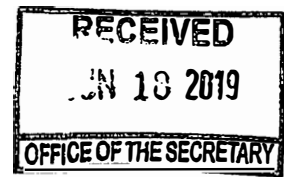


UNITED STATES OF AMERICA
SECURITIES AND EXCHANGE COMMISSION



In the Matter of Application of

J. W. KORTH & COMPANY LIMITED PARTNERSHIP

FINRA Disciplinary Proceeding
No. 2012030738501

c/o James Korth and Michael Gibbons
J. W. Korth & Company, Limited Partnership
6500 Centurion Drive Suite 200
Lansing Michigan 48917
(CRD No. 26455)

3-19206

For Review of Disciplinary Action Taken By
FINRA

APPLICATION FOR REVIEW

To:

Vanessa A. Countryman
Acting Secretary
The Office of the Secretary
Securities and Exchange Commission
100 F Street, NE
Room 10915
Washington, D.C. 201549-1090

cc:

Colleen Durbin
Office of General Counsel
FINRA
1735 K Street, N.W.
Washington, D.C. 20006

PLEASE TAKE NOTICE that Appellant/Respondent J. W. Korth & Company ("JWK") hereby applies for review of the FINRA National Adjudicatory Council Decision dated May 23rd, 2019 and the prior FINRA Office of Hearing Officers decision dated January 26th, 2017 by the United States Securities and Exchange Commission, as follows:



1. Name of the Disciplinary Proceeding:
Department of Enforcement vs. J. W. Korth & Company Limited Partnership
2. Disciplinary Proceeding Docket Number: 2012030738501
3. Name of Party on Whose Behalf Appeal is Made: J. W. Korth & Company Limited Partnership
4. Oral Argument before the SEC is requested.
5. A Brief Statement as to the Findings Conclusions or Sanctions as to which Exceptions are Taken:

The following findings and conclusions will be challenged on appeal:

- The Hearing Panel Properly Shifted the Burden of proof to the Firm.
- The specific finding there is a “general rule against using bids and offers to determine prevailing market price”.
- That “J. W. Korth Failed to Demonstrate that Its Markups and Markdowns were Fair”
- The specific finding the evidence provided the FINRA National Adjudicatory Council “does not demonstrate that any of the Firm’s services were extraordinary or that they justified the size of the Firm’s mark-ups and markdowns”
- The specific finding that a firm cannot bundle its services and get paid an “average fair profit” for serving its customers.
- The specific finding that “it (the firm) has shown only that it engaged in the basic due diligence before recommending a bond”.
- The use of the “Paviolitus” report.
- The lack of consideration of the fact the trades occurred primarily during the Financial Crisis.
- The application of various other adjudicated decisions regarding markups.

- The fact that FINRA had an unpublished 3% guideline when the firm was operating under the 5% guideline provided by the written rules and the firm had specific written policies reviewed both by FINRA and the SEC during the period of the trades in question.
- The entire regulatory approach of FINRA regarding smaller obscure bond issues.
- The abundance of evidence provided to the NAC on a trade by trade basis which was simply disregarded by the NAC.
- The finding that the firm should pay restitution to its customers.
- The finding that it should hire an independent consultant to manage its pricing procedures.
- All related and subsidiary findings and conclusions supporting any negative consequences to the Appellant/Respondent.

Dated: June 17th, 2019

Signed: _____

James W. Korth

Signed: _____

Michael Gibbons

Notices may be sent to the above via email and certified mail as follows:

James W. Korth or Michael Gibbons

Managing Partner

J. W. Korth & Company LP

6500 Centurion Drive, Suite 200

Lansing, MI 48917

jwkorth@jwkorth.com

[mgibbons@jwkorth.com](mailto:m gibbons@jwkorth.com)

UNITED STATES OF AMERICA
SECURITIES AND EXCHANGE COMMISSION



In the Matter of Application of

J. W. KORTH & COMPANY LIMITED PARTNERSHIP

FINRA Disciplinary Proceeding
No. 2012030738501

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J. W. Korth & Company, Limited Partnership
6500 Centurion Drive Suite 200
Lansing Michigan 48917
(CRD No. 26455)

3-19206

For Review of Disciplinary Action Taken By
FINRA

CERTIFICATE OF SERVICE

For the matter identified above we file an Application for Review by Federal Express to the addresses below:

To:

Vanessa A. Countryman
Acting Secretary
The Office of the Secretary
Securities and Exchange Commission
100 F Street, NE
Room 10915
Washington, D.C. 201549-1090

cc:

Colleen Durbin
FINRA Office of General Counsel
1735 K Street, N.W.
Washington, D.C. 20006

Affirmed:


Michael Gibbons

JW KORTH
& COMPANY 