

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

Department of Enforcement,

Complainant,

v.

MAXXTRADE, INC.

Broker Dealer

(CRD No. 106471)

and

MYRON DAVID SCHNEIDT

Registered Principal

(CRD No. 1560906)

and

SHLOMO S. EPLBOIM

Registered Representative

(CRD No. 2417002),

Respondent.

Disciplinary Proceeding

No. 2008011759202

Hearing Officer Rochelle S. Hall

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: March 16, 2012

INTRODUCTION

Disciplinary Proceeding No. 2008011759202 was filed on October 20, 2010, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondents MaxxTrade, Inc. and Myron David Schneidt (hereinafter referred to as Respondents) submitted an Offer of Settlement (Offer) to Complainant dated January 31, 2012. 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, Respondents have consented, without admitting or denying the allegations of the Complaint, and solely for the purposes of this proceeding and any 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 Respondents' permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

MaxxTrade, Inc. (MaxxTrade) became registered with FINRA and the Securities and Exchange Commission (SEC) on July 24, 2001. The Firm conducted a general securities business on a fully disclosed basis. MaxxTrade's registration with the SEC was terminated on September 26, 2010, and its registration with FINRA was cancelled for the failure to pay fees on September 2, 2010.

Myron David Schneidt entered the securities industry as a General Securities Representative of a FINRA registered firm on October 22, 1986. On July 24, 2001, he became registered with MaxxTrade in such capacity as well as a General Securities Principal. Schneidt remained registered with MaxTrade in such capacities until September 2, 2010. Schneidt is not currently registered with a FINRA registered firm.

FINDINGS AND CONCLUSIONS

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

1. From 2006 through 2008, MaxxTrade, Inc., acting through Myron David Schneidt, its President and CEO, charged excessive mark-ups and mark-downs on 246 corporate bond transactions. During this same time period, MaxxTrade and Schneidt failed to establish and maintain an adequate supervisory system to prevent the excessive charges.
2. From 2006 through 2009, MaxxTrade and Schneidt failed to (i) register an office of the Firm from which it conducted securities business as either a branch office or an Office of Supervisory Jurisdiction; (ii) reasonably supervise three representatives located in this office; (iii) establish proper supervisory control procedures; (iv) conduct and prepare an annual certification of compliance and supervisory procedures; and (v) timely file Forms U5 and amendments to Forms U4.
3. On April 7, 2009, August 17, 2009, September 2, 2009, September 18, 2009, and October 6, 2009, FINRA Staff (Staff) sent letters to MaxxTrade and Schneidt requesting that they respond to questions about potential private securities transactions by former registered employees of MaxxTrade. MaxxTrade and Schneidt failed to respond to the Staff's requests, in violation of FINRA Rules 2010 and 8210.

¹ The findings herein are pursuant to MaxxTrade, Inc.'s and Myron David Schneidt's Offer of Settlement and are not binding on any other person or entity named as a respondent in this or any other proceeding.

FIRST CAUSE OF ACTION
NASD Rules 2110 and 2440 – MaxxTrade and Schneidt Charged Excessive
Mark-ups or Mark-downs For Its Bond Transactions.

4. From November 2006 through November 2008, Schneidt was the President and Chief Executive Officer of MaxxTrade. He was responsible for reviewing and approving all of the trades effected by MaxxTrade during this period of time.

5. Between November 2006 and November 2008, MaxxTrade, acting through Schneidt, charged customers mark-ups, or mark-downs, which were not fair and reasonable, in consideration of the factors set forth in IM-2440(b). Representatives of MaxxTrade, including Schneidt, solicited 246 corporate bond transactions, as shown on Schedule A, attached hereto and incorporated by reference (the “Identified Corporate Bond Trades”), in which the mark-ups or mark-downs were excessive.

6. Regarding the Identified Corporate Bond Trades, the general practice of MaxxTrade, acting through Schneidt and other representatives, was to price bonds sold to customers, or purchased from customers, at 3 points, or \$30 per bond, over the Firm’s contemporaneous cost, irrespective of the price paid by the Firm. This, in the case of any bond bought or sold by the Firm at a discount price of 60 or less, the mark-up or mark-down would exceed 5%.

7. The mark-ups or mark-downs for the Identified Corporate Bond Trades ranged from approximately 3.06% to 12.66%.

8. All of the Identified Corporate Bond Trades were effected by MaxxTrade on a riskless principal basis.

9. MaxxTrade’s mark-ups and mark-downs for the Identified Corporate Bond Trades were not disclosed to its customers.

10. Because of the excessive mark-ups, MaxxTrade's customers were charged higher prices than they would have obtained had the mark-ups or prices been fair and reasonable. Similarly, because of the excessive mark-downs, MaxxTrade's customers received prices that were lower than they would have obtained had the mark-downs or prices been fair and reasonable.

11. Most of the Identified Corporate Bond transactions were readily available in the market, and thus were not difficult to obtain through MaxxTrade's clearing firm.

12. Nothing in the nature of MaxxTrade's business or in the Identified Corporate Bond Trades justified the size of the mark-ups or mark-downs. In particular, (a) MaxxTrade and its representatives did not provide services warranting extraordinary mark-ups or mark-downs; (b) MaxxTrade's expenses in executing or filling its customers' orders were not extraordinary; (c) the transactions were for total dollar amounts within a range that did not justify extraordinary mark-ups or mark-downs; (d) the bonds did not have features that warranted extraordinary mark-ups or mark-downs; and (e) an exercise of reasonable best judgment would not have allowed the imposition of the extraordinary mark-ups.

13. The Identified Corporate Bond Transactions reflected a pattern and practice by MaxxTrade, acting through Schneidt, of engaging in charging excessive mark-ups and mark-downs.

14. The aforementioned acts, practices and conduct constitute separate and distinct violations of NASD Conduct Rules 2110 and 2440 by MaxxTrade and Schneidt.

THIRD CAUSE OF ACTION
NASD Rules 2110 and 3010 – MaxxTrade and Schneidt Failed to Establish and Maintain an Adequate Supervisory System To Prevent Excessive Charges.

15. Rule 3010(a) requires FINRA registered firms to establish and maintain a system to supervise the activities of each of its registered representatives. Rule 3010(a)(2) requires at minimum that firms maintain a supervisory system to provide for the designation of appropriately registered principals to carry out the supervisory responsibilities of the firm. Rule 3010(b) requires that member firms establish, maintain and enforce written procedures to supervise the types of business in which it engages and to supervise the activities of registered representatives that are reasonably designed to achieve compliance with applicable NASD Rules.

16. From at least in or about November 2006 to in or about November 2008, MaxxTrade and Schneidt failed to establish and maintain an adequate supervisory system, including written procedures, designed to ensure that MaxxTrade and its registered representatives complied with NASD Rule 2440 and charged mark-ups or mark-downs on corporate bond transactions that were fair and reasonable.

17. The aforementioned acts, practices and conduct constitute separate and distinct violations of NASD Conduct Rules 2110 and 3010 by MaxxTrade and Schneidt.

FOURTH CAUSE OF ACTION
Article IV, Section 8 of NASD and FINRA By-Laws and NASD Rule 2110 and FINRA Rule 2010 - MaxxTrade and Schneidt Failed to Register the Tarzana Office.

18. Article IV, Section 8(a) of NASD By-Laws, which was renamed Article IV, Section 8(a) of FINRA By-Laws on July 30, 2007, requires that each branch office of a firm be registered with and listed on the membership roll of NASD, and then FINRA. Article IV, Section 8(b) of the By-Law further provides that firms shall promptly advise NASD, and then

FINRA, of the opening of any branch office of the firm, not later than 30 days after the effective date of the opening.

19. In or about September 2006, MaxxTrade opened an office in Tarzana, California (Tarzana Office). The Tarzana Office, where securities business was conducted, was opened until about March 17, 2009. Three individuals, Shlomo Eplboim, Michael A. Poutre, II, and ES, who were registered with MaxxTrade worked from that office. Poutre and ES were registered as General Securities Principals of MaxxTrade, and Eplboim was registered as a General Securities Representative of MaxxTrade. Based on the business activity conducted at the Tarzana Office, the Tarzana Office should have been designated as an Office of Supervisory Jurisdiction (OSJ), but was not registered in any manner. Regardless of whether the Tarzana Office should have been an OSJ or a branch office, MaxxTrade and Schneidt failed to file a Form BR to register it in any capacity with NASD, and then FINRA.

20. The aforementioned acts, practices and conduct constitute separate and distinct violations of Article IV, Section 8 of NASD and FINRA By-Laws and NASD Rule 2110 and FINRA Rule 2010 by MaxxTrade and Schneidt.

FIFTH CAUSE FOR COMPLAINT
NASD Rules 2110 and 3010 and FINRA Rule 2010 MaxxTrade and Schneidt
Failed to Adequately Supervise Activities In the Tarzana Office.

21. Rule 3010(a) requires FINRA registered firms to establish and maintain a system to supervise the activities of each of its registered representatives. Rule 3010(a)(2) requires at a minimum that firms maintain a supervisory system to provide for the designation of appropriately registered principals to carry out the supervisory responsibilities of the firm. Rule 3010(a)(7) requires the participation of each registered representative in an interview or meeting,

no less than annually, related to activities of the representative. Rule 3010(c)(1)(A) requires that each firm inspect at least every three years, every branch office that does not supervise one or more non-branch locations, and firms are required to retain a written record of the dates when each review and inspection was conducted.

22. MaxxTrade and Schneidt failed to evidence any principal approval of new accounts, securities transactions, or correspondence that was used in the securities transactions by the individuals located at the Tarzana Office from 2006 through 2008.

23. From in or about 2006 to in or about 2008, Eplboim, Poutre and ES used e-mail accounts that were separate from MaxxTrade accounts, and used these e-mail accounts to communicate with customers of MaxxTrade. Despite the fact that MaxxTrade and Schneidt knew or should have known about these accounts, they failed to review the representatives' communications with customers of MaxxTrade.

24. During 2007, MaxxTrade and Schneidt failed to require that Eplboim, Poutre and ES attend any annual compliance meeting or interview. In addition, MaxxTrade and Schneidt failed to hold any training meeting on compliance matters with the three registered representatives who were located at the Tarzana Office.

25. From in or about 2006 to in or about 2009, MaxxTrade and Schneidt failed to conduct any inspection of the Tarzana Office. In fact, Schneidt has never met the three registered representatives who were located at the Tarzana Office in person.

26. When Poutre became registered with MaxxTrade on September 27, 2006, he was:
a) the subject of a regulatory investigation and action by FINRA for destroying electronic mail messages; b) named in a customer initiated arbitration; c) named in a customer complaint; and d) the subject of a termination "for cause" by another FINRA firm. In addition, after he was

employed with MaxxTrade he was named in an arbitration which was filed on April 23, 2008. The FINRA regulatory action described above was resolved through a settlement, in which Poutre neither admitted nor denied FINRA's allegations. Pursuant to the settlement, Poutre was suspended from association with any FINRA firm for two weeks, which he served in December 2006. Finally, his registration with the Commonwealth of Massachusetts was denied for submitting an application which was materially incomplete.

27. When Eplboim became registered with MaxxTrade on September 28, 2006, he was: a) the subject of a criminal conviction for shoplifting; b) named in two customer initiated arbitrations; c) the subject of three customer complaints; and d) terminated for cause by another FINRA firm. After Eplboim became registered with MaxxTrade he was named in two more arbitrations initiated by Eplboim's former customers.

28. Despite these above described disciplinary histories, termination for cause and customer complaints and arbitrations, which are described in greater detail below, MaxxTrade, acting through Schneidt, failed to prepare and implement a plan of heightened supervision for Poutre and Eplboim from in or about 2006 to in or about 2009.

29. The aforementioned acts, practices and conduct constitute separate and distinct violations of NASD Rules 2110 and 3010 and FINRA Rule 2010 by MaxxTrade and Schneidt.

SIXTH CAUSE FOR COMPLAINT

NASD Rules 2110, 3012, and 3013 and FINRA Rules 2010 and 3130 - MaxxTrade and Schneidt Failed to Establish, Maintain, and Enforce a Supervisory Control System, and Failed to Complete an Annual Certification of Compliance and Supervisory Processes.

30. Rule 3012 requires that firms designate and specifically identify a principal who shall establish, maintain, and enforce a system of control policies and procedures to: (a) test and verify that their supervisory procedures are reasonably designed to achieve compliance with

applicable securities laws, regulations and the Rules; and (b) create additional or amended supervisory procedures where the need is identified by testing and verification. The Rule requires that the designated principal prepare and submit a report at least annually which details the firm's system of supervisory controls, summarizes the results of the tests and any exceptions, and details any additional or amended supervisory procedures created in response to the test results.

31. Rule 3012 specifically provides that the written supervisory control policies and procedures include procedures designed to permit the review and supervision of customer account activity conducted by the firm's branch office managers, sales managers or any other person performing a similar supervisory function, and procedures designed to review and monitor: the transmittal of funds or securities from customers to outside accounts, entities, primary residences, and registered representatives; customer changes of addresses; customers' changes of investment objectives, which include policies and procedures to document the method of customer confirmation, notification or follow-up for these reviews of customer activities.

32. Rule 3012 further requires that firms establish, maintain and enforce supervisory control policies and procedures that are reasonably designed to provide heightened supervision over activities of producing managers who generate 20% or more of the revenue of the business unit that they supervise.

33. NASD Rule 3013, which was renumbered FINRA Rule 3130 on December 15, 2008, requires that each firm have its chief executive officer certify annually that the firm has processes in place to establish, maintain, review, test and modify written compliance policies and supervisory procedures reasonably designed to achieve compliance with applicable NASD rules,

and federal securities laws and regulations. In addition, Rule 3013 requires that the chief executive officer has conducted one or more meetings with the chief compliance officer in the preceding twelve months to discuss such processes.

34. During 2008, MaxxTrade, acting through Schneidt, failed to establish, maintain, and enforce supervisory control policies and procedures to address the following:

- a. designating a principal responsible for supervisory controls;
- b. supervisory control procedures for testing MaxxTrade's written supervisory procedures to ensure that all rules are addressed;
- c. supervisory control procedures that address updates to MaxxTrade's written supervisory procedures;
- d. designating the principal responsible for completing an annual report to senior management on MaxxTrade's supervisory control procedures and results;
- e. supervising customer account activity by its producing managers;
- f. identifying producing managers and assigning qualified supervisors for the producing managers;
- g. using the limited size and resource exception for manager supervision, and factors used in determining the exception;
- h. using electronic processes to notify FINRA of MaxxTrade's reliance on the "limited size and resources" exception;
- i. supervising the transmittal of customers' funds or securities;
- j. supervising customers' changes of addresses;
- k. supervising customers' changes of investment objectives;
- l. listing a method to document the confirmation, notification or follow-up for customers' changes; and
- m. identifying producing managers for heightened supervision.

35. MaxxTrade, acting through Schneidt, prepared inadequate annual internal audit reports for 2006, 2007, and 2008, in that the reports failed to address obvious supervisory weaknesses present at MaxxTrade related to its supervision of Eplboim and Poutre.

36. MaxxTrade, acting through Schneidt, failed to prepare certifications that the Firm had procedures in place to establish, maintain, review, test, and modify written compliance policies and written supervisory procedures reasonably designed to achieve compliance with

applicable Rules and securities laws, as required pursuant to NASD Rule 3013 for 2007 and 2008, and FINRA Rule 3130 for the period after December 15, 2008.

37. MaxxTrade and Schneidt failed to implement heightened supervision for customer account activity of Poutre, who was a producing manager whose revenue constituted 20% or more of the revenue of the business from the Tarzana Office. An exception to this requirement was not available to MaxxTrade and Schneidt because it failed to submit a notice that it was relying upon the limited size and resources exemption during 2007 and 2008.

38. FINRA Staff requested that MaxxTrade and Schneidt correct the deficiencies noted in paragraph number 47 above at the exit interview in 2008. Staff again reviewed MaxxTrade's books and records in 2009, and learned that MaxxTrade, acting through Schneidt, still had failed to establish, maintain, and enforce supervisory control policies and procedures to address the following:

- a. failing to identify who and when MaxxTrade will test and verify that its supervisory procedures are sufficient; if testing and verification identify a need for a change, the procedures fail to identify how that change will occur;
- b. failing to explain how MaxxTrade will test the sufficiency of supervisory procedures;
- c. failing to identify who will prepare and submit an annual report to senior management describing MaxxTrade's system of supervisory controls, summary of the test results, any significant identified exceptions and any deletions, additions, or amendments to supervisory procedures in response to test results;
- d. failing to describe the steps to identify and conduct heightened supervision of producing managers whose revenue constituted 20% or more of the revenue of the business from an office; and
- e. failing to provide rationale about how MaxxTrade qualifies for the limited size and resources exception.

39. The aforementioned acts, practices and conduct constitute separate and distinct violations of NASD Rules 2110, 3012, and 3013 and FINRA Rules 2010 and 3130 by MaxxTrade and Schneidt.

SEVENTH CAUSE OF ACTION
Article V, Sections 2 and 3 of NASD and FINRA By-Laws, NASD Rule 2110 and
FINRA Rule 2010 - MaxxTrade and Schneidt Failed to Promptly
Amend Its Representatives' Forms U4 and Forms U5.

40. Article V, Section 2 of NASD By-Laws, which was renamed Article V, Section 2 of FINRA By-Laws on July 30, 2007, requires that each application for registration filed with FINRA be kept current at all times by supplementary amendments. The By-Law further provides that such amendments shall be filed not later than 30 days after learning of the facts or circumstances giving rise to the amendment.

41. Article V, Section 3 of NASD By-Laws, which was renamed Article V, Section 3 of FINRA By-Laws on July 30, 2007, requires that FINRA firms notify FINRA of any amendments to Forms U5 in the event that the firm learns of facts or circumstances causing any information set forth in the Forms U5 to become inaccurate or incomplete. The By-Law further provides that such amendments shall be filed not later than 30 days after learning of the facts or circumstances giving rise to the amendment.

42. During all relevant times the Form U4 contained a question asking the individual applicant whether any self-regulatory organization: “found you to have been involved in a violation of its rules;” and “disciplined you by expelling or suspending you from membership, barring or suspending your association with its members, or restricting your activities.”

43. During all relevant times the Form U4 contained a question asking whether the individual applicant had been named as a respondent in an investment-related, consumer-

initiated arbitration which alleged that he was involved in one or more sales practice violations and which is still pending.

44. During all relevant times the Form U5 contained a question asking whether the individual applicant had been named as a respondent in an investment-related, consumer-initiated arbitration which alleged that he was involved in one or more sales practice violations and which is still pending.

45. On or about November 8, 2006, a Letter of Acceptance, Waiver and Consent was issued, under which Poutre, without admitting or denying the allegations, consented to the entry of findings that he violated NASD Rules and to the imposition of sanctions including a fine of \$5,000 and a suspension in all capacities for ten business days. MaxxTrade and Schneidt knew or should have known of the resolution of this matter by November 15, 2006. MaxxTrade and Schneidt failed to amend Poutre's Form U4 to disclose this disciplinary action until on or about July 5, 2007, which was at least 202 days late.

46. On or about August 8, 2007, the State of Massachusetts Securities Department issued an administrative complaint against Poutre charging that he filed an application for registration which was materially incomplete, creating grounds for denying Poutre's application for registration as an agent of MaxxTrade, pursuant to Massachusetts law. On or about December 10, 2008, Poutre was found to be in default in this proceeding and was denied the application for registration as an agent of MaxxTrade in Massachusetts. MaxxTrade and Schneidt knew or should have known of the resolution of this proceeding by at least December 19, 2007. MaxxTrade and Schneidt failed to amend Poutre's Form U4 to disclose this disciplinary action until on or about July 21, 2008, which was at least 215 days late.

47. On or about April 28, 2008, an arbitration complaint was filed against Eplboim and Poutre, charging them with misrepresentations, unauthorized trades and breaches of their fiduciary duties related to securities transactions. The arbitration sought damages of at least \$104,500 and legal fees and expenses. On or about August 5, 2008, MaxxTrade and Schneidt were sent letters by FINRA notifying them that pursuant to Article V, Section 2 of FINRA By-Laws, they were required to amend Eplboim's and Poutre's Forms U4 to disclose the arbitration. MaxxTrade and Schneidt failed to file the required amendments to Eplboim's and Poutre's Forms U4, and also failed to report the arbitration on their Forms U5, upon their termination from the Firm.

48. On or about September 8, 2008, Eplboim and MaxxTrade were named as respondents in a statement of claim in arbitration. The claimants charged that Eplboim made fraudulent misrepresentations and unsuitable recommendations, and sought damages of \$690,000. MaxxTrade and Schneidt knew or should have known about the statement of claim by on or about September 15, 2008. MaxxTrade and Schneidt failed to amend Eplboim's Form U4 until on or about February 24, 2009, which was 162 days late.

49. On or about January 20, 2009, members of the public filed a statement of claim in arbitration against Schneidt, JG and MaxxTrade. The statement of claim charged that the respondents had misrepresented facts, recommended unsuitable investments, breached their fiduciary duty to the complainants and engaged in common law fraud and deceit and negligence. The statement of claim sought damages of over \$1.2 million. An answer was filed on behalf of Schneidt, JG and MaxxTrade on or about May 4, 2009. MaxxTrade and Schneidt failed to amend Schneidt's and JG's Forms U4 to disclose this complaint.

50. The aforementioned acts, practices and conduct constitute separate and distinct violations of Article V, Sections 2 and 3 of NASD and FINRA By-Laws, NASD Rule 2110 and FINRA Rule 2010 by MaxxTrade and Schneidt.

EIGHTH CAUSE OF ACTION
FINRA Rules 2010 and 8210 - MaxxTrade and Schneidt Failed to Respond to
Requests for Information from FINRA Staff.

51. In or about March 2009, the Staff received a regulatory tip from Schneidt, that Poutre and Eplboim had engaged in undisclosed outside business activities or possible selling away. As part of its investigation into these claims, the Staff sent several requests for information to MaxxTrade and Schneidt.

52. On or about April 7, 2009, the Staff sent MaxxTrade and Schneidt a request that they provide a written response to questions about whether customers who purchased an investment from Poutre and Eplboim were customers of MaxxTrade, and if so, a request that they provide new account and monthly account documentation, as well as the commission statements for Poutre and Eplboim, in connection with the investigation described above in paragraph 51, pursuant to and in accordance with the provisions of FINRA Rule 8210. The request for information was sent by first class mail to MaxxTrade's address listed on CRD (MaxxTrade's CRD Address)² and by electronic mail. The first class mailing was not returned to the Staff and the electronic mail message was not returned as undeliverable.

53. Having received no response to the request, on or about August 17, 2009, the Staff sent MaxxTrade and Schneidt a second request that they provide a written response to questions about whether customers who purchased an investment from Poutre and Eplboim were

² A separate request was sent to Schneidt and MaxxTrade at MaxxTrade's CRD Address and electronic mail address, and Schneidt sent an electronic mail message responding to that request.

customers of MaxxTrade, and if so, a request that they provide new account and monthly account documentation, as well as the commission statements for Poutre and Eplboim, in connection with the investigation described above in paragraph 51, pursuant to and in accordance with the provisions of FINRA Rule 8210. The response was requested by August 31, 2009. The request for information was sent by certified mail, return receipt requested, and first class mail to MaxxTrade's CRD Address. The first class mailing was not returned to the Staff and the certified return receipt was returned signed by KC.

54. Having received no response to the requests, on or about September 2, 2009, the Staff sent MaxxTrade and Schneidt a third request that they provide a written response to questions about whether customers who purchased an investment from Poutre and Eplboim were customers of MaxxTrade, and if so, a request that they provide new account and monthly account documentation, as well as the commission statements for Poutre and Eplboim, in connection with the investigation described above in paragraph 51, pursuant to and in accordance with the provisions of FINRA Rule 8210. The response was requested by September 16, 2009. The request for information was sent by certified mail, return receipt requested, and first class mail to MaxxTrade's CRD Address. The first class mailing was not returned to the Staff and the certified return receipt was returned signed by KC.

55. Having still received no response to the requests, on or about September 18, 2009, the Staff sent Schneidt an additional request that he provide: a written response to questions about whether customers who purchased an investment from Poutre and Eplboim were customers of MaxxTrade, and if so, a request that they provide new account and monthly account documentation; commission statements for Poutre and Eplboim; and responses to questions about a letter which appears to bear his signature, in connection with the investigation

described above in paragraph 51, pursuant to and in accordance with the provisions of FINRA Rule 8210. The response was requested by October 2, 2009. The request for information was sent by certified mail, return receipt requested, and first class mail to MaxxTrade's CRD Address, and Schneidt's address listed on CRD (Schneidt's CRD Address). The first class mailings to MaxxTrade's CRD Address and Schneidt's CRD Address were not returned to the Staff. The certified return receipt for the mailing to MaxxTrade's CRD Address was returned signed by KC. The certified return receipt for the mailing to Schneidt's CRD Address was returned apparently signed by Schneidt.

56. Having again still received no response to the requests, on or about October 6, 2009, the Staff sent Schneidt another request that he provide: a written response to questions about whether customers who purchased an investment from Poutre and Eplboim were customers of MaxxTrade, and if so, a request that they provide new account and monthly account documentation; commission statements for Poutre and Eplboim; and responses to questions about a letter which appears to bear his signature, in connection with the investigation described above in paragraph 51, pursuant to and in accordance with the provisions of FINRA Rule 8210. The response was requested by October 20, 2009. The request for information was sent by certified mail, return receipt requested, and first class mail to MaxxTrade's CRD Address, and Schneidt's CRD Address listed. The first class mailings to MaxxTrade's CRD Address and Schneidt's CRD Address were not returned to the Staff. The certified return receipt for the mailing to MaxxTrade's CRD Address was returned signed by BC. The certified return receipt for the mailing to Schneidt's CRD Address was returned apparently signed by Schneidt.

57. MaxxTrade and Schneidt failed to respond to each and all of the requests for documents and information described in paragraphs 52, 53, 54, 55, and 56 above, and the time for MaxxTrade and Schneidt to respond has passed.

58. The aforementioned acts, practices and conduct constitute separate and distinct violations of FINRA Rules 2010 and 8210 by MaxxTrade and Schneidt.

Based on the foregoing, Respondent violated Article IV, Section 8 of NASD and FINRA By-Laws, Article V, Sections 2 and 3 of NASD and FINRA By-Laws, NASD Conduct Rules 2110, 2440, 3010, 3012, 3013, and FINRA Rules 2010, 3130, and 8210.

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 from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

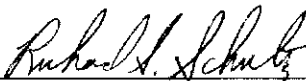
It is ordered that Respondent MaxxTrade, Inc. be expelled from registration with FINRA and that Respondent Schneidt be barred from associating with any FINRA registered firm in any capacity.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA

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



Richard S. Schultz, Esq. Senior Regional Counsel
FINRA Department of Enforcement, District 8
55 West Monroe Street
Chicago, IL 60603-5052
(312) 899-4334; Fax. No. (312) 899-4600
Electronic mail address: rick.schultz@finra.org

TRADES BY MAXTRADE WITH MARKUPS OVER 3% AND COMMISSIONS OVER \$400

Discrepancy Proceeding No 206801175522
Schedule A

Purchases by Customers of Maxtrade

#	Rep	Bond Name	Cusip	B/S	Date	Bonds	Cost Price	Total Cost	Firm Price	Total Firm	3%	Balance in Excess of \$400	MD	Mark Up	Percent	Allowable	Standard	Excess of 3% or \$400	Harm to Cust. Amt in
1	SE	Raci Holdings 10.5	758576AE1	B	12/5/2006	75	98.5	73,875	98.5	73,875	98.5	101.25	0.13	2,250.00	3.14%	2,148	73,774	73,774	101.25
2	SE	Raci Holdings 10.5	758576AE1	B	12/5/2006	160	98.5	157,800	98.5	157,800	98.5	161.25	0.15	3,600.00	3.14%	3,448	157,352	157,352	161.25
3	SE	Raci Holdings 10.5	758576AE1	B	12/5/2006	130	98.5	127,568	98.5	127,568	98.5	131.25	0.15	3,000.00	3.15%	2,848	127,378	127,378	131.25
4	SE	Raci Holdings 10.5	758576AE1	B	1/10/2007	36	98.88	35,957	98.88	35,957	98.88	404.50	1.12	1,440.00	4.17%	1,036	35,552	35,552	404.50
5	SE	Raci Holdings 10.5	758576AE1	B	1/10/2007	26	98.88	25,848	98.88	25,848	98.88	314.61	1.12	1,224.00	4.17%	805	27,652	27,652	314.61
6	SE	Raci Holdings 10.5	758576AE1	B	1/10/2007	100	98.88	98,880	98.88	98,880	98.88	1,123.60	1.12	4,000.00	4.17%	2,878	98,756	98,756	1,123.60
7	SE	Raci Holdings 10.5	758576AE1	B	1/10/2007	30	98.88	29,664	98.88	29,664	98.88	337.68	1.12	1,200.00	4.17%	863	29,627	29,627	337.68
8	SE	Raci Holdings 10.5	758576AE1	B	1/10/2007	80	98.88	79,104	98.88	79,104	98.88	864.80	1.12	3,000.00	4.17%	2,301	79,005	79,005	864.80
9	SE	Raci Holdings 10.5	758576AE1	B	1/10/2007	800	98.88	789,040	98.88	789,040	98.88	8,648.80	1.12	32,000.00	4.17%	23,011	790,051	790,051	8,648.80
10	SE	Raci Holdings 10.5	758576AE1	B	1/11/2007	800	98.88	789,040	98.88	789,040	98.88	8,648.80	1.12	32,000.00	4.17%	23,011	790,051	790,051	8,648.80
11	SE	Raci Holdings 10.5	758576AE1	B	1/12/2007	140	99	138,600	99	138,600	99	164.00	0.12	4,200.00	3.13%	4,032	138,432	138,432	164.00
12	SE	Raci Holdings 10.5	758576AE1	B	1/12/2007	30	99	29,700	99	29,700	99	36.00	0.12	900.00	3.13%	864	29,664	29,664	36.00
13	SE	Raci Holdings 10.5	758576AE1	B	1/12/2007	70	100	70,000	99.5	69,650	99.5	423.50	0.35	2,450.00	3.63%	2,027	69,577	69,577	423.50
14	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	100	100	100,000	99.75	99,750	99.75	347.50	0.35	3,150.00	3.36%	2,903	99,653	99,653	347.50
15	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	55	98	48,400	98	48,400	98	247.50	0.45	1,650.00	3.53%	1,403	48,153	48,153	247.50
16	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	55	98	48,400	98	48,400	98	247.50	0.45	1,650.00	3.53%	1,403	48,153	48,153	247.50
17	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	55	98	48,400	98	48,400	98	247.50	0.45	1,650.00	3.53%	1,403	48,153	48,153	247.50
18	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	200	98	176,000	98	176,000	98	900.00	0.45	6,000.00	3.53%	5,100	175,000	175,000	900.00
19	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	200	98	176,000	98	176,000	98	900.00	0.45	6,000.00	3.53%	5,100	175,000	175,000	900.00
20	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	100	98	88,000	98	88,000	98	450.00	0.45	3,000.00	3.53%	2,550	87,550	87,550	450.00
21	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	100	98	88,000	98	88,000	98	450.00	0.45	3,000.00	3.53%	2,550	87,550	87,550	450.00
22	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	50	98	44,000	98	44,000	98	225.00	0.45	1,500.00	3.53%	1,275	43,725	43,725	225.00
23	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	20	98	17,600	98	17,600	98	90.00	0.45	600.00	3.53%	510	17,150	17,150	90.00
24	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	30	98	26,400	98	26,400	98	135.00	0.45	900.00	3.53%	765	26,265	26,265	135.00
25	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	30	98	26,400	98	26,400	98	135.00	0.45	900.00	3.53%	765	26,265	26,265	135.00
26	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	15	98	13,200	98	13,200	98	67.50	0.45	450.00	3.53%	343	13,150	13,150	67.50
27	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	30	98	26,400	98	26,400	98	135.00	0.45	900.00	3.53%	765	26,265	26,265	135.00
28	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	170	98	149,600	98	149,600	98	785.00	0.45	3,000.00	3.53%	2,265	149,315	149,315	785.00
29	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	100	98	88,000	98	88,000	98	450.00	0.45	3,000.00	3.53%	2,550	87,550	87,550	450.00
30	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	100	98	88,000	98	88,000	98	450.00	0.45	3,000.00	3.53%	2,550	87,550	87,550	450.00
31	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	25	98	22,000	98	22,000	98	112.50	0.45	750.00	3.53%	638	21,862	21,862	112.50
32	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	35	98	33,600	98	33,600	98	165.00	0.45	1,050.00	3.53%	885	33,315	33,315	165.00
33	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	300	100	300,000	99.91	299,700	99.91	1,125.00	0.09	3,000.00	3.09%	2,870	299,730	299,730	1,125.00
34	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	200	100	200,000	99.91	199,800	99.91	750.00	0.09	2,000.00	3.09%	1,800	199,820	199,820	750.00
35	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	44	100	44,000	99.91	43,960	99.91	39.60	0.09	1,320.00	3.09%	1,280	43,860	43,860	39.60
36	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	35	100	35,000	99.91	34,965	99.91	31.50	0.09	1,050.00	3.09%	1,018	34,866	34,866	31.50
37	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	300	100	300,000	99.91	299,700	99.91	1,125.00	0.09	3,000.00	3.09%	2,870	299,730	299,730	1,125.00
38	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	300	100	300,000	99.91	299,700	99.91	1,125.00	0.09	3,000.00	3.09%	2,870	299,730	299,730	1,125.00
39	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	108	74.25	79,104	74.25	78,525	74.25	914.25	0.86	3,100.00	4.21%	2,365	77,781	77,781	914.25
40	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	18	74.25	13,365	74.25	13,285	74.25	155.25	0.86	540.00	4.21%	385	13,225	13,225	155.25
41	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	200	74.25	149,500	74.25	148,500	74.25	1,725.00	0.86	6,000.00	4.21%	4,275	148,775	148,775	1,725.00
42	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	23	74.25	17,078	74.25	16,988	74.25	198.37	0.86	680.00	4.21%	482	16,878	16,878	198.37
43	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	211	74.25	156,868	74.25	155,338	74.25	1,818.87	0.86	6,300.00	4.21%	4,510	154,848	154,848	1,818.87
44	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	130	74.25	96,525	74.25	95,825	74.25	1,121.25	0.86	3,900.00	4.21%	3,034	92,795	92,795	1,121.25
45	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	78	74.25	57,915	74.25	57,575	74.25	672.75	0.86	2,340.00	4.21%	1,667	55,908	55,908	672.75
46	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	240	74.25	178,200	74.25	177,000	74.25	2,070.00	0.86	7,200.00	4.21%	5,130	176,130	176,130	2,070.00
47	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	18	74.25	13,365	74.25	13,285	74.25	155.25	0.86	540.00	4.21%	385	13,225	13,225	155.25
48	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	290	74.25	215,325	74.25	214,025	74.25	2,301.25	0.86	8,000.00	4.21%	6,199	212,824	212,824	2,301.25
49	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	130	74.25	96,525	74.25	95,825	74.25	1,121.25	0.86	3,900.00	4.21%	3,034	92,795	92,795	1,121.25
50	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	27	74.25	20,048	74.25	19,938	74.25	232.87	0.86	810.00	4.21%	577	19,815	19,815	232.87
51	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	435	74.25	322,968	74.25	320,938	74.25	3,751.87	0.86	13,050.00	4.21%	9,298	319,238	319,238	3,751.87
52	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	135	74.25	100,238	74.25	99,168	74.25	1,164.38	0.86	4,050.00	4.21%	2,886	99,073	99,073	1,164.38
53	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	550	68.75	383,625	68.75	381,125	68.75	5,486.25	1.00	16,500.00	4.49%	11,014	378,139	378,139	5,486.25
54	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	15	68.75	10,463	68.75	10,313	68.75	148.63	1.00	450.00	4.49%	300	10,413	10,413	148.63
55	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	15	68.75	10,463	68.75	10,313	68.75	148.63	1.00	450.00	4.49%	300	10,413	10,413	148.63
56	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	20	68.75	13,950	68.75	13,750	68.75	198.50	1.00	600.00	4.49%	401	13,751	13,751	198.50
57	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	20	68.75	13,950	68.75	13,750	68.75	198.50	1.00	600.00	4.49%	401	13,751	13,751	198.50
58	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	20	68.75	13,950	68.75	13,750	68.75	198.50	1.00	600.00	4.49%	401	13,751	13,751	198.50
59	SE	Raci Holdings 10.5	758576AE1	B	1/24/2007	20	68.75	13,950	68.75	13,750	68.75	198.50	1.00	600.00	4.49%	401	13,751	1	

#	Rep	Bond Issue	Cusip	B/S	Date	Bonds	Qual.Price	Total Cust.	Firm Price	Total Firm	3% parameter	3% parameter in Excess Mkt. & in Excess	3% Mkt. Up	Percent	Allowable 3% spread	Greater of 3% Excess or 3% parameter	Harm to Cust
70	70	Tombec & 8.25	87871KAA5	B	4/12/2007	20	49.75	13.95	64.75	13.350	64.750	13.350	64.750	13.350	100.00	100.00	3
71	71	Tombec & 8.25	87871KAA5	B	4/12/2007	14	69.5	9.730	69.5	9.310	69.5	9.310	69.5	9.310	140.70	3	4.20%
72	72	Tombec & 8.25	87871KAA5	B	4/12/2007	71	69.5	49.340	69.5	47.215	69.5	47.215	69.5	47.215	713.55	3	2,130.00
73	73	Tombec & 8.25	87871KAA5	B	4/12/2007	126	69.5	27.105	69.5	25.835	69.5	25.835	69.5	25.835	96.304	3	3,780.00
74	74	Tombec & 8.25	87871KAA5	B	4/12/2007	30	69.5	34.750	69.5	33.250	69.5	33.250	69.5	33.250	391.95	3	1,170.00
75	75	Tombec & 8.25	87871KAA5	B	4/12/2007	20	69.5	13.950	69.5	13.350	69.5	13.350	69.5	13.350	502.50	3	1,500.00
76	76	Tombec & 8.25	87871KAA5	B	4/12/2007	111	69.5	78.035	69.5	72.705	69.5	72.705	69.5	72.705	114.85	3	680.00
77	77	Tombec & 8.25	87871KAA5	B	4/12/2007	90	68.5	78.500	68.5	73.800	68.5	73.800	68.5	73.800	104	3	3,330.00
78	78	Tombec & 8.25	87871KAA5	B	4/12/2007	100	68.5	68.500	68.5	64.500	68.5	64.500	68.5	64.500	104	3	2,700.00
79	79	Tombec & 8.25	87871KAA5	B	4/12/2007	81	85	68.500	82	68.420	81	68.420	81	68.420	104	3	3,000.00
80	80	Tombec & 8.25	87871KAA5	B	4/12/2007	100	85	68.500	82	68.420	81	68.420	81	68.420	104	3	3,000.00
81	81	Tombec & 8.25	87871KAA5	B	4/12/2007	100	85	68.500	82	68.420	81	68.420	81	68.420	104	3	3,000.00
82	82	Tombec & 8.25	87871KAA5	B	4/12/2007	31	81	28.210	81.25	27.280	81.25	27.280	81.25	27.280	111.60	3	3,600.00
83	83	Tombec & 8.25	87871KAA5	B	4/12/2007	140	84.25	117.950	84.25	113.750	84.25	113.750	84.25	113.750	111.60	3	3,600.00
84	84	Tombec & 8.25	87871KAA5	B	4/12/2007	155	85.5	132.525	82.5	127.875	82.5	127.875	82.5	127.875	111.60	3	3,600.00
85	85	Tombec & 8.25	87871KAA5	B	4/12/2007	108	92.25	98.885	90	93.715	90	93.715	90	93.715	111.60	3	3,600.00
86	86	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
87	87	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
88	88	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
89	89	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
90	90	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
91	91	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
92	92	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
93	93	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
94	94	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
95	95	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
96	96	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
97	97	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
98	98	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
99	99	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
100	100	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
101	101	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
102	102	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
103	103	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
104	104	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
105	105	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
106	106	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
107	107	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
108	108	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
109	109	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
110	110	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
111	111	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
112	112	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
113	113	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
114	114	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
115	115	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
116	116	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
117	117	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
118	118	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
119	119	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
120	120	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
121	121	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
122	122	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
123	123	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
124	124	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
125	125	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
126	126	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
127	127	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
128	128	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
129	129	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
130	130	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
131	131	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
132	132	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
133	133	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445	111.60	3	3,600.00
134	134	Tombec & 8.25	87871KAA5	B	4/12/2007	287	71.5	212.355	69.25	203.445	69.25	203.445	69.25	203.445			

TRADES BY MAXXTRADE WITH MARKUPS OVER 3% AND COMMISSIONS OVER \$400

Rep	#	Bond Issue	CusID	BIS	Date	Bonds	Cust Pos. Per Bond	Total Cust	Firm Price Per Bond	Total Firm	3% Per Bond	3% Per Bond	3% Per Bond	3% Per Bond	Points	Head-Up	Partial	Allowable 3% Bond	Standard of Per Bond	Excess of 3% or 4406	Amount to Cover	House to Guest	
SE	140	GMAC 7.25	3704A00VZ	B	2/28/2008	27	71	18,170	67	18,080	69.01	18.633	1.99	537	4	1,080.00	5.97%	543	18,633	537.40			
SE	141	GMAC 7	3704A00VZ	B	2/28/2008	20	80	26,400	66	26,400	87.88	27.182	2.02	808	4	1,800.00	8.06%	762	27,182	808.00			
MP	142	Dole Foods 8.625%	256605AJS	B	3/3/2008	40	74	18,000	90	18,000	92.7	18.540	1.30	260.00	4	1,800.00	4.44%	540	18,540	260.00			
MP	143	SOLO GB	834380AB7	B	3/3/2008	23	85.9	18,985	81.5	18,745	83.945	18.307	1.55	337.85	4	1,920.00	4.91%	562	19,307	337.85			
MP	144	GMAC 7	3704A00VZ	B	3/4/2008	27	70	18,000	66	17,820	87.86	18.355	2.02	82.00	4	1,080.00	8.00%	535	18,355	82.00			
SE	145	GMAC 7.25	3704A00VZ	B	3/5/2008	35	55	23,450	67	23,450	89.01	24.154	1.99	688	4	1,000.00	5.97%	704	24,154	688.50			
SE	146	GMAC 7.25	3704A00VZ	B	3/5/2008	25	71	17,750	67	17,750	89.01	17.750	1.99	688	4	1,000.00	5.97%	503	17,753	487.50			
MP	147	SOLO GB	834380AB7	B	3/6/2008	17	80	14,450	81	13,770	83.43	14.143	1.57	266.90	4	1,600.00	4.84%	608	14,163	266.90			
SE	148	GMAC 7.5	3704A00VZ	B	3/6/2008	30	71.5	21,440	67.8	20,280	89.828	20.448	1.972	582	4	1,200.00	5.82%	591.60	20,448	591.60			
SE	150	GMAC 7	3704A00VZ	B	3/6/2008	25	71	17,750	67	17,750	89.01	17.750	1.99	688	4	1,000.00	5.97%	503	17,753	487.50			
SE	151	GMAC 7.25	3704A00VZ	B	3/7/2008	42	66	27,720	61.79	25,952	83.6437	26.730	2.3563	890	4.21	1,768.20	8.81%	778	26,730	890.65			
SE	152	GMAC 7	3704A00VZ	B	3/7/2008	34	65.5	22,270	61.75	20,910	83.345	21.537	2.1553	733	4.21	1,380.00	8.50%	627	21,537	732.70			
SE	153	GMAC 7	3704A00VZ	B	3/7/2008	62	66.6	40,020	61.79	38,310	83.6437	38.459	2.3563	890	4.21	1,380.00	8.81%	778	38,459	890.65			
SE	154	GMAC 7.25	3704A00VZ	B	3/7/2008	53	66	15,980	81.79	14,212	83.6437	14.638	2.3563	542	4.21	968.30	8.81%	426	14,638	541.95			
SE	155	GMAC 7.25	3704A00VZ	B	3/7/2008	20	68.78	13,358	82.51	12,502	83.6437	12.977	2.3563	479	4.21	2,231.30	8.81%	882	13,358	479.00			
SE	156	GMAC 7	3704A00VZ	B	3/10/2008	25	64.78	18,190	60.51	15,190	82.5028	15.648	2.1772	544	4	1,000.00	6.83%	375	15,648	454.00			
MP	157	GMAC 8.75	3704A00B0	B	3/1/6/2008	38	58	22,420	65	20,900	86.55	21.527	2.35	803	4	1,520.00	7.27%	627	21,527	803.00			
HOUSE	158	Ford Motor Co 9.75%	345387V60	B	4/30/2008	35	102.75	35,983	98.75	3	101.7125	35.986	1.04	383.12	4	1,520.00	4.05%	405	37,509	363.13			
MP	159	GMAC 7	3704A00VZ	B	5/1/2008	50	70	35,000	64.5	33,250	84.244	1.505	752	3.5	1,750.00	5.28%	968	34,728	752.50				
MP	160	Revol 9.5%	791519ABV	B	5/1/2008	100	96.75	98,750	95.75	96,625	96.623	0.13	127.50	3	3,000.00	3.13%	2,873	96,623	127.50				
MP	161	GMAC 7	3704A00VZ	B	5/22/2008	70	71	53,250	68	51,000	70.04	52.530	0.96	720.00	4	2,500.00	4.41%	1,530	52,530	720.00			
MP	162	SOLO GB	834380AB7	B	5/22/2008	100	93.5	90,500	90.5	90,500	93.215	93.215	0.28	285.00	3	3,500.00	3.31%	2,715	93,215	285.00			
MP	163	GMAC 7	3704A00VZ	B	5/22/2008	25	71	17,750	67	17,750	89.01	17.750	1.99	688	4	1,000.00	5.97%	503	17,753	487.50			
JG	164	Ford Motor Co 9.75%	345387V60	B	5/28/2008	200	102.25	204,500	98.25	196,500	101.1975	202.385	1.05	2,105.00	4	8,000.00	4.07%	5,868	202,385	2,105.00			
HOUSE	165	Solo Cup 8.5	834290AB7	B	5/28/2008	100	93.5	95,500	89	89,000	91.67	91.670	1.83	1,830	4.5	4,500.00	5.06%	2,870	1,830.00				
HOUSE	166	Ford Motor 5.75%	345387VUC5	B	6/23/2008	15	84	14,100	90	13,500	92.7	13.905	1.30	185.00	4	800.00	4.44%	405	13,905	185.00			
HOUSE	167	DOLFO 7.25	256605AAB0	B	6/23/2008	15	84	14,550	93	13,950	92.7	14.362	1.21	181.50	4	800.00	4.30%	419	14,362	208.00			
HOUSE	168	Ford Motor 5.75%	345387VUC5	B	6/23/2008	18	97	15,040	90	14,400	92.7	15.326	1.21	193.90	4	840.00	4.44%	448	15,326	193.90			
HOUSE	169	DOLFO 7.25	256605AAB0	B	6/23/2008	18	97	15,040	93	14,400	92.7	15.326	1.21	193.90	4	840.00	4.44%	448	15,326	193.90			
HOUSE	170	Ford Motor 5.75%	345387VUC5	B	6/23/2008	71	97	66,740	90	63,900	92.7	65.817	1.30	923.00	4	2,840.00	4.44%	1,917	65,817	923.00			
HOUSE	171	DOLFO 7.25	256605AAB0	B	6/23/2008	70	97	67,600	93	65,100	92.7	67.033	1.21	847.00	4	2,800.00	4.30%	1,853	67,033	847.00			
HOUSE	172	Ford Motor 5.75%	345387VUC5	B	6/23/2008	15	84	14,100	90	13,500	92.7	13.905	1.30	185.00	4	800.00	4.44%	405	13,905	185.00			
HOUSE	173	DOLFO 7.25	256605AAB0	B	6/23/2008	15	97	14,550	93	13,950	92.7	14.362	1.21	181.50	4	800.00	4.30%	419	14,362	208.00			
HOUSE	174	Ford Motor 5.75%	345387VUC5	B	6/23/2008	21	94	19,740	90	18,900	92.7	19.467	1.21	273.00	4	840.00	4.44%	567	19,467	273.00			
HOUSE	175	DOLFO 7.25	256605AAB0	B	6/23/2008	128	97	20,370	93	19,530	92.7	20.116	1.21	254.10	4	840.00	4.30%	568	20,116	254.10			
HOUSE	176	Ford Motor 5.75%	345387VUC5	B	6/23/2008	128	97	20,370	93	19,530	92.7	20.116	1.21	254.10	4	840.00	4.30%	568	20,116	254.10			
HOUSE	177	DOLFO 7.25	256605AAB0	B	6/23/2008	129	94	97,120	93	94,800	92.7	97.120	1.21	1,877.00	4	5,120.00	4.44%	3,571	97,120	1,877.00			
HOUSE	178	Ford Motor 5.75%	345387VUC5	B	6/23/2008	54	97	52,360	90	50,220	92.7	51.727	1.21	653.40	4	2,160.00	4.30%	1,507	51,727	653.40			
HOUSE	179	Ford Motor 5.75%	345387VUC5	B	6/23/2008	55	94	51,700	90	49,500	92.7	50.985	1.30	715.00	4	2,200.00	4.44%	1,485	50,985	715.00			
HOUSE	180	DOLFO 7.25	256605AAB0	B	6/23/2008	17	94	15,960	90	15,300	92.7	15.759	1.30	221.00	4	880.00	4.44%	458	15,759	221.00			
HOUSE	181	Ford Motor 5.75%	345387VUC5	B	6/23/2008	17	94	16,000	93	15,810	92.7	16.284	1.21	205.70	4	880.00	4.30%	474	16,284	205.70			
HOUSE	182	Ford Motor 5.75%	345387VUC5	B	6/23/2008	50	94	47,000	90	45,000	92.7	46.350	1.30	659.00	4	2,000.00	4.44%	1,356	46,350	659.00			
HOUSE	183	DOLFO 7.25	256605AAB0	B	6/23/2008	17	94	15,960	90	15,300	92.7	15.759	1.30	221.00	4	880.00	4.30%	458	15,759	221.00			
HOUSE	184	Ford Motor 5.75%	345387VUC5	B	6/23/2008	17	94	15,960	90	15,300	92.7	15.759	1.30	221.00	4	880.00	4.44%	458	15,759	221.00			
HOUSE	185	DOLFO 7.25	256605AAB0	B	6/23/2008	56	94	52,840	93	50,400	92.7	51.812	1.30	728.00	4	2,240.00	4.44%	1,512	51,812	728.00			
HOUSE	186	Ford Motor 5.75%	345387VUC5	B	6/23/2008	56	94	52,840	93	50,400	92.7	51.812	1.30	728.00	4	2,240.00	4.44%	1,512	51,812	728.00			
HOUSE	187	DOLFO 7.25	256605AAB0	B	6/23/2008	59	94	53,420	93	51,060	92.7	52.943	1.30	787.00	4	2,240.00	4.44%	1,583	52,943	787.00			
HOUSE	188	Ford Motor 5.75%	345387VUC5	B	6/23/2008	59	94	53,460	90	51,000	92.7	52.943	1.30	787.00	4	2,240.00	4.44%	1,583	52,943	787.00			
HOUSE	189	DOLFO 7.25	256605AAB0	B	6/23/2008	59	97	53,700	93	51,720	92.7	53.516	1.21	768.40	4	2,300.00	4.30%	1,648	53,516	768.40			
HOUSE	190	Ford Motor 5.75%	345387VUC5	B	6/23/2008	31	95.38	29,586	91.38	28,320	94.1214	28.171	1.26	106.40	4	580.00	4.30%	381	28,320	106.40			
HOUSE	191	HOUSE	3704A28B4	B	7/1/2008	74	95.38	70,381	91.38	68,861	94.1214	69.850	1.26	1,240.00	4	1,240.00	4.30%	358	70,381	380.17			
HOUSE	192	HOUSE	3704A28B4	B	7/1/2008	74	95.38	70,381	91.38	68,861	94.1214	69.850	1.26	1,240.00	4	1,240.00	4.30%	358	70,381	380.17			
HOUSE	193	HOUSE	256605AAB0	B	7/1/2008	23	95.38	21,837	91.38	21,017	94.1214	21.848	1.26	828.40	4	828.40	4.36%	631	21,848	208.46			
HOUSE	194	HOUSE	256605AAB0	B	7/1/2008	42	94	38,074	91.38	36,904	94.1214	37.987	1.26	908.19	4	2,800.00	4.36%	1,074	37,987	908.19			
HOUSE	195	Autobus Biscia 4.375%	015225CPC	B	10/27/2008	70	94	37,000	91.38	36,000	92.7	37.000	1.30	520.00	4	1,600.00	4.44%	1,080	37,000	520.00			
HOUSE	196	HOUSE	713448PCB	B	10/27/2008	20	100	20,000	98.75	19,350	98.6525	19.931	0.35	69.50	3.25	381	19,931	3.85%	381	19,931	69.50		
HOUSE	197	HOUSE	256605AJS	B	10/27/2008	35	93	32,550	89	31,150	91.67	32.085	1.33	465.50	4	1,400.00	4.49%	838	32,085	465.50			
HOUSE	198	HOUSE	3704A2																				

TRADES BY MAXXTRADE WITH MARKUPS OVER 3% AND COMMISSIONS OVER \$400

Disciplinary Proceeding No. 2008001759202
Schedule A

# Sales Rep	Res	Cusid	BIS	Date	Bonds	Cust Price net bond	Total Cost net bond	Firm Price net bond	Total Firm Cost	3% customer dollar markup	3% customer dollar markup	Points MU	\$ Markup	Percent MU	Allowable 3% markup	Greater of Excess or Permitted	Harm to cust - Amt in Excess of 3% or \$400
200 SE		3704A0R7L5	S	39042	37	87.85	90.85	90.85	51,671	87,005	0.2805	160	3	1,710	3.1%	1,350	50,720
210 SE		3704A0R7F3	S	39042	85	85	90,250	90	43,100	95.06	0.06	37	3	2,850	3.06%	2,783	90,307
211 SE		13134VAA1	S	39048	25	82.5	20,625	85.5	20,625	82.935	0.435	109	3	750	3.51%	641	20,734
212 SE		3704A0D52	S	39048	55	95	52,250	98	53,900	95.06	0.06	33	3	1,650	3.06%	1,617	52,283
213 SE		3704A0D52	S	39048	85	90.5	58,825	93.5	60,775	90.665	0.165	127	3	1,950	3.21%	1,823	58,952
214		13134VAA1	S	39050	87	82	71,340	85	73,850	82.45	0.45	382	3	2,610	3.53%	2,219	71,732
215		3704A0B10	S	39057	50	93.38	46,890	96.38	48,180	93.486	0.1086	54	3	1,500	3.11%	1,449	46,744
216 SE		344220AB3	S	39064	35	95	33,250	98	34,300	95.06	0.06	21	3	3,321	3.06%	3,029	33,271
217 ES		3704A0G1	S	39258	100	91.3	91,300	94.3	94,300	91.471	0.171	171	3	3,000	3.18%	2,829	91,471
218 ES		3704A0G1	S	39258	35	94.5	33,075	97.5	34,125	94.575	0.075	26	3	1,050	3.08%	1,024	33,101
219 ES		3704A0V22	S	39258	50	87.75	43,875	90.75	45,375	88.0275	0.2775	139	3	1,500	3.51%	1,361	44,874
220		7877KAA5	S	39423	320	49.63	158,816	52.63	168,416	51,0511	1,4211	4,548	3	9,600	5.70%	5,052	163,364
221		7877KAA5	S	39423	57	49.63	28,288	52.63	29,999	51,0511	1,4211	810	3	1,710	5.70%	900	29,999
222 SE		7877KAA5	S	39477	255	35	8,925	37	94,350	35.89	0.89	2,270	2	510	5.41%	2,831	91,520
223 SE		7877KAA5	S	39477	28	35	9,800	37	10,360	35.89	0.89	249	2	560	5.41%	311	9,960
224 SE		7877KAA5	S	39477	36	35	12,600	37	13,320	35.89	0.89	320	2	720	5.41%	400	12,920
225 SE		7877KAA5	S	39477	335	35	117,250	37	123,950	35.89	0.89	2,982	2	6,700	5.41%	3,719	120,232
226 SE		7877KAA5	S	39477	185	35	64,750	37	68,450	35.89	0.89	1,647	2	3,700	5.41%	2,054	66,397
227 SE		7877KAA5	S	39477	75	35	26,250	37	27,750	35.89	0.89	668	2	1,500	5.41%	833	26,818
228 SE		7877KAA5	S	39477	55	35	19,250	37	20,350	35.89	0.89	480	2	1,100	5.41%	611	19,740
229 SE		7877KAA5	S	39477	28	35	9,800	37	10,360	35.89	0.89	249	2	560	5.41%	311	9,960
230 SE		7877KAA5	S	39479	50	37	18,500	40	20,000	38.8	1.8	900	3	1,500	7.50%	600	18,460
231 SE		7877KAA5	S	39478	18	37	6,660	40	7,200	38.8	1.8	324	3	540	7.50%	216	6,900
232 SE		7877KAA5	S	39478	87	37	32,160	40	34,900	38.8	1.8	1,566	3	2,610	7.50%	1,044	33,756
233 SE		7877KAA5	S	39479	354	37	130,180	40	141,600	38.8	1.8	6,372	3	10,620	7.50%	4,248	137,352
234 SE		7877KAA5	S	39479	42	37	15,540	40	16,800	38.8	1.8	756	3	1,290	7.50%	504	16,296
235 SE		7877KAA5	S	39483	70	35	24,500	37	25,900	35.89	0.89	823	3	3,180	8.11%	1,177	28,043
236 SE		7877KAA5	S	39483	108	35	38,040	37	39,220	35.89	0.89	2,003	3	3,180	8.11%	1,177	38,043
237 SE		7877KAA5	S	39483	530	35	185,500	37	194,100	35.89	0.89	4,717	2	10,600	5.41%	5,883	190,217
238 SE		7877KAA5	S	39483	14	34	4,760	37	5,180	35.89	0.89	265	3	420	8.11%	155	4,760
239 SE		7877KAA5	S	39483	71	34	24,140	37	26,270	35.89	0.89	1,342	3	2,130	8.11%	788	25,482
240 SE		7877KAA5	S	39483	126	34	42,840	37	46,620	35.89	0.89	2,381	3	3,780	8.11%	1,399	45,221
241 SE		7877KAA5	S	39483	211	34	71,740	37	78,070	35.89	0.89	3,868	3	6,330	8.11%	2,342	75,728
242 SE		7877KAA5	S	39483	18	34	6,120	37	6,860	35.89	0.89	340	3	540	8.11%	200	6,260
243 SE		7877KAA5	S	39483	130	34	44,200	37	48,100	35.89	0.89	2,457	3	3,900	8.11%	1,443	46,657
244 SE		7877KAA5	S	39483	38	34	13,260	37	14,430	35.89	0.89	737	3	1,170	8.11%	433	13,967
245 SE		7877KAA5	S	39483	50	34	17,000	37	18,500	35.89	0.89	945	3	1,500	8.11%	555	17,945
246 SE		7877KAA5	S	39483	14	34	4,760	37	5,180	35.89	0.89	265	3	420	8.11%	155	4,760
Total Excess commissions based on 3%										\$ 48,600							44,448
Total Excess Commissions on both Buys and Sells										\$ 208,341							1,4,206
Total Harm to Customers																	