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FINANCIAL INDUSTRY REGULATORY AUTHORITY
REGISTRATION & DISCLOSURE

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

David Supercinski
(CRD No. 1125410)

Respondent.

Disciplinary Proceeding
No. 20070082087-01

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. David Supercinski ("Supercinski") forged signatures on variable annuity applications and on other documents that he submitted to the member firm Woodbury Financial Services, Inc. ("Woodbury"). The three individuals whose signatures were forged had not authorized or requested the purchase of variable annuities. This conduct by Supercinski was in violation of NASD Conduct Rule 2110. Additionally, Supercinski failed to respond to requests for information, for documents, and for an on-the-record interview, in violation of NASD Procedural Rule 8210 and Conduct Rule 2110.

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RESPONDENT AND JURISDICTION

2. Supercinski became associated with Fortis Investors, Inc. ("Fortis") as an Investment Company and Variable Contracts Products Rep. (Series 6) in or about October 1999. In or about September 2000, Supercinski became associated with Fortis as a General Securities Representative (Series 7). Thereafter, Fortis became known as Woodbury. Supercinski remained associated with Woodbury until his involuntary termination on July 28, 2006.
3. On or about July 28, 2006, Woodbury filed a Full Form U-5, which reported that Supercinski was discharged on July 28, 2006 for "*exaggerating financial information on new account forms in order to increase commission advance amounts resulting in numerous commission reversals.*"
4. Within two years of the original notice of termination, Woodbury filed amendments to the original notice of termination, which disclosed that Supercinski may have engaged in additional conduct which is actionable under NASD Rules. These include an amended Form U-5 filed on or about June 18, 2007, and an amended Form U-5 filed on or about November 20, 2007.
5. Supercinski has not been associated with any member in any capacity since Woodbury terminated his employment, but as a result of amendments made to the original notice of termination, Supercinski remains subject to FINRA's jurisdiction until at least two years from the date of the November 20, 2007 amended Form U-5 filing, pursuant to Article V, Section 4 of FINRA's By-Laws.

FIRST CAUSE OF ACTION

Forgery

NASD Conduct Rule 2110

Forgery Relating to Customer SF

6. The Department realleges and incorporates by reference paragraphs 1 through 5, above.
7. On or about August 1, 2005, customer SF entered into an agreement with Supercinski to receive financial planning services. Also, in or about September 2005, SF opened an IRA at Woodbury, and Supercinski was the representative of record.
8. As set forth in paragraphs 9 and 11, below, Supercinski forged customer SF's signature to variable annuity applications and other documents without SF's prior knowledge or consent. Customer SF had not authorized Supercinski to purchase the annuities.
9. Supercinski forged or caused to be forged customer SF's signature to the following documents, in connection with an application to purchase a variable annuity from MetLife Investors USA Insurance Company ("MetLife Investors"). The forged documents are each dated August 2, 2005:
 - a. *MetLife Investors USA Variable Annuity Series VA Application*
 - b. *MetLife Investors Assignment and Transfer/Direct Rollover Request*
10. The variable annuity application referred to in paragraph 9, above, falsely stated that SF intended to make an initial purchase payment of \$541,000.
11. Supercinski again forged or caused to be forged customer SF's signature to the following documents, in connection with an application to purchase a variable annuity from

Security Benefit Life Insurance Company ("Security Benefit"). The forged documents are each dated April 11, 2006:

- a. Security Benefit SecureDesigns Variable Annuity Application*
- b. Security Benefit SecureDesigns Incoming Funds Transfer/Rollover*
- c. Woodbury New Account Form*
- d. Woodbury Point of Sale - Annuity*

12. The variable annuity application referred to in paragraph 11, above, falsely stated that SF intended to make an initial contribution of \$410,000.
13. The falsified documentation set forth in paragraphs 9 and 11, above, did not result in a purchase by customer SF of the respective variable annuities.

Forgery Relating to Customer EB

14. In or about March 2005, customer EB opened an IRA at Woodbury, and Supercinski was the representative of record.
15. As set forth in paragraphs 16 and 18, below, Supercinski forged customer EB's signature to variable annuity applications and other documents without EB's prior knowledge or consent. Customer EB had not authorized Supercinski to purchase the annuities.
16. Supercinski forged or caused to be forged customer EB's signature to the following documents, in connection with an application to purchase a variable annuity from MetLife Investors. The forged documents are each dated September 22, 2005:

- a. MetLife Investors USA Variable Annuity Series VA Application*
- b. MetLife Investors Assignment and Transfer/Direct Rollover Request*
- c. Woodbury Financial Services Account Form*

17. The variable annuity application referred to in paragraph 16, above, falsely stated that EB intended to make an initial purchase payment of \$607,000.

18. Supercinski again forged or caused to be forged customer EB's signature to the following documents, in connection with an application to purchase a variable annuity from Security Benefit. The forged documents are each dated December 1, 2005:
- a. *Security Benefit SecureDesigns Variable Annuity Application*
 - b. *Security Benefit SecureDesigns Incoming Funds Transfer/Rollover*
 - c. *Woodbury Financial Services Account Form*
 - d. *Woodbury Client Replacement Disclosure Letter*
19. The variable annuity application referred to in paragraph 18, above, falsely stated that EB intended to make an initial contribution of \$531,000.
20. The falsified documentation set forth in paragraphs 16 and 18, above, did not result in a purchase by customer EB of the respective variable annuities.

Forgery Relating to AI

21. As of approximately November 2005, Supercinski was identified as the representative for a variable annuity purchased with AI's 403(b) TSA assets.
22. As set forth in paragraph 23, below, Supercinski forged AI's signature to a variable annuity application and other documents without AI's prior knowledge or consent. AI had not authorized Supercinski to purchase the annuity.
23. Supercinski forged or caused to be forged AI's signature to the following documents, in connection with an application to purchase a variable annuity from Security Benefit. The forged documents are each dated October 12, 2005:
- a. *Security Benefit SecureDesigns Variable Annuity Application*
 - b. *Security Benefit SecureDesigns Incoming Funds Transfer/Rollover*
 - c. *Woodbury Financial Services Account Form*
 - d. *Woodbury Client Replacement Disclosure Letter*

24. The variable annuity application referred to in paragraph 23, above, falsely stated that AI intended to make an initial contribution of \$415,206.
25. The falsified documentation set forth in paragraph 23, above, did result in an unauthorized transfer of AI's 403(b) TSA assets in the amount of approximately \$88,000, and in a purchase of a Security Benefit variable annuity for AI.
26. Supercinski, without the authorization of SF, EB, and AI, submitted the respective falsified variable annuity applications and other documents that appeared to be signed by them.
27. As a result of the conduct set forth in paragraphs 6 through 26, above, Supercinski violated NASD Conduct Rule 2110.

SECOND CAUSE OF ACTION

Unauthorized Trading

NASD Conduct Rule 2110

28. The Department realleges and incorporates by reference paragraphs 1 through 27, above.
29. As set forth in paragraphs 21 through 27, above, without AI's prior knowledge or consent, Supercinski falsified documentation which resulted in an unauthorized transfer of assets and in a purchase for AI of a Security Benefit variable annuity, where Supercinski was identified on the variable annuity statement as the representative.
30. As a result of the conduct set forth in paragraphs 28 through 29, above, Supercinski violated NASD Conduct Rule 2110.

THIRD CAUSE OF ACTION

Failure to Provide Information, Documents, and Testimony

NASD Procedural Rule 8210 and Conduct Rule 2110

31. The allegations contained in paragraphs 1 through 30, above, are hereby realleged and incorporated by reference.
32. By letter dated June 25, 2007 (the "June 25th Letter") Supercinski was advised that NASD was conducting an inquiry into a complaint by AI. The letter was sent by regular mail to Supercinski's last known residential address, as reflected in the Central Registration Depository (the "CRD Address"). Staff therein advised Supercinski that AI had alleged that he forged her name on documents used to transfer her funds to Security Benefit. Enclosed with the June 25th Letter was a copy of AI's complaint letter, a copy of the Security Benefit SecureDesigns Variable Annuity Application, and a copy of the Security Benefit SecureDesigns Incoming Funds Transfer/Rollover form. Supercinski was asked to provide certain information, including whether he signed or caused someone else to sign AI's name on the variable annuity application enclosed with the letter. Supercinski was advised that the request was being made pursuant to NASD Procedural Rule 8210.
33. Supercinski submitted a letter in reply to the June 25th Letter. Supercinski's reply was dated June 27, 2007, and was mailed in an envelope that reflected the CRD Address as the return address. Supercinski did not therein respond whether he had signed or caused someone else to sign AI's name on the variable annuity application. Supercinski said he could not answer staff's questions without reviewing the client file. More specifically, among other things, Supercinski stated in part, that he would need to review "*Copies of*

all docs, papers, forms, apps, notes, Profiles reports, emails and other correspondence, along with any marketing materials, and copies of statements from Security Benefit from 2005 to year end of 2006."

34. By letter dated August 31, 2007 (the "August 31st Letter") sent by staff to Supercinski at the CRD Address by regular mail and certified mail - return receipt ("certified mail"), staff followed-up on the requests for information that had been made in the June 25th Letter. In the August 31st Letter, staff noted that the June 25th Letter had enclosed copies of documents that contained signatures that AI had alleged were forged, and had also enclosed AI's complaint letter. Staff advised Supercinski that the staff believed that he was previously provided with sufficient information to address AI's allegations with respect to the completion of information on a variable annuity application, including the allegation that Supercinski had forged AI's signature on the annuity application. Staff also advised Supercinski that FINRA had also received a complaint from EB, and that a copy of EB's complaint was enclosed with the August 31st Letter. Supercinski was requested to respond to the allegations made by EB. Supercinski was also advised that the request by staff was being made pursuant to NASD Procedural Rule 8210, and he was asked to respond by September 10, 2007. The copy of the August 31st Letter sent by certified mail was returned unclaimed. The copy sent by regular mail was not returned.

35. By letter dated September 14, 2007 (the "September 14th Letter") sent by staff to Supercinski at the CRD Address by regular mail and certified mail, staff enclosed a copy of the August 31st Letter, and requested that Supercinski respond to the requests made therein. Supercinski was instructed to respond by September 28, 2007. A return receipt

was received back for the certified delivery of the September 14th Letter, showing delivery.

36. By letter dated September 4, 2007 (but post-marked September 17, 2007, and stamped received by FINRA on September 18, 2007) Supercinski replied to the August 31st Letter. The reply was mailed in an envelope that had the CRD Address as the return address. In his letter, Supercinski did not respond to the requests for information by FINRA. Instead, Supercinski among other things, stated that “[w]ithout the complete copies of the information/files I previously requested I am unable to answer your questions about [AI] and [EB].”

Requests For Bank Statements

37. By letter dated March 12, 2008 (the “March 12th Letter”) sent to Supercinski at the CRD Address by regular and certified mail, staff requested that Supercinski produce certain bank statements for the period January 2005 through September 2006, for each bank account in which commission or other payments made to him from Woodbury were directly or indirectly deposited. Supercinski was advised that the request was being made pursuant to NASD Procedural Rule 8210. Supercinski was requested to produce the bank statements by March 24, 2008. A return receipt for the March 12th Letter was received back, with a signature.
38. On or about March 19, 2008, Supercinski advised staff through a telephone voice-mail message, that he had gathered some of the requested bank statements but that he required additional time to respond.

39. By letter dated March 25, 2008 (the "March 25th Letter") sent to Supercinski at the CRD Address, by regular mail and federal express, Supercinski was advised by staff that he would be granted an extension of time until March 31, 2008 to produce the requested bank statements.
40. The March 31, 2008 due date passed without any bank statements being produced by Supercinski.
41. By letter dated April 2, 2008 (the "April 2nd Letter") sent to Supercinski at the CRD Address by regular and certified mail, staff advised Supercinski that he had until April 10, 2008 to produce the requested bank statements. The April 2nd Letter enclosed a copy of the March 12th Letter and a copy of the March 25th Letter. Supercinski was again advised in the April 2nd Letter that the request for bank statements was being made pursuant to NASD Rule 8210. A return receipt for the April 2nd Letter was received back, with a signature.
42. Supercinski did not produce any bank statements on or before April 10, 2008, or at any time thereafter. Supercinski has not asserted that there are no bank statements that are responsive to FINRA's request.

Request For Testimony

43. By letter dated March 14, 2008 (the "March 14th Letter") sent to Supercinski at the CRD Address by regular and certified mail, staff requested that Supercinski appear for an on-the-record interview, to take place at FINRA's District Office in Dallas, Texas, commencing at 9:30 a.m. on April 15, 2008. Supercinski was advised that the request

was being made pursuant to NASD Procedural Rule 8210. A return receipt for the March 14th Letter was received back, with a signature.

44. By letter dated April 14, 2008, staff received a "Representation Letter" from Randy W. Bowers, Esq. ("Bowers"). In that letter, Bowers stated that she had been retained to represent Supercinski and that all information including court dates and correspondence should be directed to her office. Bowers also stated that "[d]ue to the possibility a criminal case may arise from this incident, I have advised my client not to appear for the meeting, April 15, 2008."
45. By letter dated October 31, 2008 (the "October 31st Letter") sent by staff to Bowers at her last known office address (the "Office Address") Bowers was asked "whether your client is now prepared to comply with FINRA's requests that he appear for a sworn on-the-record interview, and that he provide bank statements." Bowers was asked to advise staff in writing as soon as possible whether Supercinski "has any intention to comply with these requests by FINRA, and if so, when." The October 31st Letter was sent by facsimile and by regular mail.
46. By letter dated November 7, 2008 (the "November 7th Letter") sent to Bowers at the Office Address, staff enclosed a copy of the October 31st Letter, and again requested a written reply from Bowers as to whether Supercinski had any intention to comply with FINRA's requests that he appear for a sworn on-the-record interview and that he provide bank statements. The November 7th Letter was sent to Bowers by federal express.
47. No written reply was received from Bowers, and Bowers has not verbally offered to staff to make Supercinski available for an on-the-record interview, or to produce his bank

statements. To date, Supercinski has failed to testify and failed to produce his bank statements as requested.

48. As a result of the conduct set forth in paragraphs 31 through 47, above, Supercinski violated NASD Procedural Rule 8210 and NASD Conduct Rule 2110.

RELIEF REQUESTED

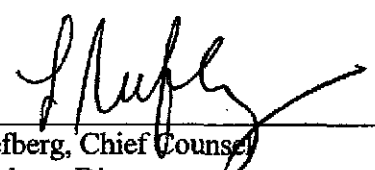
WHEREFORE, the Department respectfully requests that the Panel:

- A. Order that one or more of the sanctions provided under FINRA Rule 8310(a) be imposed.

FINRA DEPARTMENT OF ENFORCEMENT

Date: _____

5/21/09



Linda Riefberg, Chief Counsel
Tracy Timbers, Director
Dorian M. Gross, Senior Counsel

FINRA Department of Enforcement
14 Wall Street - 14th Floor
New York, New York 10005
Phone: 646-315-7345; Fax: 202-689-3441
dorian.gross@finra.org