



IAPD Report

SALVATORE CHARLES CARUSO

CRD# 2363696

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i Please be aware that fraudsters may link to Investment Adviser Public Disclosure from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.
For more information read our [investor alert](#) on imposters.



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

SALVATORE CHARLES CARUSO (CRD# 2363696)

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 **11/15/2023**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
IA	QUANTUM ADVISORY GROUP, LLC	CRD# 286341	08/31/2021
IA	TSG ALPHA PARTNERS, LLC	CRD# 319493	08/30/2022

QUALIFICATIONS

This representative is currently registered in **0** SRO(s) and **4** 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	LEGEND SECURITIES, INC.	44952	NEW YORK, NY	11/19/1998 - 01/19/2017
B	LEGEND TRADING, LLC	150567	NEW YORK, NY	09/15/2009 - 06/13/2011
B	MOMENTUM TRADING PARTNERS, LLC	140264	GREAT NECK, NY	10/27/2006 - 11/01/2010

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

DISCLOSURE INFORMATION

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

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

The following types of events are disclosed about this representative:

Type	Count
Regulatory Event	1
Financial	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 **4** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

Employment 1 of 2

Firm Name: **TSG ALPHA PARTNERS, LLC**
Main Address: 3275 VETERANS MEMORIAL HIGHWAY
SUITE B9
RONKONKOMA, NY 11779
Firm ID#: 319493

	Regulator	Registration	Status	Date
IA	Louisiana	Investment Adviser Representative	Approved	04/17/2023
IA	New Jersey	Investment Adviser Representative	Approved	10/19/2023
IA	New York	Investment Adviser Representative	Approved	08/30/2022
IA	Texas	Investment Adviser Representative	Approved	10/30/2023

Branch Office Locations

This individual does not have any registered Branch Office where the individual is located.

Employment 2 of 2

Firm Name: **QUANTUM ADVISORY GROUP, LLC**
Main Address: 3275 VETERANS MEMORIAL HIGHWAY
SUITE B9
RONKONKOMA, NY 11779
Firm ID#: 286341

	Regulator	Registration	Status	Date
IA	New York	Investment Adviser Representative	Approved	08/31/2021

Branch Office Locations

QUANTUM ADVISORY GROUP, LLC
3275 Veterans Memorial Hwy



Qualifications

Ronkonkoma, NY 11779







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 4 principal/supervisory exams, 3 general industry/product exams, and 1 state securities law exam.


Principal/Supervisory Exams

Exam	Category	Date
 Registered Options Principal Examination (S4)	Series 4	12/04/2001
 Financial and Operations Principal Examination (S27)	Series 27	07/14/1998
 Municipal Securities Principal Examination (S53)	Series 53	06/16/1998
 General Securities Principal Examination (S24)	Series 24	11/15/1996

General Industry/Product Exams

Exam	Category	Date
 Securities Industry Essentials Examination (SIE)	SIE	01/19/2017
 General Securities Representative Examination (S7)	Series 7	02/05/1997
 Investment Company Products/Variable Contracts Representative Examination (S6)	Series 6	10/07/1993

State Securities Law Exams

Exam	Category	Date
 Uniform Securities Agent State Law Examination (S63)	Series 63	09/02/1993

PROFESSIONAL DESIGNATIONS

This section details that the representative has reported 1 professional designation(s).

Certified Financial Planner



This representative holds or did hold **1** professional designation(s) that may have been used to qualify as an Investment Advisor representative. Please check with the appropriate designation authority for verification that the designation is still in effect. The contact information for these professional designation authorities can be found on the website for the North American Securities Administrators Association at <http://www.nasaa.org>



Registration & Employment History

PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

	Registration Dates	Firm Name	ID#	Branch Location
B	11/19/1998 - 01/19/2017	LEGEND SECURITIES, INC.	CRD# 44952	NEW YORK, NY
B	09/15/2009 - 06/13/2011	LEGEND TRADING, LLC	CRD# 150567	NEW YORK, NY
B	10/27/2006 - 11/01/2010	MOMENTUM TRADING PARTNERS, LLC	CRD# 140264	GREAT NECK, NY
B	09/06/1996 - 12/01/1998	AMERICAN INVESTMENT SERVICES, INC.	CRD# 21111	OKLAHOMA CITY, OK
B	06/05/1996 - 09/18/1996	SECURA INVESTMENTS, INC.	CRD# 2225	APPLETON, WI
B	10/08/1993 - 06/09/1995	INDEPENDENT FINANCIAL SECURITIES, INC.	CRD# 19924	

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
01/2022 - Present	TSG Alpha Partners	President & CEO	Y	Ronkonkama,, NY, United States
03/2020 - Present	American United Life Insurance Co.	Independent Insurance Agent	N	Indianapolis, IN, United States
03/2020 - Present	Nationwide Financial (Nationwide Life & Annuity Companies)	Independent Insurance Agent	N	Columbus, OH, United States
03/2020 - Present	The State Life Insurance Company	Independent Insurance Agent	N	Indianapolis, IN, United States
04/2019 - Present	Athene Annuity and Life Insurance Company	Independent Insurance Agent	N	Scottsdale, AZ, United States
02/2019 - Present	Global Atlantic Financial Group	Independent Insurance Agent	N	Topeka, KS, United States
01/2017 - Present	Quantum Advisory Group, LLC	President, RIA Rep	Y	Melville, NY, United States
04/2003 - Present	American Equity Investment Life Insurance Company	Independent Insurance Agent	N	DesMoine, IA, United States
01/1998 - 01/2017	LEGEND SECURITIES, INC.	PRESIDENT, CFO, FINOP, CCO, CROP, SROP	Y	NEW YORK, NY, United States



Registration & Employment History

EMPLOYMENT HISTORY

Employment Dates	Employer Name	Position	Investment Related	Employer Location
01/1996 - 01/2017	STRATVEST HOLDING INC	PRESIDENT, TREASURER, DIRECTOR	Y	STATEN ISLAND, NY, United States
07/1999 - 12/2016	NEW YORK LIFE INSURANCE CO	INSURANCE AGENT	N	NEW YORK, NY, United States
02/1999 - 12/2016	LEGACY MARKETING GROUP	INSURANCE AGENT	N	SAN FRANCISCO, CA, United States
01/1999 - 12/2016	AETNA/US HEALTHCARE	INSURANCE AGENT	N	BLUE BELL, PA, United States
03/1998 - 12/2016	JOHN HANCOCK MUTUAL LIFE INSURANCE CO.	INSURANCE AGENT	N	BOSTON, MA, United States
09/1997 - 12/2016	OXFORD HEALTH INSURANCE CO	INSURANCE AGENT	N	NORWALK, CT, United States
02/1997 - 12/2016	NATIONWIDE INSURANCE COMPANY	INSURANCE AGENT	N	COLUMBUS, 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.

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	1
Financial	1

Regulatory Event

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

Disclosure 1 of 1

Reporting Source: Regulator

Regulatory Action Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Sanction(s) Sought: Cease and Desist

Date Initiated: 05/16/2011

Docket/Case Number: 3-14389

Employing firm when activity occurred which led to the regulatory action: LEGEND SECURITIES, INC.

Product Type: No Product

Allegations: SEC ADMIN RELEASE 34-64502, MAY 16, 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 SALVATORE CARUSO ("CARUSO" OR "RESPONDENT").

THE COMMISSION FOUND THAT:

CARUSO CO-FOUNDED A BROKER DEALER REGISTERED WITH THE COMMISSION PURSUANT TO SECTION 15(B) OF THE EXCHANGE ACT IN 1998. CARUSO HAS SERVED AS ITS PRESIDENT AND CHIEF COMPLIANCE OFFICER, AMONG OTHER TITLES, AND AS A REGISTERED REPRESENTATIVE.

ON MARCH 24, 2009, COMMISSION STAFF WITH THE NEW YORK REGIONAL



OFFICE'S BROKER DEALER INSPECTION PROGRAM ("BDIP STAFF") COMMENCED AN EXAMINATION OF CARUSO'S FIRM. IN CONNECTION WITH THE EXAMINATION, BDIP STAFF REQUESTED THAT CARUSO'S FIRM PROVIDE VARIOUS RECORDS, INCLUDING CERTAIN RECORDS CONCERNING LEGEND EMPLOYEES. CARUSO PRODUCED THE DOCUMENTS ON LEGEND'S BEHALF IN RESPONSE TO THE EXAMINATION STAFF'S REQUEST. THE RECORDS CARUSO PRODUCED DID NOT INCLUDE CERTAIN REQUESTED DOCUMENTS FOR ONE ASSOCIATED PERSON OF CARUSO' FIRM ("ASSOCIATED PERSON").

ON MAY 4, 2009, BDIP STAFF REQUESTED THE PERSONNEL FILE FOR THE ASSOCIATED PERSON. AFTER NOT RECEIVING ANY DOCUMENTS IN RESPONSE, BDIP STAFF REITERATED THIS REQUEST ON MULTIPLE OCCASIONS BETWEEN MAY 4 AND MAY 22, 2009.

ON MAY 26, 2009, CARUSO SENT THE ASSOCIATED PERSON AN ELECTRONIC MAIL MESSAGE IN WHICH HE WROTE:

I'M GOING THRU (SIC) MY EMPLOYEE FILES FOR THE SEC AUDIT AND REALIZED THAT I DON'T HAVE ALL OF THE OTHER EMPLOYMENT/REGISTRATION FORMS FOR YOU. I ONLY HAVE YOUR FORM U4. I HAVE ATTACHED THE FORMS THAT I NEED YOU TO COMPLETE, SIGN AND FAX BACK TO ME ASAP. PLEASE DATE THE FORMS 06-09-2008. IT'S VERY IMPORTANT.

ATTACHED TO THIS EMAIL MESSAGE WERE SEVEN DOCUMENTS RELATED TO THE ASSOCIATED PERSON'S RELATIONSHIP WITH CARUSO'S FIRM, INCLUDING HIS INDEPENDENT CONTRACTOR AGREEMENT, COMMISSION SCHEDULE, AND COMPLIANCE FORMS.

THE ASSOCIATED PERSON COMPLIED WITH CARUSO'S REQUEST. THE DATE THAT CARUSO DIRECTED THE ASSOCIATED PERSON TO USE WHEN SIGNING THE DOCUMENTS, JUNE 9, 2008, CORRESPONDED TO THE DATE THE ASSOCIATED PERSON BECAME A REGISTERED REPRESENTATIVE AT CARUSO'S FIRM.

ON JUNE 2, 2009, CARUSO PROVIDED THE ASSOCIATED PERSON'S PERSONNEL FILE, INCLUDING ALL THE DOCUMENTS THAT THE ASSOCIATED PERSON HAD SIGNED THE PREVIOUS WEEK, TO THE BDIP STAFF. CARUSO DID NOT DISCLOSE TO THE BDIP STAFF THE CIRCUMSTANCES SURROUNDING THE BACK-DATING OF THE DOCUMENTS.

CARUSO'S FIRM FAILED TO MAKE AND KEEP CURRENT, TRUE AND COMPLETE RECORDS OF ALL AGREEMENTS BETWEEN IT AND THE ASSOCIATED PERSON AND ALSO FAILED TO FURNISH PROMPTLY SUCH RECORDS WHEN REQUESTED TO DO SO BY THE BDIP STAFF.

CARUSO WILLFULLY AIDED AND ABETTED AND CAUSED VIOLATIONS OF SECTION 17(A) OF THE EXCHANGE ACT AND RULES 17A-3 AND 17A-4 THEREUNDER. SECTION 17(A) OF THE EXCHANGE ACT AND RULES 17A-3 AND 17A-4 THEREUNDER REQUIRE THAT BROKERS OR DEALERS MAKE AND KEEP CURRENT VARIOUS RECORDS RELATING TO ITS BUSINESS AND PRESERVE THOSE RECORDS FOR SPECIFIED PERIODS OF TIME.

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:	05/16/2011
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: \$25,000.00

Portion Levied against individual: \$25,000.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Regulator Statement

IN ANTICIPATION OF THE INSTITUTION OF THE PROCEEDINGS, RESPONDENT SUBMITTED AN OFFER OF SETTLEMENT ("OFFERS"), 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 THE 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 ("ORDER").

THE COMMISSION FOUND THAT CARUSO WILLFULLY AIDED AND ABETTED AND CAUSED VIOLATIONS OF SECTION 17(A) OF THE EXCHANGE ACT AND RULES 17A-3 AND 17A-4 THEREUNDER.

THE COMMISSION DEEMS IT APPROPRIATE, AND IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN RESPONDENT CARUSO'S OFFER.

PURSUANT TO SECTIONS 15(B) AND 21C OF THE EXCHANGE ACT, THE COMMISSION ORDERED THAT:



A. RESPONDENT CARUSO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A) OF THE EXCHANGE ACT AND RULES 17A-3 AND 17A-4 THEREUNDER;

B. RESPONDENT CARUSO IS CENSURED.

C. CARUSO SHALL PAY A CIVIL MONEY PENALTY OF \$25,000 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: 05/16/2011

Docket/Case Number: 3-14389

Employing firm when activity occurred which led to the regulatory action: LEGEND SECURITIES,INC.

Product Type: No Product

Allegations: SEC ADMIN RELEASE 34-64502, MAY 16, 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 SALVATORE CARUSO ("CARUSO" OR "RESPONDENT"). THE COMMISSION FOUND THAT: CARUSO CO-FOUNDED A BROKER DEALER REGISTERED WITH THE COMMISSION PURSUANT TO SECTION 15(B) OF THE EXCHANGE ACT IN 1998. CARUSO HAS SERVED AS ITS PRESIDENT AND CHIEF COMPLIANCE OFFICER, AMONG OTHER TITLES, AND AS A REGISTERED REPRESENTATIVE. ON MARCH 24, 2009, COMMISSION STAFF WITH THE NEW YORK REGIONAL OFFICE'S BROKER DEALER INSPECTION PROGRAM ("BDIP STAFF") COMMENCED AN EXAMINATION OF CARUSO'S FIRM. IN CONNECTION WITH THE EXAMINATION, BDIP STAFF REQUESTED THAT CARUSO'S FIRM PROVIDE VARIOUS RECORDS, INCLUDING CERTAIN RECORDS CONCERNING LEGEND EMPLOYEES. CARUSO PRODUCED THE DOCUMENTS ON LEGEND'S BEHALF IN RESPONSE TO THE EXAMINATION STAFF'S REQUEST. THE RECORDS CARUSO PRODUCED DID NOT INCLUDE CERTAIN REQUESTED DOCUMENTS FOR ONE ASSOCIATED PERSON OF CARUSO' FIRM ("ASSOCIATED PERSON"). ON MAY 4, 2009, BDIP STAFF REQUESTED THE PERSONNEL FILE FOR THE ASSOCIATED PERSON. AFTER NOT RECEIVING ANY DOCUMENTS IN RESPONSE, BDIP STAFF REITERATED THIS REQUEST ON MULTIPLE OCCASIONS BETWEEN MAY 4 AND MAY 22, 2009. ON MAY 26, 2009, CARUSO SENT THE ASSOCIATED PERSON AN ELECTRONIC MAIL MESSAGE IN WHICH HE WROTE: I'M GOING THRU (SIC) MY EMPLOYEE FILES FOR THE SEC AUDIT AND REALIZED THAT I DON'T HAVE ALL OF THE OTHER EMPLOYMENT/REGISTRATION FORMS FOR YOU. I ONLY HAVE YOUR FORM U4. I HAVE ATTACHED THE FORMS THAT I NEED YOU TO COMPLETE, SIGN AND FAX BACK TO ME ASAP. PLEASE DATE THE FORMS 06-09-2008. IT'S VERY IMPORTANT. ATTACHED TO THIS EMAIL MESSAGE WERE SEVEN DOCUMENTS RELATED TO THE ASSOCIATED PERSON'S RELATIONSHIP WITH CARUSO'S FIRM, INCLUDING HIS INDEPENDENT CONTRACTOR AGREEMENT, COMMISSION SCHEDULE,



AND COMPLIANCE FORMS. THE ASSOCIATED PERSON COMPLIED WITH CARUSO'S REQUEST. THE DATE THAT CARUSO DIRECTED THE ASSOCIATED PERSON TO USE WHEN SIGNING THE DOCUMENTS, JUNE 9, 2008, CORRESPONDED TO THE DATE THE ASSOCIATED PERSON BECAME A REGISTERED REPRESENTATIVE AT CARUSO'S FIRM. ON JUNE 2, 2009, CARUSO PROVIDED THE ASSOCIATED PERSON'S PERSONNEL FILE, INCLUDING ALL THE DOCUMENTS THAT THE ASSOCIATED PERSON HAD SIGNED THE PREVIOUS WEEK, TO THE BDIP STAFF. CARUSO DID NOT DISCLOSE TO THE BDIP STAFF THE CIRCUMSTANCES SURROUNDING THE BACK-DATING OF THE DOCUMENTS. CARUSO'S FIRM FAILED TO MAKE AND KEEP CURRENT, TRUE AND COMPLETE RECORDS OF ALL AGREEMENTS BETWEEN IT AND THE ASSOCIATED PERSON AND ALSO FAILED TO FURNISH PROMPTLY SUCH RECORDS WHEN REQUESTED TO DO SO BY THE BDIP STAFF. CARUSO WILLFULLY AIDED AND ABETTED AND CAUSED VIOLATIONS OF SECTION 17(A) OF THE EXCHANGE ACT AND RULES 17A-3 AND 17A-4 THEREUNDER. SECTION 17(A) OF THE EXCHANGE ACT AND RULES 17A-3 AND 17A-4 THEREUNDER REQUIRE THAT BROKERS OR DEALERS MAKE AND KEEP CURRENT VARIOUS RECORDS RELATING TO ITS BUSINESS AND PRESERVE THOSE RECORDS FOR SPECIFIED PERIODS OF TIME.

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: 05/16/2011

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: \$25,000.00

Portion Levied against individual: \$25,000.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Broker Statement IN ANTICIPATION OF THE INSTITUTION OF THE PROCEEDINGS, RESPONDENT SUBMITTED AN OFFER OF SETTLEMENT ("OFFERS"), 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 THE 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 ("ORDER"). THE COMMISSION FOUND THAT CARUSO WILLFULLY AIDED AND ABETTED AND CAUSED VIOLATIONS OF SECTION 17(A) OF THE EXCHANGE ACT AND RULES 17A-3 AND 17A-4 THEREUNDER. THE COMMISSION DEEMS IT APPROPRIATE, AND IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN RESPONDENT CARUSO'S OFFER. PURSUANT TO SECTIONS 15(B) AND 21C OF THE EXCHANGE ACT, THE COMMISSION ORDERED THAT: A. RESPONDENT CARUSO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A) OF THE EXCHANGE ACT AND RULES 17A-3 AND 17A-4 THEREUNDER; B. RESPONDENT CARUSO IS CENSURED. C. CARUSO SHALL PAY A CIVIL MONEY PENALTY OF \$25,000 TO THE UNITED STATES TREASURY.



Financial

This disclosure event involves a final bankruptcy, compromise with one or more creditors, or Securities Investor Protection Corporation liquidation that occurred within the last 10 years and that involved the Investment Adviser Representative or an organization/investment adviser that the Investment Adviser Representative controlled that occurred within the last 10 years.

Disclosure 1 of 1

Reporting Source:	Individual
Action Type:	Bankruptcy
Bankruptcy:	Chapter 7
Action Date:	08/31/2018
Organization Investment-Related?	
Type of Court:	Federal Court
Name of Court:	US Bankruptcy Court, District of Connecticut
Location of Court:	Connecticut
Docket/Case #:	18-51152
Action Pending?	No
Disposition:	Discharged
Disposition Date:	03/27/2019



End of Report

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