

**City of Los Angeles  
Responsible Banking & Investment Monitoring Program  
For Investment Banks**

Investment banks providing City investment banking services or seeking City investment banking business must complete and submit this form no later than July 1<sup>st</sup> of each year to the City Administrative Officer to comply with Chapter 5.1, Section 20.95.1 of the Los Angeles Administrative Code.

**Contact Information:**

D.A. Davidson

Name of Financial Institution

74-710 Highway 111, Suite 102

Street Address

Palm Desert

City

CA

State

92260

Zip Code

Katie Koster, Managing Director

Contact Person Name and Title

213-244-9380

Telephone No.

kkoster@dadco.com

Email Address

**SOCIAL RESPONSIBILITY**

Please answer the following questions for the preceding calendar year.

1. Did your firm make monetary donations to charitable programs within the City limits?

Yes X No \_\_\_

If yes, please complete the attached form, labeled at Exhibit 1.

2. Did your firm provide any scholarship awards to residents of the City of Los Angeles?

Yes \_\_\_ No X

- a. How many scholarships were awarded? \_\_\_\_\_  
b. What was the total value of the awarded scholarships? \_\_\_\_\_

3. Does your firm have internal policies regarding utilization of subcontractors which are designated as "women owned," "minority owned," or "disabled" business enterprises? Yes \_\_\_ No X

If yes, please provide a copy of your policies, labeled as Exhibit 2

**CONSUMER PROTECTION**

1. Is the financial institution currently in compliance with all applicable consumer financial protection laws?

Yes X No \_\_\_

If no, please briefly explain: \_\_\_\_\_

\_\_\_\_\_

2. Does the financial institution have policies to prevent the use of illegal predatory consumer adverse sales goals as the bases for evaluation, promotion, discipline or compensation of employees?

Yes X No \_\_\_

If no, please briefly explain: \_\_\_\_\_

\_\_\_\_\_

3. Does the financial institution encourage and maintain whistleblower protection policies for its employees and/or customers to report suspected illegal practices, including predatory sales goals?

Yes X No \_\_\_

If no, please briefly explain: \_\_\_\_\_

\_\_\_\_\_

4. In the last five years, has the financial institution been subject to any disciplinary actions such as fines, suspensions, or settlements, undertaken by the Securities and Exchange Commission, the Consumer Financial Protection Bureau, the Municipal Securities Regulation Board, the Financial Industry Regulatory Agency and/or any State regulatory agency?

Yes X No \_\_\_

5. If the answer to question no. 4 is yes, please provide in separate attachment labeled Exhibit 3, what the violation(s) are, the reason for the enforcement action, what government agencies are involved, the date of the enforcement action, what is the current status, and how were or will the issues be resolved?

\_\_\_\_\_

\_\_\_\_\_

**CERTIFICATION UNDER PENALTY OF PERJURY (\*)**

I certify under penalty of perjury that I have read and understand the questions contained in this form and the responses contained in the form and on all the attachments. I further certify that I have provided full and complete answers to each question, and that all information provided in response to this form is true and accurate to the best of my knowledge and belief.

Marc Dispense, President, Fixed Income Capital Markets		4/19/2021
Print Name	Title	Date
	Signature	

(\*) Signature must be that of the Head of Public Finance or equivalent corporate executive.

**PLEASE SEND THE ORIGINAL SIGNED FORM TO THE ADDRESS BELOW AND EMAIL A COPY TO [CAO.DEBT@LACITY.ORG](mailto:CAO.DEBT@LACITY.ORG).**

**Office of the City Administrative Officer  
200 North Main St. Room 1500  
Los Angeles, CA 90012  
Attention: Debt Management Group**



### Exhibit 3

**June 2020** - The Firm consented to the sanctions and entry of findings that it failed to report to TRACE transactions in TRACE-eligible agency debt securities within the time required, constituting a pattern or practice of late reporting without exceptional circumstances. The finding stated that the Firm's violations were the result of human errors by traders or administrative staff, as well as amendments to correct, among other things, settlement dates, execution times, changes to price and volume that were not completed within 15 minutes of execution. The Firm was censured and fined \$20,000.

**December 2019** - The Firm consented to the sanctions and to the entry of findings that it provided inaccurate or misleading statements in its issue price certifications in connection with municipal offerings. The findings stated that the Firm acted as the sole underwriter for numerous municipal offerings and, in its capacity as sole underwriter, prepared and provided issuers with issue price certificates in connection with the offerings. Issue price certificates typically include representations that, among other things, at least 10% of each maturity of the bonds were first sold to the public at the initial offering prices set forth in the official statement for the offering. However, the inaccurate or misleading statements of the Firm were regarding the percentage of each maturity that was sold or was reasonably expected to be sold, to the public. The findings also stated that the Firm to establish and maintain a supervisory system and written supervisory procedures that were reasonably designed to ensure the accuracy of the representations the Firm made to issuers in its issue price certificates. The Firm was Censured and fined \$85,000

**March 2019** - The SEC deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be instituted against D.A. Davidson & Co. on the basis of this order and respondent's offer the commission find that these proceedings arise out of breaches of fiduciary duty and inadequate disclosures by the respondent in connection with its mutual fund share class selection practices and the fees it received. At times during the relevant period, respondent purchased, recommended, or held for advisory clients mutual fund share classes that charged 12b-1 fees instead of lower-cost share classes of the same funds for which the clients were eligible. Respondent received 12b-1 fees in connection with these investments. Respondent failed to disclose in its Form ADV or otherwise the conflicts of interest related to (a) its receipt of 12b-1 fees and/or (b) its selection of mutual fund share classes that pay such fees. During the relevant period, respondent received 12b-1 fees for advising clients to invest in or hold such mutual fund share classes. As a result of the conduct, respondent willfully violated Sections 206(2) and 207 of the Advisers Act. Respondent is censured, shall pay disgorgement of \$613,957.83 and prejudgment interest of \$40,318.58 and comply with undertakings in the offer of settlement.

**July 2018** – D.A. Davidson self-reported to the Vermont Department of Financial Regulation related to unauthorized activity of a financial advisor in the State of Vermont. D.A. Davidson agreed to resolve the matter by (1) paying a fine of \$60,000; (2) agreeing to revise policies and procedures to ensure that when an unregistered Vermont transaction is identified, either (a) it is placed on hold or (b) the transaction will be effected by another agent who is registered in Vermont; and (3) agreeing to revise policies and procedures relating to trust accounts and multiple co-trustees.