



STATE OF MISSOURI  
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF: )  
)  
SPARTAN CAPITAL SECURITIES, LLC, ) Case No.: AP-23-13  
CRD No. 146251, )  
)  
*Respondent.* )

**CONSENT ORDER**

1. On June 7, 2023, the Registration Section of the Missouri Securities Division of the Office of Secretary of State (“**Registration Section**”) received electronic notification from the Financial Industry Regulatory Authority (“**FINRA**”) that a Missouri-registered broker-dealer agent (“**BDA**”), had five (5) or more customer complaints. Based on this electronic notification from FINRA, the Registration Section conducted a review of the BDA’s registration and discovered the BDA’s firm, Spartan Capital Securities, LLC (“**Respondent**” or the “**Firm**”), was the subject of a FINRA action for numerous absent or late disclosures of reportable occurrences.<sup>1</sup> The Enforcement Section of the Missouri Securities Division of the Office of Secretary of State (“**Enforcement Section**”), through Director of Enforcement, Melissa D. Buchanan, alleges that these actions also constitute a violation of 15 CSR 30-51.160(3)(A).
2. Respondent and the Enforcement Section desire to settle the claims raised by the Enforcement Section relating to the alleged violation of 15 CSR 30-51.160(3)(A).

**CONSENT TO JURISDICTION**

3. Respondent and the Enforcement Section stipulate and agree that the Missouri Commissioner of Securities (the “**Commissioner**”) has jurisdiction over Respondent and this matter pursuant to the Missouri Securities Act of 2003, Chapter 409, *et seq*<sup>2</sup>.
4. Respondent and the Enforcement Section stipulate and agree that the Commissioner has authority to enter this Order pursuant to Section 409.6-604(h), which provides:

<sup>1</sup> See FINRA Disciplinary Proceeding No. 2019061528001.

<sup>2</sup> Unless otherwise indicated, statutory citations refer to the 2016 edition of the Revised Statutes of Missouri, updated by the 2022 Cumulative Supplement.

“The commissioner is authorized to issue administrative consent orders in the settlement of any proceeding in the public interest under this act.”

WAIVER AND EXCEPTION

5. Respondent waives any rights to a hearing with respect to this matter.
6. Respondent waives any rights that it may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order. Respondent specifically forever releases and holds harmless the Missouri Office of the Secretary of State, Secretary of State, Commissioner, and their respective representatives and agents from any and all liability and claims arising out of, pertaining to, or relating to this matter.
7. Respondent stipulates and agrees with the Enforcement Section that, should the facts contained herein prove to be false or incomplete, the Enforcement Section reserves the right to pursue any and all legal or administrative remedies at its disposal.
8. Respondent specifically and voluntarily waives any rights to claim that it is unable to pay, now or at any time hereafter, any debt for restitution, penalty, or other amount imposed in this Order.

CONSENT TO COMMISSIONER’S ORDER

9. Respondent and the Enforcement Section stipulate and agree to the issuance of this Consent Order without further proceedings in this matter, agreeing to be fully bound by the terms and conditions specified herein.
10. Respondent agrees not to take any action or to make or permit to be made any public statement creating the impression that this Order is without factual basis. Nothing in this paragraph affects Respondent’s (a) testimonial obligations; (b) right to take legal or factual positions in defense of litigation or in defense of other legal proceedings in which the Commissioner is not a party; or (c) right to make public statements that are factual.
11. Respondent agrees that it is not the prevailing party in this action because the parties have reached a good faith settlement.
12. Respondent stipulates and agrees that this Consent Order shall be binding upon all of Respondent’s successors, transferees, heirs, and assigns.
13. Respondent neither admits nor denies the allegations made by the Enforcement Section or the Findings of the Commissioner, but consents to the Commissioner’s Findings of Fact, Conclusions of Law and Order as set forth below, solely for the purpose of resolving this proceeding, and any proceeding that may be brought to enforce the terms of this Consent Order.

## THE COMMISSIONER'S FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

### I. FINDINGS OF FACT

14. Respondent has been a Missouri-registered broker-dealer from September 19, 2008, through the present with a main business address of 45 Broadway, 19<sup>th</sup> Floor, New York, NY 10006.
15. From January 1, 2015 through December 31, 2020 (“**Relevant Period**”), Respondent failed to file, or failed to timely file, 220 amendments to the Uniform Applications for Securities Industry Registration of Transfer (“**Form U4**”) and Uniform Termination Notices for Securities Industry Registration (“**Form U5**”) for its registered representatives. Respondent failed to disclose, or failed to timely disclose, hundreds of complaints, bankruptcies, and unsatisfied liens and judgments. Among its disclosure failures, Respondent failed to amend, or failed to timely amend, the Form U4 and Form U5 of its executive officers and a branch manager to disclose arbitrations against those registered representatives, including even the Form U4 of the Firm’s Chief Executive Officer.
16. FINRA member firms file a Form U4 to register applicants for registration and must update information pertaining to their registered representatives. FINRA member firms file a Form U5 when they terminate the registration of a registered representative and must update the Form U5 if reportable information changes. Both Form U4 and Form U5 require firms to disclose identified reportable events.
17. FINRA collects and maintains the information that is reported on Form U4 and Form U5 in the Central Registration Depository (“**CRD**”). Some relevant information that appears in CRD about member firms and individual registrants are also available to the public via BrokerCheck, a website that FINRA operates and maintains. BrokerCheck helps investors make informed choices about BDA’s, brokerage firms and provides easy access to registrants’ information.
18. Respondent’s failure to amend, or failure to timely amend, the Form U4 and Form U5 of its executive officers and a branch manager was willful, which willfulness was demonstrated by their continuing failure to disclose arbitrations despite warnings from FINRA in 2017 and 2018.
19. By failing to timely file amendments for reportable disclosures on a Form U4 and Form U5, Respondent violated Article V, Sections 2(c) and 3(b) of FINRA’s By-Laws and FINRA Rules 1122 and 2010.
20. The above-described conduct is also a violation of 15 CSR 30-51.160(3)(A), which requires Missouri registrants to file correcting amendments on a Form U4 and Form U5 at the time the Firm discovers, or reasonably should have discovered, a material change, but not later than thirty (30) days following the specified occurrence or event.

II. CONCLUSIONS OF LAW

21. **THE COMMISSIONER CONCLUDES** that Respondent has been registered, pursuant to the Act, as a broker-dealer within the State of Missouri since September 18, 2008.
22. **THE COMMISSIONER CONCLUDES** that Respondent violated 15 CSR 30-51.160(3)(A).
23. **THE COMMISSIONER CONCLUDES** that the violation above is sufficient to issue an order in accordance with Section 409.6-604, RSMo.
24. The Commissioner, after consideration of the stipulations set forth above and on consent of the Respondent and the Enforcement Section, finds and concludes that the Commissioner has jurisdiction over Respondent in this matter and that the following order is in the public interest, necessary for the protection of public investors, and consistent with the purposes intended by Chapter 409.

III. ORDER

**NOW, THEREFORE**, it is hereby Ordered that:

25. Respondent shall pay \$9,800 to the Missouri Secretary of State's Investor Education and Protection Fund. **This amount is due upon execution of this Order by Respondent and shall be made payable to the Missouri Secretary of State's Investor Education and Protection Fund** and sent to the Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101;
26. Respondent, its agents and employees, and all other persons participating in the above-described alleged violation and with knowledge of this Order shall cease and desist from engaging in any further violation of 15 CSR 30-51.160(3)(A); and
27. Respondent shall pay its own costs and attorneys' fees with respect to this matter.

**SO ORDERED:**

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,  
MISSOURI THIS 7<sup>th</sup> DAY OF ~~OCTOBER~~ NOVEMBER, 2023.




JOHN R. ASHCROFT  
SECRETARY OF STATE

  
\_\_\_\_\_  
DOUGLAS M. JACOBY  
COMMISSIONER OF SECURITIES

Consented to by:

THE MISSOURI SECURITIES DIVISION

  
\_\_\_\_\_  
Melissa D. Buchanan  
Director of Enforcement

RESPONDENT

SPARTAN CAPITAL SECURITIES, LLC,  
CRD No. 146251

  
\_\_\_\_\_  
[Title/Officer]