

## BrokerCheck Report

**JODI OYLER PADGETT**

CRD# 1828918

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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).

**JODI O. PADGETT**

CRD# 1828918

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

**IA INDEPENDENT FINANCIAL GROUP, LLC**  
 1555 PLAZA WEST  
 PRESCOTT, AZ 86303  
 CRD# 7717  
 Registered with this firm since: 01/04/2019

**B INDEPENDENT FINANCIAL GROUP, LLC**  
 1555 PLAZA WEST  
 PRESCOTT, AZ 86303  
 CRD# 7717  
 Registered with this firm since: 01/03/2019

**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
- 36 U.S. states and territories

**This broker has passed:**

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

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

- IA TAYLOR & PADGETT FINANCIAL GROUP LLC**  
 CRD# 136377  
 PRESCOTT, AZ  
 10/2006 - 12/2019
- IA ROYAL ALLIANCE ASSOCIATES, INC.**  
 CRD# 23131  
 SCOTTSDALE, AZ  
 04/2006 - 01/2019
- B ROYAL ALLIANCE ASSOCIATES, INC.**  
 CRD# 23131  
 PRESCOTT, AZ  
 11/1995 - 01/2019

**Disclosure Events**

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

Are there events disclosed about this broker? **Yes**

**The following types of disclosures have been reported:**

Type	Count
Regulatory Event	1
Customer Dispute	1



## 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 36 U.S. states and territories through his or her employer.**

### Employment 1 of 1

Firm Name: **INDEPENDENT FINANCIAL GROUP, LLC**

Main Office Address: **12671 HIGH BLUFF DRIVE  
SUITE 200  
SAN DIEGO, CA 92130**

Firm CRD#: **7717**

	SRO	Category	Status	Date
B	FINRA	General Securities Representative	Approved	01/03/2019

	U.S. State/ Territory	Category	Status	Date
B	Alaska	Agent	Approved	01/22/2019
B	Arizona	Agent	Approved	01/03/2019
IA	Arizona	Investment Adviser Representative	Approved	01/04/2019
B	California	Agent	Approved	01/03/2019
B	Colorado	Agent	Approved	02/21/2019
B	Connecticut	Agent	Approved	10/23/2019
B	Delaware	Agent	Approved	02/25/2019
B	Florida	Agent	Approved	08/12/2025
B	Georgia	Agent	Approved	01/11/2023
B	Hawaii	Agent	Approved	07/07/2025
B	Idaho	Agent	Approved	12/10/2025
B	Illinois	Agent	Approved	05/30/2019

## Broker Qualifications



### Employment 1 of 1, continued

	U.S. State/ Territory	Category	Status	Date
B	Iowa	Agent	Approved	01/22/2019
B	Maine	Agent	Approved	02/05/2019
B	Michigan	Agent	Approved	03/07/2019
B	Minnesota	Agent	Approved	03/04/2019
B	Missouri	Agent	Approved	11/25/2019
B	Nevada	Agent	Approved	12/03/2019
B	New Hampshire	Agent	Approved	06/30/2025
B	New Mexico	Agent	Approved	01/03/2019
B	New York	Agent	Approved	01/03/2019
B	North Carolina	Agent	Approved	12/06/2019
B	North Dakota	Agent	Approved	11/04/2024
B	Ohio	Agent	Approved	01/23/2019
B	Oregon	Agent	Approved	01/25/2019
B	Pennsylvania	Agent	Approved	02/28/2019
B	South Carolina	Agent	Approved	09/29/2021
B	South Dakota	Agent	Approved	02/02/2022
B	Tennessee	Agent	Approved	03/13/2019
B	Texas	Agent	Approved	02/08/2019
IA	Texas	Investment Adviser Representative	Restricted Approval	01/04/2019
B	Utah	Agent	Approved	02/21/2019
B	Vermont	Agent	Approved	09/05/2024



Broker Qualifications

Employment 1 of 1, continued

	U.S. State/ Territory	Category	Status	Date
B	Virginia	Agent	Approved	01/04/2019
B	Washington	Agent	Approved	01/03/2019
B	West Virginia	Agent	Approved	06/12/2023
B	Wisconsin	Agent	Approved	01/23/2019
B	Wyoming	Agent	Approved	01/22/2019

Branch Office Locations

INDEPENDENT FINANCIAL GROUP, LLC  
1555 PLAZA WEST  
PRESCOTT, AZ 86303

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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 1 principal/supervisory exam, 2 general industry/product exams, and 2 state securities law exams.**

### Principal/Supervisory Exams

Exam	Category	Date
<b>B</b> General Securities Principal Examination	Series 24	01/20/2016

### 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	11/29/1995

### State Securities Law Exams

Exam	Category	Date
<b>IA</b> Uniform Investment Adviser Law Examination	Series 65	10/16/2004
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	12/20/1995

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 **1** professional designation(s).

#### Certified Financial Planner

This representative holds or did hold **1** professional designation(s) that may have been used to qualify as an Investment Advisor representative. Please check with the appropriate designation authority for verification that the designation is still in effect. The contact information for these professional designation authorities can be found on the website for the North American Securities Administrators Association at <http://www.nasaa.org>





## Registration and Employment History

### Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
IA 10/2006 - 12/2019	TAYLOR & PADGETT FINANCIAL GROUP LLC	136377	PRESCOTT, AZ
IA 04/2006 - 01/2019	ROYAL ALLIANCE ASSOCIATES, INC.	23131	PRESCOTT, AZ
B 11/1995 - 01/2019	ROYAL ALLIANCE ASSOCIATES, INC.	23131	PRESCOTT, AZ
IA 10/2006 - 12/2018	TAYLOR & PADGETT FINANCIAL GROUP LLC	136377	PRESCOTT, AZ
IA 10/2006 - 12/2016	TAYLOR & PADGETT FINANCIAL GROUP LLC	136377	PRESCOTT, AZ
IA 10/2006 - 12/2015	TAYLOR & PADGETT FINANCIAL GROUP LLC	136377	PRESCOTT, AZ
IA 10/2006 - 12/2014	TAYLOR & PADGETT FINANCIAL GROUP LLC	136377	PRESCOTT, AZ
IA 10/2006 - 12/2013	TAYLOR & PADGETT FINANCIAL GROUP LLC	136377	PRESCOTT, AZ
IA 10/2006 - 12/2012	TAYLOR & PADGETT FINANCIAL GROUP LLC	136377	PRESCOTT, AZ

### 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
01/2019 - Present	INDEPENDENT FINANCIAL GROUP	REGISTERED REPRESENTATIVE	Y	PRESCOTT, AZ, United States
11/1995 - 01/2019	ROYAL ALLIANCE ASSOCIATES, INC.	REGISTERED REP. IN 1998	Y	PRESCOTT, AZ, United States



## Registration and Employment History

### Employment History, continued

Employment	Employer Name	Position	Investment Related	Employer Location
07/2006 - 12/2018	TAYLOR AND PADGETT FINANCIAL GROUP LLC	PARTNER/REGISTERED INVESTMENT ADVISER	Y	PRESCOTT, AZ, 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) TAYLOR & PADGETT FINANCIAL GROUP

POSITION: Agent/Representative NATURE: DBA Name for Marketing Purposes Only INVESTMENT RELATED: Yes NUMBER OF HOURS: 160  
 SECURITIES TRADING HOURS: 160 START DATE: 10/10/2006  
 ADDRESS: 1555 Plaza West, Prescott AZ 86303, United States  
 DESCRIPTION: 100% OWNER OF DBA TAYLOR & PADGETT FINANCIAL GROUP USED FOR MARKETING PURPOSES

#### (2) INSURANCE AGENT

POSITION: Agent/Representative NATURE: Insurance outside of IFG INVESTMENT RELATED: Yes NUMBER OF HOURS: 10 SECURITIES  
 TRADING HOURS: 10 START DATE: 08/28/1999  
 ADDRESS: 1555 Plaza West, Prescott AZ 86303, United States  
 DESCRIPTION: AZ INSURANCE AGENT AT TAYLOR & PADGETT FINANCIAL GROUP OFFERING VARIOUS TYPES OF INSURANCE PRODUCTS

#### (3) PADGETT & PEREA LLC

POSITION: Partner NATURE: Tax Preparation/Accounting/Bookkeeping/CPA INVESTMENT RELATED: Yes NUMBER OF HOURS: 60  
 SECURITIES TRADING HOURS: 5 START DATE: 01/01/2018  
 ADDRESS: 1555 Plaza West, Prescott AZ 86303, United States  
 DESCRIPTION: 50% OWNER OF PADGETT & PEREA LLC PROVIDING BOOKING, ACCOUNTING, AND TAX PREPARATION SERVICES

#### (4) 1555 PLAZA WEST LLC

POSITION: MEMBER NATURE: Real Estate Sales/Rental Properties/Property Management INVESTMENT RELATED: Yes NUMBER OF  
 HOURS: 4 SECURITIES TRADING HOURS: 4 START DATE: 06/29/2000  
 ADDRESS: 1555 Plaza West, Prescott AZ 86303, United States  
 DESCRIPTION: 25% OWNER OF 1555 PLAZA WEST LLC REAL ESTATE HOLDING COMPANY

#### (5) RENTAL PROPERTY

POSITION: RENTAL INCOME NATURE: Real Estate Sales/Rental Properties/Property Management INVESTMENT RELATED: Yes NUMBER OF  
 HOURS: 5 SECURITIES TRADING HOURS: 0 START DATE: 01/01/2018  
 ADDRESS: 12215 KELTON LANE, SKULL VALLEY AZ 86338, United States  
 DESCRIPTION: 100% RENTAL PROPERTY OWNER

## Registration and Employment History



### Other Business Activities, continued

(6)PAINTED LADY VINEYARD LLC

POSITION: Officer/Director NATURE: Other: INVESTMENT RELATED: No NUMBER OF HOURS: 5 SECURITIES TRADING HOURS: 0 START DATE: 07/01/2006

ADDRESS: 12215 W KELTON LANE, SKULL VALLEY AZ 86338, United States

DESCRIPTION: 50% OWNER OF PAINTED LADY VINEYARD

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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.
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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	1	0
Customer Dispute	0	1	N/A



## Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

### Regulatory - Final

This type of disclosure event may involve (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of a broker's authority to act as an attorney, accountant, or federal contractor.

#### Disclosure 1 of 1

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:** Other: n/a

**Date Initiated:** 11/15/2018

**Docket/Case Number:** [2017053382401](#)

**Employing firm when activity occurred which led to the regulatory action:** Royal Alliance Associates, Inc.

**Product Type:** Other: Precious metal bullion coins

**Allegations:** Padgett was named a respondent in a FINRA complaint alleging that she engaged in an undisclosed and unapproved outside business activity with a dealer involving the sale of precious metal bullion coins. The complaint alleges that Padgett failed to disclose the outside business activities in writing, via an outside business request form to her member firm. The outside business activities included referring individuals to the dealer for the purpose of those individuals purchasing bullion coins and the dealer paying a referral fee as compensation. Padgett made referrals that involved the firm's customers. The firm's policy permitted its registered representatives to sell only products approved by it. In addition, the firm's sales practice manual prohibited firm registered representatives from assisting a customer in the purchase or sale of gold, silver or other precious



metals. In connection with these referrals, the dealer paid referral fees to Padgett totaling approximately \$5,676.

**Current Status:**

Final

**Resolution:**

Decision

**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:**

10/09/2019

**Sanctions Ordered:**

Civil and Administrative Penalty(ies)/Fine(s)  
Monetary Penalty other than Fines  
Requalification

**If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?**

No

**(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?**



**(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or**

**(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?**

**Requalification 1 of 1**

**Requalification Type:** Principal Capacity

**Length of time given to requalify:** six months

**Type of exam required :**

**Has condition been satisfied:** No

**Monetary Sanction 1 of 2**

**Monetary Related Sanction:** Monetary Penalty other than Fines

**Total Amount:** \$8,459.81

**Portion Levied against individual:** \$8,459.81

**Payment Plan:** joint and several

**Is Payment Plan Current:**

**Date Paid by individual:** 12/23/2019

**Was any portion of penalty waived?** No

**Amount Waived:**

**Monetary Sanction 2 of 2**

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

**Total Amount:** \$15,000.00

**Portion Levied against individual:** \$15,000.00

**Payment Plan:**

**Is Payment Plan Current:**

**Date Paid by individual:** 12/23/2019

**Was any portion of penalty waived?** No

**Amount Waived:**

**Regulator Statement**

Hearing Panel decision rendered August 22, 2019 wherein respondent is fined \$15,000, ordered to requalify as a principal within six months after this decision becomes FINRA's final disciplinary action, and ordered to pay costs, jointly and severally, of \$8,459.81. The sanctions are based on findings that Padgett engaged in undisclosed outside business activities and was compensated for referring customers to a company marketing investments in precious metals without advance disclosure to her member firm. The findings stated that from these referrals, Padgett received at least \$5,676 in commissions. The decision become final on October 9, 2019. Fines paid in full on December 23, 2019.

**Reporting Source:** Broker





<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	Other: N/A
<b>Date Initiated:</b>	11/15/2018
<b>Docket/Case Number:</b>	<a href="#">2017053382401</a>
<b>Employing firm when activity occurred which led to the regulatory action:</b>	Royal Alliance Associates, Inc.
<b>Product Type:</b>	Other: Precious metal bullion coins
<b>Allegations:</b>	Padgett was named a respondent in a FINRA complaint alleging that she engaged in an undisclosed and unapproved outside business activity with a dealer involving the sale of precious metal bullion coins. The complaint alleges that Padgett failed to disclose the outside business activities in writing, via an outside business request form to her member firm. The outside business activities included referring individuals to the dealer for the purpose of those individuals purchasing bullion coins and the dealer paying a referral fee as compensation. Padgett made referrals that involved the firm's customers. The firm's policy permitted its registered representatives to sell only products approved by it. In addition, the firm's sales practice manual prohibited firm registered representatives from assisting a customer in the purchase or sale of gold, silver or other precious metals. In connection with these referrals, the dealer paid referral fees to Padgett totaling approximately \$5,676.
<b>Current Status:</b>	Final
<b>Resolution:</b>	n/a
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Resolution Date:</b>	10/09/2019
<b>Sanctions Ordered:</b>	Civil and Administrative Penalty(ies)/Fine(s) Monetary Penalty other than Fines Requalification
<b>Requalification 1 of 1</b>	
<b>Requalification Type:</b>	Principal Capacity



**Length of time given to requalify:** six months

**Type of exam required :**

**Has condition been satisfied:** No

**Monetary Sanction 1 of 2**

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

**Total Amount:** \$8,459.81

**Portion Levied against individual:** \$8,459.81

**Payment Plan:**

**Is Payment Plan Current:**

**Date Paid by individual:**

**Was any portion of penalty waived?** No

**Amount Waived:**

**Monetary Sanction 2 of 2**

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

**Total Amount:** \$15,000.00

**Portion Levied against individual:** \$15,000.00

**Payment Plan:**

**Is Payment Plan Current:**

**Date Paid by individual:**

**Was any portion of penalty waived?** No

**Amount Waived:**

**Broker Statement**

The non-disclosure of this OBA was the result of a simple administrative oversight. My direct supervisor believed this was an approved activity because there was a selling agreement already in place between the precious metals company and our Broker-Dealer. I did not actively solicit clients; business done was occasional and was at the request of the client. This was never a hidden activity. No client harm or loss was ever alleged or discovered.



We voluntarily disclosed this activity to an auditor during a routine annual audit in July of 2016. I cooperated fully with Royal Alliance with full transparency and disclosure and assisted Royal Alliance in resolving this issue by complying and accepting their sanction. Royal Alliance contacted my clients both in writing and in phone calls looking to verify the statements I made regarding my activity and also to determine if any customer had a complaint - this did not result in any complaints and, to date, there have not been any regarding this (or any other activity) No client harm or loss was ever alleged or discovered.

My total referral fees of \$5,676 from this activity covers a span of 17 years (1999-2016), and the result of a mere 9 referrals. This represents under \$300 per year on average, and overall income of not even .01%.

I take my work as a financial advisor very seriously. My clients' trust in me is paramount. I never hid this activity, nor did I knowingly violate any rule or standard of conduct. I did not disclose this particular activity as part of my annual disclosure because there was a Selling Agreement in place and, at least when we started doing it, the commissions were paid through the broker-dealer (this changed at one point; however, it was not a proactive change on our part and rather was likely due to internal Broker-Dealer changes therefore, I believed it was part of my activity with the Broker-Dealer and not an outside activity. I feel strongly that Royal Alliance is partially responsible for not noticing this during any of its 28+ annual audits (all of which I was a part of) where full transparency of both records and information was provided.



## 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 1

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	Royal Alliance Associates Inc
<b>Allegations:</b>	Allegation that there was a misrepresentation of the risks associated with a stop-loss order
<b>Product Type:</b>	Other: ETF
<b>Alleged Damages:</b>	\$42,120.00
<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>	No

### Customer Complaint Information

<b>Date Complaint Received:</b>	03/18/2016
<b>Complaint Pending?</b>	No
<b>Status:</b>	Denied
<b>Status Date:</b>	04/22/2016
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	

## End of Report



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