

SORTING OUT THE TIMELINE FOR LEV PARNAS AND PROGRAM TRADING CORP.

Jim here once again.

In yesterday's post, I puzzled over the curious timeline of Program Trading Corp. appearing to have been incorporated with Lev Parnas involved before he was registered as a broker and before he says he moved to Florida. After a bit of further digging, it now looks as though Parnas did not have an association with Program Trading Corp. until August 20, 1998, when his FINRA records indicate his registration was moved there. What caused my confusion is the fact that Florida's corporate record database reflects only the most recent information on registered agents and corporate officers. That information appears alongside the incorporation date and can create the false impression I had that Program Trading Corp. had Lev Parnas as an officer from its founding in September, 1992.

Further complicating this mess is that the online records for Program Trading Corp. don't include the original documents before the annual report that was filed in May of 1995. What becomes clear when looking at the early annual reports is that prior to 1999, Program Trading Corp. had only a single registered agent and officer, Robert J. Renneker. The company operated in Orlando rather than Boca Raton. Further, it appears that Renneker first incorporated the company as Renn Corp. Securities but after just one month changed the name to Program Trading Corp. While the 1998 annual report listed only Renneker, the 1999 report added Lev Parnas, Robert Grinberg and two others. See this Politico article from earlier today that gives details on legal issues (unrelated to Program Trading Corp.) that one of these other new officers faced.

Very strange things happened on the corporate front for the next couple of years. In the 2000 annual report, Parnas and Grinberg were deleted, while in 2001, they were restored and Renneker was removed. In the final report that was filed, in 2003, the officers were whittled down to only Parnas and Grinberg. Interestingly, during the time Parnas and Grinberg were removed as officers, their broker registrations remained with Program Trading.

The timing for Parnas and Grinberg coming on board at Program Trading Corp. corresponds exactly with an arbitration judgement, totaling just under \$154,000, awarded to clients of the firm. The case was closed on August 10, 1998. Parnas' registration moved to Program Trading on August 20, while Grinberg's arrived on November 6.

At some time along the way, Program Trading Corp. became wholly owned by Aaron Investment Group, Inc. This entity was first incorporated on May 11, 1999, by an attorney at the high-powered firm of Broad and Cassell. There was only one director: Lev Parnas. Grinberg and the other partners who were also with Program Trading at the time were added on the 2000 annual report. The two extras disappeared in the 2003 report, just as they did for Program Trading.

It is possible that Parnas and Grinberg knew each other while growing up. One of the addresses for Grinberg used in some of his other corporate filings ties the same name to two previous addresses in the southern part of Brooklyn where Parnas worked for Kings Highway Realty selling Trump Village co-ops, as described in yesterday's post.

This timeline might also be subject to revision, as Grinberg claims in this bio for another company to have founded Program Trading Corp. in 1994, five years before there is documentation I've seen so far connecting him to the firm.

Both Program Trading Corp. and Aaron Investment

Group, Inc., which owned it, were dissolved by the state after they failed to file annual reports for 2004. I don't know if it is related, but I have found SEC filings with audits for Program Trading Corp. that were filed for calendar years 2001 and 2002. In the 2002 audit, the financials indicate a capital contribution from the parent (which would be Aaron Investment Group, Inc.) of \$4.6 million. It appears that no audit was submitted to the SEC for 2003, and the FINRA page for Program Trading Corp. shows that SEC registration status was revoked on November 11, 2003. A more detailed FINRA page, however, puts the shutdown of the company a bit earlier, with registration being withdrawn on September 12, 2003. So whatever happened to blow up Program Trading Corp. happened between filing the annual corporate report with Florida on April 28, 2003 and the FINRA withdrawal of registration on September 12.

Beginning just before and continuing after the end of Program Trading Corp, Parnas and Grinberg embarked on incorporating many more entities, but describing those will have to wait for another post.

So, while in yesterday's post it appeared that Parnas was a "made man" by age 23 when he says he moved to Florida, it may well be that it took a few more years for him to hit bigger operations in 1999 instead of 1995. And now just what he was up to between 1995 and joining Program Trading Corp. becomes a big question.