

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

COMPLAINANT,

v.

MAX INTERNATIONAL BROKER-DEALER,
CORP. (BD No. 46039),

AND

DAVID S. ISOLANO (CRD No. 2504880),

RESPONDENTS.

Disciplinary Proceeding
No. 20070072538-03

Hearing Officer MC

Date: December 10, 2010

**ORDER ACCEPTING OFFER OF
SETTLEMENT [Corrected]**

INTRODUCTION

Disciplinary Proceeding No. 20070072538-03 was filed on December 7, 2009, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent David S. Isolano submitted a corrected Offer of Settlement (Offer) to Complainant dated December 10, 2010. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent Isolano has consented, without admitting or denying the allegations of the Complaint, and solely for the purposes of this proceeding and any

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other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, to the entry of findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of Respondent Isolano's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

On or about July 6, 1994, Isolano first entered the securities industry as a general securities representative ("GSR") registered with a former FINRA member firm. Between 1994 and the present, Isolano has been registered with four FINRA member firms, including Max. According to the records of the Central Registration Depository ("CRD"), Isolano has been employed at Max since on or about July 17, 1999. Isolano has been registered at Max as a GSR and a general securities principal ("GSP") since on or about September 15, 1999. Isolano has been registered as an equity trader ("ET") at Max since on or about October 9, 2003. Isolano has been identified as a control person at Max on the firm's Form BD, Schedule A, since at least February 2000. Isolano has been sole shareholder of Max since April 2000 and assumed the title of CEO at least as early as January 2003. Isolano is currently registered with Max and subject to FINRA's jurisdiction.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:¹

¹ The findings herein are pursuant to Respondent Isolano's Offer of Settlement and are not binding on any other person or entity named as a respondent in this or any other proceeding.

SUMMARY

Respondent Max International Broker-Dealer, Corp. ("Max" or the "firm") is an SEC registered broker-dealer and FINRA member firm located in New York City. During 2005 and 2006, the relevant period for this complaint, Respondent Isolano was Max's owner, chief executive officer ("CEO") and head of proprietary trading. Isolano's association with the firm dates back to its inception in 1999. He was designated to NASD as the sole shareholder of the firm beginning in 2000 and was formally designated as CEO at least as early as 2003.

On September 12, 2006, Max charged at least 77 customers fraudulent markups of 54.64% on purchases of Database Solutions, Ltd. common stock ("DBSJ") (the "DBSJ customer transactions"). At the time of DBSJ customer transactions, the stock was being quoted on the Pink Sheets.

Max's strategy with DBSJ was to obtain a large position away from the market at a discounted price and immediately liquidate the position by selling to its own customers and charging exorbitant markups on the transactions, which the firm would retain for the firm's and Isolano's benefit. Isolano first arranged with one or more broker-dealers to purchase a large block of penny stock from a customer at one of those broker-dealers at a price that was below the quoted inside market at the time. At the same time that the firm was arranging to buy the block of penny stock away from the market, Max's brokers recommended the stock to customers, solicited indications of interest from customers and pre-arranged for customers to buy shares of the same security. Once Max reached agreement on the price at which it would make its proprietary purchase of the stock, the firm bought the stock into its proprietary trading account. On the same date of the proprietary purchase, Max sold to its retail brokerage customers. Even

though Max was not a market maker, and bought the blocks of stock at below the quoted inside market for the stock, Max charged its customers a per share price to buy the stock at the publicly reported offer price for the stock on that day.

Max further misled at least 55 of the DBSJ purchasers by charging a disclosed “commission” over and above the undisclosed markup, leading customers to believe that the commission was the entirety of the firm’s remuneration in those transactions, when, in fact, it represented only a very small portion, \$18,765.00, of Max’s profit on the DBSJ customer transactions.

The markups and commissions assessed on the DBSJ customer transactions are summarized as follows:

DBSJ Customer Transactions		
9/12/06	Max’s acquisition cost for 7,792,317 shares of DBSJ (at \$0.097 per share)	\$755,854.75
9/12/06	Max’s retail price to 77 customers (at \$0.15 per share) to buy 7,792,317 shares of DBSJ from Max	\$1,168,847.55
	Undisclosed (54.64%) markup charged to 77 customers	\$412,992.80
	Additional “commission” charged to 55 of 77 customers	\$18,765.00
	Total Remuneration to Max	<u>\$431,757.80</u>

Isolano was personally responsible for failing to enforce the firm’s supervisory procedures and was directly liable for the firm’s fraudulent and excessive markups in the DBSJ transactions.

DBSJ

In 2006, DBSJ was a Canadian company that purported to be a software developer of products for use by insurance industry salespersons for customer relations management. The stock was being quoted on the Pink Sheets in 2006. Max’s proprietary purchase of DBSJ on

September 12, 2006, represented 95% of that day's trading volume and accounted for 20% of DBSJ's trading volume in calendar year 2006. On September 12, 2007, one year after the DBSJ customer transactions, the price of DBSJ closed at \$0.00088 per share, a decline in value of approximately 99.5% from September 12, 2006.

**EXCESSIVE AND FRAUDULENT MARKUPS
IN CONNECTION WITH DBSJ TRANSACTIONS**

NASD Conduct Rule 2440 requires that prices charged to customers in principal transactions be fair under all relevant circumstances. IM-2440-1 establishes a "5% Policy" that states, *inter alia*, "a markup pattern of 5% or even less may be considered unfair or unreasonable ...".

Section 10(b) of the Exchange Act and Rule 10b-5, promulgated thereunder makes it unlawful for any person directly, or indirectly, by use of any means or instrumentality of interstate commerce to employ devices, schemes, or artifices to defraud; make untrue statements of material fact or omit to state material facts necessary in order to make statements made, in light or the circumstances under which they were made, not misleading; or engage in acts, practices, or courses of business which operate or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of a security.

Isolano engaged in a fraudulent markup scheme in connection with the DBSJ customer transactions. As early as September 5, 2006, DF contacted Isolano concerning BC's interest in selling at a discount below the quoted inside market millions of shares of DBSJ from an account under BC's control.

BC controlled accounts at Park Financial Group as well as at a Aegis Capital Corp. Between September 5, 2006 and September 12, 2006, Isolano negotiated with BC to buy the

discount block of DBSJ stock, even meeting with BC and DF in New York City to discuss the potential sale. On or before September 12, 2006, Isolano reached an agreement to buy more than 8.1 million shares of DBSJ from a BC controlled account at Broker-Dealer B.

During the same time frame that Isolano was negotiating to buy the discount block of DBSJ stock from BC, Isolano informed Max's sales force of the stock. Members of Max's sales force then began recommending DBSJ to Max customers beginning as early as September 7, 2006 and solicited indications of interest for purchases of DBSJ and pre-arranged for customer buy transactions of the stock. By September 12, 2006, Max had obtained indications of interest for its customers to buy millions of shares in DBSJ.

On September 12, 2006, Max, acting through Isolano, bought 8,122,315 shares of DBSJ at a price of \$.097 per share into its proprietary account through Broker-Dealer B. On September 12th, the quoted inside market for DBSJ was between \$0.145 and \$0.15 per share. Max obtained its block of DBSJ at a 35.33% discount below the published offer price in DBSJ on that date. Also on September 12, 2006, Isolano instructed Max's CCO at the time, KY to enter at least 77 principal transactions with Max's retail customers for those customers to buy 7,792,317 shares of DBSJ at \$0.15 per share – a 54.64% markup from Max's cost to purchase the shares.

The 77 DBSJ customers paid \$1,168,847.55 for the same shares that Max had paid \$755,854.75 for that same afternoon, yielding Max a \$412,992.80 profit. No one at Max disclosed to the 77 DBSJ customers that Max made a 54.64% profit from the transactions.

At least 55 of Max's customers who purchased DBSJ on September 12th were charged a disclosed "commission" over and above the undisclosed markup. Those commissions totaled \$18,765.00.

As more fully detailed in Exhibit "B" attached hereto and incorporated by reference, the undisclosed markups combined with the additional commissions charged on the above described transactions resulted in total remuneration to Max ranging from 54.64% to 64.62% above Max's cost. Max's total compensation on the 77 DBSJ transactions was \$431,757.80. Max retained the undisclosed markup as profit for the firm's and Isolano's benefit and split the profits from the commissions with its sales force. At least \$393,965.06 of those profits was excessive, unfair and unreasonable.

Isolano knew, should have known or was reckless in not knowing that Max's percentage remuneration of 54.64%-64.62% taken on the DBSJ customer transactions was excessive, unfair and unreasonable.

Based on the conduct described above, Isolano, by use of an instrumentality of interstate commerce employed devices, schemes, or artifices to defraud; made untrue statements of material facts or omitted to state material facts necessary in order to make statements made, in light of the circumstances under which they were made, not misleading; or engaged in acts, practices, or courses of business which operate or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of a security.

Through the foregoing conduct, Isolano committed separate and distinct willful violations of Section 10(b) of the Securities Exchange Act and Rule 10b-5 promulgated thereunder and constitutes separate and distinct violations of NASD Conduct Rules 2440, 2120 and 2110.

**FAILURE TO ENFORCE WRITTEN SUPERVISORY PROCEDURES
CONCERNING MARKUPS AND PROHIBITION ON PRINCIPAL TRANSACTIONS WITH CUSTOMERS**

NASD Conduct Rule 3010(b) requires each member firm to "establish, maintain, and enforce written procedures to supervise the types of business in which it engages to supervise the

activities of registered representatives and associated persons that are reasonably designed to achieve compliance with applicable securities laws and regulations, and with the applicable rules of [the] Association.”

During 2005 and 2006, Isolano was CEO, sole shareholder of the firm and the person designated as responsible for markups and proprietary trading at Max. The firm’s procedures explicitly stated that:

“David Isolano, as the head (and currently only) trader for the firm’s account, will oversee all proprietary trading activities. **Max International does not undertake any principal transactions with customers;** our activities with customers are limited to “agency” transactions.”
(Emphasis in original).

Notwithstanding this prohibition on principal transactions with customers, the firm’s procedures provide some procedures for markups:

“Markups/markdowns in excess of 5% require Compliance Department approval prior to such charges being made. ... David Isolano is responsible for reviewing all principal transactions to determine the appropriateness of the markup or mark-down.”

The firm’s procedures during 2005 and 2006 note that “markups over ten percent (10%) are more often than not considered FRAUDULENT.” (Emphasis in original). The firm’s 2005 and 2006 WSPs continue on to state that there are a number of factors to be considered in connection with the 5% guideline including

- a. type of security,
- b. availability of the security in the marketplace,
- c. the price of the security,
- d. the amount of money being invested,
- e. disclosure,

- f. markup patterns, and
- g. the nature of the securities business.

Isolano knew a markup was assessed on the DBSJ customer transactions and failed to take steps to ensure the markup was fair and reasonable or in compliance with Max's own supervisory procedures.

In connection with the aforementioned 2006 DBSJ transactions, Isolano failed to reasonably enforce the firm's supervisory procedures concerning markups and proprietary trading.

By reason of the foregoing, Isolano violated NASD Conduct Rules 3010 and 2110.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent Isolano from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

It is ordered that Respondent Isolano be

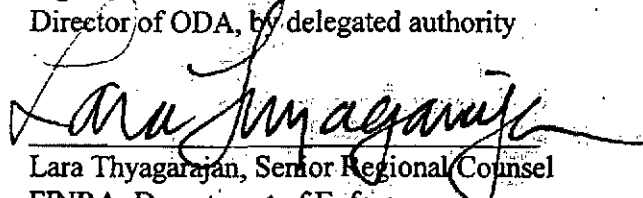
- Suspended for five (5) months from association with any FINRA member firm in all capacities, and to, immediately thereafter, be suspended for one (1) month from association with any FINRA member firm in a principal capacity.
- Fined in the amount of \$40,000.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

SO ORDERED.

FINRA

Signed on behalf of the
Director of ODA, by delegated authority

A handwritten signature in black ink, appearing to read "Lara Thyagarajan", is written over a horizontal line.

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Exhibit B
Max International Broker-Dealer, Corp.

No.	Customer	Symbol	Trade Date	BS	Am't of Shares	Principal Amount (\$0.16/sh)	Max's Cost (\$0.097/sh)	% Markup Based on Max's Cost	Undisclosed Markup (\$)	Disclosed Commission	Customer's Cost (Prin. Amt + Comm.)	Total Remuneration to Max (% above firm's cost)
1	AD	DBSJ	9/12/06	B	20,000	\$3,000.00	\$1,940.00	54.6392%	\$1,060.00	\$0.00	\$3,000.00	54.6392%
2	YCT	DBSJ	9/12/06	B	23,400	\$3,510.00	\$2,269.80	54.6392%	\$1,240.20	\$0.00	\$3,510.00	54.6392%
3	RB	DBSJ	9/12/06	B	56,666	\$8,499.90	\$5,496.60	54.6392%	\$3,003.30	\$0.00	\$8,499.90	54.6392%
4	LCB	DBSJ	9/12/06	B	106,666	\$15,999.90	\$10,346.60	54.6392%	\$5,653.30	\$0.00	\$15,999.90	54.6392%
5	CSC	DBSJ	9/12/06	B	73,333	\$10,999.95	\$7,113.30	54.6392%	\$3,886.65	\$0.00	\$10,999.95	54.6392%
6	RAW	DBSJ	9/12/06	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$0.00	\$9,999.90	54.6392%
7	RLC	DBSJ	9/12/06	B	666,666	\$99,999.90	\$64,666.60	54.6392%	\$35,333.30	\$0.00	\$99,999.90	54.6392%
8	GH	DBSJ	9/12/06	B	166,666	\$24,999.90	\$16,166.60	54.6392%	\$8,833.30	\$0.00	\$24,999.90	54.6392%
9	UF	DBSJ	9/12/06	B	3,333	\$499.95	\$323.30	54.6392%	\$176.65	\$0.00	\$499.95	54.6392%
10	GO	DBSJ	9/12/06	B	300,000	\$45,000.00	\$28,100.00	54.6392%	\$15,900.00	\$0.00	\$45,000.00	54.6392%
11	DMV	DBSJ	9/12/06	B	46,666	\$6,999.90	\$4,526.60	54.6392%	\$2,473.30	\$0.00	\$6,999.90	54.6392%
12	RM3	DBSJ	9/12/06	B	60,000	\$9,000.00	\$5,820.00	54.6392%	\$3,180.00	\$0.00	\$9,000.00	54.6392%
13	ST	DBSJ	9/12/06	B	44,000	\$6,600.00	\$4,268.00	54.6392%	\$2,332.00	\$0.00	\$6,600.00	54.6392%
14	LGC	DBSJ	9/12/06	B	20,333	\$3,049.95	\$1,972.30	54.6392%	\$1,077.65	\$0.00	\$3,049.95	54.6392%
15	HLE	DBSJ	9/12/06	B	666,666	\$99,999.90	\$64,666.60	54.6392%	\$35,333.30	\$0.00	\$99,999.90	54.6392%
16	GSB	DBSJ	9/12/06	B	200,000	\$30,000.00	\$19,400.00	54.6392%	\$10,600.00	\$0.00	\$30,000.00	54.6392%
17	RK1	DBSJ	9/12/06	B	333,333	\$49,999.95	\$32,333.30	54.6392%	\$17,666.65	\$0.00	\$49,999.95	54.6392%
18	PC	DBSJ	9/12/06	B	200,000	\$30,000.00	\$19,400.00	54.6392%	\$10,600.00	\$0.00	\$30,000.00	54.6392%
19	DRS	DBSJ	9/12/06	B	6,666	\$999.90	\$646.60	54.6392%	\$353.30	\$0.00	\$999.90	54.6392%
20	DM	DBSJ	9/12/06	B	666,666	\$99,999.90	\$64,666.60	54.6392%	\$35,333.30	\$0.00	\$99,999.90	54.6392%
21	ITW	DBSJ	9/12/06	B	60,000	\$9,000.00	\$5,820.00	54.6392%	\$3,180.00	\$0.00	\$9,000.00	54.6392%
22	TAR	DBSJ	9/12/06	B	100,000	\$15,000.00	\$9,700.00	54.6392%	\$5,300.00	\$0.00	\$15,000.00	54.6392%
23	JWS	DBSJ	9/12/06	B	466,666	\$69,999.90	\$45,266.60	54.6392%	\$24,733.30	\$0.00	\$69,999.90	54.6392%
24	VNR	DBSJ	9/12/06	B	200,000	\$30,000.00	\$19,400.00	54.6392%	\$10,600.00	\$0.00	\$30,000.00	54.6392%
25	RM2	DBSJ	9/12/06	B	73,333	\$10,999.95	\$7,113.30	54.6392%	\$3,886.65	\$0.00	\$10,999.95	54.6392%
26	RDL	DBSJ	9/12/06	B	333,333	\$49,999.95	\$32,333.30	54.6392%	\$17,666.65	\$0.00	\$49,999.95	54.6392%
27	RAD	DBSJ	9/12/06	B	133,333	\$19,999.95	\$12,933.30	54.6392%	\$7,066.65	\$0.00	\$19,999.95	54.6392%
28	XYZ	DBSJ	9/12/06	B	26,666	\$3,999.90	\$2,586.60	54.6392%	\$1,413.30	\$0.00	\$3,999.90	54.6392%
29	SH	DBSJ	9/12/06	B	20,600	\$3,090.00	\$1,988.20	54.6392%	\$1,091.80	\$0.00	\$3,090.00	54.6392%
30	CMH	DBSJ	9/12/06	B	17,333	\$2,599.95	\$1,681.30	54.6392%	\$918.65	\$0.00	\$2,599.95	54.6392%
31	RHG	DBSJ	9/12/06	B	233,333	\$34,999.95	\$22,633.30	54.6392%	\$12,366.65	\$0.00	\$34,999.95	54.6392%
32	YEX	DBSJ	9/12/06	B	11,000	\$1,660.00	\$1,067.00	54.6392%	\$593.00	\$0.00	\$1,660.00	54.6392%
33	BC	DBSJ	9/12/06	B	10,666	\$1,660.00	\$1,067.00	54.6392%	\$593.00	\$0.00	\$1,660.00	54.6392%
34	YJL	DBSJ	9/12/06	B	124,333	\$18,649.85	\$12,060.30	54.6392%	\$6,589.55	\$0.00	\$18,649.85	54.6392%
35	YLF	DBSJ	9/12/06	B	35,333	\$5,299.95	\$3,427.30	54.6392%	\$1,872.65	\$0.00	\$5,299.95	54.6392%
36	EP	DBSJ	9/12/06	B	20,000	\$3,000.00	\$1,940.00	54.6392%	\$1,060.00	\$0.00	\$3,000.00	54.6392%
37	ML	DBSJ	9/12/06	B	20,000	\$3,000.00	\$1,940.00	54.6392%	\$1,060.00	\$0.00	\$3,000.00	54.6392%
38	SCS	DBSJ	9/12/06	B	4,966	\$744.90	\$481.70	54.6392%	\$263.20	\$0.00	\$744.90	54.6392%
39	ZQS	DBSJ	9/12/06	B	18,666	\$2,799.90	\$1,807.60	54.6392%	\$992.30	\$0.00	\$2,799.90	54.6392%
40	MM	DBSJ	9/12/06	B	82,232	\$12,334.80	\$7,976.50	54.6392%	\$4,358.30	\$0.00	\$12,334.80	54.6392%

Exhibit B
Max International Broker-Dealer, Corp.

No.	Customer	Symbol	Trade Date	B/S	Amt of Shares	Principal Amount (\$0.15/bt)	Max's Cost (\$0.07/bt)	% Markup Based on Max's Cost	Undisclosed Markup (\$)	Disclosed Commission	Customer's Cost (Prin. Amt. + Comm.)	Total Remuneration to Max (% above firm's cost)
41	W	DBSJ	9/12/06	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$350.00	\$10,348.90	60.0816%
42	WKS	DBSJ	9/12/06	B	145,000	\$6,750.00	\$4,365.00	54.6392%	\$2,385.00	\$250.00	\$7,000.00	60.3666%
43	SMC	DBSJ	9/12/06	B	145,000	\$2,700.00	\$1,746.00	54.6392%	\$954.00	\$100.00	\$2,800.00	60.3666%
44	RGC	DBSJ	9/12/06	B	333,333	\$49,999.95	\$32,333.30	54.6392%	\$17,666.65	\$2,000.00	\$51,999.95	60.8247%
45	ZZ	DBSJ	9/12/06	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$400.00	\$10,399.90	60.8248%
46	JK	DBSJ	9/12/06	B	6,000	\$1,200.00	\$776.00	54.6392%	\$424.00	\$50.00	\$1,250.00	61.0825%
47	SL	DBSJ	9/12/06	B	8,000	\$1,200.00	\$776.00	54.6392%	\$424.00	\$50.00	\$1,250.00	61.0825%
48	KC	DBSJ	9/12/06	B	31,666	\$4,749.90	\$3,071.60	54.6392%	\$1,678.30	\$200.00	\$4,949.90	61.1604%
49	GL	DBSJ	9/12/06	B	23,333	\$3,499.95	\$2,263.30	54.6392%	\$1,236.65	\$150.00	\$3,649.95	61.2667%
50	HPB	DBSJ	9/12/06	B	10,133	\$1,518.95	\$982.90	54.6392%	\$537.05	\$70.00	\$1,589.95	61.7610%
51	KH	DBSJ	9/12/06	B	21,533	\$3,229.95	\$2,088.70	54.6392%	\$1,141.25	\$150.00	\$3,379.95	61.8207%
52	TC	DBSJ	9/12/06	B	21,533	\$3,229.95	\$2,088.70	54.6392%	\$1,141.25	\$150.00	\$3,379.95	61.8207%
53	HMC	DBSJ	9/12/06	B	39,533	\$5,929.95	\$3,834.70	54.6392%	\$2,095.25	\$280.00	\$6,209.95	61.9409%
54	MXW	DBSJ	9/12/06	B	49,333	\$7,399.95	\$4,785.30	54.6392%	\$2,614.65	\$350.00	\$7,749.95	61.9632%
55	ZPO	DBSJ	9/12/06	B	98,333	\$14,749.95	\$9,538.30	54.6392%	\$5,211.65	\$700.00	\$15,449.95	61.9780%
56	GL2	DBSJ	9/12/06	B	98,333	\$14,749.95	\$9,538.30	54.6392%	\$5,211.65	\$700.00	\$15,449.95	61.9780%
57	VZW	DBSJ	9/12/06	B	98,333	\$14,749.95	\$9,538.30	54.6392%	\$5,211.65	\$700.00	\$15,449.95	61.9780%
58	RC2	DBSJ	9/12/06	B	191,000	\$1,476.00	\$882.00	54.6392%	\$584.00	\$650.00	\$1,430.00	62.0029%
59	DME	DBSJ	9/12/06	B	54,666	\$8,199.90	\$5,302.80	54.6392%	\$2,897.10	\$400.00	\$8,599.90	62.1626%
60	RAH	DBSJ	9/12/06	B	333,333	\$49,999.95	\$32,333.30	54.6392%	\$17,666.65	\$2,500.00	\$52,499.95	62.3711%
61	PMD	DBSJ	9/12/06	B	73,333	\$10,999.95	\$7,113.30	54.6392%	\$3,886.65	\$550.00	\$11,549.95	62.3712%
62	SDC	DBSJ	9/12/06	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$600.00	\$10,499.90	62.3712%
63	YC	DBSJ	9/12/06	B	33,333	\$4,999.95	\$3,233.30	54.6392%	\$1,766.65	\$250.00	\$5,249.95	62.3712%
64	SLK	DBSJ	9/12/06	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$500.00	\$10,499.90	62.3712%
65	U	DBSJ	9/12/06	B	33,333	\$4,999.95	\$3,233.30	54.6392%	\$1,766.65	\$250.00	\$5,249.95	62.3712%
66	JOS	DBSJ	9/12/06	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$500.00	\$10,499.90	62.3712%
67	JE	DBSJ	9/12/06	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$500.00	\$10,499.90	62.3712%
68	VG	DBSJ	9/12/06	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$500.00	\$10,499.90	62.3712%
69	JAK	DBSJ	9/12/06	B	46,666	\$6,999.90	\$4,528.60	54.6392%	\$2,471.30	\$350.00	\$7,349.90	62.3712%
70	EMB	DBSJ	9/12/06	B	13,333	\$1,999.95	\$1,293.30	54.6392%	\$706.65	\$100.00	\$2,099.95	62.3713%
71	ME	DBSJ	9/12/06	B	13,333	\$1,999.95	\$1,293.30	54.6392%	\$706.65	\$100.00	\$2,099.95	62.3713%
72	DRT	DBSJ	9/12/06	B	13,333	\$1,999.95	\$1,293.30	54.6392%	\$706.65	\$100.00	\$2,099.95	62.3713%
73	MTG	DBSJ	9/12/06	B	6,666	\$1,288.90	\$840.80	54.6392%	\$448.10	\$65.00	\$1,384.90	62.3719%
74	TPN	DBSJ	9/12/06	B	6,666	\$999.90	\$646.60	54.6392%	\$353.30	\$25.00	\$1,049.90	62.3719%
75	WK	DBSJ	9/12/06	B	3,333	\$499.95	\$323.30	54.6392%	\$176.65	\$25.00	\$524.95	62.3719%
76	YC	DBSJ	9/12/06	B	32,946	\$4,941.90	\$3,195.76	54.6392%	\$1,746.14	\$250.00	\$5,191.90	62.4620%
77	YKC	DBSJ	9/12/06	B	10,333	\$1,549.95	\$1,002.30	54.6392%	\$547.65	\$100.00	\$1,849.95	64.6182%
					7,792,317	\$1,198,847.56	\$756,854.76		\$442,992.80	\$18,788.00	\$1,197,812.56	

Exhibit B
Max International Broker-Dealer, Corp.

No.	Customer	Symbol	Trade Date	B/S	Amt of Shares	Principal Amount (\$0.16/sh)	Max's Cost (\$0.087/sh)	% Markup Based on Max's Cost	Undisclosed Markup (\$)	Disclosed Commission	Customer's Cost (Prin. Amt. + Comm.)	Total Remuneration to Max (% above firm's cost)
1	AD	DBSJ	9/12/06	B	20,000	\$3,000.00	\$1,940.00	54.6392%	\$1,060.00	\$0.00	\$3,000.00	54.6392%
2	YCT	DBSJ	9/12/06	B	23,400	\$3,510.00	\$2,289.80	54.6392%	\$1,240.20	\$0.00	\$3,510.00	54.6392%
3	RBI	DBSJ	9/12/06	B	56,666	\$8,499.90	\$5,496.60	54.6392%	\$3,003.30	\$0.00	\$8,499.90	54.6392%
4	LOB	DBSJ	9/12/06	B	108,666	\$15,999.90	\$10,346.60	54.6392%	\$5,653.30	\$0.00	\$15,999.90	54.6392%
5	CSC	DBSJ	9/12/06	B	73,333	\$10,999.95	\$7,113.30	54.6392%	\$3,886.65	\$0.00	\$10,999.95	54.6392%
6	RAW	DBSJ	9/12/06	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$0.00	\$9,999.90	54.6392%
7	RLC	DBSJ	9/12/06	B	666,666	\$99,999.90	\$64,666.60	54.6392%	\$35,333.30	\$0.00	\$99,999.90	54.6392%
8	GH	DBSJ	9/12/06	B	166,666	\$24,999.90	\$16,166.60	54.6392%	\$8,833.30	\$0.00	\$24,999.90	54.6392%
9	UF	DBSJ	9/12/06	B	3,333	\$499.95	\$323.30	54.6392%	\$176.65	\$0.00	\$499.95	54.6392%
10	GO	DBSJ	9/12/06	B	300,000	\$45,000.00	\$29,100.00	54.6392%	\$15,900.00	\$0.00	\$45,000.00	54.6392%
11	DMV	DBSJ	9/12/06	B	146,666	\$8,999.90	\$4,626.60	54.6392%	\$2,473.30	\$0.00	\$8,999.90	54.6392%
12	RM3	DBSJ	9/12/06	B	60,000	\$9,000.00	\$5,820.00	54.6392%	\$3,180.00	\$0.00	\$9,000.00	54.6392%
13	ST	DBSJ	9/12/06	B	44,000	\$6,600.00	\$4,266.60	54.6392%	\$2,332.00	\$0.00	\$6,600.00	54.6392%
14	LGC	DBSJ	9/12/06	B	20,333	\$3,049.95	\$1,972.30	54.6392%	\$1,077.65	\$0.00	\$3,049.95	54.6392%
15	HLE	DBSJ	9/12/06	B	666,666	\$99,999.90	\$64,666.60	54.6392%	\$35,333.30	\$0.00	\$99,999.90	54.6392%
16	GSB	DBSJ	9/12/06	B	200,000	\$30,000.00	\$19,400.00	54.6392%	\$10,600.00	\$0.00	\$30,000.00	54.6392%
17	RKT	DBSJ	9/12/06	B	333,333	\$49,999.95	\$32,333.30	54.6392%	\$17,666.65	\$0.00	\$49,999.95	54.6392%
18	PC	DBSJ	9/12/06	B	200,000	\$30,000.00	\$19,400.00	54.6392%	\$10,600.00	\$0.00	\$30,000.00	54.6392%
19	DRS	DBSJ	9/12/06	B	666,666	\$99,999.90	\$64,666.60	54.6392%	\$35,333.30	\$0.00	\$99,999.90	54.6392%
20	DM	DBSJ	9/12/06	B	60,000	\$9,000.00	\$5,820.00	54.6392%	\$3,180.00	\$0.00	\$9,000.00	54.6392%
21	TW	DBSJ	9/12/06	B	100,000	\$15,000.00	\$9,700.00	54.6392%	\$5,300.00	\$0.00	\$15,000.00	54.6392%
22	TAR	DBSJ	9/12/06	B	466,666	\$69,999.90	\$45,266.60	54.6392%	\$24,733.30	\$500.00	\$70,499.90	55.7437%
23	JWS	DBSJ	9/12/06	B	200,000	\$30,000.00	\$19,400.00	54.6392%	\$10,600.00	\$250.00	\$30,250.00	55.9278%
24	VMR	DBSJ	9/12/06	B	73,333	\$10,999.95	\$7,113.30	54.6392%	\$3,886.65	\$100.00	\$11,099.95	56.0450%
25	RM2	DBSJ	9/12/06	B	333,333	\$49,999.95	\$32,333.30	54.6392%	\$17,666.65	\$500.00	\$50,499.95	56.1856%
26	RDL	DBSJ	9/12/06	B	133,333	\$19,999.95	\$12,933.30	54.6392%	\$7,066.65	\$250.00	\$20,249.95	56.5722%
27	RAD	DBSJ	9/12/06	B	26,666	\$3,999.90	\$2,566.60	54.6392%	\$1,413.30	\$50.00	\$4,049.90	56.5722%
28	XXZ	DBSJ	9/12/06	B	20,600	\$3,080.00	\$1,998.20	54.6392%	\$1,081.80	\$50.00	\$3,140.00	57.1414%
29	SH	DBSJ	9/12/06	B	17,333	\$2,599.95	\$1,681.30	54.6392%	\$918.65	\$1,000.00	\$3,689.95	59.0574%
30	CMH	DBSJ	9/12/06	B	233,333	\$34,999.95	\$22,633.30	54.6392%	\$12,366.65	\$50.00	\$35,049.95	59.3252%
31	RHG	DBSJ	9/12/06	B	11,000	\$1,650.00	\$1,067.00	54.6392%	\$583.00	\$50.00	\$1,700.00	59.4720%
32	XPY	DBSJ	9/12/06	B	10,666	\$1,599.90	\$1,034.60	54.6392%	\$565.30	\$600.00	\$1,949.90	59.6142%
33	BC	DBSJ	9/12/06	B	124,333	\$18,649.95	\$12,060.30	54.6392%	\$6,589.65	\$175.00	\$19,249.95	59.7452%
34	YJL	DBSJ	9/12/06	B	35,333	\$5,299.95	\$3,427.30	54.6392%	\$1,872.65	\$100.00	\$5,474.95	59.7938%
35	PYI	DBSJ	9/12/06	B	20,000	\$3,000.00	\$1,940.00	54.6392%	\$1,060.00	\$100.00	\$3,100.00	59.7938%
36	FP	DBSJ	9/12/06	B	20,000	\$3,000.00	\$1,940.00	54.6392%	\$1,060.00	\$25.00	\$3,069.90	59.8261%
37	ML	DBSJ	9/12/06	B	20,000	\$3,000.00	\$1,940.00	54.6392%	\$1,060.00	\$100.00	\$3,100.00	59.8261%
38	SC	DBSJ	9/12/06	B	4,966	\$744.90	\$481.70	54.6392%	\$263.20	\$100.00	\$681.70	59.8814%
39	ZQS	DBSJ	9/12/06	B	19,666	\$2,949.90	\$1,907.60	54.6392%	\$1,042.30	\$425.00	\$3,049.90	59.9673%
40	MM	DBSJ	9/12/06	B	82,232	\$12,334.80	\$7,976.50	54.6392%	\$4,358.30		\$12,759.80	

Exhibit B

Max International Broker-Dealer, Corp.

No.	Customer	Symbol	Trade Date	B/S	Amt of Shares	Principal Amount (\$0.16/sh)	Max's Cost (\$0.097/sh)	% Markup Based on Max's Cost	Undisclosed Markup (\$)	Disclosed Commission	Customer's Cost (Prin. Amt. + Comm.)	Total Remuneration to Max (% above firm's cost)
41	JW	DBSJ	9/12/08	B	66,666	\$9,999.90	\$3,466.60	54.6392%	\$3,533.30	\$350.00	\$10,349.90	60.0516%
42	WKS	DBSJ	9/12/08	B	45,000	\$6,750.00	\$4,365.00	54.6392%	\$2,385.00	\$250.00	\$7,000.00	60.3666%
43	SMC	DBSJ	9/12/08	B	18,000	\$2,700.00	\$1,746.00	54.6392%	\$954.00	\$100.00	\$2,800.00	60.3666%
44	RGC	DBSJ	9/12/08	B	33,333	\$4,999.95	\$3,233.30	54.6392%	\$1,766.65	\$2,000.00	\$5,199.95	60.8247%
45	ZZ	DBSJ	9/12/08	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$400.00	\$10,399.90	60.8248%
46	JK	DBSJ	9/12/08	B	8,000	\$1,200.00	\$776.00	54.6392%	\$424.00	\$50.00	\$1,250.00	61.0825%
47	SL	DBSJ	9/12/08	B	8,000	\$1,200.00	\$776.00	54.6392%	\$424.00	\$50.00	\$1,250.00	61.0825%
48	KC	DBSJ	9/12/08	B	31,666	\$4,749.90	\$3,071.60	54.6392%	\$1,678.30	\$200.00	\$4,949.90	61.1504%
49	GL1	DBSJ	9/12/08	B	31,666	\$4,749.90	\$3,071.60	54.6392%	\$1,678.30	\$200.00	\$4,949.90	61.1504%
50	HPB	DBSJ	9/12/08	B	23,333	\$3,499.95	\$2,263.30	54.6392%	\$1,236.65	\$150.00	\$3,649.95	61.2667%
51	KH	DBSJ	9/12/08	B	10,133	\$1,519.95	\$882.90	54.6392%	\$537.05	\$70.00	\$1,589.95	61.7610%
52	TC	DBSJ	9/12/08	B	12,133	\$3,229.95	\$2,066.70	54.6392%	\$1,141.25	\$150.00	\$3,379.95	61.8207%
53	HMC	DBSJ	9/12/08	B	21,333	\$3,199.95	\$2,069.30	54.6392%	\$1,130.65	\$150.00	\$3,349.95	61.8800%
54	MXW	DBSJ	9/12/08	B	39,533	\$5,929.95	\$3,834.70	54.6392%	\$2,095.25	\$280.00	\$6,209.95	61.9409%
55	ZPO	DBSJ	9/12/08	B	49,333	\$7,399.95	\$4,785.30	54.6392%	\$2,614.65	\$350.00	\$7,749.95	61.9532%
56	GL2	DBSJ	9/12/08	B	98,333	\$14,749.95	\$9,538.30	54.6392%	\$5,211.65	\$700.00	\$15,449.95	61.9780%
57	YZW	DBSJ	9/12/08	B	98,333	\$14,749.95	\$9,538.30	54.6392%	\$5,211.65	\$700.00	\$15,449.95	61.9780%
58	RC2	DBSJ	9/12/08	B	91,000	\$13,650.00	\$8,827.00	54.6392%	\$4,823.00	\$850.00	\$14,300.00	62.0029%
59	DMF	DBSJ	9/12/08	B	54,666	\$8,199.90	\$5,302.60	54.6392%	\$2,897.30	\$400.00	\$8,599.90	62.1826%
60	RAH	DBSJ	9/12/08	B	33,333	\$4,999.95	\$3,233.30	54.6392%	\$1,766.65	\$2,500.00	\$5,249.95	62.3711%
61	PMD	DBSJ	9/12/08	B	73,333	\$10,999.95	\$7,113.30	54.6392%	\$3,886.65	\$550.00	\$11,549.95	62.3712%
62	SDC	DBSJ	9/12/08	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$500.00	\$10,499.90	62.3712%
63	YC	DBSJ	9/12/08	B	33,333	\$4,999.95	\$3,233.30	54.6392%	\$1,766.65	\$250.00	\$5,249.95	62.3712%
64	SLK	DBSJ	9/12/08	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$500.00	\$10,499.90	62.3712%
65	LL	DBSJ	9/12/08	B	33,333	\$4,999.95	\$3,233.30	54.6392%	\$1,766.65	\$250.00	\$5,249.95	62.3712%
66	JOS	DBSJ	9/12/08	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$500.00	\$10,499.90	62.3712%
67	JF	DBSJ	9/12/08	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$500.00	\$10,499.90	62.3712%
68	VG	DBSJ	9/12/08	B	66,666	\$9,999.90	\$6,466.60	54.6392%	\$3,533.30	\$500.00	\$10,499.90	62.3712%
69	JAK	DBSJ	9/12/08	B	46,666	\$6,999.90	\$4,526.60	54.6392%	\$2,473.30	\$350.00	\$7,349.90	62.3713%
70	EMB	DBSJ	9/12/08	B	13,333	\$1,999.95	\$1,293.30	54.6392%	\$708.65	\$100.00	\$2,099.95	62.3713%
71	MF	DBSJ	9/12/08	B	13,333	\$1,999.95	\$1,293.30	54.6392%	\$708.65	\$100.00	\$2,099.95	62.3713%
72	DRT	DBSJ	9/12/08	B	13,333	\$1,999.95	\$1,293.30	54.6392%	\$708.65	\$100.00	\$2,099.95	62.3713%
73	NHG	DBSJ	9/12/08	B	6,666	\$1,299.90	\$840.60	54.6392%	\$459.30	\$65.00	\$1,364.90	62.3717%
74	TEN	DBSJ	9/12/08	B	6,666	\$1,299.90	\$840.60	54.6392%	\$459.30	\$65.00	\$1,364.90	62.3717%
75	WK	DBSJ	9/12/08	B	3,333	\$499.95	\$323.30	54.6392%	\$176.65	\$25.00	\$524.95	62.3719%
76	FYC	DBSJ	9/12/08	B	32,946	\$4,941.90	\$3,195.76	54.6392%	\$1,746.14	\$250.00	\$5,191.90	62.4620%
77	YKC	DBSJ	9/12/08	B	10,333	\$1,549.95	\$1,002.30	54.6392%	\$547.65	\$100.00	\$1,649.95	64.6162%
						7,792,317	\$1,169,847.56		\$412,992.80	\$18,765.00	\$1,187,812.56	
							\$755,854.78					