

DB12000P - Deutsche Bank Private Bank

05/29/2013

Batch Date:

Organization: Southern Financial LLC

Address:

Country:United States

Tracking ID: [REDACTED]

Alert #: 1

Entity Information

Entity ID: [REDACTED]

Entity Name: Southern Financial Services, Inc.

Address: Boca Raton, Florida, UNITED STATES

Event: SEC - SEC Violations (Insider Trading, Securities Fraud)

ACT - Disciplinary, Regulatory Action

08/13/2003, The SEC filed civil charges in federal district court in Miami, Florida against the former president

of Dicom Imaging Systems, Inc. and five Florida stock promoters including Southern Financial Services,

alleging that they used the Internet, press releases, spam e-mails, and televised interviews to commit

securities fraud through baseless financial projections and the stock promoters' "scalping." The complaint

also alleges that the promoters touted Dicom's stock but did not disclose all of the compensation they were

to receive pursuant to signed agreements; alleges that Gane had Dicom hire the stock promoters in June

and November 1999 to tout Dicom's stock in return for compensation; Gane supplied the promoters with

Dicom's financial projections for the next three years: \$24.7 million in revenues and \$19.7 million in earnings;

two of the promoters, Welsh and Tamburello, each wrote investment opinions that described Dicom as an investment.

Source Information

RDC URL: [https://grid.rdc.com/wss/entity.html?-entityId=9af04c5228d562185d3f3d53eb346cc4](https://grid.rdc.com/wss/entity.html?entityId=9af04c5228d562185d3f3d53eb346cc4)

entityId=9af04c5228d562185d3f3d53eb346cc4

Source Name: SEC Litigation Releases - 2003, 11/14/2012

Source URL: <http://www.sec.gov/litigation/litreleases/litrelarchive/litarchive2003.shtml>

Entity URL: <http://www.sec.gov/litigation/litreleases/lr18286.htm>

• <http://www.sec.gov/litigation/complaints/comp18286.htm>

Reporting ID: [REDACTED]

Alert ID: [REDACTED]

Alert

Alert Date:

05/29/2013

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Page 1 of 10

DB12000P - Deutsche Bank Private Bank

05/29/2013

Batch Date:

Organization: Southern Financial LLC

Address:

Country:United States

Tracking ID: [REDACTED]

Alert #: 2

Entity Information

Entity ID: 41603821

Entity Name: Southern Financial Group

Address: North Carolina, UNITED STATES

Event: SEC - SEC Violations (Insider Trading, Securities Fraud)

ACT - Disciplinary, Regulatory Action

09/12/2002, The Court in this case adjudged defendants Elfindepan, Southern Financial Group, and Tracy

Calvin Dunlap, Jr., to be in contempt of court and ordered Dunlap incarcerated based on their refusal to obey

court orders requiring them to produce documents and account for and repatriate investor funds.

Source Information

RDC URL: [https://grid.rdc.com/wss/entity.html?-entityId=f0a4cd957f6297875d3f3d53eb346cc4](https://grid.rdc.com/wss/entity.html?entityId=f0a4cd957f6297875d3f3d53eb346cc4)

entityId=f0a4cd957f6297875d3f3d53eb346cc4

Source Name: SEC Litigation Releases - 2002, 05/12/2012

Source URL: [http://www.sec.gov/litigation/litreleases/litrelarchive/-litarchive2002.shtml](http://www.sec.gov/litigation/litreleases/litrelarchive/litarchive2002.shtml)

Entity URL: <http://www.sec.gov/litigation/litreleases/lr17723.htm>

Reporting ID: [REDACTED]

Alert ID: 1559801.11522860.41603821

Alert

Alert Date:

05/29/2013

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Page 2 of 10

DB12000P - Deutsche Bank Private Bank

05/29/2013

Batch Date:

Organization: Southern Financial LLC

Address:

Country:United States

Tracking ID: [REDACTED]

Alert #: 3

Entity Information

Entity ID: [REDACTED]

Entity Name: Southern Financial Group, Inc.

Address: South Carolina, UNITED STATES

Event: SEC - SEC Violations (Insider Trading, Securities Fraud)

ACT - Disciplinary, Regulatory Action

- 03/09/2005, The Commission alleged that Southern's books and financial records inaccurately reflected a cash balance in an account ranging from \$226,931.80 to \$240,006.80; Southern failed to promptly give notice to the Commission and others of the net capital deficiencies as required by law; and that, the reports filed by Southern were inaccurate in that they misrepresented Southern's cash position and failed to include certain liabilities.

- SEC - SEC Violations (Insider Trading, Securities Fraud)

- ACT - Disciplinary, Regulatory Action

- 02/15/2005, Named in the civil action entitled Securities and Exchange Commission v. Southern Financial

- Group, Inc., Richard M. Wooten, Charles Dennis McKittrick and Gerald F. Hunter, Jr., Civil Action Number

- 2:02-1806-18, in the United States District Court for District of South Carolina, Charleston Division.

Source Information

RDC URL: <https://grid.rdc.com/wss/entity.html?entityId=712ec7c8d33eaffa5d3f3d53eb346cc4>

Source Name: SEC Administrative Proceedings - 2005, 08/08/2009

Source URL: <http://www.sec.gov/litigation/admin/adminarchive/adminarc2005.shtml>

Entity URL: <http://www.sec.gov/litigation/admin/34-51207.htm>

- <http://www.sec.gov/litigation/admin/34-51349.htm>

Reporting ID: [REDACTED]

Alert ID: [REDACTED]

Alert

Alert Date:

05/29/2013

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DB12000P - Deutsche Bank Private Bank

05/29/2013

Batch Date:

Organization: Southern Financial LLC

Address:

Country:United States

Tracking ID: [REDACTED]

Alert #: 4

Entity Information

Entity ID: [REDACTED]

Entity Name: Southern Financial Group, Inc.

Address: South Carolina, UNITED STATES

Event: SEC - SEC Violations (Insider Trading, Securities Fraud)

ACT - Disciplinary, Regulatory Action

12/22/2004, The Securities and Exchange Commission announced that the

Honorable David C. Norton,

United States District Judge for the District of South Carolina, Charleston

Division, entered Final Judgments

as to Defendants Southern Financial Group, Inc. (Southern), Richard M.

Wooten (Wooten) and Charles

Dennis McKittrick (McKittrick).

Source Information

RDC URL: [https://grid.rdc.com/wss/entity.html?-](https://grid.rdc.com/wss/entity.html?entityId=67b955a58510d8e75d3f3d53eb346cc4)

[entityId=67b955a58510d8e75d3f3d53eb346cc4](https://grid.rdc.com/wss/entity.html?entityId=67b955a58510d8e75d3f3d53eb346cc4)

Source Name: SEC Litigation Releases - 2003, 11/14/2012

Source URL: [http://www.sec.gov/litigation/litreleases/litrelarchive/-](http://www.sec.gov/litigation/litreleases/litrelarchive/litarchive2003.shtml)
[litarchive2003.shtml](http://www.sec.gov/litigation/litreleases/litrelarchive/litarchive2003.shtml)

Entity URL: <http://www.sec.gov/litigation/litreleases/lr19009.htm>

Reporting ID: [REDACTED]

Alert ID: [REDACTED]

Alert

Alert Date:

05/29/2013

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DB12000P - Deutsche Bank Private Bank

05/29/2013

Batch Date:

Organization: Southern Financial LLC

Address:

Country:United States

Tracking ID: [REDACTED]

Alert #: 5

Entity Information

Entity ID: [REDACTED]

Entity Name: Southern Financial Group

Address: North Carolina, UNITED STATES

Event: SEC - SEC Violations (Insider Trading, Securities Fraud)

ACT - Disciplinary, Regulatory Action

•
04/26/2001, LITIGATION RELEASE NO. 16977/ SEC V. SOUTHERN FINANCIAL GROUP
1:00CV00742

(August 10, 2000) COURT OF APPEALS AFFIRMS TRIAL COURT'S ORDER INCARCERATING
DUNLAP FOR CONTEMPT. On March 15, 2001, the U.S. District Court for the
Middle District of North

Carolina adjudged defendants Elfindepan, S.A., Southern Financial Group and
Tracy Calvin Dunlap, Jr. to

be in civil contempt of court based on their refusal to obey court orders
requiring them to produce

documents, and account for and repatriate investor funds, related to their
allegedly fraudulent investment
schemes.

•
SEC - SEC Violations (Insider Trading, Securities Fraud)

ACT - Disciplinary, Regulatory Action

02/08/2001, LITIGATION RELEASE NO. 16892 / SEC V. SOUTHERN FINANCIAL GROUP,
(USDC

Middle District of North Carolina, 1:00CV00742) amended complaint alleges
that Southern Financial Group

misappropriated millions of dollars from innocent investors through a
fraudulent investment scheme

commonly referred to as a "Prime Bank" scheme.

Source Information

RDC URL: [https://grid.rdc.com/wss/entity.html?-
entityId=acd62503a7de836f5d3f3d53eb346cc4](https://grid.rdc.com/wss/entity.html?entityId=acd62503a7de836f5d3f3d53eb346cc4)

Source Name: SEC Litigation Releases - 2001, 03/02/2010

Source URL: [http://www.sec.gov/litigation/litreleases/litrelarchive/-
litarchive2001.shtml](http://www.sec.gov/litigation/litreleases/litrelarchive/litarchive2001.shtml)

Entity URL: <http://www.sec.gov/litigation/litreleases/lr16977.htm>•

• <http://www.sec.gov/litigation/litreleases/lr16892.htm>

Reporting ID: [REDACTED]

Alert ID: [REDACTED]

Alert

Alert Date:

05/29/2013

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DB12000P - Deutsche Bank Private Bank

05/29/2013

Batch Date:

Organization: Southern Financial LLC

Address:

Country:United States

Tracking ID: [REDACTED]

Alert #: 6

Entity Information

Entity ID: [REDACTED]

Entity Name: Southern Financial Group, Inc.

Address: South Carolina, UNITED STATES

Event: SEC - SEC Violations (Insider Trading, Securities Fraud)

ACT - Disciplinary, Regulatory Action

•
06/17/2002, Securities and Exchange Commission v. Southern Financial Group, Inc., Richard M. Wooten, Charles Dennis McKittrick and Gerald F. Hunter, Jr., Defendants, and Springdale Investments, Inc., Relief Defendant, United States District Court for the District of South Carolina, Charleston Division, Civil Action
File No. 2:02-1806-18

•
SEC - SEC Violations (Insider Trading, Securities Fraud)
ACT - Disciplinary, Regulatory Action
06/19/2002, Securities and Exchange Commission v. Southern Financial Group, Inc., Richard M. Wooten, Charles Dennis McKittrick and Gerald F. Hunter, Jr., Defendants, and Springdale Investments, Inc., Relief Defendant, United States District Court for the District of South Carolina, Charleston Division, Civil Action
File No. 2:02-1806-18

•
SEC - SEC Violations (Insider Trading, Securities Fraud)
ACT - Disciplinary, Regulatory Action
05/28/2002, SECURITIES AND EXCHANGE COMMISSION V. SOUTHERN FINANCIAL GROUP, INC., RICHARD M. WOOTEN, CHARLES DENNIS MCKITTRICK AND GERALD F. HUNTER, JR., United States District Court for the District of South Carolina, Charleston Division, Civil Action File No. 2:02-1806-18
(Filed May 24, 2002)

Source Information

RDC URL: <https://grid.rdc.com/wss/entity.html?entityId=a7a395d6a12368e75d3f3d53eb346cc4>

Source Name: SEC Litigation Releases - 2002, 05/12/2012

Source URL: <http://www.sec.gov/litigation/litreleases/litrelarchive/litarchive2002.shtml>

Entity URL: <http://www.sec.gov/litigation/litreleases/lr17574.htm>

- <http://www.sec.gov/litigation/litreleases/lr17569.htm>
- <http://www.sec.gov/litigation/litreleases/lr17535.htm>

Reporting ID: [REDACTED]

Alert ID: [REDACTED]

Alert

Alert Date:

05/29/2013

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DB12000P - Deutsche Bank Private Bank

05/29/2013

Batch Date:

Organization: Southern Financial LLC

Address:

Country:United States

Tracking ID: [REDACTED]

Alert #: 7

Entity Information

Entity ID: [REDACTED]

Entity Name: Southern Financial Group

Alias: SFG

Event: SEC - SEC Violations (Insider Trading, Securities Fraud)

ACT - Disciplinary, Regulatory Action

04/29/2008, Litigation Release No. 20543/ Securities and Exchange Commission

v. Elfindopan, S.A., et al.,

United States District Court for the Middle District of North Carolina,

Civil Action No. 1:00CV00742 Final

Judgments Entered Against Elfindopan S.A., Strategic Asset Funds S.A., and

Southern Financial Group for

Fraudulent High-Yield Investment Scam.

Source Information

RDC URL: [https://grid.rdc.com/wss/entity.html?-](https://grid.rdc.com/wss/entity.html?entityId=28d4c04c98a34f5f5d3f3d53eb346cc4)

entityId=28d4c04c98a34f5f5d3f3d53eb346cc4

Source Name: SEC Litigation Releases - 2008, 11/11/2009

Source URL: [http://www.sec.gov/litigation/litreleases/litrelarchive/-](http://www.sec.gov/litigation/litreleases/litrelarchive/litarchive2008.shtml)
litarchive2008.shtml

Entity URL: <http://www.sec.gov/litigation/litreleases/2008/lr20543.htm>

Reporting ID: [REDACTED]

Alert ID: [REDACTED]

Alert

Alert Date:

05/29/2013

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DB12000P - Deutsche Bank Private Bank

05/29/2013

Batch Date:

Organization: Southern Financial LLC

Address:

Country:United States

Tracking ID: [REDACTED]

Alert #: 8

Entity Information

Entity ID: [REDACTED]

Entity Name: Southern Financial Group, Inc.

Address: Charleston, SC, UNITED STATES

Event: FRD - Fraud, Scams, Swindles

ALL - Allege

12/22/2004, alleged that Southern raised at least \$25 million through a fraudulent scheme involving the sale

of short-term notes on behalf of UC Properties LLC.

Source Information

RDC URL: [https://grid.rdc.com/wss/entity.html?-](https://grid.rdc.com/wss/entity.html?entityId=c5d5dba1600b314f5d3f3d53eb346cc4)

entityId=c5d5dba1600b314f5d3f3d53eb346cc4

Source Name: SEC Litigation Releases - 2004, 05/12/2012

Source URL: [http://www.sec.gov/litigation/litreleases/litrelarchive/-litarchive2004.shtml](http://www.sec.gov/litigation/litreleases/litrelarchive/litarchive2004.shtml)

Entity URL: <http://www.sec.gov/litigation/litreleases/lr19009.htm>

Reporting ID: [REDACTED]

Alert ID: [REDACTED]

Alert

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Page 8 of 10

DB12000P - Deutsche Bank Private Bank

05/29/2013

Batch Date:

Organization: Southern Financial LLC

Address:

Country:United States

Tracking ID: [REDACTED]

Alert #: 9

Entity Information

Entity ID: [REDACTED]

Entity Name: Southern Financial Services Inc.

Address: Asheville, NC, UNITED STATES

Event: FRD - Fraud, Scams, Swindles

ASC - Associated with, Seen with

- 02/04/2011, U.S. Attorney Anne M. Tompkins announced that, James W. "Bill" Bailey, Jr. had his initial appearance on three federal criminal counts, Securities Fraud, Mail Fraud and Filing False Tax Returns Charges, which was filed in a Bill of Information in U.S. District Court in Asheville on February 1, 2010. The counts against Bailey charge that he engaged in a "Ponzi" scheme from about January 2000 to December 2010 to defraud investors of more than \$13 million. According to the Bill of Information, the defendant founded and operated Southern Financial Services Inc, 1031 Exchange Services, LLC and AVL Properties, LLC in Asheville. Court documents state that through Southern Financial Services Inc., Bailey fraudulently induced clients to deposit monies and purported to provide asset management, IRA accounts, and wills and trusts services.

- TAX - Tax Related Offenses

ASC - Associated with, Seen with

02/04/2011, U.S. Attorney Anne M. Tompkins announced that, James W. "Bill" Bailey, Jr. had his initial

appearance on three federal criminal counts, Securities Fraud, Mail Fraud and Filing False Tax Returns

Charges, which was filed in a Bill of Information in U.S. District Court in Asheville on February 1, 2010. The

counts against Bailey charge that he engaged in a "Ponzi" scheme from about January 2000 to December

2010 to defraud investors of more than \$13 million. According to the Bill of Information, the defendant

founded and operated Southern Financial Services Inc, 1031 Exchange Services, LLC and AVL Properties,

LLC in Asheville. Court documents state that through Southern Financial Services Inc., Bailey fraudulently

induced clients to deposit monies and purported to provide asset management, IRA accounts, and wills

and trusts services.

•
SEC - SEC Violations (Insider Trading, Securities Fraud)

ASC - Associated with, Seen with

02/04/2011, U.S. Attorney Anne M. Tompkins announced that, James W. "Bill" Bailey, Jr. had his initial appearance on three federal criminal counts, Securities Fraud, Mail Fraud and Filing False Tax Returns

Charges, which was filed in a Bill of Information in U.S. District Court in Asheville on February 1, 2010. The

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LLC in Asheville. Court documents state that through Southern Financial Services Inc., Bailey fraudulently

induced clients to deposit monies and purported to provide asset management, IRA accounts, and wills

and trusts services.

Source Information

RDC URL: [https://grid.rdc.com/wss/entity.html?-](https://grid.rdc.com/wss/entity.html?entityId=4b538c2393dee2cf5d3f3d53eb346cc4)

entityId=4b538c2393dee2cf5d3f3d53eb346cc4

Source Name: DOJ US Attorneys Offices Press Releases 2009 to 2012, 05/07/2013

Source URL: <http://www.justice.gov/usao/offices/index.html>

Entity URL: <http://www.justice.gov/usao/ncw/press/billbailey.html>

Reporting ID: [REDACTED]

Alert ID: [REDACTED]

Alert

Alert Date:

05/29/2013

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DB12000P - Deutsche Bank Private Bank

05/29/2013

Batch Date:

Organization: Southern Financial LLC

Address:

Country:United States

Tracking ID: [REDACTED]

Alert #: 10

Entity Information

Entity ID: [REDACTED]

Entity Name: Southern Financial Mortgage Corporation

Address: Virginia, UNITED STATES

Event: MOR - Mortgage Related

ASC - Associated with, Seen with

07/13/2007, Mortgage License Revocations

(since 1/1/95); Reason: Failure to file annual report as required by §6.1-418

Source Information

RDC URL: [https://grid.rdc.com/wss/entity.html?-](https://grid.rdc.com/wss/entity.html?-entityId=6e121e2e9abf763c5d3f3d53eb346cc4)

[entityId=6e121e2e9abf763c5d3f3d53eb346cc4](https://grid.rdc.com/wss/entity.html?-entityId=6e121e2e9abf763c5d3f3d53eb346cc4)

Source Name: VA State Corp Commission Mortgage License Revocations,

04/30/2010

Source URL: http://www.scc.virginia.gov/bfi/vio/mtg_rev.pdf

Reporting ID: [REDACTED]

Alert ID: [REDACTED]

Alert

Alert Date:

05/29/2013

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