

**BrokerCheck Report**

**RICKY ALAN MANTEI**

CRD# 1098981

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## 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:

- o 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
- o 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)

**RICKY A. MANTEI**

CRD# 1098981

**Currently employed by and registered with the following Firm(s):****CENTAURUS FINANCIAL, INC.**4580 SUNSET BLVD.  
LEXINGTON, SC 29072  
CRD# 30833

Registered with this firm since: 05/19/2015

**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:**

- 1 Self-Regulatory Organization
- 3 U.S. states and territories

**This broker has passed:**

- 1 Principal/Supervisory Exam
- 4 General Industry/Product Exams
- 1 State Securities Law Exam

**Registration History****This broker was previously registered with the following securities firm(s):****J.P. TURNER & COMPANY, L.L.C.**CRD# 43177  
LEXINGTON, SC  
03/2010 - 06/2015**GUNNALLEN FINANCIAL, INC**CRD# 17609  
LEXINGTON, SC  
03/2008 - 03/2010**FIRST ALLIED SECURITIES, INC.**CRD# 32444  
LEXINGTON, SC  
10/2000 - 03/2008**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 |
|------------------|-------|
| Customer Dispute | 8     |

**Investment Adviser Representative Information**

The information below represents the individual's record as a broker. For details on this individual's record as an investment adviser representative, visit the SEC's Investment Adviser Public Disclosure website at <https://www.adviserinfo.sec.gov>



## 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 1 SRO and is licensed in 3 U.S. states and territories through his or her employer.**

### Employment 1 of 1

Firm Name: **CENTAURUS FINANCIAL, INC.**  
 Main Office Address: **2300 E. KATELLA AVENUE  
 SUITE #200  
 ANAHEIM, CA 92806**  
 Firm CRD#: **30833**

| SRO   | Category                          | Status   | Date       |
|-------|-----------------------------------|----------|------------|
| FINRA | General Securities Principal      | APPROVED | 05/19/2015 |
| FINRA | General Securities Representative | APPROVED | 05/19/2015 |
| FINRA | Invest. Co and Variable Contracts | APPROVED | 05/19/2015 |

| U.S. State/<br>Territory | Category | Status   | Date       |
|--------------------------|----------|----------|------------|
| Georgia                  | Agent    | APPROVED | 05/19/2015 |
| South Carolina           | Agent    | APPROVED | 05/19/2015 |
| Tennessee                | Agent    | APPROVED | 06/01/2015 |

### Branch Office Locations

**CENTAURUS FINANCIAL, INC.**  
 4580 SUNSET BLVD.  
 LEXINGTON, SC 29072



## 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.

**This individual has passed 1 principal/supervisory exam, 4 general industry/product exams, and 1 state securities law exam.**

### Principal/Supervisory Exams

| Exam                                     | Category  | Date       |
|--|-----------|------------|
| General Securities Principal Examination | Series 24 | 07/15/1997 |

### General Industry/Product Exams

| Exam  | Category  | Date       |
|---|-----------|------------|
| Securities Industry Essentials Examination    | SIE       | 10/01/2018 |
| Futures Managed Funds Examination             | Series 31 | 05/25/1993 |
| Interest Rate Options Examination             | Series 5  | 03/30/1983 |
| General Securities Representative Examination | Series 7  | 02/19/1983 |

### State Securities Law Exams

| Exam   | Category  | Date       |
|--|-----------|------------|
| Uniform Securities Agent State Law Examination | Series 63 | 03/08/1983 |

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/).



## Registration and Employment History

### Registration History

The broker previously was registered with the following firms:

| Registration Dates | Firm Name   | CRD#  | Branch Location |
|--------------------|---|-------|-----------------|
| 03/2010 - 06/2015  | J.P. TURNER & COMPANY, L.L.C.                         | 43177 | LEXINGTON, SC   |
| 03/2008 - 03/2010  | GUNNALLEN FINANCIAL, INC                              | 17609 | LEXINGTON, SC   |
| 10/2000 - 03/2008  | FIRST ALLIED SECURITIES, INC.                         | 32444 | LEXINGTON, SC   |
| 09/1995 - 10/2000  | D.E. FREY & COMPANY, INC.                             | 23595 | DENVER, CO      |
| 03/1983 - 08/1995  | MERRILL LYNCH, PIERCE, FENNER & SMITH<br>INCORPORATED | 7691  | NEW YORK, NY    |

### 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 Dates  | Employer Name              | Employer Location |
|-------------------|----------------------------|-------------------|
| 05/2015 - Present | CENTAURUS FINANCIAL, INC.  | ANAHEIM, CA       |
| 03/2010 - 05/2015 | J.P. TURNER & COMPANY, LLC | LEXINGTON, SC     |
| 03/2008 - 03/2010 | GUNNALLEN FINANCIAL        | LEXINGTON, SC     |

### 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.

EMPIRE BUSINESS BROKERS, NON-INVESTMENT RELATED, 1361 W. WADE HAMPTON BLVD., SUITE F, GREER, SC 29650, BUSINESS EXIT PLANNING AND COACHING SERVICES, SINCE 11/11/2016, DEVOTED TIME IS 1 HOUR A MONTH, THIS WILL BE OFFERED AS A SERVICE TO OUR EXISTING BROKERAGE CLIENTS. OWNER, MANTEI & ASSOCIATES, 4580 SUNSET BLVD., LEXINGTON, SC 29072. INVESTMENT RELATED SINCE 1995 AND I SPEND APPROX. 250-300 HOURS PER MONTH ON THIS ACTIVITY. THIS IS THE FRANCHISE BUSINESS ENTITY NAME FOR MANTEI'S BUSINESS.  
CRUMP, 2406 QUININE LANE, COLUMBIA, SC 29204.

## Registration and Employment History



### **Other Business Activities, continued**

NON INVESTMENT SINCE 2012 AND I SPEND APPROX. ONE HOUR PER MONTH ON THIS ACTIVITY.  
PROPERTY & CASUALTY.

AGENT, PROFESSIONAL BROKERS REALTY, P.O. BOX 49971, GREENWOOD, SC 29649. INVESTMENT RELATED  
SINCE 2010 AND I SPEND APPROX. ONE HOUR PER MONTH ON THIS ACTIVITY. REAL ESTATE REFERRALS.

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## 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:**
  - o A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
  - o 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.
  - o
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - o 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.
  - o
4. **There are different statuses and dispositions for disclosure events:**
  - o 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.
  - o 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 |
|------------------|---------|-------|-----------|
| Customer Dispute | 3       | 5     | 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.

### 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 4

|  |  |
|--|--|
| <b>Reporting Source:</b>   | Broker   |
| <b>Employing firm when activities occurred which led to the complaint:</b> | J.P. Turner  |
| <b>Allegations:</b>  | Claimants state that they were sold unsuitable investments from 2010 through 2016. |
| <b>Product Type:</b>   | Other: Structured Notes/CD   |
| <b>Alleged Damages:</b>  | \$164,000.00   |

#### Arbitration Information

|   |  |
|---|--|
| <b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b> | FINRA Office of Dispute Resolution Southeast Regional Office Boca Raton FL |
| <b>Docket/Case #:</b>   | 16-03307   |
| <b>Date Notice/Process Served:</b>  | 12/23/2016   |
| <b>Arbitration Pending?</b>   | No   |
| <b>Disposition:</b>   | Settled  |
| <b>Disposition Date:</b>  | 10/16/2018   |
| <b>Monetary Compensation Amount:</b>  | \$70,000.00  |



**Individual Contribution Amount:** \$0.00

**Broker Statement**

I vehemently deny any wrongdoing and assert that the customer's allegations are completely without merit. The Customer confirmed that they not only received the requisite investment documentation, but that they fully understood the characteristics of the investments and its content. The investments about which they complained were suitable and were recommended based on the customer's objectives, goals and financial circumstances and were offered only after the customer's review of all material documentation related to the investment. At all times, I put the customer's interest first and I will vigorously defend this matter to the fullest extent of the law.

This matter was settled by the firm to avoid the expense of continued litigation. I was not asked to, and did not contribute to, the settlement.

**Disclosure 2 of 4**

**Reporting Source:** Firm

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

**Allegations:** [CUSTOMER] ASSERTED CLAIMS OF UNAUTHORIZED TRADING AND UNSUITABILITY DAMAGES WERE UNSPECIFIED.

**Product Type:**

**Alleged Damages:**

**Customer Complaint Information**

**Date Complaint Received:** 05/13/1996

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$20,000.00

**Individual Contribution Amount:** \$0.00

**Firm Statement** MERRILL LYNCH AFGREED TO CREDIT \$20,000 TO [CUSTOMER] ACCOUNT IN EXCHANGE FOR A GENERAL RELEASE.  
NOT PROVIDED



**Reporting Source:** Broker

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

**Allegations:** ALLEGED UNAUTHORIZED TRADING AND UNSUITABILITY.

**Product Type:**

**Alleged Damages:**

### Customer Complaint Information

**Date Complaint Received:** 05/13/1996

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$20,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** MERRILL LYNCH AGREED TO CREDIT \$20,000 TO [CUSTOMER'S] ACCOUNT. THE TRANSACTIONS IN QUESTION WERE AUTHORIZED BY [CUSTOMER] AND WERE AMONG THE HIGHEST RATED STOCKS RECOMMENDED BY MERRILL. [CUSTOMER] HAD PREVIOUSLY BOUGHT AND SOLD FOREIGN ADR'S WITH SUCCESS AND WAS AWARE OF THE RISKS. [CUSTOMER] NEW MERRILL BROKER, MR. WILLIAM FIELDS, TOLD [CUSTOMER] THAT THE STOCKS WHICH, WERE THE HIGHEST RATED, WERE A BAD INVESTMENT AND PROCEEDED TO SELL THEM AND PLACE THE PROCEEDS INTO MERRILL'S PROPRIETARY PRODUCTS, WHICH RESULTED IN A LOSS TO THE ACCOUNT.

### Disclosure 3 of 4

**Reporting Source:** Firm

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



**Allegations:** ALLEGED IMPROPER INVESTMENT RECOMMENDATIONS.

**Product Type:**

**Alleged Damages:**

**Customer Complaint Information**

**Date Complaint Received:** 09/01/1995

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$13,004.00

**Individual Contribution Amount:**

**Firm Statement** MERRILL LYNCH REVERSED ALLEGEDLY UNSUITABLE INVESTMENT RECOMMENDATIONS. COST OF SETTLEMENT \$13,004.00.  
Not Provided

**Reporting Source:** Broker

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

**Allegations:** ALLEGED IMPROPER INVESTMENT RECOMMENDATIONS.

**Product Type:**

**Alleged Damages:**

**Customer Complaint Information**

**Date Complaint Received:** 09/01/1995

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$13,004.00

**Individual Contribution Amount:**

**Broker Statement**

MERRILL LYNCH PAID A SETTLEMENT AMOUNT OF \$13,004.00. MR. MANTEL DID NOT CONTRIBUTE TO THE SETTLEMENT. THE STOCKS THAT [CUSTOMER] PURCHASED WERE AMONG THE HIGHEST RATED STOCKS AND RECOMMENDED BY MERRILL LYNCH. [CUSTOMER] HAD PREVIOUSLY BOUGHT AND SOLD FOREIGN ADR'S WITH SUCCESS AND KNEW THE RISKS. APART FROM MERRILL LYNCH'S DESIRE TO RETAIL THE ACCOUNT, NO REASON EXISTED FOR IT TO PAY [CUSTOMER] ANY MONEY TO `SETTLE` AN ALLEGED ORAL `COMPLAINT` MADE ABOUT THE MERRILL PRODUCTS. [CUSTOMER] HAS NEVER MADE A COMPLAINT ABOUT MR. MANTEL AND HAS, IN FACT, TRANSFERRED HIS ACCOUNTS FROM MERRILL LYNCH TO MR. MANTEL.

**Disclosure 4 of 4****Reporting Source:**

Firm

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

MERRILL LYNCH &amp; CO.

**Allegations:**

ALLEGED IMPROPER USE OF MARGIN AND IMPROPER INVESTMENT RECOMMENDATIONS.

**Product Type:****Alleged Damages:****Customer Complaint Information****Date Complaint Received:**

08/14/1995

**Complaint Pending?**

No

**Status:**

Settled

**Status Date:****Settlement Amount:**

\$15,802.35

**Individual Contribution Amount:****Firm Statement**

MARGIN INTEREST CHARGES REVERSED AND UNSUITABLE TRADE IN QUESTION WAS BROKEN. COST OF SETTLEMENT \$15,802.35.  
Not Provided

**Reporting Source:**

Broker



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

**Allegations:** ALLEGED IMPROPER USE OF MARGIN AND IMPROPER INVESTMENT RECOMMENDATIONS.

**Product Type:**

**Alleged Damages:**

### **Customer Complaint Information**

**Date Complaint Received:** 08/14/1995

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$15,802.35

**Individual Contribution Amount:**

**Broker Statement**

MERRILL LYNCH PAID A SETTLEMENT AMOUNT OF \$15,802.35. MR. MANTEL DID NOT CONTRIBUTE TO THE SETTLEMENT. THE STOCKS THAT [CUSTOMER] PURCHASED WERE AMONG THE HIGHEST RATED STOCKS AND RECOMMENDED BY MERRILL LYNCH. [CUSTOMER] HAD PREVIOUSLY BOUGHT AND SOLD FOREIGN ADR'S WITH SUCCESS AND KNEW THE RISKS. [CUSTOMER] HAS NEVER MADE A COMPLAINT ABOUT MR. MANTEL. OTHER THAN IT'S DESIRE TO RETAIN [CUSTOMER'S] ACCOUNT, NO REASON EXISTS FOR MERRILL TO PAY ANY MONEY TO [CUSTOMER] TO `SETTLE` AN ALLEGED ORAL `COMPLAINT` ABOUT MERRILL'S PRODUCTS SOLD TO [CUSTOMER].



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

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, 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.

### Disclosure 1 of 1

|  |  |
|--|--|
| <b>Reporting Source:</b>   | Broker   |
| <b>Employing firm when activities occurred which led to the complaint:</b> | FIRST ALLIED SECURITIES INC  |
| <b>Allegations:</b>  | ALLEGED MISLEADING INFORMATION REGARDING A \$17,000 BONUS IN A GE LIFE AND ANNUITY COMPANY |
| <b>Product Type:</b>   | Annuity(ies) - Variable  |
| <b>Alleged Damages:</b>  | \$17,000.00  |

### Customer Complaint Information

|  |            |
|--|------------|
| <b>Date Complaint Received:</b>        | 09/13/2004 |
| <b>Complaint Pending?</b>              | No         |
| <b>Status:</b>                         | Denied     |
| <b>Status Date:</b>                    | 10/01/2004 |
| <b>Settlement Amount:</b>              |            |
| <b>Individual Contribution Amount:</b> |            |





## Customer Dispute - Pending

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, 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.

### Disclosure 1 of 3

|  |  |
|--|--|
| <b>Reporting Source:</b>   | Broker   |
| <b>Employing firm when activities occurred which led to the complaint:</b> | JP Turner and Centaurus Financial, Inc.  |
| <b>Allegations:</b>  | The customer allege that their investments were unsuitable based on their investment objectives. |
| <b>Product Type:</b>   | Debt-Corporate   |
| <b>Alleged Damages:</b>  | \$233,238.00   |
| <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> | 10/25/2018 |
| <b>Complaint Pending?</b>       | Yes        |

#### Settlement Amount:

#### Individual Contribution Amount:

#### Broker Statement

I vehemently deny any wrongdoing and assert that the allegations are completely without merit. The customers are well-educated, sophisticated investors. He has been a CPA for over 40 years and is well aware of the pros and cons of his investments. They have been clients for over 6 years, during which we communicated through numerous in-person annual review meetings and phone conversations. Their accounts were well diversified and their complaint is focused on one asset class down in market value, but would have recovered over time. The customer sold principal protected investments with another broker, contrary to sound financial advice and clearly not in the customer's best interest. Despite the imprudent sale of these principal protected securities, the customer made a great deal of money. The complaint is without merit considering the inordinate amount



of due diligence, documentation, annual reviews, phone conversations, and signed paperwork by the customer attesting to their understanding of the investments. The investments about which they complained were suitable and recommended based on their objectives, goals and financial circumstances. I offered them only after the customer's review of all material documentation related to the investment. At all times, I put the customer's interest first and will vigorously defend this matter to the fullest extent of the law.

### Disclosure 2 of 3

|  |  |
|--|--|
| <b>Reporting Source:</b>   | Broker   |
| <b>Employing firm when activities occurred which led to the complaint:</b> | J.P Turner and Centaurus Financial, Inc.   |
| <b>Allegations:</b>  | Customer primarily alleges that the financial advisor recommended unsuitable investments and several other allegations associated therewith. |
| <b>Product Type:</b>   | CD<br>Debt-Corporate<br>Real Estate Security   |
| <b>Alleged Damages:</b>  | \$100,000.00   |
| <b>Alleged Damages Amount Explanation (if amount not exact):</b>           | Claimant seeks compensatory damages between \$100,000-\$500,000.   |
| <b>Is this an oral complaint?</b>  | No   |
| <b>Is this a written complaint?</b>  | No   |
| <b>Is this an arbitration/CFTC reparation or civil litigation?</b>         | Yes  |
| <b>Arbitration/Reparation forum or court name and location:</b>            | FINRA  |
| <b>Docket/Case #:</b>  | 18-03810   |
| <b>Filing date of arbitration/CFTC reparation or civil litigation:</b>     | 11/07/2018   |

### Customer Complaint Information

|                                 |            |
|---------------------------------|------------|
| <b>Date Complaint Received:</b> | 11/14/2018 |
| <b>Complaint Pending?</b>       | Yes        |

**Settlement Amount:****Individual Contribution Amount:****Broker Statement**

I vehemently deny any wrongdoing and assert that the allegations are completely without merit. He has been a client of one of my senior brokers for over 20 years and we met with him anytime he requested. My broker conducted numerous in-person annual review meetings and followed up with countless phone conversations. Together, they constructed a diversified account containing FDIC insured CDs, corporate bonds, mutual funds and a fixed annuity. The client made these investments when he had full capacity and signed numerous disclosures attesting to his understanding of the associated risks. The family is complaining without personal knowledge of the investments or appreciation of the recommendations my broker made to produce income while maintaining the original principal in a zero-interest rate environment. This income has been vital to the support of the client's family over last 20 years. This complaint is without merit considering the inordinate amount of due diligence, documentation, annual reviews, phone conversations and signed paperwork by the client attesting to his understanding of the investments. The investments were suitable and recommended based on his objectives, goals and financial circumstances. At all times, I put the client's interest first and will vigorously defend this matter to the fullest extent of the law.

**Disclosure 3 of 3**

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** Summit Brokerage Services, Inc.

**Allegations:** The Claimants, beneficiaries of a deceased client's account, allege that the Registered Representative recommended the client unsuitable investments, which later resulted in partial loss of value upon liquidation attempt.

**Product Type:** Debt-Corporate

**Alleged Damages:** \$100,000.00

**Arbitration Information**

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

**Docket/Case #:** 18-01848



**Date Notice/Process Served:** 05/21/2018

**Arbitration Pending?** Yes

**Broker Statement**

I vehemently deny any wrongdoing and assert that the allegations are completely without merit. I am named solely in my capacity as Branch Manager for the Office of Supervisory Jurisdiction to which the Registered Representative was/is assigned. The client, the claimant's mother, now deceased, understood the investments she made through the Registered Representative. The FDIC insured CDs were suitable and recommended based on the client's objectives, goals and financial circumstances. They were offered only after the client reviewed all material/documentation related to the investments and signed multiple disclosures confirming she understood them. After the client passed, the options available to the beneficiaries were clearly explained to them, including the survivor option which would have redeemed the securities at their full principal value of \$227,000. When it was explained to the beneficiaries that the survivor option would take time to fully execute, they decided not to wait. All three beneficiaries signed statements acknowledging that they understood they were sacrificing the value of the survivor option and directed us to distribute the securities directly to each of them. All three beneficiaries chose to liquidate their entire portion in the CDs at a significantly lower market price despite the fact they were/are FDIC insured and would either have been called or matured at their full face value. Not all of the beneficiaries have made complaints about these securities. At all times, the Registered Representative put her client's interest first and we will vigorously defend this matter to the fullest extent of the law.

## End of Report



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