

BrokerCheck Report

V CULLEN KEMPSON III

CRD# 1280887

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Broker Qualifications	2 - 4
Registration and Employment History	5 - 6
Disclosure Events	7

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.



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



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

Thank you for using FINRA BrokerCheck.



V C. KEMPSON III

CRD# 1280887

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

AMERICAN PORTFOLIOS FINANCIAL SERVICES, INC.

351 Sparta Ave
Suite 204
Sparta, NJ 07871
CRD# 18487

Registered with this firm since: 06/14/2016

AMERICAN PORTFOLIOS FINANCIAL SERVICES, INC.

4250 VETERANS MEMORIAL HWY.
HOLBROOK, NY 11741
CRD# 18487

Registered with this firm since: 06/14/2016

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
- 11 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):

COMMONWEALTH FINANCIAL NETWORK

CRD# 8032
SPARTA, NJ
02/2007 - 06/2016

NORTHWESTERN MUTUAL INVESTMENT SERVICES, LLC

CRD# 2881
SPARTA, NJ
05/2000 - 02/2007

ROBERT W. BAIRD & CO. INCORPORATED

CRD# 8158
MILWAUKEE, WI
05/2000 - 01/2002

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	1
Criminal	1
Termination	1

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 11 U.S. states and territories through his or her employer.

Employment 1 of 1

Firm Name: **AMERICAN PORTFOLIOS FINANCIAL SERVICES, INC.**

Main Office Address: **4250 VETERANS MEMORIAL HIGHWAY
4TH FLOOR EAST
HOLBROOK, NY 11741**

Firm CRD#: **18487**

SRO	Category	Status	Date
FINRA	General Securities Representative	APPROVED	06/14/2016
FINRA	Invest. Co and Variable Contracts	APPROVED	06/14/2016

U.S. State/ Territory	Category	Status	Date
California	Agent	APPROVED	06/16/2016
Connecticut	Agent	APPROVED	06/16/2016
District of Columbia	Agent	APPROVED	06/14/2016
Florida	Agent	APPROVED	06/14/2016
New Jersey	Agent	APPROVED	06/14/2016
New York	Agent	APPROVED	06/14/2016
Oregon	Agent	APPROVED	06/14/2016
Pennsylvania	Agent	APPROVED	06/16/2016
South Carolina	Agent	APPROVED	06/14/2016
Vermont	Agent	APPROVED	06/16/2016
Virginia	Agent	APPROVED	06/14/2016

Broker Qualifications



Employment 1 of 1, continued

Branch Office Locations

AMERICAN PORTFOLIOS FINANCIAL SERVICES, INC.

351 Sparta Ave
Suite 204
Sparta, NJ 07871



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 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
Securities Industry Essentials Examination	SIE	10/01/2018
General Securities Representative Examination	Series 7	03/16/1985
Investment Company Products/Variable Contracts Representative Examination	Series 6	10/15/1984

State Securities Law Exams

Exam	Category	Date
Uniform Combined State Law Examination	Series 66	04/07/2006
Uniform Securities Agent State Law Examination	Series 63	06/25/1987

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/.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
02/2007 - 06/2016	COMMONWEALTH FINANCIAL NETWORK	8032	SPARTA, NJ
05/2000 - 02/2007	NORTHWESTERN MUTUAL INVESTMENT SERVICES, LLC	2881	SPARTA, NJ
05/2000 - 01/2002	ROBERT W. BAIRD & CO. INCORPORATED	8158	MILWAUKEE, WI
05/1999 - 03/2000	PARK AVENUE SECURITIES LLC	46173	NEW YORK, NY
04/1999 - 05/1999	GUARDIAN INVESTOR SERVICES CORPORATION	6635	NEW YORK, NY
03/1985 - 04/1999	ROBERT W. BAIRD & CO. INCORPORATED	8158	MILWAUKEE, WI
10/1984 - 04/1999	NORTHWESTERN MUTUAL INVESTMENT SERVICES, LLC	2881	MILWAUKEE, WI

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
02/2007 - Present	COMMONWEALTH FINANCIAL NETWORK	WALTHAM, MA
02/2007 - Present	KEMPSON & TSCHOPP, LLC	SPARTA, NJ

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.

1. FIXED INSURANCE SALES UNDER NAME KEMPSON & TSCHOPP, LLC, CONDUCTED AT BRANCH, INVESTMENT RELATED. 2. KEMPSON & TSCHOPP, LLC, MEMBER AND 50% OWNER OF ENTITY CREATED FOR SECURITIES BUSINESS, CONDUCTED AT BRANCH, INVESTMENT RELATED. 3. MUSICIAN, NOT CONDUCTED AT BRANCH, NOT INVESTMENT RELATED. 4. ADDICTION TREATMENT CENTER - 10-15% MINORITY OWNERSHIP,

Registration and Employment History



Other Business Activities, continued

NOT INVESTMENT RELATED, START DATE = 12/2018, 0 HRS./MO., 0 HRS./MO./MKT. HRS.



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
Regulatory Event	0	1	0



Criminal	1	0	0
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 1

Reporting Source: Regulator

Regulatory Action Initiated By: FINRA

Sanction(s) Sought:

Date Initiated: 05/05/2017

Docket/Case Number: [2016050476301](#)

Employing firm when activity occurred which led to the regulatory action: Commonwealth Financial Network

Product Type: Other: unspecified securities

Allegations: Without admitting or denying the findings, Kempson consented to the sanctions and to the entry of findings that he effected 40 unauthorized trades in a deceased customer's accounts. The findings stated that although Kempson was aware of the customer's death, he did not inform his member firm of the customer's death and continued to effect trades on a discretionary basis in the customer's accounts. At the time the customer opened the accounts, the customer signed an agreement with the firm granting Kempson discretionary trading authority over the accounts. However, after the customer died, Kempson had no written authority to conduct any trades in the customer's accounts.

Current Status: Final



Resolution: Acceptance, Waiver & Consent(AWC)

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Resolution Date: 05/05/2017

Sanctions Ordered: Civil and Administrative Penalty(ies)/Fine(s)
Suspension

If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise? No

(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?



(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or

(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?

Sanction 1 of 1

Sanction Type:	Suspension
Capacities Affected:	Any capacity
Duration:	30 days
Start Date:	06/05/2017
End Date:	07/04/2017

**Monetary Sanction 1 of 1****Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)**Total Amount:** \$5,000.00**Portion Levied against individual:** \$5,000.00**Payment Plan:****Is Payment Plan Current:****Date Paid by individual:** 05/24/2017**Was any portion of penalty waived?** No**Amount Waived:****Reporting Source:** Broker**Regulatory Action Initiated By:** FINRA**Sanction(s) Sought:****Date Initiated:** 05/05/2017**Docket/Case Number:** [2016050476301](#)**Employing firm when activity occurred which led to the regulatory action:** Commonwealth Financial Network**Product Type:** Other: unspecified securities

Allegations: Without admitting or denying the findings, Kempson consented to the sanctions and to the entry of findings that he effected 40 unauthorized trades in a deceased customer's accounts. The findings stated that although Kempson was aware of the customer's death, he did not inform his member firm of the customer's death and continued to effect trades on a discretionary basis in the customer's accounts. At the time the customer opened the accounts, the customer signed an agreement with the firm granting Kempson discretionary trading authority over the accounts. However, after the customer died, Kempson had no written authority to conduct any trades in the customer's accounts.

Current Status: Final



Resolution: Acceptance, Waiver & Consent(AWC)

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Resolution Date: 05/05/2017

Sanctions Ordered: Civil and Administrative Penalty(ies)/Fine(s)
Suspension

Sanction 1 of 1

Sanction Type: Suspension

Capacities Affected: Any Capacity

Duration: 30 days

Start Date: 06/05/2017

End Date: 07/04/2017

Monetary Sanction 1 of 1

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)

Total Amount: \$5,000.00

Portion Levied against individual: \$5,000.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:



Criminal - Pending Charge

This type of disclosure event involves a formal charge for a crime involving a felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property that is currently pending.

Disclosure 1 of 1

Reporting Source:	Broker
Formal Charges were brought in:	State Court
Name of Court:	Superior Court of New Jersey, Essex Vicinage
Location of Court:	Newark, NJ
Docket/Case #:	07452017001863
Charge Date:	02/04/2017
Charge(s) 1 of 2	
Formal Charge(s)/Description:	Unlawful Possession of Weapons Devices
No of Counts:	1
Felony or Misdemeanor:	Felony
Plea for each charge:	Not guilty
Disposition of charge:	Pre-trial Intervention
Charge(s) 2 of 2	
Formal Charge(s)/Description:	Unlawful Possession of a Weapon
No of Counts:	1
Felony or Misdemeanor:	Felony
Plea for each charge:	Not Guilty
Disposition of charge:	Pre-trial Intervention
Current Status:	Pending
Status Date:	



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

Reporting Source: Firm
Employer Name: Commonwealth Financial Network
Termination Type: Discharged
Termination Date: 06/14/2016
Allegations: RR failed to provide notification to the firm of the death of two advisory clients in violation of firm policy and industry standards of conduct
Product Type: Other: Advisory Account

Reporting Source: Broker
Employer Name: Commonwealth Financial Network
Termination Type: Discharged
Termination Date: 06/14/2016
Allegations: RR failed to provide notification to the firm of the death of two advisory clients in violation of firm policy and industry standards of conduct.
Product Type: Other: Advisory Account
Broker Statement "Followed directives of executors, unaware of requirement to notify broker dealer of death".

End of Report



This page is intentionally left blank.