

## BrokerCheck Report

**JAMES KINGSLEY LOMBARDO**

CRD# 1229340

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Broker Qualifications	2 - 4
Registration and Employment History	6 - 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).



## JAMES K. LOMBARDO

CRD# 1229340

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

**IA QUINT CAPITAL MANAGEMENT**  
Sarasota, FL  
CRD# 26586  
Registered with this firm since: 05/08/2019

**B QUINT CAPITAL CORPORATION**  
230 PARK AVE - 361W  
NEW YORK, NY 10169  
CRD# 26586  
Registered with this firm since: 01/03/2019

## 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
- 5 U.S. states and territories

#### This broker has passed:

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

### Registration History

#### This broker was previously registered with the following securities firm(s):

- IA PETERSEN INVESTMENTS, INC.**  
CRD# 38537  
LOCH ARBOUR, NJ  
10/2013 - 01/2019
- B PETERSEN INVESTMENTS, INC.**  
CRD# 38537  
BEDFORD, NY  
03/2001 - 01/2019
- B GRUNTAL & CO., L.L.C.**  
CRD# 372  
NEW YORK, NY  
05/1997 - 02/2001

### 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
Regulatory Event	2
Customer Dispute	17
Termination	1



## 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 5 U.S. states and territories through his or her employer.**

### Employment 1 of 1

Firm Name: **QUINT CAPITAL CORPORATION**

Main Office Address: **230 PARK AVE - 361W  
NEW YORK, NY 10169**

Firm CRD#: **26586**

	SRO	Category	Status	Date
B	FINRA	General Securities Representative	Approved	01/03/2019
B	FINRA	Operations Professional	Approved	01/03/2019
B	FINRA	Municipal Securities Representative	Approved	02/15/2019

	U.S. State/ Territory	Category	Status	Date
B	California	Agent	Approved	01/04/2019
B	Connecticut	Agent	Approved	01/15/2019
B	Florida	Agent	Approved	05/08/2019
IA	Florida	Investment Adviser Representative	Approved	05/08/2019
B	New Jersey	Agent	Approved	03/01/2019
B	New York	Agent	Approved	01/03/2019
IA	New York	Investment Adviser Representative	Approved	03/18/2022

### Branch Office Locations

**QUINT CAPITAL CORPORATION**  
230 PARK AVE - 361W

## Broker Qualifications



### Employment 1 of 1, continued

NEW YORK, NY 10169

#### QUINT CAPITAL CORPORATION

230 PARK AVE - 361W

NEW YORK, NY 10169

#### QUINT CAPITAL CORPORATION

Sarasota, FL

---



## 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 1 principal/supervisory exam, 4 general industry/product exams, and 2 state securities law exams.**

### Principal/Supervisory Exams

Exam	Category	Date
<b>B</b> General Securities Sales Supervisor Examination (Options Module & General Module)	Series 8	08/05/1987

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> Operations Professional Examination	Series 99TO	01/02/2023
<b>B</b> Securities Industry Essentials Examination	SIE	10/01/2018
<b>B</b> General Securities Representative Examination	Series 7	08/18/1984
<b>B</b> Municipal Securities Representative Examination	Series 52	01/13/1984

### State Securities Law Exams

Exam	Category	Date
<b>IA</b> Uniform Investment Adviser Law Examination	Series 65	04/13/2004
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	03/16/1984

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>IA</b> 10/2013 - 01/2019	PETERSEN INVESTMENTS, INC.	38537	BEDFORD, NY
<b>B</b> 03/2001 - 01/2019	PETERSEN INVESTMENTS, INC.	38537	BEDFORD, NY
<b>B</b> 05/1997 - 02/2001	GRUNTAL & CO., L.L.C.	372	NEW YORK, NY
<b>B</b> 02/1990 - 04/1997	A. G. EDWARDS & SONS, INC.	4	ST. LOUIS, MO
<b>B</b> 02/1990 - 03/1990	JESUP & LAMONT, INCORPORATED	3144	
<b>B</b> 03/1989 - 01/1990	J. T. MORAN & CO., INC.	15655	
<b>B</b> 01/1990 - 01/1990	HANIFEN, IMHOFF SECURITIES CORP.	10620	
<b>B</b> 12/1989 - 01/1990	MOORE & SCHLEY, CAMERON & CO.	6917	
<b>B</b> 03/1984 - 04/1989	MCLAUGHLIN, PIVEN, VOGEL INC.	7404	
<b>B</b> 01/1984 - 03/1984	M V SECURITIES, INC. INC.	7201	

### 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
01/2019 - Present	Quint Capital Corporation	Registered Representative	Y	New York, NY, United States
03/2001 - 01/2019	Petersen Investment	Registered Representative	Y	Wall, NJ, United States



## Registration and Employment History



### 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.
  -
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.
  -
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
Regulatory Event	0	2	0
Customer Dispute	0	17	N/A
Termination	N/A	1	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.

### Regulatory - Final

This type of disclosure event may involve (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of a broker's authority to act as an attorney, accountant, or federal contractor.

#### Disclosure 1 of 2

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	ILLINOIS SECURITIES DEPARTMENT
<b>Sanction(s) Sought:</b>	Denial
<b>Other Sanction(s) Sought:</b>	
<b>Date Initiated:</b>	08/27/2001
<b>Docket/Case Number:</b>	0100401
<b>Employing firm when activity occurred which led to the regulatory action:</b>	PETERSON INVESTMENTS, INC.
<b>Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Allegations:</b>	RESPONDENT'S APPLICATION AS A SALESPERSON IS SUBJECT TO DENIAL PURSUANT TO AN NYSE ACCEPTED STIPULATION OF FACTS AND CONSENT TO PENALTY, FILE NO. 00-190.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Consent
<b>Resolution Date:</b>	12/13/2001

**Sanctions Ordered:****Other Sanctions Ordered:** WITHDRAWAL**Sanction Details:** THE RESPONDENT SHALL CAUSE TO HAVE HIS APPLICATION FOR REGISTRATION AS A SALESPERSON IN ILLINOIS WITHDRAWN WITHIN THREE DAYS FROM ENTRY OF THIS CONSENT ORDER AND WILL NOT REAPPLY FOR A PERIOD OF TWO YEARS FROM THIS CONSENT ORDER.**Regulator Statement** A SUMMARY ORDER OF DENIAL, ISSUED AUGUST 27, 2001. THE RESPONDENT HAS THIRTY DAYS FROM ENTRY OF THIS SUMMARY ORDER IN WHICH TO REQUEST A HEARING, IF NO SUCH REQUEST IS MADE WITHIN THAT TIME PERIOD, THE SUMMARY ORDER WILL BECOME FINAL. A NOTICE OF HEARING, ISSUED OCTOBER 18, 2001. THE HEARING WILL BE HELD ON DECEMBER 12, 2001. A CONSENT ORDER OF WITHDRAWAL ISSUED DECEMBER 13, 2001. CONTACT: (217) 785-4948**Reporting Source:** Broker**Regulatory Action Initiated By:** ILLINOIS SECURITIES DEPARTMENT**Sanction(s) Sought:** Denial**Other Sanction(s) Sought:****Date Initiated:** 08/27/2001**Docket/Case Number:** 0100401**Employing firm when activity occurred which led to the regulatory action:** PETERSEN INVESTMENTS, INC.**Product Type:** No Product**Other Product Type(s):****Allegations:** RESPONDENTS APPLICATION AS A SALESPERSON IS SUBJECT TO DENIAL PURSUANT TO AN NYSE ACCEPED STIPULATION OF FACTS AND CONSENT TO PENALTY, FILE NUMBER 00-190**Current Status:** Final**Resolution:** Consent**Resolution Date:** 12/13/2001**Sanctions Ordered:**



**Other Sanctions Ordered:** WITHDRAWAL

**Sanction Details:** THE RESPONDENT SHALL CAUSE TO HAVE HIS APPLICATION FOR REGISTRATION AS A SALESPERSON IN ILLINOIS WITHDRAWN WITHIN THREE DAYS FROM ENTRY OF THIS CONSENT ORDER AND WILL NOT REAPPLY FOR A PERIOD OF TWO YEARS FROM THIS CONSENT ORDER.

**Broker Statement** A SUMMARY ORDER OF DENIAL, ISSUED AUGUST 27, 2001. THE RESPONDENT HAS THIRTY DAYS FROM ENTRY OF THIS SUMMARY ORDER IN WHICH TO REQUEST A HEARING, IF NO SUCH REQUEST IS MADE WITHIN THAT TIME PERIOD, THE SUMMARY ORDER WILL BECOME FINAL. A NOTICE OF HEARING, ISSUED OCTOBER 18, 2001. THE HEARING WILL BE HELD ON DECEMBER 12, 2001. A CONSENT ORDER OF WITHDRAWAL ISSUED DECEMBER 13, 2001. CONTACT:(217) 785-4948

#### Disclosure 2 of 2

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** NYSE DIVISION OF ENFORCEMENT

**Sanction(s) Sought:**

**Other Sanction(s) Sought:**

**Date Initiated:** 09/29/2000

**Docket/Case Number:** HPD# 00-190

**Employing firm when activity occurred which led to the regulatory action:**

**Product Type:** Other

**Other Product Type(s):**

**Allegations:** \*\*09/29/2000\*\* STIPULATION AND CONSENT TO PENALTY FILED BY NYSE DIVISION OF ENFORCEMENT AND PENDING. WITHOUT ADMITTING OR DENYING GUILT, LOMBARDO CONSENTS TO: A.FINDINGS BY THE HEARING PANEL THAT HE ENGAGED IN CONDUCT INCONSISTENT WITH JUST AND EQUITABLE PRINCIPLES OF TRADE IN THAT, ON CERTAIN OCCASIONS, HE: (1) MADE RECOMMENDATIONS TO PURCHASE A BOND IN CERTAIN CUSTOMER ACCOUNTS OF HIS MEMBER ORGANIZATION EMPLOYER THAT WAS UNSUITABLE IN VIEW OF THE CUSTOMERS? INVESTMENT OBJECTIVES, INVESTMENT EXPERIENCE AND FINANCIAL RESOURCES; AND (2) FAILED TO DISCLOSE INFORMATION TO SUCH CUSTOMERS OF HIS



MEMBER ORGANIZATION EMPLOYER CONCERNING THE CURRENT MARKET VALUE FOR SUCH BOND WHILE AT OR ABOUT THE SAME TIME SELLING SUCH BOND IN HIS PERSONAL AND FAMILY-RELATED ACCOUNTS AFTER THE PRICE BEGAN TO DECLINE. B. THE IMPOSITION BY THE EXCHANGE OF THE PENALTY OF A CENSURE AND A SUSPENSION FOR A PERIOD OF TWO MONTHS FROM MEMBERSHIP, ALLIED MEMBERSHIP, APPROVED PERSON STATUS, AND FROM EMPLOYMENT OR ASSOCIATION IN ANY CAPACITY WITH ANY MEMBER OR MEMBER ORGANIZATION.

**Current Status:** Final

**Resolution:** Decision

**Resolution Date:** 12/08/2000

**Sanctions Ordered:** Censure  
Suspension

**Other Sanctions Ordered:**

**Sanction Details:** \*\*11/07/2000\*\* DECISION 00-190 ISSUED BY NEW YORK STOCK EXCHANGE, INC. HEARING PANEL. DECISION: MADE PURCHASE RECOMMENDATIONS THAT WERE UNSUITABLE AND FAILED TO DISCLOSE INFORMATION TO CUSTOMERS - CONSENT TO CENSURE AND TWO MONTH SUSPENSION.

**Regulator Statement** \*\*12/08/2000\*\* THE DECISION IS NOW FINAL. THE BAR OR SUSPENSION IMPOSED IS EFFECTIVE AND WILL COMMENCE DECEMBER 5, 2000. CONTACT: PEGGY GERMINO (212) 656-8450.

---

**Reporting Source:** Broker

**Regulatory Action Initiated By:** NYSE

**Sanction(s) Sought:** Suspension

**Other Sanction(s) Sought:** CENSURE

**Date Initiated:** 12/01/1997

**Docket/Case Number:**

**Employing firm when activity occurred which led to the regulatory action:** A.G. EDWARDS

**Product Type:** Debt - Corporate

**Other Product Type(s):**



<b>Allegations:</b>	THE DIVISION OF ENFORCEMENT OF THE EXCHANGE HAS COMMENCED A FORMAL INVESTIGATION INTO ALLEGATIONS THAT WHILE MR.LOMBARDO WAS EMPLOYED BY A.G.EDWARDS & SONS, INC., HE MAY HAVE ENGAGED IN MISCONDUCT IN THE ACCOUNTS OF CERTAIN CUSTOMERS. THE ALLEGED MISCONDUCT CONCERNED TRANSACTIONS IN PENN TRAFFIC CO. SR SUBORDINATED NOTES.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Consent
<b>Resolution Date:</b>	11/07/2000
<b>Sanctions Ordered:</b>	Censure Suspension
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	MR.LOMBARDO WAS SUSPENDED FOR TWO MONTHS, THE SUSPENSION WILL BEGIN ON 12/05/2000.
<b>Broker Statement</b>	THE PANEL FOUND THAT MR.LOMBARDO'S RECOMMENDATIONS TO PURCHASE THE BONDS IN SUCH LARGE AND CONCENTRATED POSITIONS WAS UNSUITABLE IN VIEW OF THE CUSTOMERS' INVESTMENT EXPERIENCE,INVESTMENT OBJECTIVES AND FINANCIAL RESOURCES. MR.LOMBARDO FAILED TO DISCLOSE TO THESE CUSTOMERS THE DECLINING PRICE OF THE BONDS,WHILE SELLING THE BONDS IN HIS PERSONAL AND FAMILY-RELATED ACCOUNTS.THE HEARING PANEL IMPOSED THE PENALTY,CONSENTED TO BY MR.LOMBARDO OF A CENSURE AND A SUSPENSION FOR A PERIOD OF TWO MONTHS FROM MEMBERSHIP,ALLIED MEMBERSHIP,APPROVED PERSON STATUS AND FROM EMPLOYMENT OR ASSOCIATION IN ANY CAPACITY WITH ANY MEMBER OR MEMBER ORGANIZATION.



## 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 15

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** GRUNTAL & CO., L.L.C.

**Allegations:** IN A VERBAL COMPLAINT LODGED WITH GRUNTAL & CO., L.L.C. ON JANUARY 29, 2001, THE CLIENT COMPLAINED ABOUT THE PERFORMANCE OF INVESTMENTS THAT HE MADE IN GENEVA STEEL 11.125%, GLOBAL STAR 11.125% AND BRAZOS SPORTSWEAR 10.5%BONDS AT THE RECOMMENDATION OF FORMER GRUNTAL ACCOUNT EXECUTIVE ROBERT LEFKOWITZ. THE CLIENT ALSO ALLEGED THAT FORMER GRUNTAL ACCOUNT EXECUTIVE JAMES LOMBARDO MISREPRESENTED THE YIELD THAT HE WOULD RECEIVE ON GLOBAL STAR 11.5% BONDS WHEN HE RECOMMENDED THAT HE PURCHASE THE BONDS IN HIS GRUNTAL ACCOUNT.

**Product Type:** Debt - Corporate

**Alleged Damages:** \$0.00

### Customer Complaint Information

**Date Complaint Received:** 01/29/2001

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 01/11/2002

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

**Individual Contribution Amount:** \$0.00

**Firm Statement** ON JANUARY 11, 2002, GRUNTAL SETTLED THE COMPLAINT WITHOUT ADMITTING OR CONCEDED ANY LIABILITY AND DUE TO THE UNCERTAINTY AND COST OF POTENTIAL LITIGATION. PURSUANT TO THE TERMS OF THE SETTLEMENT AGREEMENT, GRUNTAL PAID THE CLIENT \$20,000. NEITHER MR. LEFKOWITZ NOR MR. LOMBARDO CONTRIBUTED TO THE SETTLEMENT.





<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	GRUNTAL & CO. LLC
<b>Allegations:</b>	IN A VERBAL COMPLAINT LODGED WITH GRUNTAL & CO ON JANUARY 29, 2001, THE CLIENT COMPLAINED ABOUT THE PERFORMANCE OF THE INVESTMENTS THAT HE MADE SEVERAL CORPORATE BONDS. HE ALLEGED THAT LOMBARDO MISREPRESENTED THE YIELD ON THESE INSTRUMENTS.
<b>Product Type:</b>	Debt - Corporate
<b>Alleged Damages:</b>	\$0.00
<b>Customer Complaint Information</b>	
<b>Date Complaint Received:</b>	01/29/2001
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	01/11/2002
<b>Settlement Amount:</b>	\$20,000.00
<b>Individual Contribution Amount:</b>	\$0.00
<b>Broker Statement</b>	GRUNTAL SETTLED THE COMPLAINT WITHOUT ADMITTING OR CONCEDEING ANY LIABILITY AND DUE TO THE UNCERTAINTY AND COST OF LITIGATION. LOMBARDO MAINTAINS THAT ALL COMPLAINTS AROSE FROM THE PURCHASE OFFIRM RECOMMENDED BONDS

#### Disclosure 2 of 15

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	GRUNTAL & CO., L.L.C.
<b>Allegations:</b>	IN A VERBAL COMPLAINT LODGED WITH GRUNTAL & CO., L.L.C. ON JANUARY 22, 2001, THE CLIENT ALLEGED THAT FORMER GRUNTAL ACCOUNT EXECUTIVE JAMES LOMBARDO MISREPRESENTED THE YIELD THAT SHE WOULD RECEIVE ON GLOBAL STAR 11.5% BONDS WHEN HE RECOMMENDED THAT SHE PURCHASE THE BONDS IN HER GRUNTAL ACCOUNT. THE CLIENT ALLEGED THAT WHEN HER INVESTMENTS IN



GENEVA STEEL 11.125% AND BRAZOS SPORTSWEAR 10.5% BONDS BEGAN TO DECLINE IN VALUE, FORMER GRUNTAL ACCOUNT EXECUTIVE ROBERT LEFKOWITZ\* ALLAGEDLY ASSURED HER THAT SHE WOULD RECEIVE AT LEAST 75%OF HER PRINCIPAL BACK AFTER THE ISSUERS COMPLETED A PLAN OF REORGANIZATION. \*DECEASED

**Product Type:** Debt - Corporate

**Alleged Damages:** \$90,000.00

### Customer Complaint Information

**Date Complaint Received:** 01/22/2001

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 10/10/2001

**Settlement Amount:** \$30,000.00

**Individual Contribution Amount:** \$0.00

**Firm Statement** ON OCTOBER 10, 2001, GRUNTAL AND THE CLIENT SETTLED THE COMPLAINT WITHOUT ADMITTING OR CONCEDING ANY LIABILITY AND DUE TO THE UNCERTAINTY AND COST OF POTENTIAL LITIGATION. PURSUANT TO THE TERMS OF THE SETTLEMENT AGREEMENT, GRUNTAL PAID THE CLIENT \$30,000.00 NEITHER MR. LEFKOWITZ NOR MR. LOMBARDO CONTRIBUTE TO THE SETTLEMENT.

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** GRUNTAL & CO.LLC

**Allegations:** I A VERBAL COMPLAINT LODGED WITH GRUNTAL & CO ON JAN 22, 2001 THE CLIENT ALLEGED THAT FORMER AE JAMES LOMBARDO MISREPRESENTED THE YIELD THAT SHE WOULD RECEIVE ON A BOND

**Product Type:** Debt - Corporate

**Alleged Damages:** \$90,000.00

### Customer Complaint Information

**Date Complaint Received:** 01/22/2001



<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	10/10/2001
<b>Settlement Amount:</b>	\$30,000.00
<b>Individual Contribution Amount:</b>	\$0.00
<b>Broker Statement</b>	GRUNTAL SETTLED WITH OUT ADMITTING OR CONCEDED ANY LIABILITY, AND DUE TO THE UNCERTAINTY AND POTENTIAL COST OF LITIGATION. LOMBARDO MAINTAINS THAT ALL COMPLAINTS AROSE FROM THE PURCHASE OF FIRM RECOMMENDED BONDS

#### Disclosure 3 of 15

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	A.G. EDWARDS & SONS, INC.
<b>Allegations:</b>	ATTORNEY FOR CLIENTS ALLEGED UNSUITABLE INVESTMENT AND MISREPRESENTATION.
<b>Product Type:</b>	Debt - Corporate
<b>Alleged Damages:</b>	\$200,000.00

#### Customer Complaint Information

<b>Date Complaint Received:</b>	08/06/2001
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	12/17/2001
<b>Settlement Amount:</b>	\$73,000.00
<b>Individual Contribution Amount:</b>	\$0.00

<b>Reporting Source:</b>	Broker
--------------------------	--------



**Employing firm when activities occurred which led to the complaint:** A.G. EDWARDS & SONS

**Allegations:** ATTORNEY FOR CLIENTS ALLEGED UNSUITABLE INVESTMENTS AND MISREPRESENTATION

**Product Type:** Debt - Corporate

**Alleged Damages:** \$200,000.00

### Customer Complaint Information

**Date Complaint Received:** 08/06/2001

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 12/17/2001

**Settlement Amount:** \$73,000.00

**Individual Contribution Amount:** \$0.00

### Disclosure 4 of 15

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC. AND GRUNTAL AND COMPANY, LLC

**Allegations:** CLAIMANT ALLEGED FRAUDULENT CONDUCT; BREACH OF FIDUCIARY, CONTRACTUAL AND REGULATORY DUTIES IN RECOMMENDING UNSUITABLE SECURITIES; MISREPRESENTING AND OMISSION OF MATERIAL FACTS.

**Product Type:** Equity Listed (Common & Preferred Stock)

**Other Product Type(s):** EQUITY - OTC

**Alleged Damages:** \$250,000.00

### Customer Complaint Information

**Date Complaint Received:** 04/09/2001

**Complaint Pending?** No

**Status:** Arbitration/Reparation



**Status Date:** 04/09/2001

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NASD #01-01467

**Date Notice/Process Served:** 04/09/2001

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 10/14/2002

**Monetary Compensation Amount:** \$21,089.89

**Individual Contribution Amount:** \$0.00

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** GRUNTAL & CO., L.L.C.

**Allegations:** CLAIMANT ALLEGES THAT MR. LOMBARDO RECOMMENDED AND OVER-CONCENTRATED HER ACCOUNT IN UNSUITABLE HIGH-YIELD SECURITIES. CLAIMANT ALSO ALLEGES THAT MR. LOMBARDO MISREPRESENTED THE RISKS OF THE INVESTMENTS.

**Product Type:** Debt - Corporate

**Alleged Damages:** \$250,000.00

### Customer Complaint Information

**Date Complaint Received:** 04/05/2001

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 04/05/2001

**Settlement Amount:**

**Individual Contribution  
Amount:**

**Arbitration Information**

**Arbitration/Reparation Claim  
filed with and Docket/Case  
No.:** NASD CASE # 01-01467

**Date Notice/Process Served:** 04/05/2001

**Arbitration Pending?** Yes

**Reporting Source:** Broker

**Employing firm when  
activities occurred which led  
to the complaint:** GRUNTAL & CO., LLC

**Allegations:** CLAIMANT ALLEGES THAT MR.LOMBARDO RECOMMENDED AND OVER-CONCENTRATED HER ACCOUNT IN UNSUITABLE HIGH-YIELD SECURITIES. CLAIMANT ALSO ALLEGES THAT MR. LOMBARDO MISREPRESENTED THE RISKS OF THE INVESTMENTS.

**Product Type:** Debt - Corporate

**Alleged Damages:** \$250,000.00

**Customer Complaint Information**

**Date Complaint Received:** 04/05/2001

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 06/18/2001

**Settlement Amount:**

**Individual Contribution  
Amount:**

**Arbitration Information**

**Arbitration/Reparation Claim  
filed with and Docket/Case  
No.:** NASD CASE # 01-01467

**Date Notice/Process Served:** 04/05/2001



<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	10/14/2001
<b>Monetary Compensation Amount:</b>	\$21,089.89
<b>Individual Contribution Amount:</b>	\$0.00
<b>Broker Statement</b>	ALL COMPLIANTS ORIGINATED FROM MY PURCHASE OF A FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED INCOME CLIENTS. CLIENTS PURCHASED SIMILIAR BOND PREVIOUSLY AND THEREAFTER. I WAS IN EGULAR CONTACT WITHTHE TRADE WHO MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLLOWED THE INVESTMENT FOR THE FIRM. EACH CALL TO HIM ELICITED A OR HOLD RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION MADE.

#### Disclosure 5 of 15

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	A. G. EDWARDS & SONS, INC.
<b>Allegations:</b>	ALLEGED UNSUITABLE INVESTMENTS AND FAILURE TO MEET INVESTMENT GOALS. ALLEGED LOSSES OF \$106,257.
<b>Product Type:</b>	
<b>Alleged Damages:</b>	\$106,257.00

#### Customer Complaint Information

<b>Date Complaint Received:</b>	09/12/1997
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	
<b>Settlement Amount:</b>	\$71,692.89
<b>Individual Contribution Amount:</b>	
<b>Firm Statement</b>	AG EDWARDS & SONS, INC. PAID THE CUSTOMERS



\$71,692.89.  
N/A

**Reporting Source:**

Broker

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

A. G. EDWARDS & SONS, INC.

**Allegations:**

PENN TRAFFIC BONDS NOT PRICED ON CLIENTS STATEMENTS. ALLEGED LOSS OF \$106,257.000 7A. WHAT WAS THE PRODUCT? PENN TRAFFIC BONDS

**Product Type:****Alleged Damages:**

\$106,257.00

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

09/12/1997

**Complaint Pending?**

No

**Status:**

Settled

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

\$71,692.89

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

A.G EDWARDS & SONS INC. PAID THE CUSOTMER \$71,692.89.  
ALL COMPLAINTS ORIGINATED FORM MY PURCHASE OF A FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED INCOME ACCOUNT. CLIENTS PURCHASED SIMILAR BONDS PREVIOUSLY AND THEREAFTER. I WAS IN REGULAR CONTACT WITH THE TRADER WHO MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE INVESTMENT FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OR HOLD RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION MADE. THESE COMPLAINTS ARE THE FIRST AND ONLY CLIENT COMPLAINTS MADE AGAINST ME DURING MY 14 YEARS IN THE SECURITIES INDUSTRY AND I BELIEVE THEY ARE UNFOUNDED. 9A. AT WHAT FIRM DID THE





TRANSACTION TAKE PLACE? A.G EDWARDS &amp; SONS, INC.

**Disclosure 6 of 15**

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** UNSUITABLE INVESTMENTS IN PENN TRAFFIC BONDS;  
ALLEGED LOSS OF \$110,000.

**Product Type:**

**Alleged Damages:** \$110,000.00

**Customer Complaint Information**

**Date Complaint Received:** 05/16/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$78,000.00

**Individual Contribution Amount:**

**Firm Statement** A. G. EDWARDS SETTLED WITH THE CLIENT FOR  
\$78,000  
Not Provided

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** BONDS NOT PRICED ON CLIENT'S STATEMENTS  
ALLEGED LOSS OF \$110,000.00

**Product Type:**

**Alleged Damages:** \$110,000.00

**Customer Complaint Information**



**Date Complaint Received:** 05/16/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$78,000.00

**Individual Contribution Amount:**

**Broker Statement**

A.G. EDWARDS SETTLED WITH CLIENT FOR \$78,000.00  
ALL COMPLAINTS ORIGINATED FROM MY PURCHASE OF A  
FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED  
INCOME  
ACCOUNTS. CLIENTS PURCHASED SIMILAR BONDS PREVIOUSLY AND  
THEREAFTER. I WAS IN REGULAR CONTACT WITH THE TRADER WHO  
MADE  
THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE  
INVESTMENT  
FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OR HOLD  
RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION MADE.  
THESE COMPLAINTS ARE THE FIRST AND ONLY CLIENT COMPLAINTS  
MADE  
AGAINST ME DURING MY 14 YEARS IN THE SECURITIES INDUSTRY AND I  
BELIEVE THEY ARE UNFOUNDED.

#### Disclosure 7 of 15

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** UNSUITABLE INVESTMENTS REGARDING PENN TRAFFIC BONDS: SEEKING \$126,769.

**Product Type:**

**Alleged Damages:** \$126,769.00

#### Customer Complaint Information

**Date Complaint Received:** 05/15/1997

**Complaint Pending?** No



**Status:** Settled

**Status Date:**

**Settlement Amount:** \$102,154.55

**Individual Contribution Amount:**

**Firm Statement** A.G. EDWARDS SETTLED WITH THE CLIENTS FOR \$102,154.55.  
Not Provided

---

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** BONDS NOT PRICED ON CLIENT'S STATEMENTS  
ALLEGED LOSS OF \$126,769.00

**Product Type:**

**Alleged Damages:** \$126,769.00

### Customer Complaint Information

**Date Complaint Received:** 05/15/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$102,154.55

**Individual Contribution Amount:**

**Broker Statement** A.G. EDWARDS SETTLED WITH THE CLIENTS FOR \$102,154.55  
ALL COMPLAINTS ORIGINATED FROM MY PURCHASE OF A FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED INCOME ACCOUNTS. CLIENTS PURCHASED SIMILAR BONDS PREVIOUSLY AND THEREAFTER. I WAS IN REGULAR CONTACT WITH THE TRADER WHO MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE



INVESTMENT  
FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OR HOLD  
RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION MADE.  
THESE COMPLAINTS ARE THE FIRST AND ONLY CLIENT COMPLAINTS  
MADE  
AGAINST ME DURING MY 14 YEARS IN THE SECURITIES INDUSTRY AND I  
BELIEVE THEY ARE UNFOUNDED.

#### Disclosure 8 of 15

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** UNSUITABLE RECOMENDATIONS REGARDING PENN TRAFFIC CO. BONDS; ALLEGED LOSS OF \$95,000.  
7A. WHAT WAS THE PRODUCT? PENN TRAFFIC BOND

**Product Type:**

**Alleged Damages:** \$95,000.00

#### Customer Complaint Information

**Date Complaint Received:** 01/22/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$89,000.00

**Individual Contribution Amount:**

**Firm Statement** A. G. EDWARDS SETTLED FOR \$89,000.  
NOT PROVIDED  
9A. WHAT FIRM DID THE TRANSACTION TAKE PLACE? A.G. EDWARDS

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.



**Allegations:** RECOMMENDATIONS REGARDING PENN TRAFFIC W. BONDS. ALLEGED LOSS OF \$95,000.00

**Product Type:**

**Alleged Damages:** \$95,000.00

### Customer Complaint Information

**Date Complaint Received:** 01/22/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$89,000.00

**Individual Contribution Amount:**

**Broker Statement**

A.G. EDWARDS SETTLED FOR \$89,000.00  
ALL CLIENT COMPLAINTS ORIGINATED FROM MY PURCHASE OF A FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED INCOME ACCOUNTS. CLIENTS PURCHASED SIMILAR BONDS PREVIOUSLY AND THEREAFTER. I WAS IN REGULAR CONTACT WITH THE TRADER WHO MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE INVEST- MENT FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OR HOLD RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION MADE.  
THESE CLIENT COMPLAINTS ARE THE FIRST AND ONLY CLIENT COMPLAINTS MADE AGAINST ME DURING MY 14 YEARS IN THE SECURITIES INDUSTRY AND I BELIEVE THEY ARE UNFOUNDED.

### Disclosure 9 of 15

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** UNSUITABLE RECOMMENDATIONS REGARDING PENN TRAFFIC CO. BONDS; ALLEGED LOSSES UNSPECIFIED BUT THOUGHT TO BE IN EXCESS OF \$10,000.  
7A. WHAT WAS THE PRODUCT? PENN TRAFFIC BONDS



**Product Type:**

**Alleged Damages:**

### **Customer Complaint Information**

**Date Complaint Received:** 01/24/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$16,659.69

**Individual Contribution Amount:**

**Firm Statement** A. G. EDWARDS SETTLED FOR \$16,659.69.  
NOT PROVIDED  
9A. WHAT FIRM DID THE TRANSACTION TAKE PLACE? A. G. EDWARDS

---

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** RECOMMENDATIONS REGARDING PENN TRAFFIC CO. BONDS. ALLEGED LOSSES UNSPECIFIED BUT THOUGHT TO BE IN EXCESS OF \$10,000.00.

**Product Type:**

**Alleged Damages:**

### **Customer Complaint Information**

**Date Complaint Received:** 01/24/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$16,659.69

**Individual Contribution Amount:**

**Broker Statement**

A.G. EDWARDS SETTLED FOR \$16,659.69  
 ALL CLIENT COMPLAINTS ORIGINATED FROM MY PURCHASE  
 OF A FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED  
 INCOME ACCOUNTS. CLIENTS PURCHASED SIMILAR BONDS PREVIOUSLY  
 AND THEREAFTER. I WAS IN REGULAR CONTACT WITH THE TRADER WHO  
 MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE  
 INVESTMENT FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OR  
 HOLD RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION  
 MADE. THESE CLIENT COMPLAINTS ARE THE FIRST AND ONLY CLIENT  
 COMPLAINTS MADE AGAINST ME DURING MY 14 YEARS IN THE  
 SECURITIES  
 INDUSTRY AND I BELIEVE THEY ARE UNFOUNDED.

**Disclosure 10 of 15**

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** ALLEGED UNSUITABLE RECOMMENDATIONS OF PENN  
 TRAFFIC BONDS CAUSING LOSSES OF \$50,000

**Product Type:**

**Alleged Damages:** \$50,000.00

**Customer Complaint Information**

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

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$32,197.13

**Individual Contribution Amount:**

**Firm Statement** A.G. EDWARDS SETTLED FOR \$32,197.13  
 Not Provided

**Reporting Source:** Broker



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

A. G. EDWARDS & SONS, INC.

**Allegations:**

CUSTOMER CLAIMS TO HAVE BEEN UNAWARE OF PRICE DECLINE, ALLEGED LOSSES OF \$50,000

**Product Type:**

**Alleged Damages:**

\$50,000.00

### Customer Complaint Information

**Date Complaint Received:**

03/03/1997

**Complaint Pending?**

No

**Status:**

Settled

**Status Date:**

**Settlement Amount:**

\$32,197.13

**Individual Contribution Amount:**

**Broker Statement**

A.G. EDWARDS SETTLED WITH THE CLIENT FOR \$32,197.13  
ALL CLIENT COMPLAINTS ORIGINATED FROM MY PURCHASE OF A FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED INCOME ACCOUNTS. CLIENTS PURCHASED SIMILAR BONDS PREVIOUSLY AND THEREAFTER. I WAS IN REGULAR CONTACT WITH THE TRADER WHO MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE INVESTMENT FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OR HOLD RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION MADE. THESE CLIENT COMPLAINTS ARE THE FIRST AND ONLY CLIENT COMPLAINTS MADE AGAINST ME DURING MY 14 YEARS IN THE SECURITIES INDUSTRY AND I BELIEVE THEY ARE UNFOUNDED.

### Disclosure 11 of 15

**Reporting Source:**

Firm





**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** UNSUITBLE RECOMMENDATIONS OF PENN TRAFFIC BONDS CAUSING DAMAGES OF \$150,000.

**Product Type:**

**Alleged Damages:** \$150,000.00

### Customer Complaint Information

**Date Complaint Received:** 03/14/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$123,096.00

**Individual Contribution Amount:**

**Firm Statement** A.G. EDWARDS SETTLED FOR \$123,096.  
Not Provided

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** CUSTOMER CLAIMS TO HAVE BEEN UNAWARE OF PRICE DECLINE ALLEGED LOSSES OF \$150,000

**Product Type:**

**Alleged Damages:** \$150,000.00

### Customer Complaint Information

**Date Complaint Received:** 03/14/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**



**Settlement Amount:** \$123,096.00

**Individual Contribution Amount:**

**Broker Statement**

A.G. EDWARDS SETTLED WITH THE CLIENT FOR \$123,096 ALL CLIENT COMPLAINTS ORIGINATED FROM PURCHASE OF A FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED INCOME ACCOUNTS. CLIENTS PURCHASED SIMILAR BONDS PREVIOUSLY AND THEREAFTER. I WAS IN REGULAR CONTACT WITH THE TRADER WHO MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE INVESTMENT FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OR HOLD RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION MADE. THESE CLIENT COMPLAINTS ARE THE FIRST AND ONLY CLIENT COMPLAINTS MADE AGAINST ME DURING MY 14 YEARS IN THE SECURITIES INDUSTRY AND I BELIEVE THEY ARE UNFOUNDED.

#### Disclosure 12 of 15

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** FAILURE TO DISCLOSE RISKS AND UNSUITABLE RECOMMENDATIONS REGARDING PENN TRAFFIC CO. BONDS; UNSPECIFIED AMOUNT OF DAMAGES BUT THOUGHT TO BE IN EXCESS OF \$10,000

**Product Type:**

**Alleged Damages:**

#### Customer Complaint Information

**Date Complaint Received:** 01/24/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**



**Settlement Amount:** \$26,956.00

**Individual Contribution Amount:**

**Broker Statement**

A.G. EDWARDS WITH THE CLIENT FOR \$26,956.  
ALL COMPLAINTS ORIGINATED FROM MY PURCHASE OF A  
FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED  
INCOME  
ACCOUNTS. CLIENTS PURCHASED SIMILAR BONDS PREVIOUSLY AND  
THEREAFTER. I WAS IN REGULAR CONTACT WITH THE TRADER WHO  
MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE  
INVESTMENT FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OR  
HOLD RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION  
MADE. THESE COMPLAINTS ARE THE FIRST AND ONLY COMPLAINTS MADE  
AGAINST ME DURING 14 YEARS IN THE SECURITIES INDUSTRY AND I  
BELIEVE THEY ARE UNFOUNDED.

#### Disclosure 13 of 15

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** FAILURE TO DISCLOSE RISKS AND UNSUITABLE  
RECOMMENDATIONS REGARDING PENN TRAFFIC CO. BONDS; ALLEGED  
LOSSES OF \$58,500.

**Product Type:**

**Alleged Damages:** \$58,500.00

#### Customer Complaint Information

**Date Complaint Received:** 02/12/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$39,710.51

**Individual Contribution Amount:**

**Firm Statement** A.G. EDWARDS SETTLED WITH THE CLIENT FOR



\$39,710.51.  
Not Provided

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** CUSTOMER CLAIMS TO HAVE BEEN UNAWARE OF PRICE DECLINE, ALLEGED LOSSES OF \$58,500.

**Product Type:**

**Alleged Damages:** \$58,500.00

### Customer Complaint Information

**Date Complaint Received:** 02/12/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$39,710.51

**Individual Contribution Amount:**

**Broker Statement**

A.G. EDWARDS SETTLED WITH THE CLIENT FOR \$39,710.51  
ALL CLIENT COMPLAINTS ORIGINATED FROM MY PURCHASE OF A FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED INCOME ACCOUNTS. CLIENTS PURCHASED SIMILAR BONDS PREVIOUSLY AND THEREAFTER. I WAS IN REGULAR CONTACT WITH THE TRADER WHO MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE INVESTMENT FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OR HOLD RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION MADE. THESE CLIENT COMPLAINTS ARE THE FIRST AND ONLY CLIENT COMPLAINTS MADE AGAINST ME DURING MY 14 YEARS IN THE SECURITIES INDUSTRY AND I BELIEVE THE ARE UNFOUNDED.



#### Disclosure 14 of 15

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** A. G. EDWARDS & SONS, INC.

**Allegations:** FAILURE TO DISCLOSE RISKS AND UNSUITABLE RECOMMENDATIONS REGARDING PENN TRAFFIC CO. BONDS ALLEGED LOSSES ARE \$45,000.

**Product Type:**

**Alleged Damages:** \$45,000.00

#### Customer Complaint Information

**Date Complaint Received:** 01/20/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$36,753.00

#### Individual Contribution Amount:

**Broker Statement**

A.G. EDWARDS SETTLED WITH THE CLIENT FOR \$36,753.00  
 ALL COMPLAINTS ORIGINATED FROM MY PURCHASE OF A FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED INCOME ACCOUNTS. CLIENTS PURCHASED SIMILAR BONDS PREVIOUSLY AND THEREAFTER. I WAS IN REGULAR CONTACT WITH THE TRADER WHO MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE INVESTMENT FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OR HOLD RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION MADE. THESE COMPLAINTS ARE THE FIRST AND ONLY COMPLAINTS MADE AGAINST ME DURING MY 14 YEARS IN THE SECURITIES INDUSTRY AND I BELIEVE THEY ARE UNFOUNDED.

#### Disclosure 15 of 15



**Reporting Source:** Broker

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

**Allegations:** UNSUITABLE RECOMMENDATION OF PENN TRAFFIC BONDS CAUSING DAMAGES OF \$106,376. 7A. WHAT WAS THE PRODUCT? PENN TRAFFIC CO. BONDS

**Product Type:**

**Alleged Damages:** \$106,376.00

### **Customer Complaint Information**

**Date Complaint Received:** 01/21/1997

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

**Settlement Amount:** \$95,000.00

**Individual Contribution Amount:**

**Broker Statement**

A.G EDWARDS SETTLED WITH THE CLIENT FOR \$95,000. ALL COMPLAINTS ORIGINATED FROM MY PURCHASE OF A FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED INCOME ACCOUNTS. CLIENTS PURCHASED SIMIALR BONDS PREVIOUSLY AND THEREAFTER. I WAS IN REGUALR CONTACT WITH THE TRADER WHO MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE INVESTMENT FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OF HOLD RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION MADE. THESE COMPLAINTS ARE THE FIRST AND ONLY COMPLAINTS MADE AGAINST ME DURING MY 14 YEARS IN THE SECURITIES INDUSTRY AND I BELIEVE THEY ARE UNFOUNDED.



## 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 2

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** GRUNTAL & CO., L.L.C.

**Allegations:** CLIENTS ALLEGE THAT AE LOMBARDO RECOMMENDED UNSUITABLE CORPORATE BONDS. WHICH RESULTED IN LOSSES IN THEIR ACCOUNTS.

**Product Type:** Other

**Other Product Type(s):** CORPORATE BONDS

**Alleged Damages:** \$81,000.00

### Customer Complaint Information

**Date Complaint Received:** 09/06/2001

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 02/08/2002

**Settlement Amount:**

**Individual Contribution Amount:**

**Firm Statement** THIS MATTER IS CLOSED. THE COMPLAINT HAS BEEN DENIED.

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** GRUNTAL & CO. LLC.

**Allegations:** CLIENTS ALLEGE THAT AE LOMBARDO RECOMMENDED UNSUITABLE CORPORATE BONDS, WHICH RESULTED IN LOSSES IN THEIR ACCOUNTS

**Product Type:** Debt - Corporate



**Alleged Damages:** \$81,000.00

### Customer Complaint Information

**Date Complaint Received:** 09/06/2001

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 02/08/2002

**Settlement Amount:** \$0.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** THE MATTER IS CLOSED. THE COMPLAINT HAS BEEN DENIED IN ITS ENTIRETY. ALL COMPLAINTS ORIGINATED FROM MY PURCHASE OF A FIRM RECOMMENDED BOND FOR A NUMBER OF MY REGULAR FIXED INCOME ACCOUNTS. CLIENTS PURCHASED SIMILAR BONDS PREVIOUSLY AND THEREAFTER. I WAS IN REGULAR CONTACT WITH TRADER WHO MADE THE RECOMMENDATION AND THE ANALYST WHO FOLLOWED THE INVESTMENT FOR THE FIRM. EACH CALL TO THEM ELICITED A BUY OR HOLD RECOMMENDATION. AT NO TIME WAS A SELL RECOMMENDATION MADE.

### Disclosure 2 of 2

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** GRUNTAL & CO., L.L.C.

**Allegations:** THE CLIENT ALLEGES THAT GRUNTAL & CO., L.L.C. ACCOUNT EXECUTIVE JAMES LOMBARDO DID NOT INFORM HIM OF THE RISKS ASSOCIATED WITH INVESTMENT IN BRAZOS SPORTSWEAR 10.5%, GENEVA STEEL 11.125% CORPORATE BONDS AND INTERNATIONAL SEMITECH 11.5% DISCOUNT NOTES. THE CLIENT ALLEGES DAMAGES IN THE AMOUNT OF \$209,346.13

**Product Type:** Debt - Corporate

**Alleged Damages:** \$209,346.13

### Customer Complaint Information

**Date Complaint Received:** 08/15/2000

**Complaint Pending?** No





<b>Status:</b>	Denied
<b>Status Date:</b>	09/01/2000
<b>Settlement Amount:</b>	\$0.00
<b>Individual Contribution Amount:</b>	\$0.00
<b>Broker Statement</b>	GRUNTAL & CO., L.L.C. INVESTIGATED THE CLIENT'S ALLEGATIONS AND DETERMINED THAT THEY WERE WITHOUT MERIT.



## Employment Separation After Allegations

This type of disclosure event involves a situation where the broker voluntarily resigned, was discharged, or was permitted to resign after being accused of (1) violating investment-related statutes, regulations, rules or industry standards of conduct; (2) fraud or the wrongful taking of property; or (3) failure to supervise in connection with investment-related statutes, regulations, rules, or industry standards of conduct.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Broker
<b>Employer Name:</b>	MCLAUGHLIN, PIVEN, VOGEL INC.
<b>Termination Type:</b>	Voluntary Resignation
<b>Termination Date:</b>	03/10/1989
<b>Allegations:</b>	N/A MCLAUGHLIN PIVEN FILED AN AMENDED U-5 ALLEGING AN INTERNAL REVIEW OF MR. LOMBARDO'S ALLEGED TAKING OF COMPANY PROPERTY AFTER HIS RESIGNATION.
<b>Product Type:</b>	
<b>Other Product Types:</b>	
<b>Broker Statement</b>	JOHN CONWAY, STAFF EXAMINER AT THE NASD, FELT THAT THIS INCIDENT WAS A VENDETTA BY MCLAUGHLIN PIVEN AFTER MR. LOMBARDO RESIGNED. HE MARKED THE CASE FILED WITHOUT ACTION ON 9/18/89. MR. LOMBARDO DENIES ALL ALLEGATIONS BY MCLAUGHLIN PIVEN AND STATES THAT HE TOOK NO RECORDS FROM THEM.

## End of Report



**This page is intentionally left blank.**