

BrokerCheck Report

STUART JEFFRIES HENLEY

CRD# 1368973

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Broker Qualifications	2 - 3
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.

STUART J. HENLEY

CRD# 1368973

This broker is not currently registered.

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 not currently registered.

This broker has passed:

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

Registration History

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

- B CALTON & ASSOCIATES, INC.**
CRD# 20999
TAMPA, FL
06/2018 - 08/2018
- B MORGAN STANLEY**
CRD# 149777
TAMPA, FL
06/2009 - 03/2018
- B MORGAN STANLEY & CO. INCORPORATED**
CRD# 8209
TAMPA, FL
04/2007 - 06/2009

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	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 broker is not currently registered.



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, 4 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	08/14/2018
B National Commodity Futures Examination	Series 3	04/21/1986
B General Securities Representative Examination	Series 7	10/19/1985
B Investment Company Products/Variable Contracts Representative Examination	Series 6	06/25/1985

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	11/07/1994
B Uniform Securities Agent State Law Examination	Series 63	02/05/1986

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
B 06/2018 - 08/2018	CALTON & ASSOCIATES, INC.	20999	TAMPA, FL
B 06/2009 - 03/2018	MORGAN STANLEY	149777	TAMPA, FL
B 04/2007 - 06/2009	MORGAN STANLEY & CO. INCORPORATED	8209	TAMPA, FL
B 05/1999 - 04/2007	MORGAN STANLEY DW INC.	7556	TAMPA, FL
B 12/1991 - 05/1999	PAINWEBBER INCORPORATED	8174	WEEHAWKEN, NJ
B 01/1986 - 12/1991	LEHMAN BROTHERS INC.	7506	NEW YORK, NY
B 06/1985 - 02/1986	IDS MARKETING CORPORATION	6363	

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
06/2018 - Present	Harmony Asset Management LLC	INVESTMENT ADVISOR REPRESENTATIVE	Y	Tampa, FL, United States
06/2018 - 08/2018	Calton & Associates, Inc.	Financial Advisor	Y	Tampa, FL, United States
03/2018 - 06/2018	unemployed	none	N	Tampa, FL, United States
01/2015 - 03/2018	MORGAN STANLEY PRIVATE BANK, NATIONAL ASSOCIATION	FINANCIAL ADVISOR	Y	NEW YORK, NY, United States
06/2009 - 01/2015	MORGAN STANLEY SMITH BARNEY	Mass Transfer	Y	TAMPA, FL, 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:**
 - 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	1	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 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	05/16/2019
Docket/Case Number:	2018057441201
Employing firm when activity occurred which led to the regulatory action:	Morgan Stanley Smith Barney, LLC
Product Type:	Other: unspecified securities
Allegations:	Without admitting or denying the findings, Henley consented to the sanctions and to the entry of findings that he exercised discretion in an elderly customer's account without receiving acceptance of the account as discretionary by his member firm. The findings stated that although Henley had been given express or implied authority to exercise discretion in the account, the customer did not provide written authorization for Henley to exercise discretion. The findings also stated that Henley provided inaccurate responses on annual compliance questionnaires submitted to the firm by falsely indicating that he not exercised discretion in any customer account.
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: 05/16/2019

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:	All capacities
Duration:	30 business days
Start Date:	05/20/2019
End Date:	07/01/2019



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: Deferred

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Reporting Source: Broker

Regulatory Action Initiated By: FINRA

Sanction(s) Sought: Monetary Penalty other than Fines
Suspension

Date Initiated: 05/16/2019

Docket/Case Number: [2018057441201](#)

Employing firm when activity occurred which led to the regulatory action: Morgan Stanley Smith Barney, LLC

Product Type: No Product

Allegations: Concerns that the representative had executed transactions for a non-discretionary client account without speaking with the client on the date of the trade in all cases.

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?	Yes
Resolution Date:	05/16/2019
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Suspension
Sanction 1 of 1	
Sanction Type:	Suspension
Capacities Affected:	Association with a FINRA member firm
Duration:	30 Days
Start Date:	05/16/2019
End Date:	07/01/2019
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:	
Broker Statement	On May 16, 2019, without admitting or denying FINRA's allegations, Mr. Henley entered into a Letter of Acceptance, Waiver and Consent ("AWC") with FINRA. He accepted the entry of findings of a violation of FINRA rules in connection with placing trades in the account of one customer from whom he received express or implied authority to trade, but not written authorization, and providing inaccurate responses to his associated broker-dealer regarding the alleged activity. Mr. Henley accepted a 30-day suspension from association with a FINRA member firm, satisfied on July 1, 2019, and a \$5,000 fine payable no later than upon



registration with a FINRA member firm.



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:	MS
Allegations:	Claimant alleges, inter alia, that the FA engaged in excessive trading to gain commission. Time period unspecified.
Product Type:	Equity Listed (Common & Preferred Stock)
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	Unspecified
Is this an oral complaint?	No
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA
Docket/Case #:	16-02747
Filing date of arbitration/CFTC reparation or civil litigation:	09/15/2016

Customer Complaint Information

Date Complaint Received:	09/21/2016
Complaint Pending?	No
Status:	Settled
Status Date:	02/08/2018
Settlement Amount:	\$800,000.00



Individual Contribution Amount: \$0.00

Broker Statement In order to avoid the costs and uncertainties of litigation, Morgan Stanley agreed to pay Claimant \$800,000.00 in full and final settlement of any and all claims asserted by Claimant in this proceeding.



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: Morgan Stanley Wealth Management

Termination Type: Discharged

Termination Date: 03/06/2018

Allegations: Concerns that the representative had executed transactions for a non-discretionary client account without speaking with the client on the date of the trade in all cases.

Product Type: No Product

Reporting Source: Broker

Employer Name: Morgan Stanley Wealth Management

Termination Type: Discharged

Termination Date: 03/06/2018

Allegations: Concerns that the representative had executed transactions for a non-discretionary client account without speaking with the client on the date of the trade in all cases.

Product Type: No Product

Broker Statement Customer authorized every trade and received a prospectus and written confirmation of every trade. At no time during the 30-year relationship did customer raise any concerns with me or the firm about the trades at issue.

End of Report



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