

BrokerCheck Report

WILLIAM KEITH PHILLIPS

CRD# 1447676

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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.

**WILLIAM K. PHILLIPS**

CRD# 1447676

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

Nashville, TN

CRD# 3767

Registered with this firm since: 06/30/2006

B &PARTNERS

40 BURTON HILLS BLVD

SUITE 350

NASHVILLE, TN 37215

CRD# 3767

Registered with this firm since: 04/13/2006

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
- 14 U.S. states and territories

This broker has passed:

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

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

CRD# 7556

PURCHASE, NY

02/2005 - 04/2006

B MORGAN STANLEY DW INC.

CRD# 7556

PURCHASE, NY

03/2000 - 04/2006

IA MORGAN STANLEY

CRD# 7556

PURCHASE, NY

12/2002 - 02/2005

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	2
Customer Dispute	2



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

Employment 1 of 1

Firm Name: **&PARTNERS**

Main Office Address: **40 BURTON HILLS BLVD.
SUITE 350
NASHVILLE, TN 37215**

Firm CRD#: **3767**

	SRO	Category	Status	Date
B	FINRA	General Securities Representative	Approved	04/13/2006

	U.S. State/ Territory	Category	Status	Date
B	Alabama	Agent	Approved	06/20/2024
IA	Alabama	Investment Adviser Representative	Approved	07/15/2024
B	Arkansas	Agent	Approved	07/10/2024
IA	Arkansas	Investment Adviser Representative	Approved	07/11/2024
B	Connecticut	Agent	Approved	07/11/2024
B	District of Columbia	Agent	Approved	09/05/2019
IA	District of Columbia	Investment Adviser Representative	Approved	02/10/2020
IA	Florida	Investment Adviser Representative	Approved	08/05/2019
B	Florida	Agent	Approved	08/07/2019
B	Georgia	Agent	Approved	04/11/2024
B	Kentucky	Agent	Approved	01/05/2024
IA	Kentucky	Investment Adviser Representative	Approved	01/05/2024

Broker Qualifications



Employment 1 of 1, continued

	U.S. State/ Territory	Category	Status	Date
B	New York	Agent	Approved	04/13/2006
IA	New York	Investment Adviser Representative	Approved	05/13/2021
B	North Carolina	Agent	Approved	04/13/2006
IA	North Carolina	Investment Adviser Representative	Approved	12/02/2019
B	Pennsylvania	Agent	Approved	04/13/2006
B	South Carolina	Agent	Approved	06/15/2006
IA	South Carolina	Investment Adviser Representative	Approved	08/16/2019
B	Tennessee	Agent	Approved	04/13/2006
IA	Tennessee	Investment Adviser Representative	Approved	06/30/2006
B	Texas	Agent	Approved	05/14/2020
IA	Texas	Investment Adviser Representative	Restricted Approval	05/14/2020
B	Wisconsin	Agent	Approved	07/23/2019

Branch Office Locations

&PARTNERS

40 BURTON HILLS BLVD
SUITE 350
NASHVILLE, TN 37215

&PARTNERS

Nashville, TN



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

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B Futures Managed Funds Examination	Series 31	10/03/2002
B General Securities Representative Examination	Series 7	12/21/1985

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	11/28/1995
B Uniform Securities Agent State Law Examination	Series 63	04/03/1986

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
IA 02/2005 - 04/2006	MORGAN STANLEY	7556	NASHVILLE, TN
B 03/2000 - 04/2006	MORGAN STANLEY DW INC.	7556	PURCHASE, NY
IA 12/2002 - 02/2005	MORGAN STANLEY	7556	NASHVILLE, TN
B 03/1990 - 03/2000	PAINWEBBER INCORPORATED	8174	WEEHAWKEN, NJ
B 05/1988 - 04/1990	SHEARSON LEHMAN HUTTON INC.	7506	NEW YORK, NY
B 04/1987 - 05/1988	J.C. BRADFORD & CO.	1287	NEW YORK, NY
B 03/1986 - 05/1987	MORGAN KEEGAN & COMPANY, INC.	4161	

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
04/2006 - Present	WILEY BROS AINTREE CAPITAL LLC	FINANCIAL ADVISOR	Y	NASHVILLE, TN, 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.

THE SIGNATRY 7171 W 95TH ST STE 501 OVERLAND PARK KS 66212, CHRISTIAN FOUNDATION, UNCOMPENSATED BOARD MEMBER, CHAIRMAN OF THE BOARD FOR TN ADVISORY, 4/2/2018, 1 PER MONTH, 0, DONOR ADVISED FUNDS. TRIPSCOUT INC 3398 TENNESSEE DR ALEXANDRIA VA 22303 ADVISOR TO TRAVEL BUSINESS START 9/5/2018. JCF HV RESCUE CO 54 MUSIC SQ EAST STE 100 NASHVILLE TN 37203, REAL ESTATE, BOARD MEMBER, 1 HR OR LESS, NO COMP

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.
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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
Regulatory Event	0	2	0
Customer Dispute	0	2	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 2

Reporting Source:	Regulator
Regulatory Action Initiated By:	ILLINOIS
Sanction(s) Sought:	Revocation
Date Initiated:	06/02/2010
Docket/Case Number:	1000019
URL for Regulatory Action:	
Employing firm when activity occurred which led to the regulatory action:	MORGAN STANLEY & CO. INCORPORATED
Product Type:	No Product
Allegations:	ON 1/04/2010 THE SEC COMMISSION ENTERED AN ORDER MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER AGAINST THE RESPONDENT. RESPONDENT'S REGISTRATION AS A SALESPERSON IN THE STATE OF ILLINOIS IS SUBJECT TO REVOCATION PURSUANT TO SECTION 8.E(1)(K) OF THE ACT.
Current Status:	Final
Resolution:	Order



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:

07/02/2010

Sanctions Ordered:

Civil and Administrative Penalty(ies)/Fine(s)

Other: THE RESPONDENT SHALL CAUSE TO HAVE HIS REGISTRATION AS A SALESPERSON IN THE STATE OF ILLINOIS WITHDRAWN WITHIN THREE (3) DAYS FROM THE ENTRY OF THIS CONSENT ORDER AND WILL NOT RE-APPLY FOR REGISTRATION FOR A PERIOD OF TWO (2) YEARS FROM THE ENTRY OF THIS CONSENT ORDER. RESPONDENT IS LEVIED COSTS OF INVESTIGATION IN THIS MATTER IN THE AMOUNT OF SEVEN HUNDRED FIFTY DOLLARS (\$750.00), WHICH HAS BEEN PAID

Monetary Sanction 1 of 1

Monetary Related Sanction:

Monetary Penalty other than Fines

Total Amount:

\$750.00

Portion Levied against individual:

\$750.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived?

No

Amount Waived:

Regulator Statement

THE FORMAL HEARING SCHEDULED ON THIS MATTER IS HEREBY DISMISSED WITHOUT FURTHER PROCEEDINGS.

Reporting Source:

Broker

Regulatory Action Initiated By:

STATE OF ILLINOIS

Sanction(s) Sought:

Other: NOTICE OF HEARING TO DETERMINE CONT'D REG WITH ILLINOIS

Date Initiated:

06/02/2010



Docket/Case Number: 1000019

Employing firm when activity occurred which led to the regulatory action: MORGAN STANLEY

Product Type: No Product

Allegations: ON 1/4/2010 THE SEC COMMISSION ENTERED AN ORDER MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS AND A CEASE AND DESIST ORDER AGAINST THE RESPONDENT. RESPONDENTS REGISTRATION AS A SALESPERSON IN THE STATE OF ILLINOIS IS SUBJECT TO REVOCATION PURSUANT TO SECTION 8.E(1)(K) OF THE ACT

Current Status: Final

Resolution: Settled

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: 07/02/2010

Sanctions Ordered: Monetary Penalty other than Fines
Other: CONSENT ORDER TO WITHDRAW AS A SALESPERSON IN THE STATE OF ILLINOIS FOR A PERIOD OF TWO YEARS FROM ENTRY OF CONSENT ORDER

Monetary Sanction 1 of 1

Monetary Related Sanction: Monetary Penalty other than Fines

Total Amount: \$750.00

Portion Levied against individual: \$750.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual: 07/01/2010

Was any portion of penalty waived? No

**Amount Waived:****Broker Statement**

MR PHILLIPS DOES NOT ADMIT OR DENY ANY GUILT

Disclosure 2 of 2**Reporting Source:** Regulator**Regulatory Action Initiated By:** UNITED STATES SECURITIES AND EXCHANGE COMMISSION**Sanction(s) Sought:** Other: N/A**Date Initiated:** 07/20/2009**Docket/Case Number:** 3-13559**Employing firm when activity occurred which led to the regulatory action:** MORGAN STANLEY & CO. INCORPORATED**Product Type:** No Product

Allegations: SEC ADMINISTRATIVE RELEASE 34-60344 AND IA RELEASE 40-2905, JULY 20, 2009: THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED PURSUANT TO SECTIONS 203(F) AND 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940 ("ADVISERS ACT") AND SECTION 15(B)(6) OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT"), AGAINST WILLIAM KEITH PHILLIPS ("RESPONDENT" OR "PHILLIPS"). FROM 2000 THROUGH AT LEAST APRIL 2006, RESPONDENT WORKED AS A FINANCIAL ADVISER AT HIS FIRM, WHICH PROVIDED INVESTMENT ADVISORY SERVICES TO CLIENTS THROUGH A SUBDIVISION. IN PROVIDING INVESTMENT ADVISORY SERVICES, RESPONDENT'S FIRM ASSISTED CLIENTS IN CREATING AN INVESTMENT PROFILE AND OBJECTIVES AND IN SELECTING MONEY MANAGERS ON WHOM THE FIRM HAD CONDUCTED DUE DILIGENCE TO MANAGE CLIENTS' ASSETS. DURING THE RELEVANT TIME PERIOD, RESPONDENT'S FIRM'S DISCLOSURE MATERIALS DESCRIBED THE ADVISORY SERVICES IT PROVIDED WHICH INCLUDED ASSISTING CLIENTS IN IDENTIFYING MONEY MANAGERS TO MANAGE CLIENTS' ASSETS. RESPONDENT'S FIRM DISCLOSED THE DETAILED DUE DILIGENCE PROCESS IT FOLLOWED TO SELECT AND APPROVE MONEY MANAGERS FOR PARTICIPATION IN THE FIRM'S MANAGED ACCOUNT PROGRAM. ACCORDING TO ITS DISCLOSURE MATERIALS, THE FIRM'S FINANCIAL ADVISERS SELECTED MONEY MANAGERS FROM THIS APPROVED LIST OF MANAGERS TO RECOMMEND



TO CLIENTS BASED ON THE CLIENT'S INVESTMENT PROFILE AND OBJECTIVES. CONTRARY TO THE FIRM'S DISCLOSURES, RESPONDENT RECOMMENDED TO CERTAIN ADVISORY CLIENTS OF HIS FIRM'S NASHVILLE, TENNESSEE BRANCH OFFICE CERTAIN MONEY MANAGERS WHO WERE NOT APPROVED FOR PARTICIPATION IN THE FIRM'S ADVISORY PROGRAMS AND HAD NOT BEEN SUBJECT TO THE FIRM'S DUE DILIGENCE REVIEW. THIS FACT WAS NOT DISCLOSED TO THE CLIENTS. FURTHER, RESPONDENT HAD UNDISCLOSED RELATIONSHIPS WITH THE MANAGERS FROM WHICH RESPONDENT AND HIS FIRM RECEIVED SUBSTANTIAL BROKERAGE COMMISSIONS AND/OR FEES. THESE FACTS REPRESENTED A CONFLICT OF INTEREST WHICH WAS NOT DISCLOSED TO THE CLIENTS. AS A RESULT, RESPONDENT WILLFULLY AIDED AND ABETTED AND CAUSED HIS FIRM'S VIOLATIONS OF SECTION 206(2) OF THE ADVISERS ACT.

Current Status: Final

Resolution: Order

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: 01/04/2010

Sanctions Ordered: Cease and Desist
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? Yes



(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?

No

(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

Yes



(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?

No

Sanction 1 of 1

Sanction Type: Suspension

Capacities Affected: ASSOCIATION WITH ANY BROKER, DEALER, INVESTMENT ADVISOR

Duration: FOUR (4) MONTHS

Start Date: 01/04/2010

End Date: 05/03/2010

Monetary Sanction 1 of 1

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

Total Amount: \$80,000.00

Portion Levied against individual: \$80,000.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Regulator Statement SEC ADMINISTRATIVE RELEASES 34-61278, IA 40-2970, JANUARY 4, 2010:



RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS HEREIN, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER PHILLIPS AND THE SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED, PHILLIPS CONSENTS TO THE ENTRY OF THIS ORDER MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER PURSUANT TO SECTIONS 203(F) AND 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940 AND SECTION 15(B)(6) OF THE SECURITIES EXCHANGE ACT OF 1934. RESPONDENT WILLFULLY AIDED AND ABETTED AND CAUSED HIS FIRM'S VIOLATION OF SECTION 206(2) OF THE ADVISERS ACT. ACCORDINGLY, PURSUANT TO SECTION 15(B) OF THE EXCHANGE ACT AND SECTIONS 203(F) AND 203(K) OF THE ADVISERS ACT, IT IS HEREBY ORDERED THAT RESPONDENT PHILLIPS CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 206(2) OF THE ADVISERS ACT; RESPONDENT PHILLIPS BE, AND HEREBY IS, SUSPENDED FROM ASSOCIATION WITH ANY INVESTMENT ADVISER FOR A PERIOD OF FOUR (4) MONTHS FROM THE DATE OF THIS ORDER; RESPONDENT PHILLIPS BE, AND HEREBY IS SUSPENDED FROM ASSOCIATION WITH ANY BROKER OR DEALER FOR A PERIOD OF FOUR (4) MONTHS FROM THE DATE OF THIS ORDER; AND RESPONDENT PHILLIPS SHALL, WITHIN 30 DAYS OF THE ENTRY OF THIS ORDER, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$80,000 TO THE UNITED STATES TREASURY. IF TIMELY PAYMENT IS NOT MADE, ADDITIONAL INTEREST SHALL ACCRUE PURSUANT TO 31 U.S.C. 3717.

Reporting Source:	Broker
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Cease and Desist Civil and Administrative Penalty(ies)/Fine(s) Suspension
Date Initiated:	07/20/2009
Docket/Case Number:	FILE#3-13559
Employing firm when activity occurred which led to the regulatory action:	MORGAN STANLEY



Product Type:	No Product
Allegations:	MISREPRESENTED THE FIRMS MONEY MGR RECOMM PROCESS TO CERTAIN ADVISORY CLIENT AND FAILED TO DISCLOSE CERTAIN POTENTIAL CONFLICTS OF INTEREST IN THOSE RECOMMENDATIONS AS THESE MGRS WERE NOT APPVD TO PARTICIPATE IN THE VISION I PROGRAM AND HAD NOT BEEN SUBJECT TO MORGAN STANLEYS DUE DILIGENCE PROCESS.UNDISCLOSED RELATIONSHIPS WITH 3 MONEY MGRS FROM WHICH BOTH HE AND MORGAN STANLEY RECD FINANCIAL BENEFITS. RECD BROKERAGE COMMISSIONS FROM THE MGRS FOR TRADING ON BEHALF OF THE MGRS INSTITUTIONAL CLIENTS WHO WERE NOT CLIENTS OF MORGAN STANLEY
Current Status:	Final
Resolution:	Settled
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:	01/04/2010
Sanctions Ordered:	Cease and Desist Civil and Administrative Penalty(ies)/Fine(s) Suspension
Sanction 1 of 1	
Sanction Type:	Suspension
Capacities Affected:	GENL SECURITIES, INVESTMENT ADVISORS REP
Duration:	4 MONTHS
Start Date:	01/04/2010
End Date:	05/03/2010
Monetary Sanction 1 of 1	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$80,000.00
Portion Levied against individual:	\$80,000.00

**Payment Plan:****Is Payment Plan Current:****Date Paid by individual:** 01/28/2010**Was any portion of penalty waived?** No**Amount Waived:****Broker Statement**

THE THREE MONEY MANAGERS THAT WERE USED FOR SOME OF MY CLIENTS WERE NOT ON ALL OF MORGAN STANLEY'S APPROVED LISTS, BUT THAT DOES NOT MEAN THAT THEY WERE UNQUALIFIED OR NOT ALLOWED TO CONDUCT BUSINESS WITH MORGAN STANLEY. THEY WERE LICENSED MONEY MANAGERS THAT PERFORMED EXCEEDINGLY WELL FOR THESE CLIENTS. THE MANAGERS WERE APPROVED TO CONDUCT TRADING WITH MORGAN STANLEY, JUST LIKE OTHER MONEY MANAGERS. HOWEVER, THE SEC THOUGHT THERE SHOULD BE MORE DISCLOSURE. I AM PLEASED WE REACHED THIS MUTUALLY-AGREED UPON SETTLEMENT.



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 2

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: UBS FINANCIAL SERVICES INC.

Allegations: CUSTOMER ALLEGED VARIOUS SALES PRACTICE VIOLATIONS IN CONNECTION WITH PENSION CONSULTING RELATIONSHIP. DAMAGES UNSPECIFIED.

Product Type: Equity - OTC

Other Product Type(s): FIXED INCOME

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 01/25/2003

Complaint Pending? No

Status: Settled

Status Date: 06/25/2003

Settlement Amount: \$440,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: UBS FINANCIAL SERVICES INC.

Allegations: CUSTOMER ALLEGES VARIOUS SALES PRACTICE VIOLATIONS IN CONNECTION WITH PENSION CONSULTING RELATIONSHIP. DAMAGES UNSPECIFIED.

Product Type: Equity - OTC

Other Product Type(s): FIXED INCOME



Alleged Damages: \$0.00

Customer Complaint Information

Date Complaint Received: 01/25/2003

Complaint Pending? No

Status: Settled

Status Date: 06/25/2003

Settlement Amount: \$440,000.00

Individual Contribution Amount: \$0.00

Broker Statement SERVICE NEVER FILED A FORMAL COMPLAINT OR DEMAND FOR ARBITRATION. MR. PHILLIPS DENIES THAT THERE WAS ANY IMPROPRIETY OR WRONGDOING OR MERIT TO THE CLAIM. THE MATTER WAS SETTLED WITHOUT ANY ADMISSION OF LIABILITY BY MR. PHILLIPS.

Disclosure 2 of 2

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: UBS PAINEWEBBER INC.

Allegations: CUSTOMER ALLEGED VARIOUS SALES PRACTICE VIOLATIONS IN CONNECTION WITH PENSION CONSULTING RELATIONSHIP. DAMAGES UNSPECIFIED.

Product Type: Equity - OTC

Other Product Type(s): FIXED INCOME

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 12/01/2001

Complaint Pending? No

Status: Settled

Status Date: 04/03/2002

Settlement Amount: \$10,300,000.00



Individual Contribution Amount: \$0.00

Reporting Source: Broker

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End of Report



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