

BrokerCheck Report

MICHAEL LANCE PHILLIPS

CRD# 1283402

<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



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.



MICHAEL L. PHILLIPS

CRD# 1283402

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

- IA

KESTRA ADVISORY SERVICES, LLC
2601 Network Blvd.
Ste 430
FRISCO, TX 75034
CRD# 283330
Registered with this firm since: 02/14/2024
- B

KESTRA INVESTMENT SERVICES, LLC
2601 Network Blvd.
Ste 430
Frisco, TX 75034
CRD# 42046
Registered with this firm since: 02/12/2024

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
- 9 U.S. states and territories

This broker has passed:

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

Registration History

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

- IA

LPL FINANCIAL LLC
CRD# 6413
FORT MILL, SC
06/2017 - 02/2024
- B

LPL FINANCIAL LLC
CRD# 6413
FRISCO, TX
06/2017 - 02/2024
- IA

PROSPERA FINANCIAL SERVICES, INC.
CRD# 10740
DALLAS, TX
05/2007 - 06/2017

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	2
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 9 U.S. states and territories through his or her employer.

Employment 1 of 2

Firm Name: **KESTRA ADVISORY SERVICES, LLC**
Main Office Address: **5707 SOUTHWEST PARKWAY
BUILDING 2, SUITE 400
AUSTIN, TX 78735**
Firm CRD#: **283330**

	U.S. State/ Territory	Category	Status	Date
IA	Texas	Investment Adviser Representative	Approved	02/14/2024

Branch Office Locations

5707 SOUTHWEST PARKWAY
BUILDING 2, SUITE 400
AUSTIN, TX 78735

2601 Network Blvd.
Ste 430
FRISCO, TX 75034

Employment 2 of 2

Firm Name: **KESTRA INVESTMENT SERVICES, LLC**
Main Office Address: **5707 SOUTHWEST PARKWAY
BUILDING 2, SUITE 400
AUSTIN, TX 78735**
Firm CRD#: **42046**

	SRO	Category	Status	Date
B	FINRA	General Securities Representative	Approved	02/12/2024

Broker Qualifications



Employment 2 of 2, continued

SRO	Category	Status	Date
U.S. State/ Territory	Category	Status	Date
B Arizona	Agent	Approved	01/23/2025
B Arkansas	Agent	Approved	01/09/2025
B California	Agent	Approved	02/12/2024
B Michigan	Agent	Approved	02/12/2024
B New York	Agent	Approved	12/10/2024
B Ohio	Agent	Approved	04/02/2024
B Pennsylvania	Agent	Approved	12/06/2024
B Texas	Agent	Approved	02/14/2024
B Washington	Agent	Approved	01/22/2025

Branch Office Locations

KESTRA INVESTMENT SERVICES, LLC

2601 Network Blvd.
Ste 430
Frisco, TX 75034



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, 2 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
B General Securities Sales Supervisor Examination (Options Module & General Module)	Series 8	01/28/1988

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	07/21/1984

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	01/11/2006
B Uniform Securities Agent State Law Examination	Series 63	08/01/1984

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/.

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
IA	06/2017 - 02/2024	LPL FINANCIAL LLC	6413	FRISCO, TX
B	06/2017 - 02/2024	LPL FINANCIAL LLC	6413	FRISCO, TX
IA	05/2007 - 06/2017	PROSPERA FINANCIAL SERVICES, INC.	10740	Plano, TX
B	05/2007 - 06/2017	PROSPERA FINANCIAL SERVICES, INC.	10740	Plano, TX
IA	01/2006 - 05/2007	FAHNESTOCK ASSET MANAGEMENT	249	DALLAS, TX
B	11/2003 - 05/2007	OPPENHEIMER & CO. INC.	249	DALLAS, TX
B	01/2003 - 09/2003	OPPENHEIMER & CO. INC.	249	NEW YORK, NY
B	05/2000 - 01/2003	CIBC WORLD MARKETS CORP.	630	NEW YORK, NY
B	10/1998 - 04/2000	CIBC WORLD MARKETS CORP.	630	NEW YORK, NY
B	03/1994 - 09/1998	PAINWEBBER INCORPORATED	8174	WEEHAWKEN, NJ
B	01/1990 - 03/1994	SMITH BARNEY SHEARSON INC.	7059	NEW YORK, NY
B	04/1988 - 01/1990	SHEARSON LEHMAN HUTTON INC.	7506	NEW YORK, NY
B	07/1984 - 04/1988	E. F. HUTTON & COMPANY INC	235	

Employment History

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

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

Employment	Employer Name	Position	Investment Related	Employer Location
01/2024 - Present	KESTRA ADVISORY SERVICES, LLC	INVESTMENT ADVISER REP	Y	AUSTIN, TX, United States
01/2024 - Present	KESTRA INVESTMENT SERVICES LLC	REGISTERED REP	Y	AUSTIN, TX, United States



Registration and Employment History

Employment History, continued

Employment	Employer Name	Position	Investment Related	Employer Location
06/2017 - 01/2024	LPL FINANCIAL, LLC	REGISTERED REPRESENTATIVE	Y	PLANO, TX, United States
05/2007 - 06/2017	PROSPERA FINANCIAL SERVICES	REGISTERED REP	Y	DALLAS, TX, United States

Other Business Activities

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

Busi Name: OPTIMA WEALTH MANAGEMENT, LLC

POSITION: President / Owner NATURE: Registered rep activities through Kestra Investment Services INVESTMENT RELATED: Yes NUMBER OF HOURS: 40 SECURITIES TRADING HOURS: 160 START DATE: 02/02/2024

ADDRESS: 2801 Network Blvd, Suite 300, Frisco TX 75024, United States

DESCRIPTION: Provide investment advice to retail clients. Monitor, keep, and secure client information and meet regulatory requirements for maintaining a branch office.

Busi Name: KESTRA ADVISORY SERVICES

POSITION: Investment Advisor NATURE: Investment advisory services through Kestra Advisory Services, LLC INVESTMENT RELATED: Yes NUMBER OF HOURS: 40 SECURITIES TRADING HOURS: 160 START DATE: 02/08/2024

ADDRESS: 5707 Southwest Parkway, Bldg 2, Ste 400, Austin TX 78735, United States

DESCRIPTION: Management of private retail accounts and financial planning.

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
Customer Dispute	0	2	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.

Customer Dispute - Award / Judgment

This type of disclosure event involves a final, consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the broker that resulted in an arbitration award or civil judgment for the customer.

Disclosure 1 of 1

Reporting Source: Regulator

Employing firm when activities occurred which led to the complaint: CIBC WORLD MARKETS CORP.

Allegations: THE CLAIM AROSE OUT OF THE SALE MUTUAL FUNDS THAT CLAIMANT ALLEGED WERE RISKY AND AGGRESSIVE AS WELL AS UNSUITABLE FOR CLAIMANT BASED ON HER INVESTMENT OBJECTIVES. IN ADDITION, CLAIMANT CONTENDED THAT RESPONDENTS MADE TRANSACTIONS WITHOUT HER AUTHORIZATION. CLAIMANT ASSERTED VARIOUS CLAIMS AGAINST RESPONDENTS INCLUDING: BREACH OF CONTRACT, WARRANTIES, AND PROMISSORY ESTOPPEL.

Product Type: Mutual Fund(s)

Alleged Damages: \$500,000.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [NASD - CASE #02-02367](#)

Date Notice/Process Served: 05/07/2002

Arbitration Pending? No

Disposition: Award

Disposition Date: 05/22/2003

Disposition Detail: RESPONDENT PHILLIPS IS JOINTLY AND SEVERALLY LIABLE FOR AND



SHALL PAY TO CLAIMANT COMPENSATORY DAMAGES IN THE AMOUNT OF \$25,840, INCLUSIVE OF AN AWARD OF INTEREST.

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: CIBC WORLD MARKETS CORP.

Allegations: THE CLAIMANT ALLEGES THAT MR. PHILLIPS RECOMMENDED UNSUITABLE INVESTMENTS FOR HER PORTFOLIO. THE CLAIMANT SEEKS DAMAGES IN EXCESS OF \$100,000.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$100,000.00

Customer Complaint Information

Date Complaint Received: 05/27/2003

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 05/27/2003

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [NASD #02-02367](#)

Date Notice/Process Served: 05/27/2003

Arbitration Pending? No

Disposition: Award to Customer

Disposition Date: 05/27/2003

Monetary Compensation Amount: \$25,840.00

Individual Contribution Amount:

**Firm Statement**

ON MAY 27, 2003, THE PANEL ISSUED AN AWARD HOLDING RESPONDENTS JOINTLY AND SEVERALLY LIABLE TO THE CLAIMANT FOR COMPENSATORY DAMAGES OF \$25,840.00. ALL OTHER REQUESTS FOR RELIEVE WERE DENIED.

Reporting Source:

Broker

Employing firm when activities occurred which led to the complaint:

CIBC WORLD MARKETS CORP.

Allegations:

THE CLAIMANT ALLEGES THAT MR. PHILLIPS' RECOMMENDED UNSUITABLE INVESTMENTS FOR HER PORTFOLIO. THE CLAIMANT SEEK DAMAGES OF IN EXCESS OF \$100,000.

Product Type:

Equity Listed (Common & Preferred Stock)

Alleged Damages:

\$100,000.00

Customer Complaint Information**Date Complaint Received:**

04/16/2001

Complaint Pending?

No

Status:

Arbitration/Reparation

Status Date:

05/13/2002

Settlement Amount:**Individual Contribution Amount:****Arbitration Information****Arbitration/Reparation Claim filed with and Docket/Case No.:**

[NASD - #02-02367](#)

Date Notice/Process Served:

05/13/2002

Arbitration Pending?

No

Disposition:

Award to Customer

Disposition Date:

05/27/2003

Monetary Compensation Amount:

\$25,840.00

**Individual Contribution
Amount:**

\$0.00

Broker Statement

ON MAY 27, 2003, THE PANEL ISSUED AN AWARD HOLDING RESPONDENTS JOINTLY AND SEVERALLY LIABLE TO THE CLAIMANT FOR COMPENSATORY DAMAGES OF \$25,840.00. ALL OTHER REQUEST FOR RELIEVE WERE DENIED.



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

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

Disclosure 1 of 1

Reporting Source: Firm

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

Allegations: The client alleges that the PaineWebber FA switched her from A shares to B shares to generate commissions. Client seeks \$12,500 to compensate for alleged principal reduction resulting from switches. Time and product not specified.

Product Type:

Alleged Damages: \$12,500.00

Customer Complaint Information

Date Complaint Received: 03/19/1999

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Firm Statement n/a
Prepared by: Neil Barry (201)902-6069

Reporting Source: Broker

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

Allegations: THE CLIENT ALLEGES THAT THE PAINNEWEBBER FA SWITCHED HER FROM A SHARES TO B SHARES TO GENERATE COMMISSIONS. CLIENT SEEKS \$12,500 TO COMPENSATE FOR ALLEGED PRINCIPAL REDUCTION RESULTING FROM SWITCHES. TIME AND PRODUCT NOT SPECIFIED.



Product Type: Mutual Fund(s)

Alleged Damages: \$12,500.00

Customer Complaint Information

Date Complaint Received: 03/19/1999

Complaint Pending? No

Status: Denied

Status Date: 03/19/2001

Settlement Amount:

**Individual Contribution
Amount:**

Broker Statement DENIED BY PAINE WEBBER.



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:	LPL FINANCIAL LLC
Termination Type:	Discharged
Termination Date:	01/26/2024
Allegations:	Provided login and password information to assistant. Used Firm-unapproved messaging application to transmit business-related communications to assistant.
Product Type:	No Product

Reporting Source:	Broker
Employer Name:	LPL FINANCIAL LLC
Termination Type:	Discharged
Termination Date:	01/26/2024
Allegations:	Provided login and password information to assistant. Used Firm-unapproved messaging application to transmit business-related communications to assistant.
Product Type:	No Product

End of Report



This page is intentionally left blank.