



# COMMISSION NEWS

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ARIZONA CORPORATION COMMISSION, 1200 W. WASHINGTON, PHOENIX, AZ 85007

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TO: EDITORS, NEWS DIRECTORS  
FOR: IMMEDIATE RELEASE

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## **SCOTTSDALE MAN FAILS TO COMPLY, COMMISSION PULLS LICENSE**

PHOENIX—The Arizona Corporation Commission has revoked the securities salesman registration of Brian Lloyd Gibbons, 59, of Scottsdale. Gibbons had been associated with Donald & Co. Securities, Inc. until his termination by the firm in September 2001.

In June 1995, an arbitration panel of the National Association of Securities Dealers (NASD) ordered Gibbons and his former dealer firm, Franklin-Lord, Inc., to pay \$365,000 in damages to a customer of Gibbons. In August 1997, Gibbons and the customer reached a settlement agreement, in which Gibbons agreed to pay \$100,000 in satisfaction of the judgment against him. The agreement called for 36 monthly installments and a final balloon payment due September 30, 2000.

Gibbons paid the installments, but failed to make the balloon payment. The Commission obtained records from the NASD showing that Gibbons had sufficient income and assets to have paid all or most of what he owed. The evidence showed that Gibbons instead spent his resources on luxuries for himself and his wife.

Gibbons had been the subject of formal NASD proceedings and sanctions on two prior occasions during the past ten years. One proceeding involved Gibbons' failure to pay an amount that he owed to a different customer, in an arbitration award made against him in 1992. In another proceeding, the NASD found that Gibbons had made inaccurate and misleading statements to NASD staff in connection with an investigation into \$30,000 in compensation Gibbons received as a result of securities sales away from his dealer firm. "Selling away" is a violation of NASD rules and grounds for license revocation.

Gibbons did not request a hearing and failed to appear at the Commission's open meeting on February

21, 2002. Based upon Gibbons' disciplinary history, the Corporation Commission concluded that Gibbons engaged in dishonest and unethical practices and subsequently revoked his registration.

Investors are encouraged to check the disciplinary history of securities salespeople before investing. The Commission reminds investors to expect full and fair disclosure from anyone offering an investment. People should not part with their hard-earned money unless they have been given all the information they need to evaluate the investment.

For more information about registered salespeople and investments, call the Commission's Securities Division at 602-542-4242, toll free at 1-877-811-3878, or visit the Division's website at [www.ccsd.cc.state.az.us](http://www.ccsd.cc.state.az.us).

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