BrokerCheck Report

FIRST CITIZENS INVESTOR SERVICES, INC.

CRD# 44430

About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**
- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.
- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.
- **Where did this information come from?**
- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
  - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
  - information that regulators report regarding disciplinary actions or allegations against firms or brokers.
- **How current is this information?**
- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.
- **What if I want to check the background of an investment adviser firm or investment adviser representative?**
- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at https://www.adviserinfo.sec.gov. In the alternative, you may search the IAPD website directly or contact your state securities regulator at http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414.
- **Are there other resources I can use to check the background of investment professionals?**
- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.
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Thank you for using FINRA BrokerCheck.

For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. For more information about FINRA, visit www.finra.org.

FIRST CITIZENS INVESTOR SERVICES, INC.

CRD# 44430

SEC# 8-50696

Main Office Location

8540 COLONNADE CENTER DRIVE
RALEIGH, NC 27615
Regulated by FINRA Atlanta Office

Mailing Address

P.O. BOX 27131
RALEIGH, NC 27611-7131

Business Telephone Number

919-986-3546

This firm is a brokerage firm and an investment adviser firm. For more information about investment adviser firms, visit the SEC's Investment Adviser Public Disclosure website at:

https://www.adviserinfo.sec.gov

Report Summary for this Firm

This report summary provides an overview of the brokerage firm. Additional information for this firm can be found in the detailed report.

Firm Profile

This firm is classified as a corporation.

This firm was formed in North Carolina on 01/11/1994.

Its fiscal year ends in December.

Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

Firm Operations

This firm is registered with:

- the SEC
- 1 Self-Regulatory Organization
- 53 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 14 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm has referral or financial arrangements with other brokers or dealers.

Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	2
Arbitration	4

Firm Profile

This firm is classified as a corporation.

This firm was formed in North Carolina on 01/11/1994.

Its fiscal year ends in December.

Firm Names and Locations

This section provides the brokerage firm's full legal name, "Doing Business As" name, business and mailing addresses, telephone number, and any alternate name by which the firm conducts business and where such name is used.

FIRST CITIZENS INVESTOR SERVICES, INC.

Doing business as FIRST CITIZENS INVESTOR SERVICES, INC.

CRD# 44430

SEC# 8-50696

Main Office Location

8540 COLONNADE CENTER DRIVE
RALEIGH, NC 27615

Regulated by FINRA Atlanta Office

Mailing Address

P.O. BOX 27131
RALEIGH, NC 27611-7131

Business Telephone Number

919-986-3546

Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

Direct Owners and Executive Officers

Legal Name & CRD# (if any):	FIRST-CITIZENS BANK & TRUST COMPANY
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	100% OWNER
Position Start Date	01/1994
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	BILITER, DAVID LEE 1690995
Is this a domestic or foreign entity or an individual?	Individual
Position	DIRECTOR, PRESIDENT
Position Start Date	12/2020
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	CECE, MARY 2135583
Is this a domestic or foreign entity or an individual?	Individual
Position	SECRETARY
Position Start Date	04/2024

Firm Profile

Direct Owners and Executive Officers (continued)

Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	LONGEST, MICHAEL LEE 6692593
Is this a domestic or foreign entity or an individual?	Individual
Position	DIRECTOR, SENIOR DIRECTOR WEALTH FINANCE & TECHNOLOGY
Position Start Date	07/2024
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	MARRONE, MARK STEPHEN 1987907
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF COMPLIANCE OFFICER
Position Start Date	10/2025
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	MCCALLUM, CHARLES FALCONER III

Firm Profile

Direct Owners and Executive Officers (continued)

	2697260
Is this a domestic or foreign entity or an individual?	Individual
Position	DIRECTOR, SENIOR DIRECTOR WEALTH RISK & GOVERNANCE
Position Start Date	02/2024
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	WALSH, WILLIAM JAMES
	4883580
Is this a domestic or foreign entity or an individual?	Individual
Position	DIRECTOR, FIRST CITIZENS OUTSIDE DIRECTOR
Position Start Date	02/2024
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	WILSON, MICHAEL CHRISTOPHER
	4301352
Is this a domestic or foreign entity or an individual?	Individual
Position	DIRECTOR, WEALTH MANAGEMENT EXECUTIVE
Position Start Date	02/2014
Percentage of Ownership	Less than 5%

Firm Profile

Direct Owners and Executive Officers (continued)

Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Firm Profile

This section provides information relating to any indirect owners of the brokerage firm.

Indirect Owners

Legal Name & CRD# (if any):	FIRST CITIZENS BANCSHARES, INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	FIRST-CITIZENS BANK & TRUST COMPANY
Relationship to Direct Owner	OWNER
Relationship Established	01/1994
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	Yes

Firm History

This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.

No information reported.

Firm Operations

Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

This firm is currently registered with the SEC, 1 SRO and 53 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	04/16/1998

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: Yes

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	04/16/1998

Firm Operations

Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	06/10/2014
Alaska	Approved	04/17/1998
Arizona	Approved	10/28/1998
Arkansas	Approved	09/13/1999
California	Approved	05/27/1998
Colorado	Approved	04/27/1998
Connecticut	Approved	10/01/1998
Delaware	Approved	04/20/1998
District of Columbia	Approved	02/19/1998
Florida	Approved	04/20/1998
Georgia	Approved	07/17/1998
Hawaii	Approved	11/02/1998
Idaho	Approved	08/14/2020
Illinois	Approved	09/14/1998
Indiana	Approved	10/09/1998
Iowa	Approved	10/22/2014
Kansas	Approved	11/03/1998
Kentucky	Approved	08/31/1998
Louisiana	Approved	09/23/1998
Maine	Approved	12/03/1998
Maryland	Approved	04/23/1998
Massachusetts	Approved	07/15/1998
Michigan	Approved	06/22/1998
Minnesota	Approved	01/17/2006
Mississippi	Approved	05/08/1998
Missouri	Approved	03/01/1999
Montana	Approved	04/27/1999
Nebraska	Approved	07/12/1999
Nevada	Approved	06/22/1999
New Hampshire	Approved	05/23/2017
New Jersey	Approved	09/25/1998
New Mexico	Approved	09/14/1999
New York	Approved	05/26/1998

U.S. States & Territories	Status	Date Effective
North Carolina	Approved	04/17/1998
North Dakota	Approved	03/23/2017
Ohio	Approved	07/17/1998
Oklahoma	Approved	09/21/1998
Oregon	Approved	08/24/1998
Pennsylvania	Approved	10/21/1998
Puerto Rico	Approved	10/23/2020
Rhode Island	Approved	06/29/1999
South Carolina	Approved	04/23/1998
South Dakota	Approved	02/14/2017
Tennessee	Approved	04/21/1998
Texas	Approved	04/29/1998
Utah	Approved	06/08/1999
Vermont	Approved	11/20/1998
Virgin Islands	Approved	10/01/2020
Virginia	Approved	01/27/1998
Washington	Approved	11/14/1998
West Virginia	Approved	04/17/1998
Wisconsin	Approved	01/04/1999
Wyoming	Approved	02/24/2017

Firm Operations

Types of Business

This section provides the types of business, including non-securities business, the brokerage firm is engaged in or expects to be engaged in.

This firm currently conducts 14 types of businesses.

Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Underwriter or selling group participant (corporate securities other than mutual funds)
Mutual fund retailer
U S. government securities dealer
U S. government securities broker
Municipal securities dealer
Municipal securities broker
Broker or dealer selling variable life insurance or annuities
Put and call broker or dealer or option writer
Investment advisory services
Non-exchange member arranging for transactions in listed securities by exchange member
Broker or dealer involved in a networking, kiosk or similar arrangment with a: bank, savings bank or association, or credit union
Other - 12Z THE APPLICANT, FIRST CITIZENS INVESTOR SERVICES, INC. ACTS IN THE CAPACITY OF A LICENSED INSURANCE AGENCY.

Other Types of Business

This firm does not effect transactions in commodities, commodity futures, or commodity options.
This firm does engage in other non-securities business.

Non-Securities Business Description:	13B AS STATED ABOVE IN QUESTION #12(Z), FIRST CITIZENS INVESTOR SERVICES, INC. ACTS IN THE CAPACITY OF A LICENSED INSURANCE AGENCY.

Firm Operations

Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

Name:	PERSHING LLC
CRD #:	7560
Business Address:	ONE PERSHING PLAZA JERSEY CITY, NJ 07399
Effective Date:	07/29/1998
Description:	FIRST CITIZENS INVESTOR SERVICES, INC. ("FCIS") INTRODUCES CLIENTS TO PERSHING ON A FULLY DISCLOSED BASIS AND DOES NOT HOLD OR MAINTAIN CUSTOMER FUNDS OR SECURITIES. PERSHING HOLDS ALL CUSTOMER FUNDS AND SECURITIES AND MAINTAINS RELEVANT BOOKS AND RECORDS FOR FCIS.

Firm Operations

Industry Arrangements

This firm does have books or records maintained by a third party.

Name:	FIRST-CITIZENS BANK & TRUST COMPANY
Business Address:	1533 MECHANICAL BLVD. RALEIGH, NC 27603
Effective Date:	01/27/1994
Description:	CERTAIN TRANSACTION AND CLIENT RECORDS ARE STORED AT THE APPLICANT PARENT'S RECORD RETENTION FACILITY.

Name:	FIRST-CITIZENS BANK & TRUST COMPANY
Business Address:	4300 SIX FORKS RD. RALEIGH, NC 27609
Effective Date:	01/27/1994
Description:	CERTAIN CORPORATE RECORDS, INCLUDING CORPORATION FORMATION DOCUMENTS, BOARD OF DIRECTOR MINUTES, AND OTHER LEGAL DOCUMENTS, ARE MAINTAINED BY THE APPLICANT'S CORPORATE SECRETARY.

Name:	PERSHING LLC
CRD #:	7560
Business Address:	ONE PERSHING PLAZA JERSEY CITY, NJ 07399
Effective Date:	07/29/1998
Description:	FIRST CITIZENS INVESTOR SERVICES, INC. ("FCIS") INTRODUCES CLIENTS TO PERSHING ON A FULLY DISCLOSED BASIS AND DOES NOT HOLD OR MAINTAIN CUSTOMER FUNDS OR SECURITIES. PERSHING HOLDS ALL CUSTOMER FUNDS AND SECURITIES AND MAINTAINS ALL RELEVANT BOOKS AND RECORDS FOR FCIS.

This firm does have accounts, funds, or securities maintained by a third party.

Name:	PERSHING LLC
CRD #:	7560
Business Address:	ONE PERSHING PLAZA JERSEY CITY, NJ 07399
Effective Date:	06/01/1999
Description:	FIRST CITIZENS INVESTOR SERVICES, INC. ("FCIS") HAS ENTERED INTO

Firm Operations

Industry Arrangements (continued)

AN AGREEMENT WITH PERSHING AS IT RELATES TO ITS PROPRIETARY ACCOUNTS AS AN INTRODUCING BROKER DEALER. PERSHING AGREES TO PERFORM THE REQUIRED COMPUTATION ON BEHALF OF FCIS IN ACCORDANCE WITH THE APPLICABLE PROVISIONS, PROCEDURES AND INTERPRETATIONS SET FORTH IN THE SEC'S NO-ACTION LETTER REGARDING PAIB DATED NOVEMBER 3, 1998.

This firm does have customer accounts, funds, or securities maintained by a third party.

Name:	PERSHING LLC
CRD #:	7560
Business Address:	ONE PERSHING PLAZA JERSEY CITY, NJ 07399
Effective Date:	07/29/1998
Description:	FIRST CITIZENS INVESTOR SERVICES, INC. ("FCIS") INTRODUCES CLIENTS TO PERSHING ON A FULLY DISCLOSED BASIS AND DOES NOT HOLD OR MAINTAIN CUSTOMER FUNDS OR SECURITIES. PERSHING HOLDS ALL CUSTOMER FUNDS AND SECURITIES AND MAINTAINS RELEVANT BOOKS AND RECORDS FOR FCIS.

Control Persons/Financing

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.

Firm Operations

Organization Affiliates

This section provides information on control relationships the firm has with other firms in the securities, investment advisory, or banking business.

This firm is, directly or indirectly:

- **in control of**
- **controlled by**
- **or under common control with**

the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

FIRST CITIZENS INSTITUTIONAL ASSET MANAGEMENT, LLC is under common control with the firm.

CRD #:	285836
Business Address:	11 WEST 42ND STREET NEW YORK, NY 10036
Effective Date:	08/16/2023
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	FIRST CITIZENS BANCSHARES IS THE PARENT COMPANY OF FIRST CITIZENS INSTITUTIONAL ASSET MANAGEMENT LLC. FURTHER FIRST CITIZENS BANCSHARES IS THE PARENT COMPANY OF FIRST CITIZENS BANK & TRUST, THE PARENT COMPANY TO FIRST CITIZENS INVESTOR SERVICES.

FIRST CITIZENS CAPITAL SECURITIES, LLC is under common control with the firm.

CRD #:	41504
Business Address:	11 WEST 42ND STREET NEW YORK, NY 10036
Effective Date:	08/16/2023
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No

Organization Affiliates (continued)

Description:	FIRST CITIZENS BANCSHARES IS THE PARENT COMPANY OF FIRST CITIZENS CAPITAL SECURITIES LLC. FURTHER FIRST CITIZENS BANCSHARES IS THE PARENT COMPANY OF FIRST CITIZENS BANK & TRUST, THE PARENT COMPANY TO FIRST CITIZENS INVESTOR SERVICES.

SVB WEALTH is under common control with the firm.

CRD #:	172832
Business Address:	53 STATE STREET 28TH FLOOR BOSTON, MA 02109
Effective Date:	03/27/2023
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	FIRST CITIZENS BANK & TRUST IS THE PARENT COMPANY OF SVB WEALTH LLC.

SVB ASSET MANAGEMENT is under common control with the firm.

CRD #:	124567
Business Address:	505 HOWARD STREET 3RD FLOOR SAN FRANCISCO, CA 94105
Effective Date:	03/27/2023
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	FIRST CITIZENS BANK & TRUST IS THE PARENT COMPANY OF SVB ASSET MANAGEMENT.

FIRST CITIZENS ASSET MANAGEMENT is under common control with the firm.

Firm Operations

Organization Affiliates (continued)

Business Address: 1230 MAIN STREET
COLUMBIA, SC 29201

Effective Date: 01/01/2015

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: FIRST-CITIZENS BANK & TRUST COMPANY IS 100% OWNER OF FIRST CITIZENS INVESTOR SERVICES, INC., AND FIRST CITIZENS ASSET MANAGEMENT.

FIRST-CITIZENS BANK & TRUST COMPANY controls the firm.

Business Address: 4300 SIX FORKS ROAD
RALEIGH, NC 27609

Effective Date: 01/27/1994

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: FIRST-CITIZENS BANK & TRUST COMPANY MAY, AS PART OF ITS ORDINARY BUSINESS, OFFER THEIR CLIENTS INVESTMENT MANAGEMENT, BROKERAGE, ADMINISTRATIVE AND OTHER FINANCIAL SERVICES. SUCH SERVICES ARE NOT OFFERED THROUGH THE APPLICANT.

This firm is directly or indirectly, controlled by the following:

- **bank holding company**
- **national bank**
- **state member bank of the Federal Reserve System**
- **state non-member bank**
- **savings bank or association**
- **credit union**
- **or foreign bank**

Firm Operations

Organization Affiliates (continued)

FIRST CITIZENS BANCSHARES INC. is a Bank Holding Company and controls the firm.

Business Address:	4300 SIX FORKS ROAD RALEIGH, NC 27609
Effective Date:	01/27/1994
Description:	FIRST CITIZENS BANCSHARES IS 100% OWNER OF FIRST-CITIZENS BANK & TRUST COMPANY, WHICH IS 100% OWNER OF FIRST CITIZENS INVESTOR SERVICES, INC.

FIRST-CITIZENS BANK & TRUST COMPANY is a State Non Member Bank and controls the firm.

Business Address:	4300 SIX FORKS ROAD RALEIGH, NC 27609
Effective Date:	01/27/1994
Description:	FIRST-CITIZENS BANK & TRUST COMPANY IS 100% OWNER OF FIRST CITIZENS INVESTOR SERVICES, INC., AND FIRST CITIZENS ASSET MANAGEMENT.

Disclosure Events

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	2	0
Arbitration	N/A	4	N/A

Disclosure Event Details

What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
   - A law enforcement agency must file formal charges before a brokerage firm is required to disclose a particular criminal event.
3. **Disclosure events in BrokerCheck reports come from different sources:**
   - Disclosure events for this brokerage firm were reported by the firm and/or regulators. When the firm and a regulator report information for the same event, both versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
   - A disclosure event may have a status of *pending, on appeal,* or *final.*
     - A "pending" event involves allegations that have not been proven or formally adjudicated.
     - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
     - A "final" event has been concluded and its resolution is not subject to change.
   - A final event generally has a disposition of *adjudicated, settled* or *otherwise resolved.*
     - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
     - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that firms may choose to settle customer disputes or regulatory matters for business or other reasons.
     - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.
5. **You may wish to contact the brokerage firm to obtain further information regarding any of the disclosure events contained in this BrokerCheck report.**

Regulatory - Final

This type of disclosure event involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the U.S. Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of the authority of a brokerage firm or its control affiliate to act as an attorney, accountant or federal contractor.

Disclosure 1 of 2

Reporting Source:	Firm
Current Status:	Final

Allegations:	FAILURE TO TIMELY REPORT AN ADMINISTRATIVE ACTION IN VIOLATION OF LA.R.S. 22:1563A
Initiated By:	LOUISIANA DEPARTMENT OF INSURANCE
Date Initiated:	11/06/2019
Docket/Case Number:	2019-15498-INS
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Consent
Resolution Date:	01/29/2020
Sanctions Ordered:	Monetary/Fine $250.00
Other Sanctions Ordered:	
Sanction Details:	FINE WAS PAID IN FULL TO THE LOUISIANA DEPARTMENT OF INSURANCE ON 01/29/2020.
Firm Statement	NOTE THE ACTION WAS APPEALED ON 12/04/2019 WITHIN THE 30 DAY ALLOWABLE TIMEFRAME. THE APPEAL WAS WITHDRAWN ON 01/24/2020.

Disclosure 2 of 2

Reporting Source:	Regulator
Current Status:	Final
Allegations:	IA RELEASE 40-5124 / MARCH 11, 2019: THE SECURITIES AND EXCHANGE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE INSTITUTED AGAINST FIRST CITIZENS INVESTOR, SERVICES, INC. ("RESPONDENT"). ON THE BASIS OF THIS ORDER AND RESPONDENT'S OFFER, THE COMMISSION FINDS 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.
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Date Initiated:	03/11/2019
Docket/Case Number:	3-19027
Principal Product Type:	Mutual Fund(s)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	03/11/2019
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	Yes
Sanctions Ordered:	Censure Disgorgement/Restitution Cease and Desist/Injunction
Other Sanctions Ordered:	UNDERTAKINGS AND PREJUDGMENT INTEREST
Sanction Details:	THE RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTIONS 206(2) AND 207 OF THE ADVISERS ACT. RESPONDENT IS CENSURED, SHALL PAY DISGORGEMENT OF $359,872.11 AND PREJUDGMENT INTEREST OF $42,793.07, AND SHALL COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT.
Regulator Statement	RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT WHICH THE

COMMISSION HAS DETERMINED TO ACCEPT. IN VIEW OF THE FOREGOING, THE COMMISSION DEEMS IT APPROPRIATE IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN THE RESPONDENT'S OFFER. ACCORDINGLY, IT IS ORDERED THAT RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTIONS 206(2) AND 207 OF THE ADVISERS ACT. RESPONDENT IS CENSURED, SHALL PAY DISGORGEMENT OF $359,872.11 AND PREJUDGMENT INTEREST OF $42,793.07, AND SHALL COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER OF SETTLEMENT.

RESPONDENT SELF-REPORTED TO THE COMMISSION THE VIOLATIONS DISCUSSED IN THIS ORDER PURSUANT TO THE DIVISION OF ENFORCEMENT'S SHARE CLASS SELECTION DISCLOSURE INITIATIVE ("SCSD INITIATIVE"). ACCORDINGLY, THIS ORDER AND RESPONDENT'S OFFER ARE BASED ON THE INFORMATION SELF-REPORTED BY RESPONDENT.

Reporting Source:	Firm
Current Status:	Final
Allegations:	IN FEBRUARY 2018, THE U.S. SECURITIES AND EXCHANGE COMMISSION ("SEC") ANNOUNCED AN INDUSTRY-WIDE INITIATIVE TO IDENTIFY AND REMEDY CONFLICTS OF INTEREST THAT ARISE WHERE INVESTMENT ADVISERS FAILED TO MAKE REQUIRED DISCLOSURES RELATING TO THEIR SELECTION OF CERTAIN MUTUAL FUND SHARE CLASSES THAT PAID THE ADVISER (OR ITS RELATED ENTITIES) A FEE PURSUANT TO RULE 12B-1 UNDER THE INVESTMENT COMPANY ACT OF 1940 ("12B-1 FEE") WHEN A LOWER-COST SHARE CLASS FOR THE SAME FUND WAS AVAILABLE TO CLIENTS. BASED ON INFORMATION THAT FIRST CITIZENS INVESTOR SERVICES, INC. ("FCIS") SELF-DISCLOSED, THE SEC ISSUED AN ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS AGAINST FCIS ON MARCH 11, 2019 (THE "ORDER"). THE SEC DETERMINED THAT, FOR THE PERIOD FROM JANUARY 1, 2014 TO JULY 20, 2018, FCIS PURCHASED, RECOMMENDED OR HELD FOR ADVISORY CLIENTS MUTUAL FUND SHARE CLASSES THAT PAID 12B-1 FEES TO FCIS INSTEAD OF LOWER-COST SHARE CLASSES FOR THE SAME FUNDS FOR WHICH THE CLIENTS WERE ELIGIBLE. THE SEC DETERMINED THAT FCIS DID NOT ADEQUATELY DISCLOSE: (A) ITS RECEIPT OF 12B-1 FEES, AND/OR (B) ITS SELECTION OF MUTUAL FUND SHARE CLASSES THAT PAY SUCH FEES. THE SEC FOUND THAT THIS CONDUCT VIOLATED SECTIONS 206(2) AND 207 OF THE INVESTMENT ADVISERS ACT OF 1940 (THE "ADVISERS ACT"). FCIS CONSENTED TO THE ORDER WITHOUT ADMITTING OR DENYING THE SEC'S FINDINGS.

Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Date Initiated:	03/11/2019
Docket/Case Number:	FILE NO. 3-19027
Principal Product Type:	Mutual Fund(s)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	CENSURE, DISGORGEMENT, PREJUDGMENT INTEREST, AND UNDERTAKINGS
Resolution:	Decision & Order of Offer of Settlement
Resolution Date:	03/11/2019
Sanctions Ordered:	Censure Disgorgement/Restitution Cease and Desist/Injunction
Other Sanctions Ordered:	PREJUDGMENT INTEREST AND, WITHIN 30 DAYS OF THE ORDER: (A) REVISE, AS NECESSARY, DISCLOSURE DOCUMENTS CONCERNING MUTUAL FUND SHARE CLASS SELECTION AND 12B-1 FEES; (B) MOVE CLIENTS TO A LOWER-COST SHARE CLASS, AS NECESSARY; (C) REVISE, AS NECESSARY, POLICIES AND PROCEDURES RELATED TO MUTUAL FUND SHARE CLASS SELECTION DISCLOSURES; AND (D) NOTIFY AFFECTED INVESTORS OF THE TERMS OF THE ORDER.
Sanction Details:	THE SEC CENSURED AND ORDERED FCIS TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTIONS 206(2) AND 207 OF THE ADVISERS ACT. THE SEC ALSO ORDERED FCIS TO PAY $359,872.11 IN DISGORGEMENT AND $42,793.07 IN PREJUDGMENT INTEREST TO FCIS INVESTORS AFFECTED BY THE CONDUCT DESCRIBED IN THE ORDER, PURSUANT TO PROCEDURES OUTLINED THEREIN. THE SEC DID NOT ORDER A CIVIL MONETARY PENALTY OR FINE.
Firm Statement	ON MARCH 11, 2019, FCIS CONSENTED, WITHOUT ADMITTING OR DENYING THE FINDINGS (EXCEPT AS TO JURISDICTION), TO THE ISSUANCE OF THE ORDER. (ON THE SAME DAY, THE SEC ISSUED SIMILAR ORDERS AGAINST 78 OTHER INVESTMENT ADVISERS.) THE SEC'S FINDINGS AGAINST FCIS ARE SUMMARIZED IN RESPONSE TO QUESTION 7 ABOVE. IN ACCORDANCE WITH THE SEC'S ORDER, FCIS HAS DEPOSITED THE DISGORGEMENT AND PREJUDGMENT INTEREST AMOUNTS INTO AN ESCROW ACCOUNT AND HAS COMPLIED WITH ALL RELEVANT DEADLINES RELATED TO THE CONTEMPLATED DISTRIBUTION OF THESE FUNDS. FCIS

ALSO IS IN THE PROCESS OF IMPLEMENTING (AND IN SOME CASES ALREADY HAS IMPLEMENTED) THE UNDERTAKINGS SET FORTH IN RESPONSE TO QUESTION 12.B, ABOVE.

Arbitration Award - Award / Judgment

Brokerage firms are not required to report arbitration claims filed against them by customers; however, BrokerCheck provides summary information regarding FINRA arbitration awards involving securities and commodities disputes between public customers and registered securities firms in this section of the report.
The full text of arbitration awards issued by FINRA is available at www.finra.org/awardsonline.

Disclosure 1 of 4

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-FAILURE TO SUPERVISE; ACCOUNT RELATED-NEGLIGENCE
Arbitration Forum:	NASD
Case Initiated:	06/08/2004
Case Number:	04-03923
Disputed Product Type:	NO OTHER TYPE OF SEC INVOLVE; MUTUAL FUNDS
Sum of All Relief Requested:	$30,000.00
Disposition:	AWARD AGAINST PARTY
Disposition Date:	04/19/2005
Sum of All Relief Awarded:	$26,563.00

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

Disclosure 2 of 4

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-NEGLIGENCE; NO OTHER CONTROVERSY INVOLVED
Arbitration Forum:	NASD
Case Initiated:	02/02/2005
Case Number:	05-00276

Disputed Product Type:	ANNUITIES; NO OTHER TYPE OF SEC INVOLVE
Sum of All Relief Requested:	$25,000.00
Disposition:	AWARD AGAINST PARTY
Disposition Date:	10/05/2005
Sum of All Relief Awarded:	$8,500.01

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

Disclosure 3 of 4

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT RELATED-BREACH OF CONTRACT
Arbitration Forum:	NASD
Case Initiated:	01/17/2006
Case Number:	05-06483
Disputed Product Type:	NO OTHER TYPE OF SEC INVOLVE; MUTUAL FUNDS
Sum of All Relief Requested:	$25,000.00
Disposition:	AWARD AGAINST PARTY
Disposition Date:	01/11/2007
Sum of All Relief Awarded:	$25,000.01

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

Disclosure 4 of 4

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-FAILURE TO SUPERVISE; ACCOUNT RELATED-NEGLIGENCE
Arbitration Forum:	NASD

Case Initiated:	02/10/2006
Case Number:	06-00600
Disputed Product Type:	ANNUITIES; NO OTHER TYPE OF SEC INVOLVE
Sum of All Relief Requested:	$100,000.00
Disposition:	AWARD AGAINST PARTY
Disposition Date:	09/29/2006
Sum of All Relief Awarded:	$105,368.42

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.

End of Report

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