-19(D)(7) AND (9), BASED ON A 10/04/2011 FINRA HEARING PANEL DECISION FINDING THAT TRENDE CREATED FALSE RECORDS IN VIOLATION OF FINRA, NASD, AND SEC. EX. ACT RULES.
Current Status:	Final
Resolution:	Consent



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:

12/05/2011

Sanctions Ordered:

Suspension

Sanction 1 of 1

Sanction Type:

Suspension

Capacities Affected:

ALL CAPACITIES

Duration:

3 MONTHS

Start Date:

12/05/2011

End Date:

03/04/2012

Reporting Source:

Individual

Regulatory Action Initiated By:

OHIO DIVISION OF SECURITIES

Sanction(s) Sought:

Suspension

Date Initiated:

12/05/2011

Docket/Case Number:

11-48

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

LEGACY FINANCIAL SERVICES, INC.

Product Type:

Annuity-Fixed
Annuity-Variable
Other: STOCK FOR CASH PROGRAM

Allegations:

TRENDE ENTERED INTO A CONSENT ORDER WITH THE OHIO DIVISION OF SECURITIES, CONSENTING TO A 3-MONTH SUSPENSION FOR VIOLATING O.A.C. 1301:6-3-19(D)(7) AND (9), BASED ON A 10/04/2011 FINRA HEARING PANEL DECISION FINDING THAT TRENDE CREATED FALSE RECORDS IN VIOLATION OF FINRA, NASD, AND SEC. EX. ACT RULES.

Current Status:

Final

Resolution:

Consent

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:

12/05/2011

Sanctions Ordered:

Suspension

Sanction 1 of 1

Sanction Type:

Suspension



Capacities Affected: ALL CAPACITIES
Duration: 3 MONTHS
Start Date: 12/05/2011
End Date: 03/04/2012

Disclosure 2 of 3

Reporting Source: Regulator
Regulatory Action Initiated By: FINRA
Sanction(s) Sought: Other: N/A
Date Initiated: 12/21/2010
Docket/Case Number: [2007008935010](#)
Employing firm when activity occurred which led to the regulatory action: LEGACY FINANCIAL SERVICES, INC.

Product Type: Annuity-Fixed
Annuity-Variable
Other: STOCK TO CASH PROGRAM

Allegations: FEDERAL RESERVE REGULATIONS T, SECTION 7 OF THE SECURITIES EXCHANGE ACT, FINRA RULE 2010, NASD RULES 2110, 3110(A) - DAVID TRENDE PARTICIPATED IN A "STOCK TO CASH" PROGRAM UNDER WHICH CUSTOMERS PLEDGED STOCK TO OBTAIN LOANS TO PURCHASE OTHER PRODUCTS; TRENDÉ'S CUSTOMERS OBTAINED LOANS TOTALING APPROXIMATELY \$290,000 AND USED PART OF THE PROCEEDS TO PURCHASE FIXED AND VARIABLE ANNUITIES THROUGH HIM. THE PLEDGED STOCK WOULD BE TRANSFERRED TO THE LOANING ENTITY'S SECURITIES ACCOUNT MAINTAINED AT A CLEARING FIRM. THE LOANS WERE TYPICALLY FOR THREE YEARS UP TO 90% OF THE VALUE OF THE STOCK WITH NO PAYMENTS REQUIRED DURING THE TERM OF THE LOAN BUT CUSTOMERS WERE REQUIRED TO PAY THE FULL PRINCIPAL AND INTEREST DUE AT THE END OF THE LOAN TERM. REGULATION U PROMULGATED BY THE FEDERAL RESERVE BOARD OF GOVERNORS IMPOSED RESTRICTIONS ON THE USE OF PROCEEDS FROM A MARGIN LOAN TO PURCHASE OTHER MARGINABLE SECURITIES. THE PROVISION PROHIBITS THE EXTENSION OF CREDIT IN EXCESS OF 50% OF THE VALUE OF MARGIN SECURITIES IF THE PROCEEDS ARE USED, IN WHOLE OR IN PART, TO PURCHASE OTHER MARGIN SECURITIES. TO AVOID VIOLATION OF REGULATION U, BORROWERS MUST COMPLETE A FEDERAL RESERVE FORM G-3 (PURPOSE STATEMENT) TO CERTIFY WHETHER THEY WILL BE USING THE LOAN PROCEEDS TO BUY MARGIN SECURITIES AND IF NOT, TO DESCRIBE THE SPECIFIC PURPOSE OF THE CREDIT. TRENDÉ COMPLETED PURPOSE STATEMENTS FOR HIS STOCK TO CASH CUSTOMERS INDICATING THEY WOULD BE USING THE PROCEEDS FOR REAL ESTATE ALTHOUGH HE DID NOT KNOW HOW THEY WOULD BE USING THE PROCEEDS. TRENDÉ'S CUSTOMERS SIGNED THE INACCURATE G-3 FORMS. TRENDÉ WILLFULLY ARRANGED CREDIT THAT VIOLATED REGULATION U AND INACCURATELY REPRESENTED HIS CUSTOMERS' INTENDED USE OF PROCEEDS ON THEIR FEDERALLY-MANDATED PURPOSE STATEMENTS. TRENDÉ ENGAGED IN CONDUCT INCONSISTENT WITH HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND



EQUITABLE PRINCIPLES OF TRADE BY PUTTING INACCURATE INFORMATION ON THE PURPOSE STATEMENTS. BECAUSE PURPOSE STATEMENTS ARE BROKER-DEALER RECORDS THAT MUST BE MAINTAINED ACCURATELY PURSUANT TO SECURITIES EXCHANGE ACT RULES 17A-3 AND 17A-4, TRENDE CREATED FALSE RECORDS.

Current Status: Final

Resolution: Decision

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: 11/21/2011

Sanctions Ordered: Civil and Administrative Penalty(ies)/Fine(s)
Monetary Penalty other than Fines
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:	ANY CAPACITY
Duration:	THREE MONTHS
Start Date:	12/05/2011
End Date:	03/04/2012

Monetary Sanction 1 of 2

Monetary Related Sanction:	Monetary Penalty other than Fines
Total Amount:	\$3,474.15
Portion Levied against individual:	\$3,474.15
Payment Plan:	
Is Payment Plan Current:	
Date Paid by individual:	03/22/2012
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:** \$10,000.00**Portion Levied against individual:** \$10,000.00**Payment Plan:****Is Payment Plan Current:****Date Paid by individual:** 03/22/2012**Was any portion of penalty waived?** No**Amount Waived:****Regulator Statement**

HEARING PANEL DECISION RENDERED OCTOBER 4, 2011 WHEREIN TRENDE IS FOUND TO HAVE FALSIFIED FEDERAL RESERVE FORMS, IN VIOLATION OF NASD RULE 2110 AND CAUSED HIS MEMBER FIRM'S BOOKS AND RECORDS TO BE INACCURATE BY SUBMITTING THE FALSIFIED FORMS TO HIS FIRM, IN VIOLATION OF NASD RULES 2110 AND 3110, THEREFORE HE IS SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY CAPACITY FOR THREE MONTHS AND FINED \$10,000. THE FINE IS DUE AND PAYABLE UPON TRENDE'S RETURN TO THE SECURITIES INDUSTRY. TRENDE IS ALSO ORDERED TO PAY COSTS IN THE AMOUNT OF \$3,474.15. BECAUSE THE HEARING PANEL FINDS THAT TRENDE VIOLATED NASD RULE 2110 BY FALSIFYING THE PURPOSE STATEMENTS, IT IS UNNECESSARY TO DECIDE WHETHER HE ALSO VIOLATED SECTION 7 OF THE SECURITIES EXCHANGE ACT AND FEDERAL REGULATION T, AS CHARGED IN THE COMPLAINT. DECISION IS FINAL NOVEMBER 21, 2011 AND THE SUSPENSION IS IN EFFECT DECEMBER 5, 2011 THROUGH MARCH 4, 2012.

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Reporting Source: Individual**Regulatory Action Initiated By:** FINRA**Sanction(s) Sought:** Other: N/A**Date Initiated:** 12/21/2010**Docket/Case Number:** [2007008935010](#)**Employing firm when activity occurred which led to the regulatory action:** LEGACY FINANCIAL SERVICES, INC.**Product Type:** Annuity-Fixed
Annuity-Variable
Other: STOCK TO CASH PROGRAM**Allegations:** FEDERAL RESERVE REGULATIONS T AND U, SECTION 7 OF THE SECURITIES EXCHANGE ACT, FINRA RULE 2010, NASD RULES 2110, 3110(A) - DAVID TRENDE PARTICIPATED IN A "STOCK TO CASH" PROGRAM UNDER WHICH CUSTOMERS PLEDGED STOCK TO OBTAIN LOANS TO PURCHASE OTHER PRODUCTS; TRENDE'S CUSTOMERS OBTAINED LOANS TOTALING APPROXIMATELY \$290,000 AND USED PART OF THE PROCEEDS TO



PURCHASE FIXED AND VARIABLE ANNUITIES THROUGH HIM. THE PLEDGED STOCK WOULD BE TRANSFERRED TO THE LOANING ENTITY'S SECURITIES ACCOUNT MAINTAINED AT A CLEARING FIRM. THE LOANS WERE TYPICALLY FOR THREE YEARS UP TO 90% OF THE VALUE OF THE STOCK WITH NO PAYMENTS REQUIRED DURING THE TERM OF THE LOAN BUT CUSTOMERS WERE REQUIRED TO PAY THE FULL PRINCIPAL AND INTEREST DUE AT THE END OF THE LOAN TERM. REGULATION U PROMULGATED BY THE FEDERAL RESERVE BOARD OF GOVERNORS IMPOSED RESTRICTIONS ON THE USE OF PROCEEDS FROM A MARGIN LOAN TO PURCHASE OTHER MARGINABLE SECURITIES. THE PROVISION PROHIBITS THE EXTENSION OF CREDIT IN EXCESS OF 50% OF THE VALUE OF MARGIN SECURITIES IF THE PROCEEDS ARE USED, IN WHOLE OR IN PART, TO PURCHASE OTHER MARGIN SECURITIES. TO AVOID VIOLATION OF REGULATION U, BORROWERS MUST COMPLETE A FEDERAL RESERVE FORM G-3 (PURPOSE STATEMENT) TO CERTIFY WHETHER THEY WILL BE USING THE LOAN PROCEEDS TO BUY MARGIN SECURITIES AND IF NOT, TO DESCRIBE THE SPECIFIC PURPOSE OF THE CREDIT. TRENDE COMPLETED PURPOSE STATEMENTS FOR HIS STOCK TO CASH CUSTOMERS INDICATING THEY WOULD BE USING THE PROCEEDS FOR REAL ESTATE ALTHOUGH HE DID NOT KNOW HOW THEY WOULD BE USING THE PROCEEDS. TRENDE'S CUSTOMERS SIGNED THE INACCURATE G-3 FORMS. TRENDE WILLFULLY ARRANGED CREDIT THAT VIOLATED REGULATION U AND INACCURATELY REPRESENTED HIS CUSTOMERS' INTENDED USE OF PROCEEDS ON THEIR FEDERALLY-MANDATED PURPOSE STATEMENTS. TRENDE ENGAGED IN CONDUCT INCONSISTENT WITH HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND EQUITABLE PRINCIPLES OF TRADE BY PUTTING INACCURATE INFORMATION ON THE PURPOSE STATEMENTS. BECAUSE PURPOSE STATEMENTS ARE BROKER-DEALER RECORDS THAT MUST BE MAINTAINED ACCURATELY PURSUANT TO SECURITIES EXCHANGE ACT RULES 17A-3 AND 17A-4, TRENDE CREATED FALSE RECORDS.

Current Status:	Final
Resolution:	Decision
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:	11/21/2011
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Monetary Penalty other than Fines Suspension
Sanction 1 of 1	
Sanction Type:	Suspension
Capacities Affected:	REGISTERED REPRESENTATIVE
Duration:	THREE MONTHS
Start Date:	12/05/2011
End Date:	03/04/2012
Monetary Sanction 1 of 2	
Monetary Related Sanction:	Monetary Penalty other than Fines



Total Amount: \$3,474.15

Portion Levied against individual: \$3,474.15

Payment Plan:

Is Payment Plan Current: Yes

Date Paid by individual: 03/22/2012

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: \$10,000.00

Portion Levied against individual: \$10,000.00

Payment Plan:

Is Payment Plan Current: Yes

Date Paid by individual: 03/22/2012

Was any portion of penalty waived? No

Amount Waived:

Disclosure 3 of 3

Reporting Source: Regulator

Regulatory Action Initiated By: NASD

Sanction(s) Sought:

Date Initiated: 09/15/2004

Docket/Case Number: C8A040081

Employing firm when activity occurred which led to the regulatory action: MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

Product Type:

Allegations: NASD CONDUCT RULES 2110 AND 3040 - FROM APPROXIMATELY FEBRUARY 21, 1999 THROUGH JULY 30, 2001 DAVID W. TRENDE PARTICIPATED IN PRIVATE SECURITIES TRANSACTIONS BY POOLING AND INVESTING APPROXIMATELY \$575,000 FROM 14 INVESTORS IN A PRIME BANK NOTE SCHEME WITHOUT PROVIDING WRITTEN NOTICES TO HIS MEMBER FIRM. ADDITIONALLY, TRENDE DID NOT RECEIVE WRITTEN ACKNOWLEDGEMENT OF THOSE NOTICES FROM HIS EMPLOYING MEMBER FIRM BEFORE PARTICIPATING IN THE SECURITIES TRANSACTIONS.

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: 09/15/2004

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 FINED \$5,000 AND SUSPENDED FROM ASSOCIATION WITH ANY NASD MEMBER FIRM IN ANY CAPACITY FOR SIX (6) MONTHS. THE SUSPENSION SHALL COMMENCE ON OCTOBER 18, 2004, AND WILL CONCLUDE AT THE CLOSE OF BUSINESS ON APRIL 17, 2005. FINES PAID ON MAY 06, 2008.

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Reporting Source: Individual

Regulatory Action Initiated By: NASD - NATIONAL ASSOCIATION OF SECURITY DEALERS.

Sanction(s) Sought: Other

Other Sanction(s) Sought: LETTER OF ACCEPTANCE WAIVER AND CONSENT OUTLINE A SANCTION OF 6-MONTH SUSPENSION FROM ASSOCIATION WITH ANY MEMBER OF NASD IN ANY CAPACITY AND A 5,000.00 DEFERED FINE.

Date Initiated: 09/15/2004

Docket/Case Number: NASD CASE NO. C8A040081

Employing firm when activity occurred which led to the regulatory action: MERRILL LYNCH, PIERCE, FENNER & SMITH, INC.

Product Type: Other

Other Product Type(s): PRIVATE SECURITIES TRANSACTIONS

Allegations: ON APPROXIMATELY FEB. 21,1999 THROUGH JULY 30,2001, PARTICIPATED IN PRIVATE SECURITIES TRANSACTION WITHOUT PROVIDING WRITTEN NOTICES TO MY EMPLOYING MEMBER FIRM. ADDITIONALLY, DID NOT RECEIVED WRITTEN ACKNOWLEDGEMENT OF THOSE NOTICES FROM EMPLOYING FIRM BEFORE PARTICIPATING IN THE SECURITIES TRANSACTION, IN VIOLATION OF NASD CONDUCT RULES 2110 AND 3040.

Current Status: Final

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/15/2004

Sanctions Ordered: Monetary/Fine \$5,000.00
Suspension

Other Sanctions Ordered:

Sanction Details: SIX MONTH SUSPENSION STARTING 10/18/2004. RESULTED IN \$5000 FINE.





Termination

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

Disclosure 1 of 1

Reporting Source:	Individual
Firm Name:	MERRILL LYNCH
Termination Type:	Discharged
Termination Date:	07/18/2001
Allegations:	UNDISCLOSED OUTSIDE BUSINESS INTEREST
Product Type:	Other
Other Product Types:	REAL ESTATE
Broker Statement	JAN 1999 PARTICIPATED WITH FAMILY AND FRIENDS IN LLC TO INVEST IN REAL ESTATE. DID NOT DISCLOSE ACTIVITY TO FIRM BECAUSE I CONSIDERED THIS AN ACTIVITY A PASSIVE INVESTMENT.



End of Report

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