

BrokerCheck Report

CHARLES WASERSTEIN

CRD# 1657123

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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.



CHARLES WASERSTEIN

CRD# 1657123

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

IA WELLS FARGO ADVISORS
19950 W COUNTRY CLUB DR 9TH FL
AVENTURA, FL 33180
CRD# 19616
Registered with this firm since: 07/01/2003

B WELLS FARGO CLEARING SERVICES, LLC
19950 W COUNTRY CLUB DR 9TH FL
AVENTURA, FL 33180
CRD# 19616
Registered with this firm since: 07/01/2003

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
- 8 U.S. states and territories

This broker has passed:

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

Registration History

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

IA PRUDENTIAL SECURITIES INCORPORATED
CRD# 7471
NEW YORK, NY
01/1997 - 07/2003

B PRUDENTIAL SECURITIES INCORPORATED
CRD# 7471
NEW YORK, NY
05/1987 - 07/2003

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 | 6 |



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

Employment 1 of 1

Firm Name: **WELLS FARGO CLEARING SERVICES, LLC**

Main Office Address: **ONE NORTH JEFFERSON AVENUE
MAIL CODE: H0004-05E
ST. LOUIS, MO 63103**

Firm CRD#: **19616**

| | SRO | Category | Status | Date |
|---|-------------------------|-----------------------------------|----------|------------|
| B | Cboe Exchange, Inc. | General Securities Representative | Approved | 11/19/2021 |
| B | FINRA | General Securities Representative | Approved | 07/01/2003 |
| B | NYSE American LLC | General Securities Representative | Approved | 07/29/2011 |
| B | Nasdaq PHLX LLC | General Securities Representative | Approved | 09/30/2011 |
| B | Nasdaq Stock Market | General Securities Representative | Approved | 07/12/2006 |
| B | New York Stock Exchange | General Securities Representative | Approved | 07/01/2003 |

| | U.S. State/ Territory | Category | Status | Date |
|----|-----------------------|-----------------------------------|----------|------------|
| B | California | Agent | Approved | 07/01/2003 |
| B | Colorado | Agent | Approved | 11/22/2024 |
| B | Florida | Agent | Approved | 07/01/2003 |
| IA | Florida | Investment Adviser Representative | Approved | 07/01/2003 |
| B | Michigan | Agent | Approved | 11/25/2024 |
| B | New Jersey | Agent | Approved | 10/21/2021 |
| B | New York | Agent | Approved | 07/01/2003 |



Broker Qualifications

Employment 1 of 1, continued

| | U.S. State/ Territory | Category | Status | Date |
|---|-----------------------|----------|----------|------------|
| B | North Carolina | Agent | Approved | 10/26/2016 |
| B | North Dakota | Agent | Approved | 11/25/2024 |

Branch Office Locations

WELLS FARGO CLEARING SERVICES, LLC
19950 W COUNTRY CLUB DR 9TH FL
AVENTURA, FL 33180

WELLS FARGO CLEARING SERVICES, LLC
Bal Harbour, FL



Broker Qualifications

Industry Exams this Broker has Passed

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

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

Principal/Supervisory Exams

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

General Industry/Product Exams

| Exam | Category | Date |
|--|----------|------------|
| B Securities Industry Essentials Examination | SIE | 10/01/2018 |
| B General Securities Representative Examination | Series 7 | 05/16/1987 |

State Securities Law Exams

| Exam | Category | Date |
|---|-----------|------------|
| IA Uniform Investment Adviser Law Examination | Series 65 | 06/24/1993 |
| B Uniform Securities Agent State Law Examination | Series 63 | 05/26/1987 |

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 01/1997 - 07/2003 | PRUDENTIAL SECURITIES INCORPORATED | 7471 | AVENTURA, FL |
| B 05/1987 - 07/2003 | PRUDENTIAL SECURITIES INCORPORATED | 7471 | 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 |
|-------------------|------------------------------------|----------------|--------------------|-----------------------------|
| 11/2016 - Present | WELLS FARGO CLEARING SERVICES, LLC | REGISTERED REP | Y | AVENTURA, FL, United States |
| 05/2009 - 11/2016 | WELLS FARGO ADVISORS LLC | REGISTERED REP | Y | AVENTURA, FL, 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.

1. 704 HALLANDALE LAND LC; INVESTMENT RELATED; COMMERCIAL RENTAL PROPERTY; CO-OWNER; MINIMAL TIME DEVOTD; 0 DURING TRADING HRS.
2. 27TH AVENUE FAMILY DOLLAR LC; INVESTMENT RELATED; COMMERCIAL RENTAL PROPERTY; CO-OWNER; MINIMAL TIME DEVOTED.
3. SUNSET CENTER; INVESTMENT RELATED; LLC FOR AN OFFICE BUILDING; CO-OWNER; START 2/27/97; MINIMAL TIME DEVOTED; NONE DURING TRADING HOURS.
4. MIAMI LAKES OFFICE CTR; INVESTMENT RELATED; OFFICE BLDG; CO-OWNER; START 2/27/97; MINIMAL TIME DEVOTED; NONE DURING TRADING HRS.
5. 125 LAND LC; INVESTMENT RELATED; RENTAL REAL ESTATE; CO-OWNER; START 7/16/02; MINIMAL TIME DEVOTED; 0 DURING TRADING HOURS.
6. CO-TRUSTEE OF FAMILY TRUST; INVESTMENT RELATED; BAL HARBOUR FL; BEGAN 4/2006, NO TIME SPENT.
7. LEASE FLORIDA DEVELOPMENT LLC, INVESTMENT RELATED, FT PIERCE, FL, 12% OWNER, START 3/2010, 0 HOURS PER MONTH, DUTIES: SILENT PARTNER.



Registration and Employment History

Other Business Activities, continued

8. WASS 28 FLAGLER LLC; INVESTMENT RELATED; MIAMI, FL; 4.7618% OWNERSHIP; START 1/10/10; HOURS: 0 PER MONTH - 0 DURING TRADING; DUTIES: NONE
 9. LEASE FLA 62ND ST., LLC; INVESTMENT RELATED; MIAMI, FL; LLC FOR A COMMERCIAL RENTAL; 7.7% OWNERSHIP; START 3/17/2011; MINIMAL TIME DEVOTED; NONE DURING TRADING HOURS.
 10. LEASE FLORIDA DOWNTOWN LLC; INVESTMENT RELATED; MIAMI, FL; REAL ESTATE; 15% OWNERSHIP; START 3/2012; 0 HRS PER MONTH.
 11. RENTAL PROPERTY; INVESTMENT RELATED; SURFSIDE, FL; 33.3% OWNERSHIP; CONDO; START 4/2013; 0 HRS PER MONTH.
 12. WSD HOLDINGS LLC; NOT INVESTMENT RELATED; HIGUEY, DOMINICAN REPUBLIC; VACANT LAND IN DOMINICAN REPUBLIC; START 7/2008; 0 HRS PER MONTH; NO DUTIES.
 13. INVESTMENT PROPERTY; INV RELATED; BAL HARBOUR FL; 15% OWNERSHIP; START 8/2015; 0 HOURS PER MONTH, 0 DURING TRADING.
 14. WASS SPRINGTREE HOLDINGS LLC; INV. RELATED; FORT LAUDERDALE, FL; 3% OWNERSHIP; RENTAL PROPERTY; START 10/9/2015; 0 HRS PER MONTH.
 15. JNJ INVESTMENTS LLC; INV. RELATED; MIAMI, FL; START 8/1/2013; 1 HR PER MONTH; 1 HR DURING TRADING.
 16. CORPORATE COURTS; INV RELATED; MIAMI LAKES, FL; FAMILY REAL ESTATE; 30% OWNERSHIP WITH SPOUSE; START 6/1/2001; 0 HOURS PER MONTH, 0 DURING TRADING; NO DUTIES.
 17. LEASE FLORIDA FT. PIERCE, LLC, INV RELATED, MIAMI, FL, 11.8%, START 3/2010, 0 HOURS, NO DUTIES.
 18. CO-TRUSTEE FOR SON'S TRUST, INV RELATED, SURFSIDE, FL, START 4/12/2006, ZERO HOURS PER MONTH, ZERO DURING TRADING.
 19. LOAN, INV RELATED, START 5/12/2017, ZERO HOURS PER MONTH, ZERO DURING TRADING.
-

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 | 6 | 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

Reporting Source: Regulator

Employing firm when activities occurred which led to the complaint: PRUDENTIAL BACHE SECURITIES

Allegations: CUSTOMER V. MEMBER FIRM & REGISTERED REPRESENTATIVE - CLAIMANTS ALLEGE UNSUITABLE TRADES, UNAUTHORIZED TRADES, MISREPRESENTATION REGARDING INVESTMENT INFORMATION, BREACH OF FIDUCIARY DUTY, FAILURE TO SUPERVISE AND FRAUD.

Product Type:

Alleged Damages:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [NYSE - CASE #1992-002769](#)

Date Notice/Process Served: 12/07/1992

Arbitration Pending? No

Disposition: Award

Disposition Date: 09/14/1993

Disposition Detail: AWARD AGAINST PARTY
THE UNDERSIGNED ARBITRATORS HAVE DECIDED
AND DETERMINED IN FULL AND FINAL SETTLEMENT OF ALL CLAIMS



BETWEEN THE PARTIES THAT: THE RESPONDENTS PRUDENTIAL SECURITIES AND CHARLES WASSERSTEIN JOINTLY AND SEVERALLY SHALL PAY TO THE CLAIMANTS \$31,000, \$30,000 AS AN AWARD ON THE CLAIM AND \$1,00 AS A RETURN OF CLAIMANT'S DEPOSIT OF COSTS; THAT THE CLAIM AGAINST DONALD LACHON BE AND HEREBY IS DISMISSED IN ALL ESPECTS; FURTHERMORE, THE COSTS OF THIS PROCEEDONG, \$8,000 AREE ASSESSED AGAINST RESPONDENT PRUDENTIAL SECURITIES, INC

Reporting Source: Broker
Employing firm when activities occurred which led to the complaint: PRUDENTIAL BACHE SECURITIES

Allegations: CLAIMANTS ALLEGE UNSUITABLE AND UNAUTHORIZED TRADES, FRAUD AND MISREPRESENTATION IN CONNECTION WITH OPTION INVESTMENTS. ALLEGED DAMAGES OF \$5,000,000.00 WERE CLAIMED.

Product Type: Options

Other Product Type(s): STOCKS

Alleged Damages: \$5,000,000.00

Customer Complaint Information

Date Complaint Received: 12/07/1992

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 09/14/1993

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [NASD; 1992-002769](#)

Date Notice/Process Served: 12/07/1992

Arbitration Pending? No



| | |
|--|---|
| Disposition: | Award to Applicant |
| Disposition Date: | 09/14/1993 |
| Monetary Compensation Amount: | \$31,000.00 |
| Individual Contribution Amount: | \$0.00 |
| Broker Statement | THE ARBITRATION PANEL AWARDED THE CLAIMANTS \$31,000.00 |



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 5

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: PRUDENTIAL SECURITIES INCORPORATED

Allegations: CUSTOMER ALLEGES, IN WRITING, THAT "MR. WASERSTEIN WAS NOT DILIGENT IN MONITORING [HIS] ACCOUNT;" THAT "IN FEBRUARY 2000 [HIS ACCOUNT] HAD ALMOST A VALUE OF \$45,000 AND AFTER FIVE YEARS THE ACCOUNT SUMMARY TOTALED LESS THAN \$12,000;" AND THAT "THE ACCOUNT WAS TOTALLY MISMANAGED AND NEGLECTED."

Product Type: Mutual Fund(s)

Alleged Damages: \$33,000.00

Customer Complaint Information

Date Complaint Received: 04/06/2005

Complaint Pending? No

Status: Settled

Status Date: 08/08/2005

Settlement Amount: \$5,616.00

Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: PRUDENTIAL SECURITIES INCORPORATED

Allegations: CUSTOMER ALLEGES, IN WRITING, THAT "MR. WASERSTEIN WAS NOT DILIGENT IN MONITORING [HIS] ACCOUNT;" THAT "IN FEBRUARY 2000 [HIS ACCOUNT] HAD ALMOST A VALUE OF \$45,000 AND AFTER FIVE YEARS THE ACCOUNT SUMMARY TOTALED LESS THAN \$12,000;" AND THAT "THE ACCOUNT WAS TOTALLY MISMANAGED AND NEGLECTED."

Product Type: Mutual Fund(s)



Alleged Damages: \$33,000.00

Customer Complaint Information

Date Complaint Received: 04/06/2005

Complaint Pending? No

Status: Settled

Status Date: 08/08/2005

Settlement Amount: \$5,616.00

Individual Contribution Amount: \$0.00

Disclosure 2 of 5

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: PRUDENTIAL SECURITIES INCORPORATED

Allegations: THE CUSTOMERS COMPLAINED VERBALLY ABOUT THE LOSS OF PRINCIPAL IN THEIR ACCOUNTS

Product Type: Mutual Fund(s)

Alleged Damages: \$30,000.00

Customer Complaint Information

Date Complaint Received: 11/10/2000

Complaint Pending? No

Status: Settled

Status Date: 03/17/2001

Settlement Amount: \$15,000.00

Individual Contribution Amount: \$0.00

Broker Statement THE MATTER WAS SETTLED STRICTLY AS A BUSINESS DECISION BY PSI

Disclosure 3 of 5

Reporting Source: Broker



Employing firm when activities occurred which led to the complaint:

PSI

Allegations:

CUSTOMER VERBALLY COMPLAINED THAT DESPITE HIS WANTING SAFE INVESTMENTS, MR WASSERSTEIN RECOMMENDED INVESTMENTS THAT WERE NOT IN LINE WITH HIS RISK TOLERANCE. WHILE THE CUSTOMER DID NOT SPECIFY AN AMOUNT, DAMAGES ARE BELIEVED TO BE IN EXCESS OF \$5000.00.

Product Type:

Other

Other Product Type(s):

ANNUITY

Alleged Damages:

\$0.00

Customer Complaint Information

Date Complaint Received:

10/20/2000

Complaint Pending?

No

Status:

Settled

Status Date:

04/17/2000

Settlement Amount:

\$45,000.00

Individual Contribution Amount:

\$5,000.00

Broker Statement

THIS COMPLAINT WAS SETTLED

Disclosure 4 of 5

Reporting Source:

Broker

Employing firm when activities occurred which led to the complaint:

PRUDENTIAL SECURITIES

Allegations:

CLIENTS ALLEGED THAT THEY DID NOT UNDERSTAND THE RISKS OF OPTIONS TRANSACTIONS, AND THAT THE TRADING WAS EXCESSIVE. CLIENTS DEMANDED \$126,000.00.

Product Type:

Options

Other Product Type(s):

STOCKS

Alleged Damages:

\$126,000.00



Customer Complaint Information

Date Complaint Received: 02/01/1991

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 04/01/1992

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.; DOCKET #NY 1991 48873

Date Notice/Process Served: 02/01/1991

Arbitration Pending? No

Disposition: Settled

Disposition Date: 04/01/1992

Monetary Compensation Amount: \$35,000.00

Individual Contribution Amount: \$0.00

Broker Statement

THE ARBITRATION PANEL DISMISSED THE [CUSTOMERS'] CLAIMS. HOWEVER, THE FIRM WILL PAY THE [CUSTOMERS] \$35,000.00 BECAUSE OF A "HIGH/LOW" AGREEMENT ENTERED INTO BY THE PARTIES ON THE LAST DAY OF THE ARBITRATION HEARING. PLEASE SEE THE EXPLANATION IN PARAGRAPH 9 BELOW. THE FIRM ENTERED INTO A "HIGH/LOW SETTLEMENT" ON THE LAST DAY OF THE ARBITRATION HEARING. UNDER THE TERMS OF THE SETTLEMENT AGREEMENT, THE ARBITRATORS WOULD NOT BE INFORMED OF THE SETTLEMENT, AND, IF THE AWARD WAS IN FAVOR OF PRUDENTIAL SECURITIES, THE FIRM WOULD PAY THE CLAIMANTS \$35,000; IF THE AWARD WAS IN FAVOR OF CLAIMANTS, PRUDENTIAL SECURITIES WOULD NOT PAY MORE THAN \$65,000. THE ARBITRATORS ENTERED AN AWARD IN FAVOR OF PRUDENTIAL SECURITIES, AND DISMISSED THE CLAIMANTS' CLAIMS IN ALL RESPECTS, HOWEVER, PRUDENTIAL SECURITIES IS OBLIGATED TO PAY THE CLAIMANTS \$35,000 BECAUSE OF THE SETTLEMENT AGREEMENT.



Disclosure 5 of 5

| | |
|--|---|
| Reporting Source: | Broker |
| Employing firm when activities occurred which led to the complaint: | PSI |
| Allegations: | CLIENTS ALLEGED THAT THEY DID NOT UNDERSTAND THE RISKS OF OPTIONS TRANSACTIONS. CLIENTS DEMANDED \$135,000. |
| Product Type: | Options |
| Other Product Type(s): | STOCKS |
| Alleged Damages: | \$135,000.00 |

Customer Complaint Information

| | |
|---------------------------------|------------------------|
| Date Complaint Received: | 02/20/1991 |
| Complaint Pending? | No |
| Status: | Arbitration/Reparation |
| Status Date: | 04/13/1992 |
| Settlement Amount: | |

Individual Contribution Amount:

Arbitration Information

| | |
|---|--|
| Arbitration/Reparation Claim filed with and Docket/Case No.: | NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.; 91-03104 |
| Date Notice/Process Served: | 02/20/1991 |
| Arbitration Pending? | No |
| Disposition: | Settled |
| Disposition Date: | 04/13/1992 |
| Monetary Compensation Amount: | \$73,950.00 |
| Individual Contribution Amount: | \$0.00 |
| Broker Statement | FIRM AGREED TO PAY CLIENTS \$73,950.00 |

End of Report



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