

REGULATORS SHUT DOWN GUNNALLEN FINANCIAL; 400 LEFT WITHOUT JOBS



Four hundred financial advisers have been left without jobs following the closure Monday of GunnAllen Financial Inc by the Financial Industry Regulatory Authority. The move by FINRA followed a warning issued to GunnAllen on Friday that it did not meet mandatory net capital requirements, Reuters reports. GunnAllen is currently facing numerous investor lawsuits with regards to a former GunnAllen adviser, Frank Bluestein, who allegedly ran a \$250 million Ponzi scheme. Now the firm can no longer trade in its client accounts and its assets will continue to be held by a third-party custodian, according to Reuters. Recruiters in the area said it could be difficult for the affected GunnAllen financial advisers to find new jobs because of their "low production figures," which is in line with GunnAllen's business practices. Recruiter Rich Schwarzkopf said GunAllen advisers are "usually heavily-transaction based, which is generally not attractive to larger firms."

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