

FOR IMMEDIATE RELEASE

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**SECURITIES FIRM SANCTIONED FOR UNSOLICITED
CALLS TO NH INVESTORS
WILL PAY \$35,000 FINE**

CONCORD, NH (January 9, 2012) - The New Hampshire Bureau of Securities Regulation announced today that it has issued a Consent Order in a case against Spartan Capital Securities and one of its brokers, Ed Segur. As a result of the order, Spartan and Segur will be fined \$35,000. In addition, they will be required to cease and desist from any further violations of New Hampshire's securities laws and report back to the Bureau on required changes to their business methods.

According to the Order, Ed Segur, a registered representative of securities brokerage firm Spartan Capital Securities, made a cold call to a New Hampshire resident to solicit the purchase of stock in early 2011. The individual's phone number was on the National Do-Not-Call Registry. Further investigation revealed that Spartan "regularly and repeatedly" violated the federal Do-Not-Call restrictions. In addition, it was discovered that Segur was not licensed to solicit securities sales in New Hampshire. As a result, Spartan and Segur violated New Hampshire's securities licensing provisions as well as rules of FINRA, the Financial Industry Regulatory Authority. New Hampshire law allows the Bureau to take action over violations of FINRA rules.

"Securities firms and brokers making cold calls to New Hampshire residents is an area of deep concern for the Bureau. This type of conduct can be a substantial source of investor harm because the recipient of a cold call can be caught off guard and relent to high pressure sales tactics resulting in poor investment decisions," said Jeff Spill, Deputy

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Director of Enforcement for the Bureau. "The Bureau of Securities will act forcefully to ensure that the National Do-Not-Call prohibitions are strictly enforced."

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**STATE OF NEW HAMPSHIRE
BUREAU OF SECURITIES REGULATION
DEPARTMENT OF STATE
CONCORD, NEW HAMPSHIRE**

IN THE MATTER OF:

Spartan Capital Securities, LLC and Ed Segur

Respondents

COM2011-003

CONSENT ORDER

- I. For purposes of settling the above-referenced matter and in lieu of further administrative proceedings, Spartan Capital Securities, LLC, (hereinafter referred to as "SCS") and Ed Segur, have submitted an offer of settlement, which the Bureau of Securities Regulation, Department of State, State of New Hampshire (hereinafter referred to as "the Bureau") has determined to accept. Accordingly, the Respondent does hereby consent to the following findings, conclusions, undertakings and sanctions:

The Facts

1. SCS, is a business entity with a principal office listed at 45 Broadway, 9th Floor, New York, NY 10006. CRD records indicate that SCS is licensed as a broker-dealer with the Securities and Exchange Commission ("SEC"), and has been licensed in the State of New Hampshire since 7/11/2008. SCS' CRD number is 146251 and SEC number is 8-67801.
2. On or about March 2011, the Bureau received a complaint from one New Hampshire resident regarding an unsolicited cold call received at his home regarding the purchase of Allstate stock from an Edward Segur (Segur) of SCS. His CRD number is 3040824. The call came in at about 9:30 pm, a prohibited time period, and the complainant's phone number was listed on the National Do-Not-Call Registry and should not have been called. Segur claimed that he had called the complainant in November 2010, however, the complaint did not recall any previous calls. At the time of the call, Segur was not licensed to solicit the purchase of securities in New Hampshire.

3. A check of the Do-Not-Call Registry indicates that SCS regularly and repeatedly violated the Do-Not-Call restrictions.
4. SCS' conduct was in violation of FINRA rules and SCS's own internal compliance policies.

The Law

1. SCS is a broker-dealer within the meaning of RSA 421-B:2,III.
2. Pursuant to RSA 421-B:6, SCS was required to license Edward Segur to sell securities in the State of New Hampshire. Segur was not licensed as required.
3. Pursuant to RSA 421-B:8,X, persons licensed under RSA 421-B to conduct securities business shall abide by the rules of the Securities and Exchange Commission, National Association of Securities Dealers ("NASD"), national and regional stock exchanges, and other self-regulating organizations which have jurisdiction over the licensee, which set forth standards of conduct in the securities industry. SCS is subject to this section for failing to abide by FINRA Rules 2212 regarding Telemarketing and 2310 regarding Fair Dealing With Customers.
4. Pursuant to RSA 421-B:10,VI, in lieu of, or in addition to, any such order to suspend or revoke any license or application, the secretary of state may, upon hearing, assess an administrative fine of not more than \$2,500 per violation. SCS is subject to this section.
5. Pursuant to RSA 421-B:23, the Respondents may be ordered to cease and desist from violating the New Hampshire Uniform Securities Act 421-B.
6. Pursuant to RSA 421-B:26,III, any person who, either knowingly or negligently, violates any provisions of this chapter may, upon hearing, and in addition to any other penalty provided for by law, be subject to such suspension, revocation or denial of any registration or license, or an administrative fine not to exceed \$2,500, or both. Each of the acts specified shall constitute a separate violation. SCS is subject to a fine under RSA 421-B:10 and 421-B:8. SCS is subject to this section.
7. Pursuant to RSA 421-B:26,III-a, every person who directly or indirectly controls a person liable under paragraph III, every principal executive officer, or director of such person, every person occupying a similar status or performing a similar function, every employee of such person who materially aids in the act or transaction constituting the violation, and every broker-dealer or agent who materially aids in the acts or transactions constituting the violation either knowingly or negligently, may, upon hearing, and in addition to any other penalty provided by law, be subject to such suspension, revocation, or denial of any registration or license, or administrative fine not to exceed \$2,500, or both. Each

of the acts specified shall constitute a separate violation, and such administrative action or fine may be imposed in addition to any criminal penalties imposed pursuant to RSA 421-B:24 or civil liabilities imposed pursuant to RSA 421-B:25. SCS is subject to this section.

II. In view of the foregoing, the Respondents agrees to the following undertaking and sanctions:

1. Respondents agree that that they have voluntarily consented to the entry of this Order and represent and aver that no employee or representative of the Bureau has made any promise, representation or threat to induce their execution.
2. Respondents agree to waive their right to an administrative hearing and any appeal therein under this chapter.
3. The Respondents agree to cease and desist from further violations of the New Hampshire Securities Act RSA 421-B.
4. Upon execution of this order by Respondents, Respondents, agrees to pay an administrative fine in the amount of Thirty Five Thousand Dollars (\$35,000) to the State of New Hampshire apportioned equally between the firm, SCS and the firm's registered representative, Ed Sogur, payable in two equal installments: on the first business day in January 2012 and the first business day February 2012..
5. Payment shall be made by 1) United States postal money order, certified check, bank cashier's check, or bank money order; 2) made payable to the State of New Hampshire; and 3) hand-delivered or mailed to the Bureau of Securities Regulation, Department of State, State House, Room 204, Concord, New Hampshire, 03301. Total payment is \$35,000.00.

6. Within six months of the date of the signing of this Consent Order, the Respondent SCS shall submit a written report to the Bureau with respect to the conduct of a comprehensive review of SCS current compliance policies, changes and revisions made in response to this and all other SCS telemarketing regulatory actions to date. SCS undertakes to make such changes necessary to fully implement and make effective the FINRA Rules regarding Telemarketing, and specifically undertakes to establish compliance procedures to track the name of the caller, the number called from and the person receiving the call.
 7. Respondents agree that this Agreement is entered into for purpose of resolving only the matter as described herein. This Agreement shall have no collateral estoppel, res judicata, evidentiary, or other legal effect in any other lawsuit, proceeding, or action, not described herein. Likewise, this Agreement shall not be construed to restrict the Bureau's right to initiate an administrative investigation or proceeding relative to conduct by Respondents of which the Bureau has no knowledge at the time of the date of final entry of this Agreement.
 8. The Respondents may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation in this consent agreement or create the impression that the consent agreement is without factual basis. Nothing in this provision affects the Respondents' testimonial obligations or right to take legal positions in litigation in which the State of New Hampshire is not a party.
- III. Based on the foregoing, the Bureau deems it appropriate and in the public interest to accept and enter into this Order. **THEREFORE, IT IS HEREBY ORDERED THAT:**

1. Respondents pay an administrative fine in the amount of Thirty-Five Thousand Dollars (\$35,000) apportioned equally between Respondent SCS and Respondent Segur, payable in two equal installments: on the first business day in January 2012 and the first business day February 2012.
2. Respondents cease and desist from further violations of the Securities Act RSA 421-B.
3. Respondents comply with the above-referenced undertakings.

Executed this 4th day of January, 2012

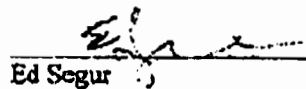


on behalf of SCS

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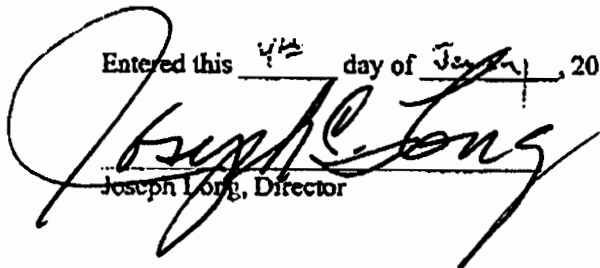
John D. Lowrey - CEO

Executed this 4th day of January, 2012



Ed Segur

Entered this 4th day of January, 2012



Joseph Long, Director