

BrokerCheck Report

Rodney L. Cantrell

CRD# 1303831

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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.

Rodney L. Cantrell

CRD# 1303831

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

IA EDWARD JONES

258 WEST MAIN STREET
WASHINGTON, NC 27889
CRD# 250

Registered with this firm since: 12/31/2001

B EDWARD JONES

258 WEST MAIN STREET
WASHINGTON, NC 27889
CRD# 250

Registered with this firm since: 09/20/1984

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:

- 4 Self-Regulatory Organizations
- 39 U.S. states and territories

This broker has passed:

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

Registration History

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

No information reported.

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
Customer Dispute	3

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 4 SROs and is licensed in 39 U.S. states and territories through his or her employer.

Employment 1 of 1

Firm Name: **EDWARD JONES**

Main Office Address: **12555 MANCHESTER ROAD
ST. LOUIS, MO 63131-3710**

Firm CRD#: **250**

SRO	Category	Status	Date
FINRA	General Securities Representative	Approved	09/20/1984
NYSE American LLC	General Securities Representative	Approved	09/13/2011
Nasdaq Stock Market	General Securities Representative	Approved	07/12/2006
New York Stock Exchange	General Securities Representative	Approved	11/15/1984

U.S. State/ Territory	Category	Status	Date
Alabama	Agent	Approved	02/07/2000
Alaska	Agent	Approved	11/16/2016
Arizona	Agent	Approved	03/30/2012
Arkansas	Agent	Approved	09/15/2017
California	Agent	Approved	04/19/2004
Colorado	Agent	Approved	10/11/2016
Connecticut	Agent	Approved	10/19/2015
Delaware	Agent	Approved	10/23/2014
District of Columbia	Agent	Approved	08/18/2015

Broker Qualifications



Employment 1 of 1, continued

U.S. State/ Territory	Category	Status	Date
B Florida	Agent	Approved	06/10/1993
B Georgia	Agent	Approved	05/23/1994
B Illinois	Agent	Approved	03/26/2003
B Indiana	Agent	Approved	12/11/2019
B Kentucky	Agent	Approved	01/18/2013
B Louisiana	Agent	Approved	05/27/2020
B Maine	Agent	Approved	09/01/2023
B Maryland	Agent	Approved	01/14/2013
B Massachusetts	Agent	Approved	07/08/2004
B Michigan	Agent	Approved	08/21/2007
B Minnesota	Agent	Approved	04/30/2013
B Mississippi	Agent	Approved	09/16/2015
B Montana	Agent	Approved	06/08/2016
B Nevada	Agent	Approved	12/20/2007
B New Hampshire	Agent	Approved	10/26/2004
B New Jersey	Agent	Approved	01/11/2013
B New York	Agent	Approved	02/21/1992
B North Carolina	Agent	Approved	04/01/1985
IA North Carolina	Investment Adviser Representative	Approved	12/31/2001
B North Dakota	Agent	Approved	01/24/2014
B Ohio	Agent	Approved	10/13/2022

Broker Qualifications



Employment 1 of 1, continued

U.S. State/ Territory	Category	Status	Date
B Oregon	Agent	Approved	06/15/2021
B Pennsylvania	Agent	Approved	09/02/2004
B Rhode Island	Agent	Approved	07/03/2019
B South Carolina	Agent	Approved	10/07/2005
B South Dakota	Agent	Approved	08/18/2020
B Tennessee	Agent	Approved	04/17/2013
B Texas	Agent	Approved	11/08/2004
IA Texas	Investment Adviser Representative	Restricted Approval	01/14/2019
B Virginia	Agent	Approved	03/11/1992
B West Virginia	Agent	Approved	04/21/2004
B Wisconsin	Agent	Approved	09/07/2018

Branch Office Locations

EDWARD JONES
 258 WEST MAIN STREET
 WASHINGTON, NC 27889

Broker Qualifications



Industry Exams this Broker has Passed

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

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

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	09/15/1984

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	12/12/2005
B Uniform Securities Agent State Law Examination	Series 63	10/08/1984

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 **1** professional designation(s).

Certified Financial Planner

This representative holds or did hold **1** professional designation(s) that may have been used to qualify as an Investment Advisor representative. Please check with the appropriate designation authority for verification that the designation is still in effect. The contact information for these professional designation authorities can be found on the website for the North American Securities Administrators Association at <http://www.nasaa.org>

Registration and Employment History



Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
No information reported.			

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
05/1984 - Present	EDWARD D. JONES & CO., L.P.	OTHER - REP TRAINEE	Y	WASHINGTON, NC, 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.

RENTAL PROPERTY
OCRACOKE, NC
Start date: 1/1/2016
OWNER
Hours per week: 0
Hours during trading: 0
NO RESPONSIBILITIES.***

BEAUFORT COUNTY COMMUNITY COLLEGE
WASHINGTON, NC
Start date: 9/22/2017
AD HOC COMMUNITY LIASON
Hours per week: 0
Hours during trading: 0
VOLUNTEER ON BCCC STRATEGIC PLANNING TASK FORCE. INPUT ON VISION, MISSION STATEMENT, THEMES, GOALS FOR 2018-2023***

Registration and Employment History



Other Business Activities, continued

COMMERCIAL RENTAL PROPERTY

WASHINGTON, NC

Start date: 7/1/2007

OWNER

Hours per week: 0

Hours during trading: 0

PASSIVE***

RENTAL PROPERTY

Type of business: APARTMENTS A/B

WASHINGTON, NC

Start date: 7/1/2007

OWNER

Hours per week: 0

Hours during trading: 0

PASSIVE

EAST CAROLINA HOSPITALITY LLC DBA CANDLEWOOD SUITES

Type of business: HOTEL

GREENVILLE, NC

Start date: 1/1/2007

PASSIVE INVESTOR

Hours per week: 0

Hours during trading: 0

PASSIVE

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
Customer Dispute	0	3	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:	Other: N/A
Date Initiated:	09/15/2009
Docket/Case Number:	2007009405901
Employing firm when activity occurred which led to the regulatory action:	EDWARD D. JONES & CO.
Product Type:	Mutual Fund
Allegations:	NASD RULES 2110, 2210(B)(1), 2210(C)(2)(A), 2210(D)(1)(A), 2210(D)(1)(B) AND 2210(E): RESPONDENT ROBERT LEE CANTRELL CAUSED UNAPPROVED ADVERTISEMENTS TO BE BROADCAST TO THE PUBLIC WHICH WERE INCOMPLETE, UNFAIR, UNBALANCED, OVERSIMPLIFIED, EXAGGERATED OR UNWARRANTED AND THEREFORE, MISLEADING. THE ADVERTISEMENTS WERE NOT APPROVED BY A PRINCIPAL OF HIS MEMBER FIRM OR FINRA PRIOR TO USE, AND DID NOT INCLUDE A REFERENCE TO HIS MEMBER FIRM'S SIPC MEMBERSHIP AS REQUIRED. CANTRELL ALSO FAILED TO FILE WITH FINRA, WITHIN 10 DAYS OF FIRST USE, AN ADVERTISEMENT CONCERNING MUTUAL FUNDS.
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:	09/15/2009
Sanctions Ordered:	Censure 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:	10 BUSINESS DAYS
Start Date:	10/19/2009
End Date:	10/30/2009

**Monetary Sanction 1 of 1****Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)**Total Amount:** \$10,000.00**Portion Levied against individual:** \$10,000.00**Payment Plan:****Is Payment Plan Current:** Yes**Date Paid by individual:** 09/28/2009**Was any portion of penalty waived?** No**Amount Waived:**

Regulator Statement WITHOUT ADMITTING OR DENYING THE FINDINGS, CANTRELL CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, HE IS CENSURED, FINED \$10,000 AND SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY CAPACITY FOR 10 BUSINESS DAYS.

THE SUSPENSION IS IN EFFECT FROM OCTOBER 19, 2009 THROUGH OCTOBER 30, 2009.

Reporting Source: Broker**Regulatory Action Initiated By:** FINRA**Sanction(s) Sought:** Censure
Civil and Administrative Penalty(ies)/Fine(s)
Suspension**Date Initiated:** 09/15/2009**Docket/Case Number:** [2007009405901](#)**Employing firm when activity occurred which led to the regulatory action:** EDWARD JONES**Product Type:** Mutual Fund**Allegations:** CANTRELL WAS INTERVIEWED FOR TELEVISION COMMERCIALS IN 2006



WITHOUT SEEKING ADVANCE APPROVAL OF THE FIRM. [U6 FILING: NASD RULES 2110, 2110(B)(1), 2210(C)(2)(A), 2210(D)(1)(B) AND 2210(E)-- RESPONDENT CAUSED UNAPPROVED ADVERTISEMENTS TO BE BROADCAST TO THE PUBLIC WHICH WERE INCOMPLETE, UNFAIR, UNBALANCED, OVERSIMPLIFIED, EXAGGERATED OR UNWARRANTED AND THEREFORE, MISLEADING. THE ADVERTISEMENTS WERE NOT APPROVED BY A PRINCIPAL OF HIS MEMBER FIRM OR FINRA PRIOR TO USE, AND DID NOT INCLUDE A REFERENCE TO HIS MEMBER FIRM'S SIPC MEMBERSHIP AS REQUIRED. RESPONDENT ALSO FAILED TO FILE WITH FINRA, WITHIN 10 DAYS OF FIRST USE, AN ADVERTISEMENT CONCERNING MUTUAL FUNDS.]

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:	09/15/2009
Sanctions Ordered:	Censure Civil and Administrative Penalty(ies)/Fine(s) Suspension
Sanction 1 of 1	
Sanction Type:	Suspension
Capacities Affected:	ANY CAPACITY
Duration:	10 BUSINESS DAYS
Start Date:	10/19/2009
End Date:	10/30/2009
Monetary Sanction 1 of 1	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$10,000.00
Portion Levied against individual:	\$10,000.00
Payment Plan:	

**Is Payment Plan Current:**

Date Paid by individual: 09/28/2009

Was any portion of penalty waived? No

Amount Waived:**Broker Statement**

WITHOUT ADMITTING FOR DENYING THE FINDINGS, CANTRELL CONSENTED TO THE ENTRY OF FINDINGS AND TO THE FOLLOWING SANCTIONS: A CENSURE, 10 BUSINESS DAY SUSPENSION AND \$10,000 FINE. THE SUSPENSION IS IN EFFECT FROM OCTOBER 19, 2009 THROUGH OCTOBER 30, 2009.



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 1

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: EDWARD JONES

Allegations: THE ATTORNEY FOR THE CLIENTS ALLEGED THAT HIS CLIENTS WERE NOT ADVISED PROPERLY BY MR. CANTRELL IN LATE 2000, REGARDING THE CAPITAL GAINS OR LOSSES ASSOCIATED WITH THEIR ACCOUNT. THE CLIENTS ALLEGED THAT THEY WERE TOLD BY MR. CANTRELL THAT THEIR CAPITAL GAINS AND TAX LIABILITY DID NOT EXCEED \$7,000 FOR THE YEAR 2000. THE ATTORNEY STATED THAT CLIENTS WERE PREPARED TO SELL CERTAIN STOCKS FROM THEIR PORTFOLIO IN ORDER TO OFFSET THE CAPITAL GAINS FOR THE YEAR, BUT SINCE THE CAPITAL GAINS WERE CONSIDERED LOW BASED ON MR. CANTRELL'S ANALYSIS, THE IR ADVISED THE CLIENT TO SELL THE STOCKS IN JANUARY OF THE FOLLOWING YEAR. CLIENTS ARE CLAIMING AT LEAST \$50,000 IN DAMAGES.*****

ARBITRATION CASE DESCRIPTION: ALLEGATIONS OF NEGLIGENCE, NEGLIGENT MISREPRESENTATION, FRAUD AND BREACH OF FIDUCIARY DUTY IN CALCULATING THE CAPITAL GAINS OF THE PLAINTIFF. (AMOUNT CLAIMED: IN EXCESS OF \$50,000 PLUS TREBLE DAMAGES, ATTORNEYS' FEES, COSTS AND INTEREST)

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$50,000.00

Customer Complaint Information

Date Complaint Received: 03/11/2003

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 06/07/2003

Settlement Amount:

Individual Contribution Amount:

Arbitration Information



Arbitration/Reparation Claim filed with and Docket/Case No.: NASD, CASE NO: 03-04365

Date Notice/Process Served: 06/07/2003

Arbitration Pending? No

Disposition: Settled

Disposition Date: 02/03/2004

Monetary Compensation Amount: \$25,000.00

Individual Contribution Amount: \$0.00

Broker Statement ARBITRATION RESOLUTION: SETTLED FOR \$25,000



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: Broker

Employing firm when activities occurred which led to the complaint: EDWARD JONES

Allegations: CLIENT ALLEGED THAT HIS ACCOUNT WAS MISHANDLED AND THAT THE INVESTMENTS MADE DURING THE PAST FIFTEEN YEARS WERE NOT SUITABLE FOR HIS LEVEL OF RISK. CLIENT ALSO INDICATED THAT HE DID NOT AUTHORIZE NOR UNDERSTAND THE USE OF MARGIN IN HIS ACCOUNT. CLIENT STATED THAT THE VALUE OF HIS ACCOUNT HAS DECLINED FROM APPROXIMATELY \$350,000 FIFTEEN YEARS AGO TO APPROXIMATELY \$60,000 TODAY.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$290,000.00

Customer Complaint Information

Date Complaint Received: 09/11/2003

Complaint Pending? No

Status: Denied

Status Date: 09/22/2003

Settlement Amount:

Individual Contribution Amount:

Broker Statement THE IR ADVISED THAT THE CLIENT OPENED HIS ACCOUNT WITH THIS BRANCH OFFICE APPROXIMATELY FIFTEEN YEARS AGO. IR ADVISED THAT THE CLIENT PREVIOUSLY BORROWED FUNDS FROM HIS ACCOUNT USING MARGIN IN 1993 AND 1998. IR STATED THAT THE CLIENT WAS IN THE HOSPITAL AND CONTACTED HIS OFFICE INDICATING THAT CLIENT WANTED TO START TRADING STOCKS. IT IS MY UNDERSTANDING THAT IR ADVISED OF THE RISKS ASSOCIATED WITH THIS TYPE OF SHORT-TERM TRADING AND INDICATED THAT CLIENT WOULD HAVE TO EITHER SELL THE MUTUAL FUNDS OR BORROW AGAINST THEM USING CLIENT'S LINE OF CREDIT. IR



REVIEWED THE RISKS ASSOCIATED WITH LEVERAGING CLIENT'S ACCOUNT AND ADVISED CLIENT THAT THE LOSSES WOULD BE SIGNIFICANTLY INCREASED IF THE MARKET DECLINED. IR STATED THAT HE FOLLOWED CLIENT'S INSTRUCTIONS ON THESE TRADES AND THAT THE CLIENT WAS SENT ALL OF THE TRADE CONFIRMATIONS. THE TRANSACTIONS WERE ALSO DISCLOSED ON THE CLIENT'S MONTHLY STATEMENTS. THE CLIENT'S REQUEST FOR REIMBURSEMENT WAS DENIED.

Disclosure 2 of 2

Reporting Source: Broker
Employing firm when activities occurred which led to the complaint: EDWARD JONES
Allegations: THE CLIENT COMPLAINED ABOUT THE DECLINE IN VALUE OF HIS ACCOUNT AND ALLEGED THAT IT WAS CAUSED BY IR'S MISMANAGEMENT. CLIENT HAS BEEN AGGRESSIVELY TRADING STOCKS IN THIS ACCOUNT FOR THE PAST EIGHT YEARS AND HAS HAD A MARGIN ACCOUNT SINCE 1997. CLIENT ALLEGES THAT IR SHOULD NEVER HAVE ALLOWED THE MARGIN BALANCE TO GET SO HIGH. CLIENT ALSO ALLEGED THAT MANY OF THE TRADES WERE DONE WITHOUT HIS AUTHORIZATION AND THAT AT ONE POINT IN 2000, CLIENT CLAIMED HIS ACCOUNT WAS BEING CHURNED. NO SPECIFIC AMOUNT CLAIMED.

Product Type: Other

Alleged Damages: \$0.00

Customer Complaint Information

Date Complaint Received: 05/15/2003

Complaint Pending? No

Status: Denied

Status Date: 09/30/2003

Settlement Amount:

Individual Contribution Amount:

Broker Statement THE CLIENT HAS HAD A MARGIN ACCOUNT WITH IR'S OFFICE SINCE 1997. TO ESTABLISH SUCH AN ACCOUNT, CLIENT WOULD HAVE SIGNED A FULL SERVICE AGREEMENT AT THAT TIME. THE INVESTMENTS THAT WERE



MADE IN CLIENT'S ACCOUNT WERE MOSTLY UNSOLICITED AND APPEAR TO HAVE MET THE CLIENT'S INVESTMENT OBJECTIVES OF GROWTH, GROWTH AND INCOME AND AGGRESSIVE. ON MANY OF THE TRADES, THE IR EXTENDED THE MAXIMUM COMMISSION DISCOUNT AND MADE NO COMMISSIONS ON THE TRADE. ACCORDING TO THE IR, CLIENT DID HIS OWN RESEARCH AND SELECTED HIS OWN STOCKS. BECAUSE IT APPEARS THAT THE IR FOLLOWED THE CLIENT'S INSTRUCTIONS ON THIS ACCOUNT, THE CLIENT WOULD HAVE BEEN AWARE THAT HIS PURCHASES WERE BEING MADE ON MARGIN, AND THAT THE CLIENT WAS DIRECTING THE INVESTING ACTIVITY IN THE ACCOUNT, CLIENT'S REQUEST FOR REIMBURSEMENT WAS DENIED.

End of Report



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