

## BrokerCheck Report

**Gregory Veldon Monson**

CRD# 1595996

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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).



## Gregory V. Monson

CRD# 1595996

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

**IA EDWARD JONES**  
3019 SUPERIOR AVENUE  
SHEBOYGAN, WI 53081  
CRD# 250  
Registered with this firm since: 03/10/1998

**B EDWARD JONES**  
3019 SUPERIOR AVENUE  
SHEBOYGAN, WI 53081  
CRD# 250  
Registered with this firm since: 11/08/1993

## 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
- 35 U.S. states and territories

#### This broker has passed:

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

### Registration History

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

**B KOBER FINANCIAL CORP.**  
CRD# 17551  
04/1987 - 12/1987

### 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     |



## 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 35 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       |
|---|-------------------------|-----------------------------------|----------|------------|
| B | FINRA                   | General Securities Representative | Approved | 11/08/1993 |
| B | NYSE American LLC       | General Securities Representative | Approved | 09/13/2011 |
| B | Nasdaq Stock Market     | General Securities Representative | Approved | 07/12/2006 |
| B | New York Stock Exchange | General Securities Representative | Approved | 11/22/1993 |

|   | U.S. State/ Territory | Category | Status   | Date       |
|---|-----------------------|----------|----------|------------|
| B | Alabama               | Agent    | Approved | 12/01/2021 |
| B | Alaska                | Agent    | Approved | 05/16/2000 |
| B | Arizona               | Agent    | Approved | 11/06/2000 |
| B | Arkansas              | Agent    | Approved | 10/06/2010 |
| B | California            | Agent    | Approved | 10/03/2000 |
| B | Colorado              | Agent    | Approved | 02/07/2003 |
| B | Connecticut           | Agent    | Approved | 12/15/2023 |
| B | Florida               | Agent    | Approved | 04/12/2000 |
| B | Georgia               | Agent    | Approved | 03/22/2006 |

## Broker Qualifications



### Employment 1 of 1, continued

|   | U.S. State/ Territory | Category | Status   | Date       |
|---|-----------------------|----------|----------|------------|
| B | Idaho                 | Agent    | Approved | 10/05/2009 |
| B | Illinois              | Agent    | Approved | 03/28/1995 |
| B | Indiana               | Agent    | Approved | 11/19/1997 |
| B | Iowa                  | Agent    | Approved | 11/18/2020 |
| B | Maine                 | Agent    | Approved | 05/03/2021 |
| B | Maryland              | Agent    | Approved | 04/20/2017 |
| B | Michigan              | Agent    | Approved | 06/18/2002 |
| B | Minnesota             | Agent    | Approved | 12/14/1994 |
| B | Mississippi           | Agent    | Approved | 08/11/2020 |
| B | Missouri              | Agent    | Approved | 10/11/2000 |
| B | Montana               | Agent    | Approved | 02/28/2005 |
| B | Nebraska              | Agent    | Approved | 07/08/2021 |
| B | Nevada                | Agent    | Approved | 09/12/2005 |
| B | New Hampshire         | Agent    | Approved | 11/10/2014 |
| B | New York              | Agent    | Approved | 07/06/2018 |
| B | North Carolina        | Agent    | Approved | 01/13/2010 |
| B | Ohio                  | Agent    | Approved | 09/29/2008 |
| B | Oregon                | Agent    | Approved | 06/14/2005 |
| B | Pennsylvania          | Agent    | Approved | 09/29/2020 |
| B | South Carolina        | Agent    | Approved | 06/25/2018 |
| B | Texas                 | Agent    | Approved | 02/28/2012 |



## Broker Qualifications

### Employment 1 of 1, continued

|    | U.S. State/ Territory | Category                          | Status              | Date       |
|----|-----------------------|-----------------------------------|---------------------|------------|
| IA | Texas                 | Investment Adviser Representative | Restricted Approval | 03/09/2019 |
| B  | Utah                  | Agent                             | Approved            | 09/03/2002 |
| B  | Vermont               | Agent                             | Approved            | 08/25/1998 |
| B  | Virginia              | Agent                             | Approved            | 04/25/1997 |
| B  | Washington            | Agent                             | Approved            | 02/16/2017 |
| B  | Wisconsin             | Agent                             | Approved            | 01/03/1994 |
| IA | Wisconsin             | Investment Adviser Representative | Approved            | 03/10/1998 |

### Branch Office Locations

**EDWARD JONES**  
3019 SUPERIOR AVENUE  
SHEBOYGAN, WI 53081

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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 0 principal/supervisory exams, 4 general industry/product exams, and 1 state securities law exam.**

### Principal/Supervisory Exams

| Exam                     | Category | Date |
|--------------------------|----------|------|
| No information reported. |          |      |

### General Industry/Product Exams

| Exam  | Category  | Date       |
|---|-----------|------------|
| <b>B</b> Securities Industry Essentials Examination               | SIE       | 10/01/2018 |
| <b>B</b> General Securities Representative Examination            | Series 7  | 11/05/1993 |
| <b>B</b> Direct Participation Programs Representative Examination | Series 22 | 03/19/1987 |
| <b>B</b> National Commodity Futures Examination                   | Series 3  | 11/14/1986 |

### State Securities Law Exams

| Exam  | Category  | Date       |
|---|-----------|------------|
| <b>B</b> Uniform Securities Agent State Law Examination | Series 63 | 11/19/1993 |

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 |
|----------------------------|-----------------------|-------|-----------------|
| <b>B</b> 04/1987 - 12/1987 | KOBER FINANCIAL CORP. | 17551 |                 |

### 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            |
|-------------------|-----------------------------|--------------|--------------------|------------------------------|
| 07/1993 - Present | EDWARD D. JONES & CO., L.P. | NOT PROVIDED | Y                  | SHEBOYGAN, WI, 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.

SHEBOYGAN LUTHERAN HIGH SCHOOL  
 SHEBOYGAN, WI  
 START DATE: 4/29/2009  
 SCHOOL BOARD MEMBER  
 HOURS PER MONTH: 0  
 HOURS DURING TRADING: 0  
 DECISIONS REGARDING OPERATION & FUTURE OF SCHOOL

Osthoff Resort Rentals  
 Type of business: Rental Property  
 Sheboygan Falls, WI  
 Start date: 7/17/2017  
 Owner  
 Hours per week: 0  
 Hours during trading: 0  
 Pay bills



## Registration and Employment History

### Other Business Activities, continued

Velstand Commercial Prop, LLC

Type of business: Rental Property- Office

Sheboygan Falls, WI

Start date: 8/7/2017

Member

Hours per week: 0

Hours during trading: 0

Maintain Property

Velstand I-43, LLC

Type of business: Real Estate

Sheboygan Falls, WI

Start date: 9/6/2018

Member

Hours per week: 0

Hours during trading: 0

Maintain Property

Osthoff Resort

Elkhart Lake, WI

Start date: 1/10/2019

Board member

Hours per week: 0

Hours during trading: 0

Board member.

SHEBOYGAN ECONOMIC CLUB

SHEBOYGAN, WI

Start date: 7/2/2018

BOARD MEMBER

Hours per week: 0

Hours during trading: 0

1 BOARD MEETING PER YEAR. HELP WITH SPEAKERS.

Sheboygan Falls Kiwanis

Sheboygan Falls, WI

Start date: 10/1/2018

Board Member

Hours per week: 0

Hours during trading: 0

Board member for club. No officer position.

Osthoff Resort

## Registration and Employment History



### Other Business Activities, continued

Elkhart Lake, WI

Start date: 8/30/2019

Vice President & Board Member

Hours per week: 0

Hours during trading: 0

OCA & OMC Board member

Marinda / Tahitian Noni Int'l

Type of business: Health food products

West Warwick, RI

Start date: 1/1/2007

Consultant

Hours per week: 0

Hours during trading: 0

Not selling. By being a consultant I receive health and beauty products at a discount. No downline.

GreenSide Property Development, LLC

Type of business: Real Estate Rentals

Sheboygan Falls, WI

Start date: 9/1/2023

Member

Hours per week: 0

Hours during trading: 0

Real Estate Rental Property

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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:**
  - A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
  - A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
  -
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
  -
4. **There are different statuses and dispositions for disclosure events:**
  - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
    - A "pending" event involves allegations that have not been proven or formally adjudicated.
    - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
    - A "final" event has been concluded and its resolution is not subject to change.
  - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
    - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
    - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
    - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

|                  | Pending | Final | On Appeal |
|------------------|---------|-------|-----------|
| Customer Dispute | 0       | 5     | 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 - 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

|  |   |
|--|---|
| <b>Reporting Source:</b>   | Broker  |
| <b>Employing firm when activities occurred which led to the complaint:</b> | EDWARD JONES  |
| <b>Allegations:</b>  | ALLEGATIONS INCLUDE STATE LAW FRAUD, NEGLIGENT MISREPRESENTATION, BREACH OF FIDUCIARY DUTY, NEGLIGENCE, UNJUST ENRICHMENT, MONEY HAD AND RECEIVED, AND DECLARATORY JUDGMENT REGARDING PLAINTIFFS' ESTABLISHMENT OF A DEFINED BENEFIT PLAN PURSUANT TO SECTION 412(I) OF THE IRS CODE. ( |
| <b>Product Type:</b>   | Annuity-Variable<br>Insurance   |
| <b>Alleged Damages:</b>  | \$1,959,553.00  |
| <b>Alleged Damages Amount Explanation (if amount not exact):</b>           | AMOUNT CLAIMED: TOTAL DAMAGES IN EXCESS OF \$9,454,518 IN COMPENSATORY DAMAGES, PLUS PUNITIVE DAMAGES, INTEREST, MENTAL ANGUISH DAMAGES, ATTORNEYS' FEES, DISGORGEMENT OF PROFITS, EXPENSES AND COSTS. DAMAGES ALLEGEDLY ATTRIBUTABLE TO JONES AND FA ARE \$1,959,553.                  |

### Civil Litigation Information

|                           |                               |
|---------------------------|-------------------------------|
| <b>Type of Court:</b>     | State Court                   |
| <b>Name of Court:</b>     | 298TH JUDICIAL DISTRICT COURT |
| <b>Location of Court:</b> | DALLAS COUNTY, TX             |
| <b>Docket/Case #:</b>     | DC-12-02312-M                 |



|  |              |
|--|--------------|
| <b>Date Notice/Process Served:</b>     | 06/19/2012   |
| <b>Litigation Pending?</b>             | No           |
| <b>Disposition:</b>                    | Settled      |
| <b>Disposition Date:</b>               | 09/12/2013   |
| <b>Monetary Compensation Amount:</b>   | \$703,867.60 |
| <b>Individual Contribution Amount:</b> | \$0.00       |



## 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 4

|  |  |
|--|--|
| <b>Reporting Source:</b>   | Broker   |
| <b>Employing firm when activities occurred which led to the complaint:</b> | EDWARD JONES   |
| <b>Allegations:</b>  | CLIENT ALLEGES THE FINANCIAL ADVISOR FAILED TO FOLLOW HIS INSTRUCTIONS RELATED TO THE RENEWAL (IN JANUARY 2015) OF A PROTECTIVE FIXED ANNUITY WHICH RESULTED IN A CONTINGENT DEFERRED SALES CHARGE BEING APPLIED WHEN THE ANNUITY WAS SURRENDERED. |
| <b>Product Type:</b>   | Annuity-Fixed  |
| <b>Alleged Damages:</b>  | \$10,595.92  |
| <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>        | 02/21/2015  |
| <b>Complaint Pending?</b>              | No  |
| <b>Status:</b>                         | Closed/No Action  |
| <b>Status Date:</b>                    | 03/13/2015  |
| <b>Settlement Amount:</b>              | \$0.00  |
| <b>Individual Contribution Amount:</b> | \$0.00  |
| <b>Broker Statement</b>                | BASED ON THE FIRM'S INVESTGATION, THIS SITUAITON APPEARS TO HAVE BEEN AN OVERSIGHT BY THE INSURANCE COMPANY. THE INSURANCE COMPANY HAS REIMBURSED THE CLIENT FOR THE SURRENDER CHARGES. |



## Disclosure 2 of 4

**Reporting Source:** Broker

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

**Allegations:** 11/10/06-9/29/10; THE ATTORNEY FOR THE CLIENT ALLEGED THAT OUR FINANCIAL ADVISOR AND HARTFORD MADE A 412 (I) PRESENTATION TO THE CLIENTS AS A TAX FAVORED RETIREMENT PLAN THAT WOULD ALSO PROVIDE A DEATH BENEFIT. HOWEVER, THE ATTORNEY ALLEGED THAT THE HARTFORD AND OUR FA FAILED TO ADVISE THE CLIENT THAT THE IRS REGARDED THESE PLANS AS POTENTIALLY ABUSIVE AND THAT THE IRS HAD ISSUED A SERIES OF NOTICES AND RULINGS SINCE 2004, WITH THE AIM OF SHUTTING DOWN THESE PLANS. THE CLIENTS WERE ALSO TOLD THAT THEY WOULD ONLY HAVE TO FUND THE PLAN FOR FIVE YEARS. THE ATTORNEY STATED THAT THE HARTFORD AND EDWARD JONES WERE JOINTLY AND SEVERALLY LIABLE TO THE CLIENTS FOR ANY AND ALL COSTS, EXPENSES AND OTHER DAMAGES OF ANY NATURE THAT HAVE ARISEN OR WILL ARISE IN THE FUTURE RESULTING FROM THE PLAN AND ITS TERMINATION.

**Product Type:** Other: HARTFORD 412(I) PLAN

**Alleged Damages:** \$5,000.00

**Alleged Damages Amount Explanation (if amount not exact):** ALLEGATIONS CLAIM DAMAGES THAT APPEAR TO BE IN EXCESS OF \$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:** 09/29/2010

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 04/19/2011

**Settlement Amount:**





**Individual Contribution  
Amount:**

**Broker Statement**

THERE WAS NO EVIDENCE THAT THE FA OR THE REGIONAL MANAGER FROM THE HARTFORD, WHO MADE THE PRESENTATION ON THE 412I PLAN, MISREPRESENTED THIS PLAN DURING THE PRESENTATION. THE CLIENT SIGNED ALL THE NECESSARY DOCUMENTS AND WAS PROVIDED WITH ALL THE APPROPRIATE ILLUSTRATIONS BY THE HARTFORD. THERE WAS EVIDENCE THAT THIS CONTRACT WAS REVIEWED BY THE CLIENT'S CPA AND ATTORNEY. THE CLIENT WAS ALSO PROVIDED WITH A DOCUMENT THAT STATED THAT NO ONE FROM THE HARTFORD OR EDWARD JONES MADE ANY REPRESENTATIONS TO THE CLIENT REGARDING THE FEDERAL OR STATE TAX CONSEQUENCES OF PARTICIPATING IN OR TERMINATING THE PLAN.

**Disclosure 3 of 4**

**Reporting Source:**

Broker

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

EDWARD JONES

**Allegations:**

CLIENT STATES THAT THE IR CONVINCED HIM TO TRANSFER HIS ACCOUNTS BACK TO EDWARD JONES BASED ON HIS ASSERTION HE COULD "DO GREAT THINGS". CLIENT ALLEGES, AFTER THE ACCOUNT WAS TRANSFERRED THE IR HAD NO TIME FOR HIM. CLIENT STATES, IN SEPTEMBER 2002 AFTER INCURRING LOSSES OF APPROXIMATELY \$180,000.00, ALL FUNDS WERE CONVERTED TO MONEY MARKET. CLIENT ALLEGES, DURING THE TIME OF THE DECLINE IN THE VALUE OF THE ACCOUNT, THE IR DID NOT CONTACT HIM OR MAKE ANY SUGGESTIONS FOR CHANGES TO THE PORTFOLIO. CLIENT STATES IN APRIL OF 2003, THE IR HAD HIS ACCOUNT TRANSFERRED TO ANOTHER EDWARD JONES IR WITHOUT THE CLIENT'S PERMISSION. CLIENT FURTHER STATES THAT BROKER HAS NOW LEFT THE FIRM. FILING REQUIRED.

**Product Type:**

Other

**Alleged Damages:**

\$180,000.00

**Customer Complaint Information**

**Date Complaint Received:**

01/18/2005

**Complaint Pending?**

No

**Status:**

Denied

**Status Date:**

02/11/2005

**Settlement Amount:****Individual Contribution Amount:****Broker Statement**

ACCORDING TO THE IR, WHEN THE ACCOUNTS TRANSFERRED BACK TO EDWARD JONES IN AUGUST 2000, HE WAS ADVISED OF HOW UPSET THE CLIENT WAS WITH EDWARD JONES AND HIM. HOWEVER, DESPITE THE CLIENT'S FEELINGS, HE MADE THE DECISION TO PROCEED WITH THE TRANSFER. IR HAS DENIED HE EVER STATED HE COULD "DO GREAT THINGS" FOR THE CLIENT. ACCORDING TO IR, WHEN THE MARKETS BEGAN TO DECLINE, HE SPOKE WITH THE CLIENT ON SEVERAL OCCASIONS STRESSING THE FIRM'S BUY AND HOLD INVESTMENT PHILOSOPHY. IN ADDITION, OUR RECORDS REFLECT CORRESPONDENCE WAS ALSO SENT TO THE CLIENT REGARDING THE MARKET CONDITIONS AT THE TIME. AT THE TIME OF THE TRANSACTIONS IN THE ACCOUNTS, THE CLIENT RECEIVED TRADE CONFIRMATIONS AS WELL AS THE APPROPRIATE PROSPECTUSES. IN ADDITION, THE CLIENT HAS RECEIVED STATEMENTS THAT PROVIDE INFORMATION ABOUT THE INVESTMENTS HELD IN THE ACCOUNT AS WELL AS REFLECTING ACCOUNT ACTIVITY. THEREFORE, IT IS OUR OPINION ALL TRANSACTIONS EFFECTED IN THE ACCOUNTS WERE AUTHORIZED. WHILE WE UNDERSTAND THE CLIENT'S DISAPPOINTMENT REGARDING THE DECLINE IN THE VALUE OF THE ACCOUNTS, THE DECLINE CAN BE ATTRIBUTED (IN PART) TO MARKET FLUCTUATION, WHICH IS A RISK ASSOCIATED WITH INVESTING. IN REGARD TO THE IRA ACCOUNTS, IT WOULD SEEM DISTRIBUTIONS TAKEN FROM THE ACCOUNTS ALSO CONTRIBUTED TO THE DECLINE IN VALUE. CLAIM DENIED.

**Disclosure 4 of 4****Reporting Source:**

Broker

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

EDWARD JONES

**Allegations:**

CLIENT STATES THAT SHE IMPRESSED UPON IR THAT SHE DID NOT WANT TO PAY A LOT OF TAXES, SURRENDER CHARGES OR OTHER FEES IN CONNECTION WITH HER INVESTMENTS. CLIENT STATES SHE WAS LOSING MONEY AND DISCUSSED OTHER INVESTMENT OPTIONS WITH IR, INCLUDING THE MORTGAGE BONDS SHE HAD PREVIOUSLY INVESTED IN. CLIENT AND IR DECIDED TO INVEST HER FUNDS IN THE MORTGAGE BONDS. CLIENT FURTHER STATED THAT AFTER THE LIQUIDATION OF THE ANNUITY, HER STATEMENT REFLECTED A LESSER AMOUNT AND IR INFORMED HER THERE WERE SURRENDER CHARGES ASSOCIATED WITH



THE LIQUIDATION. UPON RECEIVING HER 1099-R, CLIENT CLAIMS SHE WAS STUNNED TO LEARN THAT IR HAD CASHED IN HER IRA AND THAT SHE OWED TAXES ON THE ENTIRE AMOUNT. CLIENT STATES THAT IR DID FULLY DISCLOSE THE RAMIFICATIONS OF THE INVESTMENT. LOSSES EXCEED \$5,000.

**Product Type:** Annuity(ies) - Variable

**Alleged Damages:** \$5,000.00

### Customer Complaint Information

**Date Complaint Received:** 02/24/2003

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 04/04/2003

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement**

THE IR INDICATED THE CLIENT HAD BEEN HAPPY WITH THE DIVERSIFICATION OF HER PORTFOLIO AND PERFORMANCE OF HER ACCOUNT UNTIL THE RECENT DOWNTURN IN THE MARKET. IR STATED THE CLIENT EXPRESSED CONCERNS REGARDING HER ACCOUNT AND HE ENCOURAGED CLIENT TO REMAIN DIVERSIFIED. IR ALSO STATED HE INFORMED CLIENT TO KEEP HER MONEY WITHIN HER ANNUITIES SO THAT SHE WOULD NOT INCUR FEES OR TAX CONSEQUENCES. IR STATED THAT CLIENT AGREED TO MOVE A PORTION OF HER FUNDS INTO THE BOND SUB-ACCOUNT PURSUANT TO HER DESIRING MORE CONSERVATIVE INVESTMENTS. IR INDICATED CLIENT WAS STILL CONCERNED ABOUT THE FLUCTUATION OF THE BOND SUB-ACCOUNT AND IR CONTINUED TO ENCOURAGE CLIENT TO HOLD. IR STATED HE REPEATEDLY INFORMED CLIENT NOT TO REMOVE THE ASSETS FROM HER IRA OR ANNUITIES, AS SHE WOULD INCUR A SUBSTANTIAL TAX CONSEQUENCE. IR INDICATED CLIENT ASKED HIM IF SHE WOULD HAVE TO PAY TAXES ON THIS MONEY IN THE FUTURE AND HE INFORMED CLIENT IT WOULD BE TO HER ADVANTAGE TO POSTPONE THE TAXES, RATHER THAN PUTTING HERSELF IN A HIGHER TAX BRACKET AND PAYING ALL OF THE TAXES IN ONE YEAR. IR STATED THAT AFTER REPEATED ATTEMPTS TO DISCOURAGE THE MOVEMENT OF THE CLIENT'S FUNDS, IR INFORMED HER HE WOULD MAKE THE TRANSACTIONS AT HER REQUEST. HOWEVER, IR TOLD CLIENT THAT SHE WOULD NEED TO COMPLETE AN ACKNOWLEDGMENT LETTER STATING SHE UNDERSTOOD THE TAX RAMIFICATIONS OF MAKING THESE MOVES. IR INDICATED HE STRESSED TO CLIENT THAT HE BELIEVED SHE



WAS MAKING A MISTAKE. IN REGARDS TO THE ACKNOWLEDGMENT LETTER, THE IR STATED THIS LETTER WAS COMPLETED IN ITS ENTIRETY PRIOR TO CLIENT SIGNING THE LETTER. IT WOULD APPEAR THE CLIENT WAS AWARE OF THE TAX ISSUES ASSOCIATED WITH THE ANNUITY/IRA TRANSACTIONS AND THESE TRANSACTIONS WERE COMPLETED WITH HER AUTHORIZATION. THEREFORE, NO ADJUSTMENTS WILL BE MADE TO THE CLIENT'S ACCOUNT.

## End of Report



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