

## BrokerCheck Report

**WILLIAM CHARLES STONHAUS**

CRD# 1031651

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Broker Qualifications	2 - 5
Registration and Employment History	7
Disclosure Events	8



When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

## 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.

**Thank you for using FINRA BrokerCheck.**



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at [brokercheck.finra.org](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://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](http://www.finra.org).

**WILLIAM C. STONHAUS**

CRD# 1031651

**Currently employed by and registered with the following Firm(s):**

**IA UBS FINANCIAL SERVICES INC.**  
 FIG GARDEN FINANCIAL CENTER  
 5200 NORTH PALM SUITE 101  
 FRESNO, CA 93704  
 CRD# 8174  
 Registered with this firm since: 10/22/2008

**B UBS FINANCIAL SERVICES INC.**  
 FIG GARDEN FINANCIAL CENTER  
 5200 NORTH PALM SUITE 101  
 FRESNO, CA 93704-9874  
 CRD# 8174  
 Registered with this firm since: 10/22/2008

**Report Summary for this Broker**

This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

**Broker Qualifications****This broker is registered with:**

- 10 Self-Regulatory Organizations
- 17 U.S. states and territories

**This broker has passed:**

- 0 Principal/Supervisory Exams
- 3 General Industry/Product Exams
- 2 State Securities Law Exams

**Registration History****This broker was previously registered with the following securities firm(s):**

**B WACHOVIA SECURITIES, LLC**  
 CRD# 19616  
 FRESNO, CA  
 07/2003 - 10/2008

**IA WACHOVIA SECURITIES, LLC**  
 CRD# 19616  
 ST. LOUIS, MO  
 07/2003 - 10/2008

**IA PRUDENTIAL SECURITIES INCORPORATED**  
 CRD# 7471  
 NEW YORK, NY  
 04/2000 - 07/2003

**Disclosure Events**

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

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

**The following types of disclosures have been reported:**

Type	Count
Criminal	1
Customer Dispute	9



## Broker Qualifications

### Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

**This individual is currently registered with 10 SROs and is licensed in 17 U.S. states and territories through his or her employer.**

### Employment 1 of 1

Firm Name: **UBS FINANCIAL SERVICES INC.**

Main Office Address: **1200 HARBOR BOULEVARD  
WEEHAWKEN, NJ 07086**

Firm CRD#: **8174**

	SRO	Category	Status	Date
B	BOX Exchange LLC	General Securities Representative	Approved	05/16/2012
B	Cboe Exchange, Inc.	General Securities Representative	Approved	10/22/2008
B	FINRA	General Securities Representative	Approved	10/22/2008
B	NYSE American LLC	General Securities Representative	Approved	10/22/2008
B	NYSE Arca, Inc.	General Securities Representative	Approved	10/22/2008
B	NYSE Texas, Inc.	General Securities Representative	Approved	07/20/2022
B	Nasdaq ISE, LLC	General Securities Representative	Approved	10/22/2008
B	Nasdaq PHLX LLC	General Securities Representative	Approved	10/22/2008
B	Nasdaq Stock Market	General Securities Representative	Approved	10/22/2008
B	New York Stock Exchange	General Securities Representative	Approved	10/22/2008

	U.S. State/ Territory	Category	Status	Date
B	Arizona	Agent	Approved	06/04/2020
B	California	Agent	Approved	10/22/2008
IA	California	Investment Adviser Representative	Approved	10/22/2008

## Broker Qualifications



### Employment 1 of 1, continued

	U.S. State/ Territory	Category	Status	Date
B	Colorado	Agent	Approved	12/20/2021
B	Florida	Agent	Approved	01/31/2020
B	Idaho	Agent	Approved	03/18/2024
B	Illinois	Agent	Approved	08/12/2020
B	Michigan	Agent	Approved	09/28/2016
B	Montana	Agent	Approved	06/22/2022
B	Nevada	Agent	Approved	09/24/2021
B	New York	Agent	Approved	10/22/2008
B	Ohio	Agent	Approved	11/25/2024
B	Oklahoma	Agent	Approved	11/26/2018
B	Oregon	Agent	Approved	10/16/2024
B	Tennessee	Agent	Approved	09/25/2024
B	Texas	Agent	Approved	10/14/2024
IA	Texas	Investment Adviser Representative	Restricted Approval	01/20/2025
B	Washington	Agent	Approved	09/16/2019
B	Wyoming	Agent	Approved	09/30/2024

### Branch Office Locations

**UBS FINANCIAL SERVICES INC.**  
 FIG GARDEN FINANCIAL CENTER  
 5200 NORTH PALM SUITE 101  
 FRESNO, CA 93704-9874

**UBS FINANCIAL SERVICES INC.**

## Broker Qualifications



### Employment 1 of 1, continued

355 Santana Row  
Suite 2050  
SAN JOSE, CA 95128

#### **UBS FINANCIAL SERVICES INC.**

305 Lytton Avenue  
Palo Alto, CA 94301

#### **UBS FINANCIAL SERVICES INC.**

San Jose, CA

#### **UBS FINANCIAL SERVICES INC.**

Aptos, CA

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## Broker Qualifications

### Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below. A passed exam or exam waiver does not permit a broker to do business without an active SRO or state registration.

**This individual has passed 0 principal/supervisory exams, 3 general industry/product exams, and 2 state securities law exams.**

### Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> Securities Industry Essentials Examination	SIE	10/01/2018
<b>B</b> National Commodity Futures Examination	Series 3	02/01/1984
<b>B</b> General Securities Representative Examination	Series 7	02/20/1982

### State Securities Law Exams

Exam	Category	Date
<b>IA</b> Uniform Investment Adviser Law Examination	Series 65	11/21/2000
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	03/04/1982

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at [www.finra.org/brokerqualifications/registeredrep/](http://www.finra.org/brokerqualifications/registeredrep/).

## Broker Qualifications



## Professional Designations

This section details that the representative has reported **0** professional designation(s).

No information reported.





## Registration and Employment History

### Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
<b>B</b> 07/2003 - 10/2008	WACHOVIA SECURITIES, LLC	19616	FRESNO, CA
<b>IA</b> 07/2003 - 10/2008	WACHOVIA SECURITIES, LLC	19616	FRESNO, CA
<b>IA</b> 04/2000 - 07/2003	PRUDENTIAL SECURITIES INCORPORATED	7471	FRESNO, CA
<b>B</b> 06/1999 - 07/2003	PRUDENTIAL SECURITIES INCORPORATED	7471	NEW YORK, NY
<b>B</b> 06/1992 - 05/1999	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	NEW YORK, NY
<b>B</b> 07/1985 - 06/1992	PRUDENTIAL SECURITIES INCORPORATED	7471	NEW YORK, NY
<b>B</b> 03/1982 - 08/1985	E. F. HUTTON & COMPANY INC	235	

### Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

**Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.**

Employment	Employer Name	Position	Investment Related	Employer Location
10/2008 - Present	UBS FINANCIAL SERVICES INC	FINANCIAL ADVISOR	Y	FRESNO, CA, United States

### Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

No information reported.

## Disclosure Events



### What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
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 broker is required to disclose a particular criminal event.
  - A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
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3. **Disclosure events in BrokerCheck reports come from different sources:**
  - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all 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.
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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 brokers and brokerage 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.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Criminal	0	1	0
Customer Dispute	0	9	N/A



Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

Criminal - Final Disposition

This type of disclosure event involves a criminal charge against the broker that has resulted in a conviction, acquittal, dismissal, or plea. The criminal matter may pertain to any felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property.

Disclosure 1 of 1

Reporting Source:	Broker
Court Details:	NOT PROVIDED
Charge Date:	01/01/1981
Charge Details:	NOT PROVIDED
Felony?	
Current Status:	Final
Status Date:	01/31/1981
Disposition Details:	CONVICTED FOR OPEN CONTAINER AND DRUNK DRIVING.
Broker Statement	IN 1981, STONHAUS WAS CONVICTED FOR OPEN CONTAINER AND DRUNK DRIVING.



## Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

### Disclosure 1 of 8

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH, PIERCE, FENNER & SMITH INC.

**Allegations:** ORAL COMPLAINT. CLIENT QUESTIONED SUITABILITY OF RECOMMENDATIONS REGARDING "B" SHARES VERSUS "A" SHARES.

**Product Type:** Mutual Fund(s)

**Alleged Damages:** \$180,000.00

### Customer Complaint Information

**Date Complaint Received:** 08/04/2000

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/05/2000

**Settlement Amount:** \$88,439.87

**Individual Contribution Amount:** \$0.00

**Firm Statement** THIS CASE WAS SETTLED TO AVOID THE EXPENSE AND UNCERTAINTY OF LITIGATION.

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**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH, PIERCE, FENNER AND SMITH INC.

**Allegations:** ORAL COMPLAINT. CLIENT QUESTIONED SUITABILITY OF RECOMMENDATIONS REGARDING "B" SHARES VERSUS "A" SHARES.

**Product Type:** Mutual Fund

**Alleged Damages:** \$180,000.00

**Is this an oral complaint?** Yes



**Is this a written complaint?** No

**Is this an arbitration/CFTC reparation or civil litigation?** No

### Customer Complaint Information

**Date Complaint Received:** 08/04/2000

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/05/2000

**Settlement Amount:** \$88,439.87

**Individual Contribution Amount:** \$0.00

**Broker Statement** THIS CASE WAS SETTLED TO AVOID THE EXPENSE AND UNCERTAINTY OF LITIGATION. MERRILL LYNCH SETTLED THIS DISPUTE FOR THEIR OWN BUSINESS PURPOSES, THERE WAS NO FINDING OF ANY WRONG DOING ON MY PART. I DID NOT PARTICIPATE OR CONTRIBUTE IN THIS SETTLEMENT NOR WAS I ASKED TO

### Disclosure 2 of 8

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH, PIERCE, FENNER & SMITH INC.

**Allegations:** ORAL COMPLAINT. CLIENT QUESTIONED SUITABILITY OF RECOMMENDATIONS REGARDING "B" SHARES VERSUS "A" SHARES.

**Product Type:** Mutual Fund(s)

**Alleged Damages:** \$180,000.00

### Customer Complaint Information

**Date Complaint Received:** 08/04/1999

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/05/2000

**Settlement Amount:** \$40,632.96



<b>Individual Contribution Amount:</b>	\$0.00
<b>Firm Statement</b>	THIS CASE WAS SETTLED TO AVOID THE EXPENSE AND UNCERTAINTY OF LITIGATION.

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<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	MERRILL LYNCH, PIERCE, FENNER & SMITH INC.
<b>Allegations:</b>	ORAL COMPLAINT. CLIENT QUESTIONED SUITABILITY OF RECOMMENDATIONS REGARDING "B" SHARES VERSUS "A" SHARES.
<b>Product Type:</b>	Mutual Fund
<b>Alleged Damages:</b>	\$180,000.00
<b>Is this an oral complaint?</b>	Yes
<b>Is this a written complaint?</b>	No
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

### Customer Complaint Information

<b>Date Complaint Received:</b>	08/04/1999
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	09/05/2000
<b>Settlement Amount:</b>	\$40,632.96
<b>Individual Contribution Amount:</b>	\$0.00
<b>Broker Statement</b>	THIS CASE WAS SETTLED TO AVOID THE EXPENSE AND UNCERTAINTY OF LITIGATION. MERRILL LYNCH SETTLED THIS DISPUTE FOR THEIR OWN BUSINESS PURPOSES, THERE WAS NO FINDING OF ANY WRONG DOING ON MY PART. I DID NOT PARTICIPATE OR CONTRIBUTE IN THIS SETTLEMENT NOR WAS I ASKED TO

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**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH, PIERCE, FENNER & SMITH INC.

**Allegations:** CUSTOMER'S ATTORNEY RAISES ALLEGATIONS OF FAILURE TO PROPERLY MANAGE CUSTOMER'S ACCOUNTS, FAILURE TO DISCLOSE MATERIAL FACTS AND UNAUTHORIZED TRADING IN CUSTOMER'S ACCOUNTS.

**Product Type:** Debt-Government  
Mutual Fund  
Other: EQUITIES

**Alleged Damages:** \$240,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** No

### Customer Complaint Information

**Date Complaint Received:** 07/13/2000

**Complaint Pending?** No

**Status:** Evolved into Arbitration/CFTC reparation (the individual is a named party)

**Status Date:** 10/03/2000

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

**Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):** NASD

**Docket/Case #:** 00-04072

**Date Notice/Process Served:** 10/03/2000

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 11/15/2001



<b>Monetary Compensation Amount:</b>	\$30,000.00
<b>Individual Contribution Amount:</b>	\$0.00
<b>Firm Statement</b>	THE CASE WAS SETTLED SOLELY TO AVOID DEFENSE COSTS, TRAVEL COSTS AND VAGARIES OF LITIGATION.

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<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	MERRILL LYNCH, PIERCE, FENNER & SMITH INC.
<b>Allegations:</b>	THE CLAIM ALLEGEDLY "IS BASED UPON RESPONDENTS' FAILURE TO PROPERLY MANAGE CLAIMANT'S ACCOUNTS FAILURE TO DISCLOSE MATERIAL FACTS, AND UNAUTHORIZED TRADING IN CLAIMANT'S ACCOUNT(S)..."
<b>Product Type:</b>	Mutual Fund Other: QUITIES, DEBT-U.S. GOVERNMENT
<b>Alleged Damages:</b>	\$240,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

### Customer Complaint Information

<b>Date Complaint Received:</b>	10/03/2000
<b>Complaint Pending?</b>	No
<b>Status:</b>	Evolved into Arbitration/CFTC reparation (the individual is a named party)
<b>Status Date:</b>	10/03/2000
<b>Settlement Amount:</b>	\$0.00
<b>Individual Contribution Amount:</b>	\$0.00

### Arbitration Information





<b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b>	NASD
<b>Docket/Case #:</b>	00-04072
<b>Date Notice/Process Served:</b>	10/03/2000
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	11/15/2001
<b>Monetary Compensation Amount:</b>	\$30,000.00
<b>Individual Contribution Amount:</b>	\$0.00
<b>Broker Statement</b>	THE CASE WAS SETTLED SOLELY TO AVOID DEFENSE COSTS. TRAVEL COSTS AND VAGARIES OF LITIGATION. MERRILL LYNCH SETTLED THIS DISPUTE FOR THEIR OWN BUSINESS PURPOSES, THERE WAS NO FINDING OF ANY WRONG DOING ON MY PART. I DID NOT PARTICIPATE OR CONTRIBUTE IN THIS SETTLEMENT NOR WAS I ASKED TO.

#### Disclosure 4 of 8

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	MERRILL LYNCH, PIERCE, FENNER & SMITH INC.
<b>Allegations:</b>	CUSTOMER MADE AN ORAL COMPLAINT STATING THAT THE INVESTMENTS IN TWO CLASS B MUTUAL FUNDS (AGGREGATE VALUE OF APPROXIMATELY \$1 MILLION) WERE INAPPROPRIATE. CUSTOMER INDICATES THAT PLACING THE MONEY IN A SINGLE CLASS A MUTUAL FUND WOULD HAVE BEEN ADVANTAGEOUS AND ENTITLED THEM TO A PURCHASE AT NET ASSET VALUE.
<b>Product Type:</b>	Mutual Fund(s)
<b>Alleged Damages:</b>	\$30,000.00

#### Customer Complaint Information

<b>Date Complaint Received:</b>	09/08/1999
<b>Complaint Pending?</b>	No



<b>Status:</b>	Settled
<b>Status Date:</b>	10/15/1999
<b>Settlement Amount:</b>	\$27,404.96
<b>Individual Contribution Amount:</b>	\$0.00
<b>Firm Statement</b>	AS A BUSINESS DECISION AND TO AVOID THE COSTS AND UNCERTAINTIES INVOLVED WITH LITIGATION, MERRILL LYNCH SETTLED THIS MATTER.

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<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	MERRILL LYNCH, PIERCE, FENNER , SMITH INC
<b>Allegations:</b>	CUSTOMER MADE AN ORAL COMPLAINT THAT HE INVESTMENTS IN TWO CLASS B MUTUAL FUNDS ( AGGREGATE VALUE OF APPROXIMATELY 1 MILLION ) WERE INAPPROPRIATE. CUSTOMER INDICATES THAT PALCING THE MONEY IN A SINGLE CLASS A MUTUAL FUND WOULD HAVE BEEN ADVANTAGEOUS AND ENTITLED THEM TO A PURCHASE AT NET ASSET VALUE.
<b>Product Type:</b>	Mutual Fund
<b>Alleged Damages:</b>	\$30,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

### Customer Complaint Information

<b>Date Complaint Received:</b>	09/08/1999
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	10/15/1999
<b>Settlement Amount:</b>	\$27,404.96
<b>Individual Contribution Amount:</b>	\$0.00

**Broker Statement**

AS A BUSINESS DECISION AND TO AVOID THE COST AND UNCERTAINTIES INVOLVED WITH LITIGATION , MERRIL LYNCH SETTLED THIS MATTER. MERRILL LYNCH SETTLED THIS DISPUTE FOR THEIR OWN BUSINESS PURPOSES, THERE WAS NO FINDING OF ANY WRONG DOING ON MY PART. I DID NOT PARTICIPATE OR CONTRIBUTE IN THIS SETTLEMENT NOR WAS I ASKED TO

**Disclosure 5 of 8****Reporting Source:**

Firm

**Employing firm when activities occurred which led to the complaint:**

MERRILL LYNCH, PIERCE, FENNER &amp; SMITH INC.

**Allegations:**

THIS CUSTOMER MADE AN ORAL COMPLAINT THAT MR. FOLLAND DID NOT ADEQUATELY REPRESENT THE COSTS AND FEES ASSOCIATED WITH THEIR INVESTMENTS IN SHARES OF CERTAIN MUTUAL FUNDS.

**Product Type:**

Mutual Fund(s)

**Alleged Damages:**

\$30,000.00

**Customer Complaint Information****Date Complaint Received:**

07/29/1999

**Complaint Pending?**

No

**Status:**

Settled

**Status Date:**

09/24/1999

**Settlement Amount:**

\$29,480.00

**Individual Contribution Amount:**

\$0.00

**Firm Statement**

AS A BUSINESS DECISION, MERRILL LYNCH AGREED TO REIMBURSE THE CUSTOMER FOR THE AMOUNT OF THE COSTS THEY INCURRED AS A RESULT OF THE LIQUIDATION OF SHARES OF CERTAIN MUTUAL FUNDS.

**Reporting Source:**

Broker

**Employing firm when activities occurred which led to the complaint:**

PRUDENTIAL SECURITIES INCORPORATED

**Allegations:**

THIS CUSTOMER MADE AN ORAL COMPLAINT THAT MR. FOLLAND DID NOT



ADEQUATELY REPRESENT THE COST AND FEES ASSOCIATED WITH THEIR INVESTMENTS IN SHARES OF CERTAIN MUTUAL FUNDS.

**Product Type:** Mutual Fund

**Alleged Damages:** \$30,000.00

**Is this an oral complaint?** Yes

**Is this a written complaint?** No

**Is this an arbitration/CFTC reparation or civil litigation?** No

### Customer Complaint Information

**Date Complaint Received:** 07/29/1999

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/24/1999

**Settlement Amount:** \$29,480.00

**Individual Contribution Amount:** \$0.00

**Broker Statement**

MERRILL LYNCH SETTLED THIS DISPUTE FOR THEIR OWN BUSINESS PURPOSES, THERE WAS NO FINDING OF ANY WRONG DOING ON MY PART. I DID NOT PARTICIPATE OR CONTRIBUTE IN THIS SETTLEMENT NOR WAS I ASKED TO AS BUSINESS DECISION, MERRILL LYNCH AGREED TO REIMBURSE THE CUSTOMER FOR THE AMOUNT OF THE COSTS THEY INCURRED AS A RESULT OF THE LIQUIDATION OF SHARES OF CERTAIN MUTUAL FUNDS.

### Disclosure 6 of 8

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

**Allegations:** CUSTOMERS ALLEGE UNSUITABLE INVESTMENT RECOMMENDATIONS AND EXCESSIVE COMMISSIONS AND MARK UP.

**Product Type:** Equity-OTC  
Mutual Fund



**Alleged Damages:** \$8,000,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC  
reparation or civil litigation?** No

### Customer Complaint Information

**Date Complaint Received:** 07/19/1999

**Complaint Pending?** No

**Status:** Evolved into Arbitration/CFTC reparation (the individual is a named party)

**Status Date:** 01/14/2002

**Settlement Amount:**

**Individual Contribution  
Amount:**

### Arbitration Information

**Arbitration/CFTC reparation  
claim filed with (FINRA, AAA,  
CFTC, etc.):** NASD

**Docket/Case #:** 01-06777

**Date Notice/Process Served:** 01/14/2002

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 01/08/2003

**Monetary Compensation  
Amount:** \$900,000.00

**Individual Contribution  
Amount:** \$0.00

**Firm Statement** WE SETTLED THIS MATTER FOR BUSINESS REASONS.

**Reporting Source:** Broker



**Employing firm when activities occurred which led to the complaint:** MERRIL LYNCH

**Allegations:** CUSTOMERS ALLEGE UNSUITABLE INVESTMENT RECOMMENDATIONS AND EXCESSIVE COMMISSIONS AND MARK-UP.

**Product Type:** Mutual Fund

**Alleged Damages:** \$8,000,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** No

### Customer Complaint Information

**Date Complaint Received:** 07/19/1999

**Complaint Pending?** No

**Status:** Evolved into Arbitration/CFTC reparation (the individual is a named party)

**Status Date:** 01/14/2002

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

**Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):** NASD

**Docket/Case #:** 01-06777

**Date Notice/Process Served:** 01/14/2002

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 01/08/2003

**Monetary Compensation Amount:** \$900,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement**

THIS MATTER WAS SETTLED FOR BUSINESS REASONS. MERRILL LYNCH SETTLED THIS DISPUTE FOR THEIR OWN BUSINESS PURPOSES, THERE WAS NO FINDING OF ANY WRONG DOING ON MY PART. I DID NOT PARTICIPATE OR CONTRIBUTE IN THIS SETTLEMENT NOR WAS I ASKED TO

**Disclosure 7 of 8****Reporting Source:**

Firm

**Employing firm when activities occurred which led to the complaint:**

MERRILL LYNCH

**Allegations:**

FINANCIAL ADVISOR ALLEGEDLY AIDED AND ABETTED PRINCIPALS OF NALICO IN DEFRAUDING PLAINTIFFS IN A CLAS ACTION SUIT FILED AGAINST NALICO.

**Product Type:**

Other

**Other Product Type(s):**

BONDS

**Alleged Damages:**

\$3,000,000.00

**Customer Complaint Information****Date Complaint Received:**

03/17/1997

**Complaint Pending?**

No

**Status:**

Litigation

**Status Date:**

03/17/1997

**Settlement Amount:****Individual Contribution Amount:****Civil Litigation Information****Court Details:**

SUPERIOR; SAN DIEGO COUNTY, CA; 696798

**Date Notice/Process Served:**

03/17/1997

**Litigation Pending?**

No

**Disposition:**

Settled

**Disposition Date:**

03/11/2003

**Monetary Compensation Amount:**

\$500,000.00



**Individual Contribution Amount:** \$0.00

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**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** ALLEGEDLY AIDED AND ABETTED PRINCIPALS OF NALICO IN DEFRAUDING PLAINTIFFS IN A CLASS ACTION SUIT FILED AGAINST NALICO.

**Product Type:** Other

**Other Product Type(s):** FIXED INCOME - BONDS

**Alleged Damages:**

### Customer Complaint Information

**Date Complaint Received:** 03/17/1997

**Complaint Pending?** No

**Status:** Litigation

**Status Date:** 03/17/1997

**Settlement Amount:**

**Individual Contribution Amount:**

### Civil Litigation Information

**Court Details:** SUPERIOR; SAN DIEGO COUNTY, CA; 696798

**Date Notice/Process Served:** 03/17/1997

**Litigation Pending?** No

**Disposition:** Settled

**Disposition Date:** 03/11/2003

**Monetary Compensation Amount:** \$500,000.00

**Individual Contribution Amount:** \$0.00

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### Disclosure 8 of 8

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	PRUDENTIAL SECURITIES INC.
<b>Allegations:</b>	CLIENT ALLEGES DAMAGES OF \$386,582 BASED UPON IMPROPER HEDGING STRATEGY WHICH LOST MONEY. THIS OCCURRED WHILE I WAS A PRUDENTIAL EMPLOYEE.
<b>Product Type:</b>	No Product
<b>Alleged Damages:</b>	\$386,582.00

### Customer Complaint Information

<b>Date Complaint Received:</b>	01/01/1988
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	06/17/1990
<b>Settlement Amount:</b>	\$100,000.00
<b>Individual Contribution Amount:</b>	\$0.00

### Civil Litigation Information

<b>Type of Court:</b>	UNKNOWN (OLD MATTER)
<b>Name of Court:</b>	UNKNOWN
<b>Location of Court:</b>	UNKNOWN
<b>Docket/Case #:</b>	CV-89-2718 WDK (KX)
<b>Date Notice/Process Served:</b>	05/18/1989
<b>Litigation Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	06/17/1990
<b>Monetary Compensation Amount:</b>	\$100,000.00
<b>Individual Contribution Amount:</b>	\$0.00

**Broker Statement**

MY FORMER PARTNER AT THE TIME WAS THE PRIMARY BROKER ON THE ACCOUNT. THE CLIENT LOST MONEY ON A HEDGING STRATEGY ON WHICH THEY WERE FULLY INFORMED ABOUT ALL RISKS. WE DID NOT WANT TO SETTLE, BUT PRUDENTIAL SETTLED FOR COST OF LITIGATION PURPOSES. PRUDENTIAL SETTLED THIS DISPUTE FOR THEIR OWN BUSINESS PURPOSES, THERE WAS NO FINDING OF ANY WRONG DOING ON MY PART. I DID NOT PARTICIPATE OR CONTRIBUTE IN THIS SETTLEMENT NOR WAS I ASKED TO



## Customer Dispute - Closed-No Action / Withdrawn / Dismissed / Denied

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a consumer-initiated, investment-related written complaint containing allegations that the broker engaged in sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities, which was closed without action, withdrawn, or denied.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	PRUDENTIAL SECURITIES INCORPORATED
<b>Allegations:</b>	CUSTOMER ALLEGES THAT MR. STONHAUS FAILED TO DISCLOSE THE VOLATILITY ASSOCIATED WITH EQUITY MANAGED ACCOUNTS DURING THE PERIOD MAY 2000 THROUGH JANUARY 2001.
<b>Product Type:</b>	Options
<b>Alleged Damages:</b>	\$114,797.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

### Customer Complaint Information

<b>Date Complaint Received:</b>	10/16/2000
<b>Complaint Pending?</b>	No
<b>Status:</b>	Denied
<b>Status Date:</b>	01/16/2002
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	
<b>Broker Statement</b>	PLEASE ARCHIVE. COMPLAINT IS OVER 24 MONTH. COMPLAINT DENIED AS NON-MERITORIOUS.

## End of Report



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