

BrokerCheck Report

RICHARD LYNDON BROWN

CRD# 3245291

Report #57599-26492, data current as of Wednesday, May 4, 2016.

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About BrokerCheck®



BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:

- information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
- information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <http://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. For more information about FINRA, visit www.finra.org.

Thank you for using FINRA BrokerCheck.

**RICHARD L. BROWN**

CRD# 3245291

Currently employed by and registered with the following Firm(s):**ARIVE CAPITAL MARKETS**

40 Daniel Street

Suite 3

Farmingdale, NY 11735

CRD# 8060

Registered with this firm since: 11/05/2015

Report Summary for this Broker

This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

Broker Qualifications**This broker is registered with:**

- 1 Self-Regulatory Organization
- 16 U.S. states and territories

This broker has passed:

- 0 Principal/Supervisory Exams
- 1 General Industry/Product Exam
- 1 State Securities Law Exam

Registration History**This broker was previously registered with the following securities firm(s):****CHELSEA FINANCIAL SERVICES**

CRD# 47770

East Meadow, NY

02/2012 - 11/2015

BROOKSTONE SECURITIES, INC.

CRD# 13366

MASSAPEQUA, NY

12/2008 - 03/2012

FIRST MIDWEST SECURITIES, INC.

CRD# 21786

MASSAPEQUA, NY

11/2008 - 12/2008

Disclosure Events

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

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

The following types of disclosures have been reported:

Type	Count
Criminal	1
Customer Dispute	5
Termination	1
Judgment/Lien	3



Broker Qualifications

Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

This individual is currently registered with 1 SRO and is licensed in 16 U.S. states and territories through his or her employer.

Employment 1 of 1

Firm Name: **ARIVE CAPITAL MARKETS**

Main Office Address: **9017 5TH AVENUE
BROOKLYN, NY 11209**

Firm CRD#: **8060**

SRO	Category	Status	Date
FINRA	General Securities Representative	APPROVED	11/05/2015
FINRA	Investment Banking Representative	APPROVED	11/05/2015

U.S. State/ Territory	Category	Status	Date	U.S. State/ Territory	Category	Status	Date
Arizona	Agent	APPROVED	01/15/2016	Pennsylvania	Agent	APPROVED	11/05/2015
California	Agent	APPROVED	11/06/2015	Texas	Agent	APPROVED	11/05/2015
Connecticut	Agent	APPROVED	03/18/2016	Virgin Islands	Agent	APPROVED	11/05/2015
Georgia	Agent	APPROVED	03/17/2016	Washington	Agent	APPROVED	11/05/2015
Indiana	Agent	APPROVED	11/05/2015				
Iowa	Agent	APPROVED	01/07/2016				
Michigan	Agent	APPROVED	11/05/2015				
Minnesota	Agent	APPROVED	11/05/2015				
New Mexico	Agent	APPROVED	11/05/2015				
New York	Agent	APPROVED	11/05/2015				
North Carolina	Agent	APPROVED	11/05/2015				
Ohio	Agent	APPROVED	11/05/2015				

Broker Qualifications



Employment 1 of 1, continued

Branch Office Locations

ARIVE CAPITAL MARKETS

40 Daniel Street

Suite 3

Farmingdale, NY 11735



Broker Qualifications

Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below.

This individual has passed 0 principal/supervisory exams, 1 general industry/product exam, and 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
General Securities Representative Examination	Series 7	11/18/1999

State Securities Law Exams

Exam	Category	Date
Uniform Securities Agent State Law Examination	Series 63	01/14/2000

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at www.finra.org/brokerqualifications/registeredrep/.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
02/2012 - 11/2015	CHELSEA FINANCIAL SERVICES	47770	East Meadow, NY
12/2008 - 03/2012	BROOKSTONE SECURITIES, INC.	13366	MASSAPEQUA, NY
11/2008 - 12/2008	FIRST MIDWEST SECURITIES, INC.	21786	MASSAPEQUA, NY
08/2006 - 11/2008	BRECEK & YOUNG ADVISORS, INC.	40395	MASSAPEQUA, NY
08/2002 - 09/2006	CANTELLA & CO., INC.	13905	MELVILLE, NY
02/2001 - 07/2002	BROOKSTREET SECURITIES CORPORATION	14667	SAN JUAN CAPISTRANO, CA
11/1999 - 02/2001	TASIN & COMPANY, INC.	30709	HAUPPAUGE, NY

Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.

Employment Dates	Employer Name	Employer Location
10/2015 - Present	Arive Capital Markets	St. Paul, MN
03/2004 - Present	IMAGE SUN TANNING SALON	FARMINGDALE, NY
02/2012 - 10/2015	CHELSEA FINANCIAL SERVICES	STATEN ISLAND, NY
12/2008 - 02/2012	BROOKSTONE	GARDEN CITY, NY
11/2008 - 12/2008	FIRST MIDWEST SECURITIES, INC.	MASSAPEQUA, NY
08/2006 - 11/2008	BRECEK & YOUNG ADVISORS, INC.	FOLSOM, CA
07/2002 - 09/2006	CANTELLA & CO., INC.	BOSTON, MA

Registration and Employment History



Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

No information reported.

Disclosure Events



What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
 - A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
 - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" event involves allegations that have not been proven or formally adjudicated.
 - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" event has been concluded and its resolution is not subject to change.
 - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Criminal	0	1	0



Customer Dispute	1	4	N/A
Termination	N/A	1	N/A
Judgment/Lien	3	N/A	N/A



Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

Criminal - Final Disposition

This type of disclosure event involves a criminal charge against the broker that has resulted in a conviction, acquittal, dismissal, or plea. The criminal matter may pertain to any felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property.

Disclosure 1 of 1

Reporting Source:	Broker
Formal Charges were brought in:	State Court
Name of Court:	STATE OF NEW YORK
Location of Court:	DISTRICT COURT OF NASSAU COUNTY
Docket/Case #:	37813/96
Charge Date:	12/12/1996
Charge(s) 1 of 2	
Formal Charge(s)/Description:	CONTEMPT OF COURT - 2ND DEGREE FELONY
No of Counts:	1
Felony or Misdemeanor:	Felony
Plea for each charge:	NOT GUILTY
Disposition of charge:	Pled guilty
Date of Amended Charge:	05/16/1997
Charge was Amended or reduced to:	REDUCED TO MISDEMEANOR VIOLATION PL 240.20.07 V.
Amended No of Counts:	1



Amended Charge:	Misdemeanor
Amended Plea:	GUILTY
Disposition of Amended Charge:	Pled guilty
Charge(s) 2 of 2	
Formal Charge(s)/Description:	ASSAULT 2ND DEGREE
No of Counts:	1
Felony or Misdemeanor:	Felony
Plea for each charge:	NOT GUILTY
Disposition of charge:	Pled not guilty
Date of Amended Charge:	05/16/1997
Charge was Amended or reduced to:	REDUCED TO MISDEMEANOR (PL 120.00)
Amended No of Counts:	1
Amended Charge:	Misdemeanor
Amended Plea:	GUILTY
Disposition of Amended Charge:	Pled guilty
Current Status:	Final
Status Date:	05/16/1997
Disposition Date:	05/16/1997
Sentence/Penalty:	CONDITIONAL DISCHARGE AFTER 1 YEAR. END DATE OF PENALTY WAS 05/16/1998. SURCHARGE OF \$45.00 WAS PAID AT THE HEARING.
Broker Statement	12/12/1996 1 COUNT OF CRIMINAL COUNT THAT WAS REDUSED TO A VIOLATION OF HARRASSMENT. WAS ISSUED NO PENALTY



Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

Disclosure 1 of 3

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Chelsea Financial Services
Allegations:	Excessive Trading and unsuitability
Product Type:	Equity-OTC
Alleged Damages:	\$90,000.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	finra
Docket/Case #:	14-03845
Filing date of arbitration/CFTC reparation or civil litigation:	12/31/2015

Customer Complaint Information

Date Complaint Received:	01/10/2015
Complaint Pending?	No
Status:	Settled
Status Date:	02/09/2016
Settlement Amount:	\$33,000.00
Individual Contribution Amount:	\$0.00

Reporting Source:	Broker
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Employing firm when activities occurred which led to the complaint:	CHELSEA FINANCIAL SERVICES
Allegations:	EXCESSIVE TRADING AND UNSUITABILITY
Product Type:	Equity-OTC
Alleged Damages:	\$90,000.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA
Docket/Case #:	14-03845
Filing date of arbitration/CFTC reparation or civil litigation:	12/31/2014

Customer Complaint Information

Date Complaint Received:	01/10/2015
Complaint Pending?	No
Status:	Settled
Status Date:	02/09/2016
Settlement Amount:	\$33,000.00
Individual Contribution Amount:	\$0.00

Disclosure 2 of 3

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Chelsea Financial Services
Allegations:	Excessive trading, unsuitable recommendations
Product Type:	Equity-OTC



Alleged Damages: \$120,000.00

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: Finra Arbitration

Docket/Case #: 14-02890

Filing date of arbitration/CFTC reparation or civil litigation: 11/15/2014

Customer Complaint Information

Date Complaint Received: 11/29/2014

Complaint Pending? No

Status: Settled

Status Date: 12/29/2015

Settlement Amount: \$125,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: CHELSEA FINANCIAL SERVICES

Allegations: EXCESSIVE TRADING, UNSUITABLE RECCOMENDATIONS

Product Type: Equity-OTC

Alleged Damages: \$120,000.00

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes



Arbitration/Reparation forum or court name and location: FINRA ARBITRATION

Docket/Case #: 14-02890

Filing date of arbitration/CFTC reparation or civil litigation: 10/15/2014

Customer Complaint Information

Date Complaint Received: 10/29/2014

Complaint Pending? No

Status: Settled

Status Date: 12/29/2015

Settlement Amount: \$125,000.00

Individual Contribution Amount: \$0.00

Disclosure 3 of 3

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: BROOKSTREET SECURITIES

Allegations: ALLEGED MISREPRESENTATION.

Product Type: Equity - OTC

Alleged Damages: \$15,595.00

Customer Complaint Information

Date Complaint Received: 09/01/2002

Complaint Pending? No

Status: Settled

Status Date: 10/01/2002

Settlement Amount: \$15,594.62

Individual Contribution Amount: \$0.00



Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	BROOKSTREET SECURITIES
Allegations:	ALLEGED MISREPRESENTATION
Product Type:	Equity - OTC
Alleged Damages:	\$15,595.00

Customer Complaint Information

Date Complaint Received:	09/01/2002
Complaint Pending?	No
Status:	Settled
Status Date:	10/01/2002
Settlement Amount:	\$15,594.62
Individual Contribution Amount:	\$0.00



Customer Dispute - Closed-No Action/Withdrawn/Dismissed/Denied

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a consumer-initiated, investment-related written complaint containing allegations that the broker engaged in sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities, which was closed without action, withdrawn, or denied.

Disclosure 1 of 1

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	CANTELLA & CO. INC.
Allegations:	MISREPRESENTATION AND SUITABILITY
Product Type:	Equity - OTC
Alleged Damages:	\$50,000.00

Customer Complaint Information

Date Complaint Received:	08/29/2006
Complaint Pending?	No
Status:	Denied
Status Date:	09/14/2006
Settlement Amount:	
Individual Contribution Amount:	
Broker Statement	FIRM DENIES COMPLAINT AT THIS TIME



Customer Dispute - Pending

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, consumer-initiated, investment-related written complaint containing allegations that the broker engaged in, sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities.

Disclosure 1 of 1

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	Brookstone Securities
Allegations:	Churning, suitability
Product Type:	Equity-OTC Equity Listed (Common & Preferred Stock) Options
Alleged Damages:	\$72,132.95

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	15-02488
Date Notice/Process Served:	10/14/2015
Arbitration Pending?	Yes



Employment Separation After Allegations

This type of disclosure event involves a situation where the broker voluntarily resigned, was discharged, or was permitted to resign after being accused of (1) violating investment-related statutes, regulations, rules or industry standards of conduct; (2) fraud or the wrongful taking of property; or (3) failure to supervise in connection with investment-related statutes, regulations, rules, or industry standards of conduct.

Disclosure 1 of 1

Reporting Source: Firm

Employer Name: FIRST MIDWEST SECURITIES, INC.

Termination Type: Permitted to Resign

Termination Date: 12/19/2008

Allegations: TWO CLIENTS ALLEGED IT WAS NOT THEIR SIGNATURES ON NEW ACCOUNT DOCUMENTS. HOWEVER, BOTH CLIENTS REQUESTED TO KEEP THE ACCOUNTS OPEN WITH THE FIRM.

Product Type: No Product

Other Product Types:

Reporting Source: Broker

Employer Name: FIRST MIDWEST SECURITIES, INC.

Termination Type: Permitted to Resign

Termination Date: 12/19/2008

Allegations: TWO CLIENTS ALLEGED IT WAS NOT THEIR SIGNATURES ON NEW ACCOUNT DOCUMENTS. HOWEVER, BOTH CLIENTS REQUESTED TO KEEP THE ACCOUNTS OPEN WITH THE FIRM.

Product Type: Equity Listed (Common & Preferred Stock)

Other Product Types:

Broker Statement I DID NOT FORGE ANY DOCUMENTS. GIVEN THE IMPOSSIBILITY OF FINRA REMOVING A FIRM'S DISPARAGING TERMINATION COMMENTS UPON A REPRESENTATIVE'S REBUTTAL, I HAVE BEEN DE FACTO FORCED TO ANSWER 'YES' TO THIS QUESTION JUST SO I CAN REMOVE THE "DISCLOSURE REVIEW" STATUS OF MY REGISTRATION. AS AN ECONOMIC REALITY, I NEED TO ADMIT 'YES' HERE IN ORDER TO GET FINRA TO REMOVE THE RESTRICTION SO I CAN GET UP AND RUNNING AND RESUME CONDUCTING BUSINESS. I FEEL MY PREVIOUS EMPLOYER PLACED THIS ON MY LICENSE TO PREVENT ME FROM BECOMING AFFILIATED WITH



ANOTHER FIRM.

FINRA INVESTIGATED THIS MATTER IN CASE NUMBER 20080164429 AND ON 4/8/2009, IT ISSUED THE FOLLOWING STATEMENT: "BASED ON OUR INQUIRY, WE HAVE DETERMINED TO CLOSE OUR FILE PERTAINING TO THIS MATTER."



Judgment/Lien

This type of disclosure event involves an unsatisfied and outstanding judgments or liens against the broker.

Disclosure 1 of 3

Reporting Source:	Broker
Judgment/Lien Holder:	INTERNAL REVENUE SERVICE- MANHATTAN DISTRICT
Judgment/Lien Amount:	\$18,792.29
Judgment/Lien Type:	Tax
Date Filed with Court:	11/08/2013
Date Individual Learned:	08/20/2014
Type of Court:	State Court
Name of Court:	NASSAU COUNTY
Location of Court:	NASSAU COUNTY
Docket/Case #:	FT151524
Judgment/Lien Outstanding?	Yes

Disclosure 2 of 3

Reporting Source:	Broker
Judgment/Lien Holder:	INTERNAL REVENUE SERVICE - MANHATTAN DISTRICT
Judgment/Lien Amount:	\$1,647.48
Judgment/Lien Type:	Tax
Date Filed with Court:	08/01/2011
Date Individual Learned:	08/20/2014
Type of Court:	State Court
Name of Court:	NASSAU COUNTY
Location of Court:	NASSAU COUNTY
Docket/Case #:	FT146328
Judgment/Lien Outstanding?	Yes

Disclosure 3 of 3



Reporting Source:	Broker
Judgment/Lien Holder:	US DEPARTMENT OF THE TREASURY/ SMALL BUSINESS ADMINISTRATION
Judgment/Lien Amount:	\$163,525.54
Judgment/Lien Type:	Civil
Date Filed with Court:	10/10/2013
Date Individual Learned:	10/18/2013
Type of Court:	SMALL BUSINESS ADMINISTRATION
Name of Court:	NA
Location of Court:	NA
Docket/Case #:	WG201377874
Judgment/Lien Outstanding?	Yes

End of Report



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