

BrokerCheck Report

JOSEPH MICHAEL TODD

CRD# 1830390

| <u>Section Title</u> | <u>Page(s)</u> |
|-------------------------------------|-----------------------|
| Report Summary | 1 |
| Broker Qualifications | 2 - 3 |
| Registration and Employment History | 5 - 6 |
| Disclosure Events | 7 |



Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

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

JOSEPH M. TODD

CRD# 1830390

This broker is not currently registered.

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 not currently registered.

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):

- B** **CENTAURUS FINANCIAL, INC.**
CRD# 30833
CRYSTAL RIVER, FL
08/2016 - 07/2022
- B** **INVESTORS CAPITAL CORP.**
CRD# 30613
HOMOSASSA, FL
01/2007 - 08/2016
- B** **EDWARD JONES**
CRD# 250
HOMOSASSA, FL
02/2001 - 01/2007

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 |
| Civil Event | 1 |
| Customer Dispute | 18 |
| Termination | 1 |

Investment Adviser Representative Information

The information below represents the individual's record as a broker. For details on this individual's record as an investment adviser representative, visit the SEC's Investment Adviser Public Disclosure website at

<https://www.adviserinfo.sec.gov>

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 broker is not currently registered.



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.

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 General Securities Principal Examination | Series 24 | 01/13/1999 |

General Industry/Product Exams

| Exam | Category | Date |
|--|----------|------------|
| B Securities Industry Essentials Examination | SIE | 10/01/2018 |
| B General Securities Representative Examination | Series 7 | 08/20/1988 |

State Securities Law Exams

| Exam | Category | Date |
|---|-----------|------------|
| IA Uniform Investment Adviser Law Examination | Series 65 | 07/03/2008 |
| B Uniform Securities Agent State Law Examination | Series 63 | 09/13/1988 |

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 |
|----------------------------|----------------------------------|-------|--------------------|
| B 08/2016 - 07/2022 | CENTAURUS FINANCIAL, INC. | 30833 | CRYSTAL RIVER, FL |
| B 01/2007 - 08/2016 | INVESTORS CAPITAL CORP. | 30613 | HOMOSASSA, FL |
| B 02/2001 - 01/2007 | EDWARD JONES | 250 | HOMOSASSA, FL |
| B 01/2000 - 02/2001 | INVEST FINANCIAL CORPORATION | 12984 | APPLETON, WI |
| B 01/1995 - 02/2000 | INVESTORS CAPITAL CORP. | 30613 | LYNNFIELD, MA |
| B 10/1990 - 12/1994 | IFG NETWORK SECURITIES, INC. | 19948 | ATLANTA, GA |
| B 08/1988 - 10/1990 | RAYMOND JAMES & ASSOCIATES, INC. | 705 | ST. PETERSBURG, FL |

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 |
|-------------------|------------------------------|---------------------------|--------------------|------------------------------|
| 08/2016 - Present | CENTAURUS FINANCIAL, INC. | REGISTERED REPRESENTATIVE | Y | ANAHEIM, CA, United States |
| 01/2007 - 08/2016 | INVESTORS CAPIAL CORPORATION | REGISTERED REPRESENTATIVE | Y | LYNNFIELD, MA, 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. TODD FINANCIAL SERVICES LLC. 8546 W HOMOSASSA TRAIL #1 HOMOSASSA, FL 34448. NON INVESTMENT RELATED SINCE 2007. DBA FOR BRANDING PURPOSES ONLY.
2. STEWARDSHIP CHAIRMAN. FIRST BAPTIST CHURCH OF CRYSTAL RIVER. 700 N CITRUS AVENUE, CRYSTAL RIVER, FL 34429. NON

Registration and Employment History



Other Business Activities, continued

INVESTMENT RELATED SINCE 01/2016 AND I SPEND APPROX. SIX HOURS A MONTH ON THIS ACTIVITY.

3. CLUB MANAGAER, BUCK CREEK HUNT CLUB, 364 MORRIS STATION ROAD, MORRIS, GA 39867. NON INVESTMENT SINCE 06/2009 AND I SPEND APPROX. 10 HOURS A MONTH ON THIS ACTIVITY.



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 |
|------------------|---------|-------|-----------|
| Regulatory Event | 0 | 2 | 0 |
| Civil Event | 0 | 1 | 0 |
| Customer Dispute | 12 | 6 | N/A |
| Termination | N/A | 1 | N/A |



Disclosure Event Details

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

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

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: | UNITED STATES SECURITIES AND EXCHANGE COMMISSION |
| Sanction(s) Sought: | Other: N/A |
| Date Initiated: | 08/17/2023 |
| Docket/Case Number: | 3-21566 |
| Employing firm when activity occurred which led to the regulatory action: | |
| Product Type: | Other: Unspecified securities |
| Allegations: | The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Joseph Michael Todd ("Todd" or "Respondent"). In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept. The Commission finds that on July 27, 2023, a judgment was entered by consent against Todd, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and from participating in the issuance, purchase, offer, or sale of any security (except for purchasing or selling securities in his own personal account), in Civil Action Number 5:23-cv-00431, in the United States District Court for the |



Middle District of Florida. The Commission's complaint alleged that from at least August 2016 through at least November 2022, in connection with the offer, purchase, and sale of securities, Todd misappropriated investor funds, falsely stated to investors that their funds would be invested in securities, sent out false account statements indicating that investors' funds were fully invested and earning returns, and otherwise engaged in a variety of conduct which operated as a fraud and deceit on investors.

| | |
|---|-----------------|
| 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: | 08/17/2023 |
| Sanctions Ordered: | Bar (Permanent) |
| 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?

Sanction 1 of 2

| | |
|-----------------------------|--|
| Sanction Type: | Bar (Permanent) |
| Capacities Affected: | Participating in any offering of a penny stock |
| Duration: | Indefinite |
| Start Date: | 08/17/2023 |
| End Date: | |

Sanction 2 of 2



| | |
|-----------------------------|---|
| Sanction Type: | Bar (Permanent) |
| Capacities Affected: | Any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or NRSRO |
| Duration: | Indefinite |
| Start Date: | 08/17/2023 |
| End Date: | |
| Regulator Statement | It is hereby ordered pursuant to Section 15(b)(6) of the Exchange Act, and Section 203(f) of the Advisers Act, that Respondent be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization ("NRSRO"); and Pursuant to Section 15(b)(6) of the Exchange Act Respondent be, and hereby is barred from participating in any offering of a penny stock. |

Disclosure 2 of 2

| | |
|--|--|
| Reporting Source: | Regulator |
| Regulatory Action Initiated By: | FINRA |
| Sanction(s) Sought: | Suspension |
| Date Initiated: | 04/25/2023 |
| Docket/Case Number: | 22-01019 |
| Employing firm when activity occurred which led to the regulatory action: | N/A |
| Product Type: | No Product |
| Allegations: | Respondent Todd failed to comply with an arbitration award or settlement agreement or to satisfactorily respond to a FINRA request to provide information concerning the status of compliance. |
| Current Status: | Final |
| Resolution: | Letter |



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:

04/25/2023

Sanctions Ordered:

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?

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?

Sanction 1 of 1

| | |
|-----------------------------|----------------|
| Sanction Type: | Suspension |
| Capacities Affected: | All Capacities |
| Duration: | Indefinite |
| Start Date: | 04/25/2023 |
| End Date: | |



Regulator Statement

Pursuant to Article VI, Section 3 of FINRA By-Laws, and FINRA Rule 9554, Respondent Todd is suspended on April 25, 2023 for failure to comply with an arbitration award or settlement agreement or to satisfactorily respond to a FINRA request to provide information concerning the status of compliance.



Civil - Final

This type of disclosure event involves (1) an injunction issued by a court in connection with investment-related activity, (2) a finding by a court of a violation of any investment-related statute or regulation, or (3) an action brought by a state or foreign financial regulatory authority that is dismissed by a court pursuant to a settlement agreement.

Disclosure 1 of 1

| | |
|---|---|
| Reporting Source: | Regulator |
| Initiated By: | UNITED STATES SECURITIES AND EXCHANGE COMMISSION |
| Relief Sought: | Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines Other: Officer/ Director prohibition |
| Date Court Action Filed: | 07/12/2023 |
| Product Type: | Other: Unspecified Securities |
| Type of Court: | Federal Court |
| Name of Court: | United States District Court for the Middle District of Florida - Ocala Division |
| Location of Court: | Ocala, Florida |
| Docket/Case #: | 5:23-cv-00431 |
| Employing firm when activity occurred which led to the action: | Todd Financial Services, LLC and TFS Insurance Services LLC |
| Allegations: | The Securities and Exchange Commission (the "Commission"), for its Complaint against Joseph Michael Todd ("Todd"), Todd Financial Services, LLC ("TFS"), and TFS Insurance Services LLC ("TFS Insurance"), alleges that Todd engaged in a fraudulent scheme and misappropriated at least \$3 million from at least 20 customers of "Broker A," a dually registered broker-dealer and investment adviser that employed Todd as a registered representative. Todd obtained investor funds through deceptive means by instructing his Broker A customers to write checks payable to his entities TFS and/or TFS Insurance or to Todd by falsely assuring customers that he and his entities would invest their funds in various securities. Instead, Todd commingled investors' funds and kept the money for his own personal use, spending it on lavish real estate, boating, hunting, casinos, and adult entertainment. Todd perpetuated the fraud by making material misrepresentations to customers regarding the use of their funds in meetings that took place in person, in phone conversations, and in documents that he prepared and provided to customers. Because of their conduct, Todd, TFS, and TFS Insurance knowingly or recklessly committed securities fraud. Todd and TFS violated Section 17(a) of the |



Securities Act of 1933 (the "Securities Act") and Todd, TFS, and TFS Insurance violated Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 thereunder.

Current Status: Final

Resolution: Judgment Rendered

Resolution Date: 07/27/2023

Sanctions Ordered or Relief Granted: Injunction
Other: Prohibition

Capacities 1 of 1

Capacities Affected: N/A

Duration: Permanent

Start Date: 07/27/2023

End Date:

Regulator Statement

On July 27, 2023, the U.S. District Court for the Middle District of Florida Ocala Division issued this Judgment as to Injunctive Relief against Defendant Joseph Michal Todd and others. The United States Securities and Exchange Commission having filed a Complaint and Defendants Joseph Michael Todd ("Todd"), Todd Financial Services, LLC ("TFS"), and IFS Insurance Services LLC ("TFS Insurance") (collectively "Defendants") having entered a general appearance; consented to the Court's jurisdiction over Defendants and the subject matter of this action; consented to entry of this Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein); waived findings of fact and conclusions of law; and waived any right to appeal from this Judgment: It is hereby ordered, adjudged, and decreed that Defendants Todd, TFS, and TFS Insurance are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder; Todd and TFS are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933, directly or indirect; and Todd, TFS, and TFS Insurance are permanently restrained and enjoined from, directly or indirectly, including, but not limited to, through any entity owned or controlled by Defendants, participating in the issuance, purchase, offer, or sale of any security; provided, however, that such injunction shall not prevent Defendants from purchasing or selling securities for their own personal accounts. It is further ordered, adjudged, and decreed that, pursuant to Section 20(e) of the Securities Act and Section 21(d)(2) of the Exchange Act, Defendant Todd is prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the



Exchange Act. In addition, Defendants Todd and TFS shall pay disgorgement of ill-gotten gains, prejudgment interest thereon, and civil penalties, and that Defendant TFS Insurance shall pay disgorgement of ill-gotten gains, prejudgment interest thereon, and civil penalties pursuant to Section 21(d) of the Exchange Act. The Court shall determine the amounts of the disgorgement and civil penalty upon motion of the Commission.



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: | Centaurus Financial, Inc |
| Allegations: | Todd was named in a customer complaint that asserted the following causes of action: outside business activities, selling away and private securities transactions; unsuitable investments and negligent account management; negligence and negligent supervision; bogus statement summaries; conversion; violations of the Florida Securities Act; sale of unregistered and non-exempt securities; breach of fiduciary duty and constructive fraud; violations of FINRA Conduct Rules and NYSE Board Rules; violations of statutes and industry rules related to senior investors, elderly persons, and disabled adults; and respondeat superior. |
| Product Type: | Other: mortgage fund; illiquid securities |
| Alleged Damages: | \$500,000.00 |
| Arbitration Information | |
| Arbitration/Reparation Claim filed with and Docket/Case No.: | FINRA - CASE #22-01019 |
| Date Notice/Process Served: | 05/11/2022 |
| Arbitration Pending? | No |
| Disposition: | Award |
| Disposition Date: | 02/22/2023 |
| Disposition Detail: | Todd is liable for and shall pay to Claimants the sum of \$60,000.00 in compensatory damages, is liable for and shall pay to Claimants the sum of \$37,500.00 in attorneys' fees, and is liable for and shall pay to Claimants the sum of \$300.00 as reimbursement of the non-refundable portion of the claim filing fee previously paid by Claimants to FINRA Dispute Resolution Services. |
| Regulator Statement | This award has not been paid by or on behalf of Todd as of April 25, 2023. |

Reporting Source: Firm



Employing firm when activities occurred which led to the complaint: CENTAURUS FINANCIAL, INC.

Allegations: During 2020 through present, the customers allege that the Registered Representative misrepresented illiquid, high risk and unsuitable investments and engaged in selling away from his broker/dealer.

Product Type: Real Estate Security
Other: Mortgage Fund Investment

Alleged Damages: \$100,000.00

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): FINRA

Docket/Case #: [22-01019](#)

Date Notice/Process Served: 05/27/2022

Arbitration Pending? No

Disposition: Settled

Disposition Date: 12/05/2022

Monetary Compensation Amount: \$11,702.97

Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: CENTAURUS FINANCIAL, INC.

Allegations: During 2020 through present, the customers allege that the Registered Representatives misrepresented illiquid, high risk and unsuitable investments and engaged in selling away from his broker/dealer.

Product Type: Real Estate Security
Other: mortgage fund investment

Alleged Damages: \$100,000.00

Arbitration Information



Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): FINRA

Docket/Case #: 22-01019

Date Notice/Process Served: 05/27/2022

Arbitration Pending? Yes

Broker Statement The investments made through my broker/dealer were suitable and were recommended based on the customer's objectives, goals and financial circumstances and were offered only after their review of all material documentation related to the investment. The customers confirmed in writing that they not only received the requisite investment documentation/disclosures, but that they fully understood the characteristics and risks of the investments. At all times, I put the customer's interest first and I will vigorously defend this matter to the fullest extent of the law.



Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

Disclosure 1 of 4

| | |
|--|---|
| Reporting Source: | Firm |
| Employing firm when activities occurred which led to the complaint: | CENTAURUS FINANCIAL, INC. |
| Allegations: | The customers allege that the Registered Representative absconded with their funds. |
| Product Type: | No Product |
| Alleged Damages: | \$492,000.00 |
| Is this an oral complaint? | No |
| Is this a written complaint? | No |
| Is this an arbitration/CFTC reparation or civil litigation? | Yes |
| Arbitration/Reparation forum or court name and location: | FINRA |
| Docket/Case #: | 23-02113 |
| Filing date of arbitration/CFTC reparation or civil litigation: | 08/01/2023 |

Customer Complaint Information

| | |
|--|--------------|
| Date Complaint Received: | 08/08/2023 |
| Complaint Pending? | No |
| Status: | Settled |
| Status Date: | 03/04/2024 |
| Settlement Amount: | \$240,000.00 |
| Individual Contribution Amount: | \$0.00 |

Disclosure 2 of 4



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Investors Capital Corp. and CENTAURUS FINANCIAL, INC.

Allegations: During 2014 through July 2022, the customer alleges that the Registered Representative misrepresented illiquid, high risk and unsuitable investments and stole funds that were supposed to have been invested in safe, liquid fixed income securities.

Product Type: Real Estate Security

Alleged Damages: \$16,500.00

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 22-02730

Filing date of arbitration/CFTC reparation or civil litigation: 11/30/2022

Customer Complaint Information

Date Complaint Received: 12/16/2022

Complaint Pending? No

Status: Settled

Status Date: 11/10/2023

Settlement Amount: \$10,000.00

Individual Contribution Amount: \$0.00

Disclosure 3 of 4

Reporting Source: Firm



| | |
|--|--|
| Employing firm when activities occurred which led to the complaint: | CENTAURUS FINANCIAL, INC. |
| Allegations: | During the period of 2020 through July 2022, the customer alleges that the Registered Representative misrepresented illiquid, high risk and unsuitable investments and stole funds that were supposed to have been invested in safe, liquid fixed income securities. |
| Product Type: | No Product |
| Alleged Damages: | \$0.00 |
| Alleged Damages Amount Explanation (if amount not exact): | Claimant does not allege a specific compensatory damage amount. As such, the Firm has made a good faith determination that the compensatory damages potentially exceed \$5,000. |
| Is this an oral complaint? | No |
| Is this a written complaint? | No |
| Is this an arbitration/CFTC reparation or civil litigation? | Yes |
| Arbitration/Reparation forum or court name and location: | FINRA |
| Docket/Case #: | 23-00004 |
| Filing date of arbitration/CFTC reparation or civil litigation: | 01/04/2023 |

Customer Complaint Information

| | |
|--|--------------|
| Date Complaint Received: | 01/06/2023 |
| Complaint Pending? | No |
| Status: | Settled |
| Status Date: | 09/01/2023 |
| Settlement Amount: | \$615,625.72 |
| Individual Contribution Amount: | \$0.00 |

Disclosure 4 of 4

Reporting Source: Firm



Employing firm when activities occurred which led to the complaint: INVEST FINANCIAL CORP.

Allegations: CLIENTS ALLEGE REP MISREPRESENTED SURRENDER PERIOD OF ANNUITY AND FAILED TO PROVIDE CONTRACT IN A TIMELY FASHION.

Product Type: Insurance

Alleged Damages: \$9,608.66

Customer Complaint Information

Date Complaint Received: 03/12/2001

Complaint Pending? No

Status: Settled

Status Date: 04/11/2001

Settlement Amount: \$9,608.66

Individual Contribution Amount: \$0.00

Firm Statement ANNUITY COMPANY OFFERED. FREE LOOK SURRENDER AS CONTRACT WAS NOT DELIVERED TO CLIENT IN TIMELY FASHION.

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: INVEST FINANCIAL CORP

Allegations: CLIENTS FROM MR. TODD'S PREVIOUS FIRM FILED A COMPLAINT WITH INVEST FINANCIAL CORP ALLEGING HE MISREPRESENTED THE SURRENDER PERIOD OF AN ANNUITY AND FAILED TO PROVIDE A CONTRACT IN A TIMELY MANNER.

Product Type: Insurance

Alleged Damages: \$9,608.66

Customer Complaint Information

Date Complaint Received: 03/12/2001

Complaint Pending? Yes



Settlement Amount:

**Individual Contribution
Amount:**



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

| | |
|--|---|
| Reporting Source: | Firm |
| Employing firm when activities occurred which led to the complaint: | EDWARD JONES |
| Allegations: | 1/1/02-1/1/04; RECEIVED INQUIRY FROM FINRA REGARDING CLIENT'S ALLEGATIONS IN WHICH SHE ALLEGES SHE GAVE MONEY FOR THE FA TO INVEST IN "OTHER INVESTMENTS" OUTSIDE OF HER EDWARD JONES ACCOUNT. CLIENT ALLEGED SHE RECEIVED CHECKS FOR A WHILE FROM HIS PERSONAL ACCOUNT AND THEN THEY STOPPED. CLIENT CLAIMS SHE DOES NOT BELIEVE EDWARD JONES WAS AWARE OF THIS. CLAIM EXCEEDS \$5,000 |
| Product Type: | Other: PRIVATE SECURITY |
| Alleged Damages: | \$26,000.00 |
| 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: | 09/23/2009 |
| Complaint Pending? | No |
| Status: | Closed/No Action |
| Status Date: | 09/23/2009 |
| Settlement Amount: | |
| Individual Contribution Amount: | |
| Firm Statement | PER COMMUNICATION WITH FINRA, WE HAVE DETERMINED EDWARD JONES RECEIVED NO COMPLAINT FROM THE CLIENT NOR HAVE WE RECEIVED COMPLAINTS FROM CLIENTS WITH SIMILAR ALLEGATIONS. NO |



FURTHER ACTION WILL BE TAKEN AT THIS TIME AND A RESPONSE WAS SENT TO FINRA TO CONFIRM WE HAVE NO COMPLAINTS REGARDING THESE ALLEGATIONS.

Reporting Source: Broker

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

Allegations: CLIENT ALLEGED THAT WHILE THE RR WAS AFFILIATED WITH EDWARD JONES HE PRESENTED HER WITH "OTHER [OUTSIDE] INVESTMENTS" WHICH WOULD GENERATE MONTHLY INCOME. BASED ON THE CESSATION OF MONTHLY PAYMENTS, CLIENT HAS ALLEGED MISAPPROPRIATION.

Product Type: Other: PRIVATE SECURITY

Alleged Damages: \$26,000.00

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: 08/11/2008

Complaint Pending? No

Status: Closed/No Action

Status Date: 09/23/2009

Settlement Amount:

Individual Contribution Amount:

Broker Statement CLIENT FILED COMPLAINT THROUGH FINRA (FINRA INQUIRY 2008-0142250). RR HAS RESPONDED BY INDICATING THAT CLIENT'S "LOSSES" ARE ATTRIBUTABLE TO THE EFFECTS OF CLIENT'S CONTINUED PRINCIPAL WITHDRAWALS COMPOUNDED BY STOCK MARKET FLUCTUATIONS. RR INDICATES THAT HE REPEATEDLY ADVISED CLIENT AGAINST SUCH WITHDRAWALS AND OF THE POTENTIAL CUMULATIVE EFFECTS (E.G. LOSS OF PRINCIPAL) YET, WHILE ACKNOWLEDGING THESE WARNINGS, CLIENT CONTINUED TO PERIODICALLY TAKE SUBSTANTIAL WITHDRAWALS.



Customer Dispute - Pending

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, 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.

Disclosure 1 of 12

| | |
|--|--|
| Reporting Source: | Firm |
| Employing firm when activities occurred which led to the complaint: | CENTAURUS FINANCIAL, INC. |
| Allegations: | The customer alleges that in December of 2020, the Registered Representative recommended an unsuitable investment. |
| Product Type: | Debt-Corporate |
| Alleged Damages: | \$50,000.00 |
| Is this an oral complaint? | No |
| Is this a written complaint? | No |
| Is this an arbitration/CFTC reparation or civil litigation? | Yes |
| Arbitration/Reparation forum or court name and location: | FINRA |
| Docket/Case #: | 24-00053 |
| Filing date of arbitration/CFTC reparation or civil litigation: | 01/09/2024 |

Customer Complaint Information

| | |
|--|------------|
| Date Complaint Received: | 01/17/2024 |
| Complaint Pending? | Yes |
| Settlement Amount: | |
| Individual Contribution Amount: | |

Disclosure 2 of 12

| | |
|--------------------------|------|
| Reporting Source: | Firm |
|--------------------------|------|



| | |
|---|---|
| Employing firm when activities occurred which led to the complaint: | CENTAURUS FINANCIAL, INC. |
| Allegations: | Claimant alleges that the Registered Representative recommended and sold outside products that were unsuitable. No specific dates for the alleged activity were identified in the Statement of Claim. |
| Product Type: | Equity Listed (Common & Preferred Stock) Oil & Gas Real Estate Security |
| Alleged Damages: | \$138,000.00 |
| Arbitration Information | |
| Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): | FINRA |
| Docket/Case #: | 23-03328 |
| Date Notice/Process Served: | 11/30/2023 |
| Arbitration Pending? | Yes |

Disclosure 3 of 12

| | |
|--|--|
| Reporting Source: | Firm |
| Employing firm when activities occurred which led to the complaint: | CENTAURUS FINANCIAL, INC. |
| Allegations: | Claimant alleges that the Registered Representative misappropriated her funds. No specific dates for the alleged activity were identified in the Statement of Claim. |
| Product Type: | No Product |
| Alleged Damages: | \$170,000.00 |
| Is this an oral complaint? | No |
| Is this a written complaint? | No |
| Is this an arbitration/CFTC reparation or civil litigation? | Yes |
| Arbitration/Reparation forum or court name and location: | FINRA |



Docket/Case #: 23-03383
Filing date of arbitration/CFTC reparation or civil litigation: 11/28/2023

Customer Complaint Information

Date Complaint Received: 12/06/2023
Complaint Pending? Yes
Settlement Amount:
Individual Contribution Amount:

Disclosure 4 of 12

Reporting Source: Firm
Employing firm when activities occurred which led to the complaint: CENTAURUS FINANCIAL, INC.

Allegations: The customer alleges that the Registered Representative absconded with his funds. No specific dates for the alleged activity were identified in the Statement of Claim.

Product Type: No Product
Alleged Damages: \$300,000.00
Is this an oral complaint? No
Is this a written complaint? No
Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 23-02695
Filing date of arbitration/CFTC reparation or civil litigation: 10/04/2023

Customer Complaint Information

Date Complaint Received: 10/11/2023



Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 5 of 12

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: CENTAURUS FINANCIAL, INC.

Allegations: The customer alleges that the Registered Representative absconded with her funds and never invested the money. It is worthy to note that Centaurus is unable to verify that the claimant was a client of Centaurus.

Product Type: No Product

Alleged Damages: \$99,500.00

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 23-01983

Filing date of arbitration/CFTC reparation or civil litigation: 07/17/2023

Customer Complaint Information

Date Complaint Received: 07/25/2023

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:



Disclosure 6 of 12

| | |
|---|---|
| Reporting Source: | Firm |
| Employing firm when activities occurred which led to the complaint: | CENTAURUS FINANCIAL, INC. |
| Allegations: | The customer alleges that in July of 2019, the Registered Representative misrepresented a non-profit organization and engaged in undisclosed outside business activities. |
| Product Type: | No Product |
| Alleged Damages: | \$100,000.00 |
| Arbitration Information | |
| Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): | FINRA |
| Docket/Case #: | 23-01829 |
| Date Notice/Process Served: | 06/26/2023 |
| Arbitration Pending? | Yes |

Disclosure 7 of 12

| | |
|--|--|
| Reporting Source: | Firm |
| Employing firm when activities occurred which led to the complaint: | CENTAURUS FINANCIAL, INC. |
| Allegations: | In March 2019, the customer alleges that the Registered Representative misrepresented unsuitable, high risk, high commission and illiquid Alternative Investments. |
| Product Type: | Debt-Corporate Real Estate Security |
| Alleged Damages: | \$100,001.00 |
| Is this an oral complaint? | No |
| Is this a written complaint? | No |
| Is this an arbitration/CFTC reparation or civil litigation? | Yes |



**Arbitration/Reparation forum
or court name and location:** FINRA

Docket/Case #: 23-01932

**Filing date of
arbitration/CFTC reparation
or civil litigation:** 07/10/2023

Customer Complaint Information

Date Complaint Received: 07/17/2023

Complaint Pending? Yes

Settlement Amount:

**Individual Contribution
Amount:**

Disclosure 8 of 12

Reporting Source: Firm

**Employing firm when
activities occurred which led
to the complaint:** CENTAURUS FINANCIAL, INC.

Allegations: During the period of August 2021 through July 2022, the customers allege that the Registered Representative improperly exercised discretion and engaged in unauthorized trading in unsuitable, illiquid and high-risk investments.

Product Type: Equity Listed (Common & Preferred Stock)
Real Estate Security
Other: non-Investment related client funds

Alleged Damages: \$900,000.00

Is this an oral complaint? No

Is this a written complaint? No

**Is this an arbitration/CFTC
reparation or civil litigation?** Yes

**Arbitration/Reparation forum
or court name and location:** FINRA

Docket/Case #: 23-01851



Filing date of arbitration/CFTC reparation or civil litigation: 06/28/2023

Customer Complaint Information

Date Complaint Received: 07/06/2023

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 9 of 12

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: CENTAURUS FINANCIAL, INC.

Allegations: In June 2022, the customer alleges that the Registered Representative misappropriated funds.

Product Type: No Product

Alleged Damages: \$152,400.00

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 23-01502

Filing date of arbitration/CFTC reparation or civil litigation: 05/22/2023

Customer Complaint Information

Date Complaint Received: 06/02/2023

Complaint Pending? Yes

**Settlement Amount:****Individual Contribution Amount:****Disclosure 10 of 12****Reporting Source:** Firm**Employing firm when activities occurred which led to the complaint:** CENTAURUS FINANCIAL, INC.**Allegations:** During the period of March 2018 through September 2022, the customers allege that the Registered Representative improperly exercised discretion and engaged in unauthorized trading in unsuitable and high-risk investments.**Product Type:** No Product**Alleged Damages:** \$0.00**Alleged Damages Amount Explanation (if amount not exact):** Claimant does not allege a specific compensatory damage amount but rather seeks the recovery of damages in an amount to be determined.**Is this an oral complaint?** No**Is this a written complaint?** No**Is this an arbitration/CFTC reparation or civil litigation?** Yes**Arbitration/Reparation forum or court name and location:** FINRA**Docket/Case #:** 23-01553**Filing date of arbitration/CFTC reparation or civil litigation:** 05/26/2023**Customer Complaint Information****Date Complaint Received:** 06/02/2023**Complaint Pending?** Yes**Settlement Amount:****Individual Contribution Amount:**



Disclosure 11 of 12

| | |
|--|---|
| Reporting Source: | Firm |
| Employing firm when activities occurred which led to the complaint: | CENTAURUS FINANCIAL, INC. |
| Allegations: | During the period of 2019 and 2021, the customer alleges that the Registered Representative improperly recommended high risk and a illiquid investment and misappropriated funds. |
| Product Type: | Debt-Corporate Other: Non-Investment related client funds |
| Alleged Damages: | \$238,000.00 |
| Is this an oral complaint? | No |
| Is this a written complaint? | No |
| Is this an arbitration/CFTC reparation or civil litigation? | Yes |
| Arbitration/Reparation forum or court name and location: | FINRA |
| Docket/Case #: | 23-01525 |
| Filing date of arbitration/CFTC reparation or civil litigation: | 05/24/2023 |

Customer Complaint Information

| | |
|--|------------|
| Date Complaint Received: | 06/01/2023 |
| Complaint Pending? | Yes |
| Settlement Amount: | |
| Individual Contribution Amount: | |

Disclosure 12 of 12

| | |
|--------------------------|------|
| Reporting Source: | Firm |
|--------------------------|------|



Employing firm when activities occurred which led to the complaint: CENTAURUS FINANCIAL, INC.

Allegations: During August 2021 through July 2022, the customers allege that the Registered Representative incorrectly exercised trading discretion and recommended illiquid investments.

Product Type: Equity Listed (Common & Preferred Stock)
Real Estate Security

Alleged Damages: \$130,000.00

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 23-00361

Filing date of arbitration/CFTC reparation or civil litigation: 02/13/2023

Customer Complaint Information

Date Complaint Received: 03/22/2023

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:



Employment Separation After Allegations

This type of disclosure event involves a situation where the broker voluntarily resigned, was discharged, or was permitted to resign after being accused of (1) violating investment-related statutes, regulations, rules or industry standards of conduct; (2) fraud or the wrongful taking of property; or (3) failure to supervise in connection with investment-related statutes, regulations, rules, or industry standards of conduct.

Disclosure 1 of 1

| | |
|--------------------------|---|
| Reporting Source: | Firm |
| Employer Name: | CENTAURUS FINANCIAL, INC. |
| Termination Type: | Discharged |
| Termination Date: | 07/21/2022 |
| Allegations: | The Firm is investigating whether the Registered Representative violated Firm policy and industry rules with respect to an allegation of selling away and the receipt of customer funds. The Registered Representative has not cooperated with the investigation. The investigation is ongoing. |
| Product Type: | No Product |

End of Report



This page is intentionally left blank.