

**BrokerCheck Report**  
**BRUCE DANIEL HUGGINS**

CRD# 1444889

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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](http://brokercheck.finra.org)



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

**BRUCE D. HUGGINS**

CRD# 1444889

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

**IA** **MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED**  
 50 ROUTE 111  
 SMITHTOWN, NY 11787  
 CRD# 7691  
 Registered with this firm since: 09/16/2021

**B** **MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED**  
 50 ROUTE 111  
 SMITHTOWN, NY 11787  
 CRD# 7691  
 Registered with this firm since: 07/30/2021

**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:**

- 6 Self-Regulatory Organizations
- 21 U.S. states and territories

**This broker has passed:**

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

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

**IA** **CITIGROUP GLOBAL MARKETS INC.**  
 CRD# 7059  
 NEW YORK, NY  
 09/2012 - 08/2021

**B** **CITIGROUP GLOBAL MARKETS INC.**  
 CRD# 7059  
 COMMACK, NY  
 08/2012 - 08/2021

**IA** **HSBC SECURITIES (USA) INC.**  
 CRD# 19585  
 NEW YORK, NY  
 07/2006 - 09/2012

**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	5
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 6 SROs and is licensed in 21 U.S. states and territories through his or her employer.**

#### Employment 1 of 1

Firm Name: **MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED**

Main Office Address: **ONE BRYANT PARK  
NEW YORK, NY 10036**

Firm CRD#: **7691**

<b>SRO</b>	<b>Category</b>	<b>Status</b>	<b>Date</b>
<b>B</b> Cboe BYX Exchange, Inc.	General Securities Representative	Approved	07/30/2021
<b>B</b> Cboe BZX Exchange, Inc.	General Securities Representative	Approved	07/30/2021
<b>B</b> Cboe Exchange, Inc.	General Securities Representative	Approved	07/30/2021
<b>B</b> Cboe Exchange, Inc.	General Securities Sales Supervisor	Approved	07/30/2021
<b>B</b> FINRA	General Securities Representative	Approved	07/30/2021
<b>B</b> FINRA	General Securities Sales Supervisor	Approved	07/30/2021
<b>B</b> Nasdaq Stock Market	General Securities Representative	Approved	07/30/2021
<b>B</b> Nasdaq Stock Market	General Securities Sales Supervisor	Approved	07/30/2021
<b>B</b> New York Stock Exchange	General Securities Representative	Approved	07/30/2021
<b>B</b> New York Stock Exchange	General Securities Sales Supervisor	Approved	07/30/2021
<b>B</b> New York Stock Exchange	Securities Manager	Approved	07/30/2021

<b>U.S. State/ Territory</b>	<b>Category</b>	<b>Status</b>	<b>Date</b>
<b>B</b> Arizona	Agent	Approved	07/30/2021
<b>B</b> California	Agent	Approved	07/30/2021

## Broker Qualifications



### Employment 1 of 1, continued

U.S. State/ Territory	Category	Status	Date
B Colorado	Agent	Approved	06/07/2022
B Connecticut	Agent	Approved	07/30/2021
B District of Columbia	Agent	Approved	07/30/2021
B Florida	Agent	Approved	09/24/2021
B Illinois	Agent	Approved	01/30/2026
B Iowa	Agent	Approved	08/02/2021
B Louisiana	Agent	Approved	08/02/2022
B Maryland	Agent	Approved	07/30/2021
B Massachusetts	Agent	Approved	09/27/2021
B Michigan	Agent	Approved	06/14/2024
B New Jersey	Agent	Approved	07/30/2021
B New York	Agent	Approved	07/30/2021
IA New York	Investment Adviser Representative	Approved	12/03/2021
B North Carolina	Agent	Approved	07/30/2021
B Pennsylvania	Agent	Approved	09/03/2021
B South Carolina	Agent	Approved	08/31/2021
B Tennessee	Agent	Approved	11/14/2024
B Texas	Agent	Approved	07/30/2021
IA Texas	Investment Adviser Representative	Restricted Approval	09/16/2021
B Vermont	Agent	Approved	07/30/2021
B Virginia	Agent	Approved	09/17/2021

## Broker Qualifications



### Employment 1 of 1, continued

#### Branch Office Locations

**MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED**  
50 ROUTE 111  
SMITHTOWN, NY 11787

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## 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 2 principal/supervisory exams, 2 general industry/product exams, and 3 state securities law exams.**

#### Principal/Supervisory Exams

Exam	Category	Date
General Securities Sales Supervisor - Options Module Examination	Series 9	03/27/2007
General Securities Sales Supervisor - General Module Examination	Series 10	02/20/2007

#### General Industry/Product Exams

Exam	Category	Date
Securities Industry Essentials Examination	SIE	10/01/2018
General Securities Representative Examination	Series 7	01/18/1986

#### State Securities Law Exams

Exam	Category	Date
Uniform Combined State Law Examination	Series 66	11/29/2021
Uniform Investment Adviser Law Examination	Series 65	06/21/1999
Uniform Securities Agent State Law Examination	Series 63	02/04/1986

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/](http://www.finra.org/brokerqualifications/registeredrep/).

## Broker Qualifications



### Professional Designations

This section details that the representative has reported **0** professional designation(s).

No information reported.

# Registration and Employment History



## Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
IA 09/2012 - 08/2021	CITIGROUP GLOBAL MARKETS INC.	7059	COMMACK, NY
B 08/2012 - 08/2021	CITIGROUP GLOBAL MARKETS INC.	7059	COMMACK, NY
IA 07/2006 - 09/2012	HSBC SECURITIES (USA) INC.	19585	WEST BABYLON, NY
B 12/2005 - 09/2012	HSBC SECURITIES (USA) INC.	19585	WEST BABYLON, NY
B 11/2005 - 11/2005	NORTH RIDGE SECURITIES CORP.	27098	MELVILLE, NY
B 09/2005 - 11/2005	BNY INVESTMENT CENTER INC.	47683	NEW YORK, NY
B 01/2004 - 09/2005	NORTH RIDGE SECURITIES CORP.	27098	MELVILLE, NY
B 02/2002 - 01/2004	PRIME CAPITAL SERVICES, INC.	18334	POUGHKEEPSIE, NY
B 04/1998 - 02/2002	PRUDENTIAL SECURITIES INCORPORATED	7471	NEW YORK, NY
B 05/1990 - 04/1998	SMITH BARNEY INC.	7059	NEW YORK, NY
B 01/1986 - 06/1990	SHEARSON LEHMAN HUTTON INC.	7506	NEW YORK, NY

## 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
09/2021 - Present	Bank of America, N.A.	Financial Advisor - AGP	Y	SMITHTOWN, NY, United States
07/2021 - Present	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	Financial Advisor - AGP	Y	SMITHTOWN, NY, United States
08/2012 - 07/2021	CITIGROUP GLOBAL MARKETS	FA	Y	COMMACK, NY, 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.

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## 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
Customer Dispute	0	5	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

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	HSBC SECURITIES (USA) INC.
<b>Allegations:</b>	CUSTOMER CLAIMS WITH NO REGARD FOR HIS INVESTMENT EXPERIENCE, RISK TOLERANCE, OR RETIREMENT NEEDS THE FINANCIAL ADVISOR PLACED A DISPROPORTIONATE PERCENTAGE OF HIS FUNDS IN THE STOCK MARKET AND HIGH YIELD BONDS.
<b>Product Type:</b>	Annuity-Variable Debt-Corporate Mutual Fund
<b>Alleged Damages:</b>	\$311,624.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	09-4717
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	08/13/2009



## Customer Complaint Information

**Date Complaint Received:** 08/18/2009  
**Complaint Pending?** No  
**Status:** Arbitration Award/Monetary Judgment (for claimants/plaintiffs)  
**Status Date:** 08/30/2010  
**Settlement Amount:** \$128,671.00  
**Individual Contribution Amount:** \$0.00

## Arbitration Information

**Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):** FINRA  
**Docket/Case #:** 09-4717NY  
**Date Notice/Process Served:** 08/18/2009  
**Arbitration Pending?** No  
**Disposition:** Award to Customer  
**Disposition Date:** 08/30/2010  
**Monetary Compensation Amount:** \$128,671.00  
**Individual Contribution Amount:** \$0.00  
**Broker Statement** \*\* PLEASE REFUND LATE FEES INFORMATION ENTERED IN ERROR IN SECTION 12-16.



## 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 4

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	HSBC Securities (USA) Inc.
<b>Allegations:</b>	Customer alleges that respondent failed to advise claimant of the risks of their concentrated investment recommendations in Puerto Rico municipal bonds.
<b>Product Type:</b>	Debt-Municipal
<b>Alleged Damages:</b>	\$150,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	No
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	15-01230
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	08/13/2015

## Customer Complaint Information

<b>Date Complaint Received:</b>	09/18/2015
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	01/06/2017
<b>Settlement Amount:</b>	\$14,000.00
<b>Individual Contribution Amount:</b>	\$0.00
<b>Firm Statement</b>	In order to avoid the costs and uncertainties of litigation, HSBC agreed to pay Claimant \$14,000 in full and final settlement of any and all claims asserted in this



action. The Financial Advisor did not participate in or contribute to the final settlement.

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**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** HSBC Securities (USA) Inc.  
**Allegations:** Customer alleges that respondent failed to advise claimant of the risks of their concentrated investment recommendations in Puerto Rico municipal bonds.

**Product Type:** Debt-Municipal

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

**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 #:** 15-01230

**Filing date of arbitration/CFTC reparation or civil litigation:** 08/13/2015

## Customer Complaint Information

**Date Complaint Received:** 09/18/2015

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 01/06/2017

**Settlement Amount:** \$14,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** This client bought the bonds on an unsolicited basis. I left HSBC in 2012, 3 years before this client filed. I could not reach out to this client as HSBC had me on a garden leave and non-compete. I disagree with this compliant as I was not to keep client informed.



## Disclosure 2 of 4

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	HSBC SECURITIES (USA) INC.
<b>Allegations:</b>	COMPLAINT MADE ON BEHALF OF [CUSTOMER] ALLEGES FINANCIAL ADVISOR OPENED THE ACCOUNT WITH THE AGREEMENT THAT HE WOULD PAY \$10 PER TRADE.
<b>Product Type:</b>	Equity Listed (Common & Preferred Stock) Options
<b>Alleged Damages:</b>	\$37,103.20
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

## Customer Complaint Information

<b>Date Complaint Received:</b>	06/11/2009
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	09/29/2009
<b>Settlement Amount:</b>	\$17,780.08
<b>Individual Contribution Amount:</b>	\$8,000.00

## Disclosure 3 of 4

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	HSBC SECURITIES (USA) INC.
<b>Allegations:</b>	CUSTOMERS CLAIM REGISTERED REPRESENTATIVE DID NOT HAVE THEIR SPECIFIC AUTHORIZATION TO PURCHASE ADDITIONAL AUCTION RATE SECURITIES, ALTHOUGH THEY ACKNOWLEDGE HAVING HAD



CONVERSATIONS IN THIS REGARD. THIS CUSTOMER COMPLAINT INVOLVES ONE OR MORE AUCTION RATE SECURITIES WITH A NOTIONAL VALUE OF \$200,000 WHICH HAVE BEEN THE SUBJECT OF A FAILED AUCTION.

**Product Type:** Other: #39 AUCTION RATE SECURITIES- MUNI DBT

**Alleged Damages:** \$0.00

**Alleged Damages Amount Explanation (if amount not exact):** DAMAGES UNSPECIFIED BUT UNABLE TO CONCLUDE THAT DAMAGES WOULD BE LESS THAN \$5,000.

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** No

### Customer Complaint Information

**Date Complaint Received:** 04/22/2008

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 05/03/2008

**Settlement Amount:** \$200,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** ON 5/8/08, HSBC SECURITIES (USA) INC. AGREED TO VOLUNTARILY REPURCHASE THE ARS SECURITIES AT ISSUE FROM THE CUSTOMER AT PAR VALUE IN ORDER TO PROVIDE LIQUIDITY UNDER UNPRECEDENTED MARKET DEVELOPMENTS TO THE EXTENT THAT A CUSTOMER'S ARS POSITION(S) COULD NOT BE SOLD AND WAS NOT REDEEMED BY THE ISSUER. THE NAMED REPRESENTATIVE WAS NOT A PARTY TO, AND DID NOT AGREE TO OR PARTICIPATE IN, THE REPURCHASE AGREEMENT BETWEEN THE FIRM AND THE CUSTOMER; THE NAMED REPRESENTATIVE DID NOT MAKE ANY PAYMENTS TO THE CUSTOMER; AND THE NAMED REPRESENTATIVE WAS NOT ASKED TO AND DID NOT CONTRIBUTE TO THE REPURCHASE AMOUNT. THIS MATTER IS BEING REPORTED AS A SETTLEMENT PURSUANT TO THE REQUIREMENTS OF FINRA REGULATORY NOTICE 09-12.

**Disclosure 4 of 4**

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	HSBC SECURITIES (USA) INC.
<b>Allegations:</b>	CUSTOMERS CLAIM THEY WERE TOLD THE ARS COULD BE EASILY LIQUIDATED. AS A RESULT OF THE FAILED AUCTIONS, CUSTOMERS CLAIM THE ARS ARE NOT MEETING THEIR NEEDS. THIS CUSTOMER COMPLAINT INVOLVES ONE OR MORE AUCTION RATE SECURITIES WITH A NOTIONAL VALUE OF \$9,050,000.00 WHICH HAVE BEEN THE SUBJECT OF A FAILED AUCTION.
<b>Product Type:</b>	Other: #39 AUCTION RATE SECURITIES - MUNICIPAL DEBT
<b>Alleged Damages:</b>	\$0.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	DAMAGES UNSPECIFIED BUT UNABLE TO CONCLUDE THAT DAMAGES WOULD BE LESS THAN \$5,000.
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

**Customer Complaint Information**

<b>Date Complaint Received:</b>	04/10/2008
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	05/02/2008
<b>Settlement Amount:</b>	\$3,550,000.00
<b>Individual Contribution Amount:</b>	\$0.00
<b>Broker Statement</b>	ON 5/2/08, HSBC SECURITIES (USA) INC. AGREED TO VOLUNTARILY REPURCHASE THE ARS SECURITIES AT ISSUE FROM THE CUSTOMER AT PAR VALUE IN ORDER TO PROVIDE LIQUIDITY UNDER UNPRECEDENTED MARKET DEVELOPMENTS TO THE EXTENT THAT A CUSTOMER'S ARS POSITION(S) COULD NOT BE SOLD AND WAS NOT REDEEMED BY THE ISSUER. THE NAMED REPRESENTATIVE WAS NOT A PARTY TO, AND DID



NOT AGREE TO OR PARTICIPATE IN, THE REPURCHASE AGREEMENT BETWEEN THE FIRM AND THE CUSTOMER; THE NAMED REPRESENTATIVE DID NOT MAKE ANY PAYMENTS TO THE CUSTOMER; AND THE NAMED REPRESENTATIVE WAS NOT ASKED TO AND DID NOT CONTRIBUTE TO THE REPURCHASE AMOUNT. THIS MATTER IS BEING REPORTED AS A SETTLEMENT PURSUANT TO THE REQUIREMENTS OF FINRA REGULATORY NOTICE 09-12.



## 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:** HSBC SECURITIES (USA) INC.  
**Termination Type:** Voluntary Resignation  
**Termination Date:** 09/23/2012  
**Allegations:** THROUGH ITS BANK AFFILIATE, HSBC BANK USA, N.A., HSBC SECURITIES (USA), INC. WAS ADVISED OF A REVIEW BEING CONDUCTED BY ITS AFFILIATE, AS THE BANK MATTER INVOLVED THE RR'S MOTHERS BANK ACCOUNT. HSBC BANK WAS REVIEWING THE AUTHENTICITY OF A SIGNATURE ON A BANK CHECK. PRIOR TO THE CONCLUSION OF THE INTERNAL REVIEW, THE RR RESIGNED. A REVIEW CONDUCTED BY HSBC SECURITIES INDICATED THAT THE RR USED PRE-SIGNED IRA DISTRIBUTION FORMS FOR HIS MOTHER'S ACCOUNT. THE REVIEWS CONDUCTED BY HSBC BANK AND HSBC SECURITIES DID NOT RESULT IN ANY FINDINGS OF FRAUD OR MISAPPROPRIATION OF FUNDS. THERE HAVE BEEN NO ISSUES NOTED REGARDING ANY OF THE TRANSACTIONS IN THE RESPECTIVE ACCOUNTS, NOR WERE THERE ANY CUSTOMER COMPLAINTS ASSOCIATED WITH THE CUSTOMER INVOLVED. THE INVESTIGATION IS CONSIDERED CLOSED.

**Product Type:** No Product

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**Reporting Source:** Broker  
**Employer Name:** HSBC SECURITIES (USA) INC.  
**Termination Type:** Voluntary Resignation  
**Termination Date:** 09/23/2012  
**Allegations:** THROUGH ITS BANK AFFILIATE, HSBC BANK USA, N.A., HSBC SECURITIES (USA), INC. WAS ADVISED OF A REVIEW BEING CONDUCTED BY ITS AFFILIATE. AS THE BANK MATTER INVOLVED THE RR'S MOTHERS BANK ACCOUNT, HSBC BANK WAS REVIEWING THE AUTHENTICITY OF A SIGNATURE ON A BANK CHECK PRIOR TO THE CONCLUSION OF THE INTERNAL REVIEW, THE RR RESIGNED. A REVIEW CONDUCTED BY HSBC SECURITIES INDICATED THAT THE RR USED PRE-SIGNED IRA DISTRIBUTION FORMS FOR HIS MOTHER'S ACCOUNT. THE REVIEWS



CONDUCTED BY HSBC BANK AND HSBC SECURITIES DID NOT RESULT IN ANY FINDING OF FRAUD OR MISAPPROPRIATION OF FUNDS. THERE HAVE BEEN NO ISSUES NOTED REGARDING ANY OF THE TRANSACTIONS IN THE RESPECTIVE ACCOUNTS, NOR WERE THERE ANY CUSTOMER COMPLAINTS ASSOCIATED WITH THE CUSTOMER INVOLVED. THE INVESTIGATION IS CONSIDERED CLOSED.

**Product Type:** No Product

## End of Report



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