

**BrokerCheck Report**

**STEPHEN JOHNATHAN HOSHIMI**

CRD# 1977772

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## 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:

- o 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
- o 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).

**STEPHEN J. HOSHIMI**

CRD# 1977772

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
- 5 General Industry/Product Exams
- 2 State Securities Law Exams

**Registration History**

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

**CRESCENT SECURITIES GROUP, INC.**

CRD# 114993  
DALLAS, TX  
12/2015 - 09/2016

**CAPWEST SECURITIES, INC.**

CRD# 30002  
LOS ANGELES, CA  
10/2008 - 08/2010

**SECURITIES AMERICA, INC.**

CRD# 10205  
LOS ANGELES, CA  
07/1999 - 10/2008

**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	4
Customer Dispute	37
Termination	2
Financial	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, 5 general industry/product exams, and 2 state securities law exams.**

### Principal/Supervisory Exams

Exam	Category	Date
General Securities Principal Examination	Series 24	07/21/2001

### General Industry/Product Exams

Exam	Category	Date
Securities Industry Essentials Examination	SIE	09/02/2016
Direct Participation Programs Representative Examination	Series 22	12/01/2015
Futures Managed Funds Examination	Series 31	08/04/2005
General Securities Representative Examination	Series 7	08/18/1995
Investment Company Products/Variable Contracts Representative Examination	Series 6	08/08/1989

### State Securities Law Exams

Exam	Category	Date
Uniform Securities Agent State Law Examination	Series 63	12/30/2015
Uniform Investment Adviser Law Examination	Series 65	08/26/1998

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/).



## Registration and Employment History

### Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
12/2015 - 09/2016	CRESCENT SECURITIES GROUP, INC.	114993	DALLAS, TX
10/2008 - 08/2010	CAPWEST SECURITIES, INC.	30002	LOS ANGELES, CA
07/1999 - 10/2008	SECURITIES AMERICA, INC.	10205	LOS ANGELES, CA
08/1989 - 07/1999	SIGNATOR INVESTORS, INC.	468	BOSTON, MA
08/1989 - 05/1997	JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY	5181	BOSTON, MA

### 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 Dates	Employer Name	Employer Location
08/2010 - Present	SELF EMPLOYED	NEWPORT BEACH, CA
10/2008 - 08/2010	CAPWEST SECURITIES, INC.	LAKEWOOD, CO

### 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.

LITE POINT INSURANCE SOLUTIONS (LPI). NOT INVESTMENT RELATED. 2618 SAN MIGUEL DRIVE #101, NEWPORT BEACH, CA 92601. REFERRALS FOR INSURANCE SALES. SOLE OWNER & PRESIDENT. AUGUST 2010. 10-15 HOURS PER MONTH. OVERRIDES ON REFERRALS.



## 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:**
  - o A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
  - o 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.
  - o
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - o 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.
  - o
4. **There are different statuses and dispositions for disclosure events:**
  - o 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.
  - o 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	4	0



Customer Dispute	0	37	N/A
Termination	N/A	2	N/A
Financial	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 4

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:**

**Date Initiated:** 04/20/2018

**Docket/Case Number:** [2016050828902](#)

**Employing firm when activity occurred which led to the regulatory action:** Crescent Securities Group, Inc.

**Product Type:** No Product

**Allegations:** Without admitting or denying the findings, Hoshimi consented to the sanctions and to the entry of findings that he engaged in an outside business activity without providing prompt written notice of this activity to his member firm. The findings stated that Hoshimi launched a website for "The Hoshimi Group" that he used to market services to registered investment advisers. This website, which constituted an outside business activity, advertised that Hoshimi was capable of bringing insurance solutions to insurance professionals. Hoshimi did not disclose this outside business activity to the firm until after he was asked to provide an explanation of the outside business activity during a FINRA examination. Hoshimi had previously reported an outside business activity for his fixed insurance



business and had mistakenly assumed that The Hoshimi Group did not need to be reported as a result.

**Current Status:** Final

**Resolution:** Acceptance, Waiver & Consent(AWC)

**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:** 04/20/2018

**Sanctions Ordered:** Civil and Administrative Penalty(ies)/Fine(s)  
Suspension

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

<b>Sanction Type:</b>	Suspension
<b>Capacities Affected:</b>	All capacities
<b>Duration:</b>	three months
<b>Start Date:</b>	05/07/2018
<b>End Date:</b>	08/06/2018

**Monetary Sanction 1 of 1**

<b>Monetary Related Sanction:</b>	Civil and Administrative Penalty(ies)/Fine(s)
<b>Total Amount:</b>	\$5,000.00
<b>Portion Levied against individual:</b>	\$5,000.00
<b>Payment Plan:</b>	deferred
<b>Is Payment Plan Current:</b>	
<b>Date Paid by individual:</b>	
<b>Was any portion of penalty waived?</b>	No
<b>Amount Waived:</b>	

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**Disclosure 2 of 4**

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	Suspension
<b>Date Initiated:</b>	02/01/2017
<b>Docket/Case Number:</b>	2016050828901
<b>Employing firm when activity occurred which led to the regulatory action:</b>	N/A
<b>Product Type:</b>	No Product
<b>Allegations:</b>	Respondent Hoshimi failed to respond to FINRA request for information.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Letter
<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



**Resolution Date:** 02/27/2017

**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:** Any capacity  
**Duration:** N/A  
**Start Date:** 02/27/2017  
**End Date:** 03/23/2017

#### Regulator Statement

Pursuant to FINRA Rule 9552 and in accordance with FINRA's Notice of Suspension letter dated February 1, 2017, Hoshimi is suspended on February 27, 2017 from associating with any FINRA member firm in any capacity. If Hoshimi fails to request termination of the suspension within three months of the date of the Notice of Suspension, he will automatically be barred on May 4, 2017 from association with any FINRA member in any capacity pursuant to FINRA Rule 9552(h).  
 Suspension lifted on March 23, 2017.

#### Disclosure 3 of 4

**Reporting Source:** Regulator  
**Regulatory Action Initiated By:** FINRA  
**Sanction(s) Sought:** Other: N/A



**Date Initiated:** 11/30/2011

**Docket/Case Number:** [2008014855301](#)

**Employing firm when activity occurred which led to the regulatory action:** SECURITIES AMERICA, INC.

**Product Type:** Equity Listed (Common & Preferred Stock)  
Insurance  
Promissory Note

**Allegations:** NASD RULES 2110, 2420, 3030, 3040: HOSHIMI ENTERED INTO AN ARRANGEMENT WITH A REGISTERED INVESTMENT ADVISOR WHICH WAS NOT A MEMBER OF FINRA, WHEREBY HE WOULD RECEIVE ORDERS FROM THE REGISTERED INVESTMENT ADVISOR'S CUSTOMERS WHO WISHED TO PURCHASE PROMISSORY NOTES ISSUED BY AN ENTITY AND WOULD EFFECT THE PURCHASES THROUGH HIS MEMBER FIRM. HOSHIMI PURCHASED PROMISSORY NOTES FOR THE INVESTMENT ADVISOR'S CUSTOMERS FOR A TOTAL OF APPROXIMATELY \$1,000,000. HOSHIMI PAID THE INVESTMENT ADVISOR APPROXIMATELY \$23,825 IN TRANSACTION-BASED COMPENSATION, AND THEREBY SHARED HIS COMMISSIONS WITH THE INVESTMENT ADVISOR. HOSHIMI ENGAGED IN PRIVATE SECURITIES TRANSACTIONS WITHOUT PRIOR WRITTEN NOTICE TO AND APPROVAL FROM HIS FIRM. HE PARTICIPATED IN TWO LIFE SETTLEMENT TRANSACTIONS IN WHICH HIS CUSTOMERS SOLD VARIABLE LIFE INSURANCE POLICIES TO SETTLEMENT BROKERS FOR A TOTAL OF APPROXIMATELY \$390,855. HE EFFECTED THREE PURCHASES OF TWO STOCKS AS HIS OWN PERSONAL INVESTMENTS, FOR A TOTAL OF APPROXIMATELY \$139,500. HOSHIMI ENGAGED IN OUTSIDE BUSINESS ACTIVITIES WITHOUT PROVIDING PROMPT WRITTEN NOTICE TO HIS FIRM. HE PARTICIPATED IN SIX LIFE SETTLEMENT TRANSACTIONS IN WHICH HIS CUSTOMERS SOLD FIXED LIFE INSURANCE POLICIES TO LIFE SETTLEMENT BROKERS FOR A TOTAL OF APPROXIMATELY \$1,152,033. HOSHIMI RECEIVED APPROXIMATELY \$325,422 IN COMMISSIONS FOR THE TRANSACTIONS.

**Current Status:** Final

**Resolution:** Acceptance, Waiver & Consent(AWC)

**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:** 11/30/2011

**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:** ANY CAPACITY  
**Duration:** SIX MONTHS  
**Start Date:** 12/19/2011  
**End Date:** 06/18/2012

**Regulator Statement**

WITHOUT ADMITTING OR DENYING THE FINDINGS, HOSHIMI CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, HE IS SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY CAPACITY FOR SIX MONTHS. NO MONETARY SANCTION IS BEING ASSESSED IN THIS MATTER DUE TO HOSHIMI'S BANKRUPTCY. THE SUSPENSION IS IN EFFECT FROM DECEMBER 19, 2011, THROUGH JUNE 18, 2012.

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**Reporting Source:** Firm  
**Regulatory Action Initiated By:** FINRA  
**Sanction(s) Sought:** Other: N/A  
**Date Initiated:** 11/30/2011



**Docket/Case Number:** [2008014855301](#)

**Employing firm when activity occurred which led to the regulatory action:** SECURITIES AMERICA, INC.

**Product Type:** Equity Listed (Common & Preferred Stock)  
Insurance  
Other: SECURED NOTES

**Allegations:** NASD RULES 2110, 2420, 3030, 3040: HOSHIMI ENTERED INTO AN ARRANGEMENT WITH A REGISTERED INVESTMENT ADVISOR WHICH WAS NOT A MEMBER OF FINRA, WHEREBY HE WOULD RECEIVE ORDERS FROM THE REGISTERED INVESTMENT ADVISOR'S CUSTOMERS WHO WISHED TO PURCHASE SECURED NOTES ISSUED BY AN ENTITY AND WOULD EFFECT THE PURCHASES THROUGH HIS MEMBER FIRM. HOSHIMI PURCHASED SECURED NOTES FOR THE INVESTMENT ADVISOR'S CUSTOMERS FOR A TOTAL OF APPROXIMATELY \$1,000,000. HOSHIMI PAID THE INVESTMENT ADVISOR APPROXIMATELY \$23,825 IN TRANSACTION-BASED COMPENSATION, AND THEREBY SHARED HIS COMMISSIONS WITH THE INVESTMENT ADVISOR. HOSHIMI ENGAGED IN PRIVATE SECURITIES TRANSACTIONS WITHOUT PRIOR WRITTEN NOTICE TO AND APPROVAL FROM HIS FIRM. HE PARTICIPATED IN TWO LIFE SETTLEMENT TRANSACTIONS IN WHICH HIS CUSTOMERS SOLD VARIABLE LIFE INSURANCE POLICIES TO SETTLEMENT BROKERS FOR A TOTAL OF APPROXIMATELY \$390,855. HE EFFECTED THREE PURCHASES OF TWO STOCKS AS HIS OWN PERSONAL INVESTMENTS, FOR A TOTAL OF APPROXIMATELY \$139,500. HOSHIMI ENGAGED IN OUTSIDE BUSINESS ACTIVITIES WITHOUT PROVIDING PROMPT WRITTEN NOTICE TO HIS FIRM. HE PARTICIPATED IN SIX LIFE SETTLEMENT TRANSACTIONS IN WHICH HIS CUSTOMERS SOLD FIXED LIFE INSURANCE POLICIES TO LIFE SETTLEMENT BROKERS FOR A TOTAL OF APPROXIMATELY \$1,152,033. HOSHIMI RECEIVED APPROXIMATELY \$325,422 IN COMMISSIONS FOR THE TRANSACTIONS.

**Current Status:** Final

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 11/30/2011

**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:** ANY CAPACITY  
**Duration:** SIX MONTHS  
**Start Date:** 12/19/2011  
**End Date:** 06/18/2012

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**Reporting Source:** Broker  
**Regulatory Action Initiated By:** FINANCIAL INDUSTRY REGULATORY AUTHORITY  
**Sanction(s) Sought:** Other: N/A  
**Date Initiated:** 11/30/2011  
**Docket/Case Number:** [2008014855301](#)  
**Employing firm when activity occurred which led to the regulatory action:** SECURITIES AMERICA, INC.  
**Product Type:** Equity Listed (Common & Preferred Stock)  
 Insurance



### Promissory Note

#### Allegations:

NASD RULES 2110, 2420, 3030, 3040: HOSHIMI ENTERED INTO AN ARRANGEMENT WITH A REGISTERED INVESTMENT ADVISOR WHICH WAS NOT A MEMBER OF FINRA, WHEREBY HE WOULD RECEIVE ORDERS FROM THE REGISTERED INVESTMENT ADVISOR'S CUSTOMERS WHO WISHED TO PURCHASE PROMISSORY NOTES ISSUED BY AN ENTITY AND WOULD EFFECT THE PURCHASES THROUGH HIS MEMBER FIRM. HOSHIMI PURCHASED PROMISSORY NOTES FOR THE INVESTMENT ADVISOR'S CUSTOMERS FOR A TOTAL OF APPROXIMATELY \$1,000,000. HOSHIMI PAID THE INVESTMENT ADVISOR APPROXIMATELY \$23,825 IN TRANSACTION-BASED COMPENSATION, AND THEREBY SHARED HIS COMMISSIONS WITH THE INVESTMENT ADVISOR. HOSHIMI ENGAGED IN PRIVATE SECURITIES TRANSACTIONS WITHOUT PRIOR WRITTEN NOTICE TO AND APPROVAL FROM HIS FIRM. HE PARTICIPATED IN TWO LIFE SETTLEMENT TRANSACTIONS IN WHICH HIS CUSTOMERS SOLD VARIABLE LIFE INSURANCE POLICIES TO SETTLEMENT BROKERS FOR A TOTAL OF APPROXIMATELY \$390,855. HE EFFECTED THREE PURCHASES OF TWO STOCKS AS HIS OWN PERSONAL INVESTMENTS, FOR A TOTAL OF APPROXIMATELY \$139,500. HOSHIMI ENGAGED IN OUTSIDE BUSINESS ACTIVITIES WITHOUT PROVIDING PROMPT WRITTEN NOTICE TO HIS FIRM. HE PARTICIPATED IN SIX LIFE SETTLEMENT TRANSACTIONS IN WHICH HIS CUSTOMERS SOLD FIXED LIFE INSURANCE POLICIES TO LIFE SETTLEMENT BROKERS FOR A TOTAL OF APPROXIMATELY \$1,152,033. HOSHIMI RECEIVED APPROXIMATELY \$325,422 IN COMMISSIONS FOR THE TRANSACTIONS.

#### Current Status:

Final

#### Resolution:

Acceptance, Waiver & Consent(AWC)

#### 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:

11/30/2011

#### Sanctions Ordered:

Suspension

#### Sanction 1 of 1

#### Sanction Type:

Suspension

#### Capacities Affected:

ANY CAPACITY

#### Duration:

SIX MONTHS



**Start Date:** 12/19/2011

**End Date:** 06/18/2012

**Broker Statement**

1.SHARING COMMISSIONS WITH REGISTERED INVESTMENT ADVISOR  
THIS WAS FULLY DISCLOSED. MY SERIES 7 LICENSED ASSISTANT  
ADVISED ME THAT SHARING WAS COMPLIANT WITH DISCLOSURE.  
TURNED OUT NOT TO BE THE CASE.

2. LIFE SETTLEMENT PRACTICE  
I PARTICIPATED IN LIFE SETTLEMENTS FOR CLIENTS STARTING IN 2003,  
STARTING IN 2007 SECURITIES AMERICA REQUESTED I RUN THIS  
BUSINESS THROUGH THEIR PLATFORM WHICH WASN'T COMPETITIVE FOR  
CLIENTS. LIFE SETTLEMENTS WAS AND STILL IS CONSIDERED FIXED  
BUSINESS NOT A SECURITY. I REFUSED TO RUN THE LIFE SETTLEMENTS  
THROUGH MY BROKER-DEALER.

3.INVESTING INTO TWO PRIVATE PLACEMENTS  
I INVESTED MY OWN FUNDS INTO 2 OF MY FRIENDS PRIVATE COMPANIES.  
NO CLIENT MONIES WERE INVESTED. I WAS UNAWARE I HAD TO  
DISCLOSE.

**Disclosure 4 of 4**

**Reporting Source:** Firm

**Regulatory Action Initiated By:** DEPARTMENT OF CORPORATIONS; CALIFORNIA'S INVESTMENT AND FINANCIAL AUTHORITY

**Sanction(s) Sought:** Other

**Other Sanction(s) Sought:**

**Date Initiated:** 02/09/2006

**Docket/Case Number:** FILE NO. 112566

**Employing firm when activity occurred which led to the regulatory action:** SECURITIES AMERICA, INC.

**Product Type:** No Product

**Other Product Type(s):**

**Allegations:** STEVE HOSHIMI IS ALSO PRESIDENT OF PALISADES WEALTH MANAGEMENT A STATE REGISTERED RIA FIRM. THE STATE OF CALIFORNIA FOUND HIS RIA FIRM TO HAVE VIOLATED STATE REGULATIONS



REGARDING HIS FAILURE TO RETAIN THE APPROPRIATE REPORTING RECORDS OF THE NET CAPITAL PROVISIONS AND MONTHLY RECORD KEEPING OF BALANCE SHEET FINANCIAL INFORMATION. THESE WERE REPEAT DEFICIENCIES DURING THE STATE'S 2000 AND 2004 AUDITS. THE FIRM MEET NET CAPITAL REQUIREMENTS, HOWEVER, WAS UNABLE DURING THE TWO AUDITS TO PRODUCE THE WRITTEN RECORD OF THE INFORMATION. THE FIRM DID PROVIDE THE STATE WITH THE DOCUMENTS, BUT WAS STILL FIND BECAUSE OF THE REPEAT DEFICIENCY.

**Current Status:** Final

**Resolution:** Consent

**Resolution Date:** 03/15/2006

**Sanctions Ordered:** Monetary/Fine \$1,500.00

**Other Sanctions Ordered:**

**Sanction Details:** REP WAS FINED A TOTAL OF \$1500.00; \$750 FOR EACH DEFICIENCY DURING THE TWO AUDITS. PAID FINE.

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**Reporting Source:** Broker

**Regulatory Action Initiated By:** DEPARTMENT OF CORPORATIONS; CALIFORNIA'S INVESTMENT AND FINANCIAL AUTHORITY

**Sanction(s) Sought:** Civil and Administrative Penalt(ies) /Fine(s)

**Other Sanction(s) Sought:**

**Date Initiated:** 02/09/2006

**Docket/Case Number:** FILE NO. 112566

**Employing firm when activity occurred which led to the regulatory action:** SECURITIES AMERICA, INC.

**Product Type:** No Product

**Other Product Type(s):**

**Allegations:** STEVE HOSHIMI IS ALSO PRESIDENT OF PALISADES WEALTH MANAGEMENT A STATE REGISTERED RIA. THE STATE OF CALIFORNIA FOUND HIS RIA FIRM TO HAVE VIOLATED STATE REGULATIONS REGARDING HIS FAILURE TO RETAIN THE APPROPRIATE REPORTING RECORDS OF THE NET CAPITAL PROVISIONS AND MONTLY RECORD



KEEPING OF BALANCE SHEET FINANCIAL INFORMATION. THESE WERE REPEAT DEFICIENCIES DURING THE STATE'S 2000 AND 2004 AUDITS. THE FIRM MEET NET CAPITAL REQUIREMENTS, HOWEVER, WAS UNABLE DURING THE TWO AUDITS TO PRODUCE THE WRITTEN RECORD OF THE INFORMATION. DID PROVIDE THE STATE WITH THE DOCUMENTS, BUT WAS STILL FINED BECAUSE OF THE REPEAT DEFICIENCY.

**Current Status:**

Final

**Resolution:**

Consent

**Resolution Date:**

03/15/2006

**Sanctions Ordered:**

Monetary/Fine \$1,500.00

**Other Sanctions Ordered:**

**Sanction Details:**

REP WAS FINED A TOTAL OF \$1500.00; \$750. FOR EACH DEFICIENCY DURING THE TWO AUDITS. PAID FINE.





## 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 37

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	SECURITIES AMERICA, INC.
<b>Allegations:</b>	CLAIMANT ALLEGES THAT IN MAY 2008, THE REPRESENTATIVE RECOMMENDED INVESTMENTS IN TWO REITS WHICH WERE UNSUITABLE. ADDITIONAL ALLEGATIONS ARE MISREPRESENTATION, BREACH OF CONTRACT AND NEGLIGENCE.
<b>Product Type:</b>	Real Estate Security
<b>Alleged Damages:</b>	\$68,932.00

### Arbitration Information

<b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b>	FINRA
<b>Docket/Case #:</b>	13-02005
<b>Date Notice/Process Served:</b>	07/22/2013
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	05/29/2014
<b>Monetary Compensation Amount:</b>	\$20,000.00
<b>Individual Contribution Amount:</b>	\$0.00

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<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	Securities America, Inc.
<b>Allegations:</b>	Claimant alleges that in May 2008, the representative recommended investments



in two REITS which were unsuitable. Additional allegations are misrepresentation, breach of contract and negligence.

**Product Type:** Real Estate Security

**Alleged Damages:** \$68,932.00

### Arbitration Information

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

**Docket/Case #:** 13-02005

**Date Notice/Process Served:** 07/22/2013

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 05/29/2014

**Monetary Compensation Amount:** \$20,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** This initial U4 DRP filing is in regards to occurrence 1668766. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 2 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** CLIENT VERBALLY EXPRESSED THAT THE REPRESENTATIVE'S RECOMMENDATION OF INVESTMENTS IN TWO PRIVATE PLACEMENTS WAS INAPPROPRIATE.

**Product Type:** Direct Investment-DPP & LP Interests  
Oil & Gas

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

**Alleged Damages Amount** NO SPECIFIC DEMAND FOR DAMAGES. THE FIRM COULD NOT MAKE A



**Explanation (if amount not exact):** GOOD FAITH DETERMINATION THAT THE ALLEGED DAMAGES WOULD BE LESS THAN \$5000.

**Is this an oral complaint?** Yes

**Is this a written complaint?** No

**Is this an arbitration/CFTC reparation or civil litigation?** No

### Customer Complaint Information

**Date Complaint Received:** 09/16/2009

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 01/18/2012

**Settlement Amount:** \$116,182.52

**Individual Contribution Amount:** \$0.00

**Firm Statement** THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** Securities America, Inc.

**Allegations:** Client verbally expressed that the representative's recommendation of investments in two private placements was inappropriate.

**Product Type:** Direct Investment-DPP & LP Interests  
Oil & Gas

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

**Alleged Damages Amount Explanation (if amount not exact):** See U5 filed by Securities America, Inc.02/01/2012

**Is this an oral complaint?** Yes

**Is this a written complaint?** No



**Is this an arbitration/CFTC  
reparation or civil litigation?** No

### Customer Complaint Information

**Date Complaint Received:** 09/16/2009

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 01/18/2012

**Settlement Amount:** \$116,182.52

**Individual Contribution  
Amount:** \$0.00

**Broker Statement** This initial U4 DRP filing is in regards to occurrence 1597465. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 3 of 37

**Reporting Source:** Firm

**Employing firm when  
activities occurred which led  
to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE MISREPRESENTATION AND UNSUITABILITY.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$1,318,000.00

**Alleged Damages Amount  
Explanation (if amount not  
exact):** THIS IS A MULTI-CLIENT CLAIM INVOLVING MORE THAN ONE REPRESENTATIVE. ALLEGED DAMAGES FOR THIS REPRESENTATIVE ARE \$100,000.

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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



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

**Docket/Case #:** 11-01288

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 03/30/2011

### Customer Complaint Information

**Date Complaint Received:** 04/14/2011

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$555,865.39

**Individual Contribution  
Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC. 10/01/2012: THE FIRM SETTLED ALL REMAINING CLAIMS FOR \$55,000.

**Reporting Source:** Broker

**Employing firm when  
activities occurred which led  
to the complaint:** Securities America, Ina.

**Allegations:** In connection with the recommendation and sale of Medical Capital, claimants allege misrepresentation and unsuitability.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$1,318,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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



**Docket/Case #:** 11-01288  
**Filing date of arbitration/CFTC reparation or civil litigation:** 03/30/2011

### Customer Complaint Information

**Date Complaint Received:** 04/14/2011  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$555,865.39  
**Individual Contribution Amount:** \$0.00

**Broker Statement** This initial U4 DRP filing is in regards to occurrence 1559389. Information for this DRP obtained from U5 filing dated 11/01/2012 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 4 of 37

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATIONS AND VIOLATION OF DUTIES OWED TO CLAIMANTS.  
**Product Type:** Direct Investment-DPP & LP Interests  
**Alleged Damages:** \$402,000.00  
**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA



**Docket/Case #:** 11-00058  
**Filing date of arbitration/CFTC reparation or civil litigation:** 01/05/2011

### Customer Complaint Information

**Date Complaint Received:** 01/25/2011  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$186,606.01  
**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** Securities America, Inc.

**Allegations:** In connection with the recommendation and sale of Medical Capital, claimant alleges unsuitability, misrepresentations and violation of duties owed to claimants.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$402,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 11-00058



**Filing date of arbitration/CFTC reparation or civil litigation:** 01/05/2011

### Customer Complaint Information

**Date Complaint Received:** 01/25/2011

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$186,606.01

**Individual Contribution Amount:** \$0.00

**Broker Statement** This initial U4 DRP filing is in regards to occurrence 1550650. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 5 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND PROVIDENT SHALE, CLAIMANTS ALLEGE UNSUITABILITY, MISREPRESENTATIONS, AND VIOLATION OF DUTIES OWED TO CLAIMANTS.

**Product Type:** Direct Investment-DPP & LP Interests  
Oil & Gas

**Alleged Damages:** \$2,893,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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





**Docket/Case #:** 11-00223  
**Filing date of arbitration/CFTC reparation or civil litigation:** 01/18/2011

### Customer Complaint Information

**Date Complaint Received:** 02/07/2011  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$1,342,913.42  
**Individual Contribution Amount:** \$0.00  
**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** Securities America, Ina.

**Allegations:** In connection with the recommendation and sale of Medical Capital and Provident Shale, claimants allege unsuitability, misrepresentations, and violation of duties owed to claimants.

**Product Type:** Direct Investment-DPP & LP Interests  
Oil & Gas

**Alleged Damages:** \$2,893,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 11-00223



**Filing date of arbitration/CFTC reparation or civil litigation:** 01/18/2011

### Customer Complaint Information

**Date Complaint Received:** 02/07/2011  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$1,342,913.42  
**Individual Contribution Amount:** \$0.00

**Broker Statement** This initial U4 DRP filing is in regards to occurrence 1550649. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 6 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF ALTERNATIVE INVESTMENTS, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION, BREACH OF FIDUCIARY DUTY, AND BREACH OF ORAL CONTRACT.

**Product Type:** Direct Investment-DPP & LP Interests  
Real Estate Security

**Alleged Damages:** \$400,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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



**Docket/Case #:** 11-00586  
**Filing date of arbitration/CFTC reparation or civil litigation:** 02/10/2011

### Customer Complaint Information

**Date Complaint Received:** 02/21/2011  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$46,419.41  
**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.  
 12/08/2011: THE CLAIMANT HAS VOLUNTARILY DISMISSED ALL REMAINING CLAIMS AS TO SECURITIES AMERICA, INC.

**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** Securities America, Inc.

**Allegations:** In connection with the recommendation and sale of alternative investments, claimant alleges unsuitability, misrepresentation, breach of fiduciary duty, and breach of oral contract.

**Product Type:** Direct Investment-DPP & LP Interests  
 Real Estate Security

**Alleged Damages:** \$400,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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



**Docket/Case #:** 11-00586  
**Filing date of arbitration/CFTC reparation or civil litigation:** 02/10/2011

### Customer Complaint Information

**Date Complaint Received:** 02/21/2011  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$46,419.41  
**Individual Contribution Amount:** \$0.00

**Broker Statement** This initial U4 DRP filing is in regards to occurrence 1550647. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 7 of 37

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE MISREPRESENTATION AND UNSUITABILITY.  
**Product Type:** Direct Investment-DPP & LP Interests  
**Alleged Damages:** \$241,000.00  
**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA



**Docket/Case #:** 10-05315  
**Filing date of arbitration/CFTC reparation or civil litigation:** 11/22/2010

### Customer Complaint Information

**Date Complaint Received:** 12/10/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$111,870.77  
**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** Securities America, Inc.

**Allegations:** In connection with the recommendation and sale of Medical Capital, claimants allege misrepresentation and unsuitability

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$241,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-05315



**Filing date of arbitration/CFTC reparation or civil litigation:** 11/22/2010

### Customer Complaint Information

**Date Complaint Received:** 12/10/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$111,870.77

**Individual Contribution Amount:** \$0.00

**Broker Statement** This initial U4 DRP filing is in regards to occurrence 1543208. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 8 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES MISREPRESENTATION AND UNSUITABILITY.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$100,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-04883



**Filing date of arbitration/CFTC reparation or civil litigation:** 10/28/2010

### Customer Complaint Information

**Date Complaint Received:** 11/10/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$46,419.41

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** Securities America, Inc.

**Allegations:** In connection with the recommendation and sale of Medical Capital, claimant alleges misrepresentation and unsuitability.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$100,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-04883

**Filing date of arbitration/CFTC reparation or civil litigation:** 10/28/2010



## Customer Complaint Information

<b>Date Complaint Received:</b>	11/10/2010
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	09/29/2011
<b>Settlement Amount:</b>	\$46,419.41
<b>Individual Contribution Amount:</b>	\$0.00
<b>Broker Statement</b>	This initial U4 DRP filing is in regards to occurrence 1538601. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 9 of 37

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	SECURITIES AMERICA, INC.
<b>Allegations:</b>	IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND INLAND WESTERN REITS, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION, AND IMPROPER ASSET ALLOCATION.
<b>Product Type:</b>	Direct Investment-DPP & LP Interests Real Estate Security
<b>Alleged Damages:</b>	\$450,000.00
<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>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	10-04416





**Filing date of arbitration/CFTC reparation or civil litigation:** 09/30/2010

### Customer Complaint Information

**Date Complaint Received:** 10/13/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$177,605.37

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC. CLAIMS RELATING TO ADDITIONAL PRODUCTS CONTINUE AT THIS TIME. 05/16/2012: THE FIRM SETTLED ALL REMAINING CLAIMS FOR \$38,347.15. THIS MATTER IS NOW CONCLUDED.

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** Securities America, Inc.

**Allegations:** In connection with the recommendation and sale of Medical Capital and Inland Western REITS, claimant alleges unsuitability, misrepresentation, and improper asset allocation.

**Product Type:** Direct Investment-DPP & LP Interests  
Real Estate Security

**Alleged Damages:** \$450,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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



**Docket/Case #:** 10-04416  
**Filing date of arbitration/CFTC reparation or civil litigation:** 09/30/2010

### Customer Complaint Information

**Date Complaint Received:** 10/13/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$177,605.37  
**Individual Contribution Amount:** \$0.00

**Broker Statement** This initial U4 DRP filing is in regards to occurrence 1535057. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 10 of 37

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES MISREPRESENTATION, UNSUITABILITY AND NEGLIGENCE.  
**Product Type:** Direct Investment-DPP & LP Interests  
**Alleged Damages:** \$700,000.00  
**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA



**Docket/Case #:** 10-03861  
**Filing date of arbitration/CFTC reparation or civil litigation:** 08/27/2010

### Customer Complaint Information

**Date Complaint Received:** 09/07/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$324,935.84  
**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

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**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** Securities America, Inc.

**Allegations:** In connection with the recommendation and sale of Medical Capital, claimant alleges misrepresentation, unsuitability and negligence.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$700,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-03861



**Filing date of arbitration/CFTC reparation or civil litigation:** 08/27/2010

### Customer Complaint Information

**Date Complaint Received:** 09/07/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$324,935.84

**Individual Contribution Amount:** \$0.00

**Broker Statement** This initial U4 DRP filing is in regards to occurrence 1530444. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 11 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION, AND NEGLIGENCE.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$175,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-03924



**Filing date of arbitration/CFTC reparation or civil litigation:** 08/31/2010

### Customer Complaint Information

**Date Complaint Received:** 09/13/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$81,233.96

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** Securities America, Inc.

**Allegations:** In connection with the recommendation and sale of Medical Capital, claimant alleges unsuitability, misrepresentation, and negligence.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$175,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-03924

**Filing date of arbitration/CFTC reparation or civil litigation:** 08/31/2010



## Customer Complaint Information

<b>Date Complaint Received:</b>	09/13/2010
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	09/29/2011
<b>Settlement Amount:</b>	\$81,233.96
<b>Individual Contribution Amount:</b>	\$0.00
<b>Broker Statement</b>	This initial U4 DRP filing is in regards to occurrence 1530442. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 12 of 37

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	SECURITIES AMERICA, INC.
<b>Allegations:</b>	IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, PROVIDENT SHALE, AND VARIOUS OTHER INVESTMENTS, CLAIMANTS ALLEGE UNSUITABILITY, IMPROPER ASSET ALLOCATION, MISREPRESENTATION AND OMISSION OF MATERIAL FACTS.
<b>Product Type:</b>	Direct Investment-DPP & LP Interests Oil & Gas Real Estate Security
<b>Alleged Damages:</b>	\$1,615,000.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	THIS IS A MULTI-CLIENT CLAIM INVOLVING MORE THAN ONE REPRESENTATIVE. ALLEGED DAMAGES FOR THIS REPRESENTATIVE ARE \$595,000.
<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>	Yes



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

**Docket/Case #:** 10-03205

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 07/13/2010

### Customer Complaint Information

**Date Complaint Received:** 07/26/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$601,360.37

**Individual Contribution  
Amount:** \$0.00

**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC. CLAIMS RELATING TO ADDITIONAL PRODUCTS CONTINUE AT THIS TIME. 05/08/2012: THE FIRM SETTLED ALL REMAINING CLAIMS FOR \$60,574.29. THIS MATTER IS NOW CONCLUDED.

**Reporting Source:** Broker

**Employing firm when  
activities occurred which led  
to the complaint:** Securities America, Inc.

**Allegations:** In connection with the recommendation and sale of Medical Capital, Provident Shale, and various other investments, claimant allege unsuitability, improper asset allocation, misrepresentation and omission of material facts.

**Product Type:** Direct Investment-DPP & LP Interests  
Oil & Gas  
Real Estate Security

**Alleged Damages:** \$1,615,000.00

**Alleged Damages Amount  
Explanation (if amount not  
exact):** This is a multi-client claim involving more than one representative, alleged damages for this representative are \$595,000.



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-03205  
**Filing date of arbitration/CFTC reparation or civil litigation:** 07/13/2010

### Customer Complaint Information

**Date Complaint Received:** 07/26/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$601,360.37  
**Individual Contribution Amount:** \$0.00

**Broker Statement** This initial U4 DRP filing is in regards to occurrence 1524914. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 13 of 37

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABILITY, NEGLIGENCE, MISREPRESENTATION AND OMISSIONS OF MATERIAL FACT.  
**Product Type:** Direct Investment-DPP & LP Interests  
**Alleged Damages:** \$768,000.00





**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-03370  
**Filing date of arbitration/CFTC reparation or civil litigation:** 07/26/2010

### Customer Complaint Information

**Date Complaint Received:** 08/05/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$492,575.22  
**Individual Contribution Amount:** \$0.00  
**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.  
 05/21/2012: ALL REMAINING CLAIMS OF CLAIMANT WERE SETTLED BY SECURITIES AMERICA FOR \$150,000. THIS MATTER IS NOW CONCLUDED.

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**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** Securities America, Inc.  
**Allegations:** In connection with the recommendation and sale of Medical Capital, Claimants allege unsuitability, negligence, misrepresentation and omissions of material fact.  
**Product Type:** Direct Investment-DPP & LP Interests  
**Alleged Damages:** \$768,000.00  
**Is this an oral complaint?** No



**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-03370

**Filing date of arbitration/CFTC reparation or civil litigation:** 07/26/2010

### Customer Complaint Information

**Date Complaint Received:** 08/05/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$492,575.22

**Individual Contribution Amount:** \$0.00

**Broker Statement** This initial U4 DRP filing is in regards to occurrence 1524913. Information for this DRP obtained from U5 filing dated 8/6/13 by Securities America, Inc. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 14 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND PROVIDENT SHALE, CLAIMANTS ALLEGE UNSUITABILITY AND MISREPRESENTATION.

**Product Type:** Direct Investment-DPP & LP Interests  
Oil & Gas

**Alleged Damages:** \$692,000.00



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-02663  
**Filing date of arbitration/CFTC reparation or civil litigation:** 06/04/2010

### Customer Complaint Information

**Date Complaint Received:** 06/14/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$321,222.29  
**Individual Contribution Amount:** \$0.00  
**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

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**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND PROVIDENT SHALE, CLAIMANT ALLEGES UNSUITABILITY AND MISREPRESENTATION.  
**Product Type:** Direct Investment-DPP & LP Interests  
 Oil & Gas  
**Alleged Damages:** \$692,000.00  
**Is this an oral complaint?** No



**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-02663

**Filing date of arbitration/CFTC reparation or civil litigation:** 06/04/2010

### Customer Complaint Information

**Date Complaint Received:** 07/13/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$321,222.29

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 15 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, PROVIDENT SHALE, AND VARIOUS REITS, CLAIMANT ALLEGES UNSUITABILITY, IMPROPER ASSET ALLOCATION, MISREPRESENTATION, AND FINANCIAL ABUSE.

**Product Type:** Direct Investment-DPP & LP Interests  
Oil & Gas  
Real Estate Security

**Alleged Damages:** \$1,555,080.00



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-02767  
**Filing date of arbitration/CFTC reparation or civil litigation:** 06/11/2010

### Customer Complaint Information

**Date Complaint Received:** 06/23/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$542,764.15  
**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL AND/OR PROVIDENT SHALE WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC. CLAIMS RELATING TO OTHER PRODUCTS CONTINUE AT THIS TIME. 04/20/2012: ALL REMAINING CLAIMS HAVE BEEN SETTLED FOR \$123,132.72. THIS MATTER IS NOW CLOSED.

**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, PROVIDENT SHALE, AND VARIOUS REITS, CLAIMANT ALLEGES UNSUITABILITY, IMPROPER ASSET ALLOCATION, MISREPRESENTATION , AND FINANCIAL ABUSE.

**Product Type:** Direct Investment-DPP & LP Interests  
 Oil & Gas



Real Estate Security

**Alleged Damages:** \$1,555,080.00**Is this an oral complaint?** No**Is this a written complaint?** Yes**Is this an arbitration/CFTC reparation or civil litigation?** Yes**Arbitration/Reparation forum or court name and location:** FINRA**Docket/Case #:** 10-02767**Filing date of arbitration/CFTC reparation or civil litigation:** 06/11/2010**Customer Complaint Information****Date Complaint Received:** 07/13/2010**Complaint Pending?** No**Status:** Settled**Status Date:** 09/29/2011**Settlement Amount:** \$542,764.15**Individual Contribution Amount:** \$0.00**Broker Statement** This settlement part of a global settlement by Securities America. I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.**Disclosure 16 of 37****Reporting Source:** Firm**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES UNSUITABILITY, IMPROPER ASSET ALLOCATION AND FINANCIAL ABUSE.**Product Type:** Direct Investment-DPP & LP Interests



**Alleged Damages:** \$716,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-02835

**Filing date of arbitration/CFTC reparation or civil litigation:** 06/16/2010

### Customer Complaint Information

**Date Complaint Received:** 06/28/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$332,362.95

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES UNSUITABILITY, IMPROPER ASSET ALLOCATION AND FINANCIAL ABUSE.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$716,000.00



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-02835  
**Filing date of arbitration/CFTC reparation or civil litigation:** 06/16/2010

### Customer Complaint Information

**Date Complaint Received:** 07/13/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$332,362.95  
**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 17 of 37

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION, NEGLIGENCE AND BREACH OF FIDUCIARY DUTY.  
**Product Type:** Direct Investment-DPP & LP Interests  
**Alleged Damages:** \$65,000.00  
**Is this an oral complaint?** No





**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-01825

**Filing date of arbitration/CFTC reparation or civil litigation:** 04/16/2010

### Customer Complaint Information

**Date Complaint Received:** 04/23/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$30,172.61

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES UNSUITABILITY MISREPRESENTATION, NEGLIGENCE AND BREACH OF FIDUCIARY DUTY.

**Product Type:** Other: PRIVATE PLACEMENT

**Alleged Damages:** \$65,000.00

**Alleged Damages Amount Explanation (if amount not exact):** PLUS PREJUDGEMENT INTERESTS, DIVIDENDS AND INTEREST PROMISED BUT NOT PAID ON NOTES, ATTORNEY'S FEES,



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-01825  
**Filing date of arbitration/CFTC reparation or civil litigation:** 04/16/2010

### Customer Complaint Information

**Date Complaint Received:** 05/22/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$30,172.61  
**Individual Contribution Amount:** \$0.00  
**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 18 of 37

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION, NEGLIGENCE AND BREACH OF FIDUCIARY DUTY.  
**Product Type:** Direct Investment-DPP & LP Interests  
**Alleged Damages:** \$225,000.00  
**Is this an oral complaint?** No



**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-01826

**Filing date of arbitration/CFTC reparation or civil litigation:** 04/21/2010

### Customer Complaint Information

**Date Complaint Received:** 04/23/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$104,443.66

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

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**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION, NEGLIGENCE AND BREACH OF FIDUCIARY DUTY

**Product Type:** Other: PRIVATE PLACEMENT

**Alleged Damages:** \$225,000.00

**Alleged Damages Amount Explanation (if amount not exact):** PLUS PREJUDGEMENT INTEREST, DIVIDENDS AND INTEREST PROMISED BUT NOT PAID ON PROMISARY NOTES, PUNITIVE DAMAGES, AND ATTORNEY'S FEES,



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-01826  
**Filing date of arbitration/CFTC reparation or civil litigation:** 04/21/2010

### Customer Complaint Information

**Date Complaint Received:** 05/22/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$104,443.66  
**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 19 of 37

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND PROVIDENT SHALE, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION, NEGLIGENCE AND BREACH OF FIDUCIARY DUTY.  
**Product Type:** Direct Investment-DPP & LP Interests  
**Alleged Damages:** \$462,000.00  
**Is this an oral complaint?** No



**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-01729

**Filing date of arbitration/CFTC reparation or civil litigation:** 04/28/2010

### Customer Complaint Information

**Date Complaint Received:** 05/03/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$200,531.83

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

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**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND PROVIDENT SHALE, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION, NEGLIGENCE AND BREACH OF FIDUCIARY DUTY

**Product Type:** Other: PRIVATE PLACEMENT

**Alleged Damages:** \$462,000.00

**Alleged Damages Amount Explanation (if amount not exact):** PLUS PREJUDGEMENT INTEREST, PUNITIVE DAMAGES, ATTORNEY'S FEES, INTEREST



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-01729  
**Filing date of arbitration/CFTC reparation or civil litigation:** 04/28/2010

### Customer Complaint Information

**Date Complaint Received:** 05/22/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$200,531.83  
**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 20 of 37

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND PROVIDENT SHALE, CLAIMANTS ALLEGE UNSUITABILITY, MISREPRESENTATION, NEGLIGENCE, BREACH OF FIDUCIARY DUTY AND FINANCIAL ELDER ABUSE.  
**Product Type:** Direct Investment-DPP & LP Interests  
**Alleged Damages:** \$5,105,230.00



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-01903  
**Filing date of arbitration/CFTC reparation or civil litigation:** 04/21/2010

### Customer Complaint Information

**Date Complaint Received:** 05/03/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$1,978,769.29  
**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL AND/OR PROVIDENT SHALE WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC. ALL OTHER CLAIMS CONTINUE AT THIS TIME. 04/20/2012: ALL REMAINING CLAIMS WERE SETTLED FOR \$141,025.01. THIS MATTER IS NOW CLOSED.

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**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND PROVIDENT SHALE, CLAIMANTS ALLEGE UNSUITABILITY, MISREPRESENTATION, NEGLIGENCE, BREACH OF FIDUCIARY DUTY AND FINANCIAL ELDER ABUSE

**Product Type:** Other: PRIVATE PLACEMENT



**Alleged Damages:** \$5,105,230.00

**Alleged Damages Amount Explanation (if amount not exact):** PLUS INTEREST, PUNITIVE DAMAGES, OPPORTUNITY COST, AND ATTORNEY'S FEES AND COSTS

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-01903

**Filing date of arbitration/CFTC reparation or civil litigation:** 04/21/2010

### Customer Complaint Information

**Date Complaint Received:** 05/22/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$1,978,769.29

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 21 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND PROVIDENT SHALE, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION, NEGLIGENCE AND BREACH OF FIDUCIARY DUTY.





**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$820,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-02009

**Filing date of arbitration/CFTC reparation or civil litigation:** 04/28/2010

### Customer Complaint Information

**Date Complaint Received:** 05/11/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$380,639.13

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC>

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND PROVIDENT SHALE, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION, NEGLIGENCE AND BREACH OF FIDUCIARY DUTY.

**Product Type:** Other: PRIVATE PLACEMENTS

**Alleged Damages:** \$820,000.00



**Alleged Damages Amount Explanation (if amount not exact):** PLUS PREJUDGEMENT INTEREST AT STATUTORY RATE, PUNITIVE DAMAGES, ATTORNEY'S FEES, INTERESTS, AND COSTS.

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-02009

**Filing date of arbitration/CFTC reparation or civil litigation:** 04/28/2010

### Customer Complaint Information

**Date Complaint Received:** 05/22/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$380,639.13

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 22 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES UNSUITABILITY, MATERIAL MISREPRESENTATIONS AND OMISSIONS, AND BREACH OF FIDUCIARY DUTY.



**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$212,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-01331

**Filing date of arbitration/CFTC reparation or civil litigation:** 03/26/2010

### Customer Complaint Information

**Date Complaint Received:** 03/29/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$98,409.14

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES UNSUITABILITY, MATERIAL MISREPRESENTATIONS AND OMISSIONS, AND BREACH OF FIDUCIARY DUTY.

**Product Type:** Other: ALTERNATIVE INVESTMENTS



**Alleged Damages:** \$212,000.00

**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 #:** 10-01331

**Filing date of arbitration/CFTC reparation or civil litigation:** 03/26/2010

### Customer Complaint Information

**Date Complaint Received:** 04/26/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$98,409.14

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 23 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS, OVER-CONCENTRATION, MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF FIDUCIARY DUTY.

**Product Type:** Direct Investment-DPP & LP Interests



**Alleged Damages:** \$455,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-01063

**Filing date of arbitration/CFTC reparation or civil litigation:** 03/26/2010

### Customer Complaint Information

**Date Complaint Received:** 03/31/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$211,208.30

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

**Reporting Source:** Broker

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

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS, OVER-CONCENTRATION, MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF FIDUCIARY DUTY.

**Product Type:** Other: ALTERNATIVE INVESTMENTS

**Alleged Damages:** \$455,000.00



**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 #:** 10-01063  
**Filing date of arbitration/CFTC reparation or civil litigation:** 03/26/2010

### Customer Complaint Information

**Date Complaint Received:** 04/26/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$211,208.30  
**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 24 of 37

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS, MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF FIDUCIARY DUTY.  
**Product Type:** Direct Investment-DPP & LP Interests  
**Alleged Damages:** \$1,750,000.00



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-01436  
**Filing date of arbitration/CFTC reparation or civil litigation:** 03/30/2010

### Customer Complaint Information

**Date Complaint Received:** 04/02/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$812,339.60  
**Individual Contribution Amount:** \$0.00  
**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

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**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS, MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF FIDUCIARY DUTY.  
**Product Type:** Other: ALTERNATIVE INVESTMENTS  
**Alleged Damages:** \$1,750,000.00  
**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 #:** 10-01436

**Filing date of arbitration/CFTC reparation or civil litigation:** 03/30/2010

### Customer Complaint Information

**Date Complaint Received:** 04/26/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$812,339.60

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 25 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS, MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF FIDUCIARY DUTY.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$500,000.00

**Is this an oral complaint?** No





**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-01438

**Filing date of arbitration/CFTC reparation or civil litigation:** 03/24/2010

### Customer Complaint Information

**Date Complaint Received:** 04/05/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$225,134.12

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC. ADDITIONAL CLAIMS CONTINUE AT THIS TIME.

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**Reporting Source:** Broker

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

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS, MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF FIDUCIARY DUTY.

**Product Type:** Other: ALTERNATIVE INVESTMENTS

**Alleged Damages:** \$500,000.00

**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 #:** 10-01438

**Filing date of arbitration/CFTC reparation or civil litigation:** 03/24/2010

### Customer Complaint Information

**Date Complaint Received:** 04/26/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$225,134.12

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 26 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, PROVIDENT SHALE AND INLAND WESTERN CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS, MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF FIDUCIARY DUTY.

**Product Type:** Direct Investment-DPP & LP Interests  
Oil & Gas  
Real Estate Security

**Alleged Damages:** \$2,583,580.00



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-01437  
**Filing date of arbitration/CFTC reparation or civil litigation:** 03/24/2010

### Customer Complaint Information

**Date Complaint Received:** 04/05/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$855,872.84  
**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.  
 2/8/2012: SAI SETTLED WITH SEPARATE CLAIMANT IN THE AMOUNT OF \$25,000. 2/9/2010: SAI SETTLED WITH SEPARATE CLAIMANT IN THE AMOUNT OF \$6,000. THIS MATTER IS NOW FULLY DISPOSED, AND ALL CLAIMS HAVE BEEN RESOLVED.

**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, PROVIDENT SHALE AND INLAND WESTERN CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS, MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF FIDUCIARY DUTY.

**Product Type:** Other: ALTERNATIVE INVESTMENTS



**Alleged Damages:** \$2,583,580.00

**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 #:** 10-01437

**Filing date of arbitration/CFTC reparation or civil litigation:** 03/24/2010

### Customer Complaint Information

**Date Complaint Received:** 04/26/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$855,872.84

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 27 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS, MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF FIDUCIARY DUTY.

**Product Type:** Direct Investment-DPP & LP Interests



**Alleged Damages:** \$410,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-01713

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 04/09/2010

### Customer Complaint Information

**Date Complaint Received:** 04/19/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$190,319.56

**Individual Contribution  
Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY  
SECURITIES AMERICA, INC.

**Reporting Source:** Broker

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

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL  
CAPITAL, CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS,  
MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF  
FIDUCIARY DUTY.

**Product Type:** Other: ALTERNATIVE INVESTMENTS

**Alleged Damages:** \$410,000.00



**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 #:** 10-01713  
**Filing date of arbitration/CFTC reparation or civil litigation:** 04/09/2010

### Customer Complaint Information

**Date Complaint Received:** 04/26/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$190,319.56  
**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 28 of 37

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS, MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF FIDUCIARY DUTY.  
**Product Type:** Other: ALTERNATIVE INVESTMENTS  
**Alleged Damages:** \$408,000.00



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-01702  
**Filing date of arbitration/CFTC reparation or civil litigation:** 04/12/2010

### Customer Complaint Information

**Date Complaint Received:** 04/19/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$279,391.18  
**Individual Contribution Amount:** \$0.00  
**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.  
 05/23/2012: ALL REMAINING CLAIMS OF THE CLAIMANT HAVE BEEN SETTLED BY SECURITIES AMERICA FOR \$90,000. THIS MATTER IS NOW CONCLUDED.

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**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA INC  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS, MATERIAL MISREPRESENTATIONS AND OMISSIONS AND BREACH OF FIDUCIARY DUTY.  
**Product Type:** Other: ALTERNATIVE INVESTMENTS



**Alleged Damages:** \$408,000.00

**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 #:** 10-01702

**Filing date of arbitration/CFTC reparation or civil litigation:** 04/12/2010

### Customer Complaint Information

**Date Complaint Received:** 04/26/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$279,391.18

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 29 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION AND NEGLIGENCE.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$675,000.00





**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-00871  
**Filing date of arbitration/CFTC reparation or civil litigation:** 03/03/2010

### Customer Complaint Information

**Date Complaint Received:** 03/08/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$359,750.40  
**Individual Contribution Amount:** \$0.00  
**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

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**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC  
**Allegations:** CLAIMANT ALLEGES UNSUITABILITY, MISREPRESENTATION AND NEGLIGENCE WITH REGARD TO THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL.  
**Product Type:** Other: ALTERNATIVE INVESTMENTS  
**Alleged Damages:** \$675,000.00  
**Is this an oral complaint?** No  
**Is this a written complaint?** Yes



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

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

**Docket/Case #:** 10-00871

**Filing date of arbitration/CFTC reparation or civil litigation:** 03/03/2010

### Customer Complaint Information

**Date Complaint Received:** 03/30/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$359,750.40

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 30 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABILITY, MISREPRESENTATION AND NEGLIGENCE.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$250,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes



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

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

**Docket/Case #:** 10-01088

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 03/12/2010

### Customer Complaint Information

**Date Complaint Received:** 03/15/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$116,048.51

**Individual Contribution  
Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY  
SECURITIES AMERICA, INC.

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**Reporting Source:** Broker

**Employing firm when  
activities occurred which led  
to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** CLAIMANTS ALLEGE UNSUITABILITY, MISREPRESENTATION AND  
NEGLIGENCE WITH REGARD TO THE RECOMMENDATION AND SALE OF  
MEDICAL CAPITAL

**Product Type:** Other: ALTERNATIVE INVESTMENTS

**Alleged Damages:** \$250,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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



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

**Docket/Case #:** 10-01088

**Filing date of arbitration/CFTC reparation or civil litigation:** 03/12/2010

### Customer Complaint Information

**Date Complaint Received:** 03/30/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$116,048.51

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 31 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, CLAIMANTS ALLEGE UNSUITABILITY, MISREPRESENTATION AND NEGLIGENCE.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$365,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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



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

**Docket/Case #:** 10-01152

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 03/17/2010

### Customer Complaint Information

**Date Complaint Received:** 03/19/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$169,430.83

**Individual Contribution  
Amount:** \$0.00

**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY  
SECURITIES AMERICA, INC.

**Reporting Source:** Broker

**Employing firm when  
activities occurred which led  
to the complaint:** SECURITIES AMERICA, INC

**Allegations:** CLAIMANTS ALLEGE UNSUITABILITY, MISREPRESENTATION AND  
NEGLIGENCE WITH REGARD TO THE RECOMMENDATION AND SALE OF  
MEDICAL CAPITAL

**Product Type:** Other: ALTERNATIVE INVESTMENTS

**Alleged Damages:** \$365,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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



**Docket/Case #:** 10-01152  
**Filing date of arbitration/CFTC reparation or civil litigation:** 03/17/2010

### Customer Complaint Information

**Date Complaint Received:** 03/30/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$169,430.83  
**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 32 of 37

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, PROVIDENT SHALE AND BEHRINGER HARVARD, CLAIMANTS ALLEGE UNSUITABILITY, IMPROPER ALLOCATIONS, NEGLIGENCE, BREACH OF FIDUCIARY DUTY, AND VIOLATIONS OF STATE AND FEDERAL SECURITIES LAWS.  
**Product Type:** Direct Investment-DPP & LP Interests  
 Oil & Gas  
 Real Estate Security

**Alleged Damages:** \$2,226,836.00  
**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes



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

**Docket/Case #:** 10-00986

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 02/25/2010

### Customer Complaint Information

**Date Complaint Received:** 03/11/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$868,967.36

**Individual Contribution  
Amount:** \$0.00

**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL AND/OR PROVIDENT SHALE WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC. ALL OTHER CLAIMS CONTINUE AT THIS TIME. 04/20/2012: ALL REMAINING CLAIMS WERE SETTLED FOR \$116,972.98. THIS MATTER IS NOW CLOSED.

**Reporting Source:** Broker

**Employing firm when  
activities occurred which led  
to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** CLAIMANTS ALLEGE UNSUITABILITY, IMPROPER ALLOCATIONS, NEGLIGENCE, BREACH OF FIDUCIARY DUTY AND VIOLATIONS OF STATE AND FEDERAL SECURITIES LAWS WITH REGARD TO THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL, PROVIDENT AND BEHRINGER HARVARD.

**Product Type:** Oil & Gas  
Other: ALTERNATIVE INVESTMENTS

**Alleged Damages:** \$2,226,836.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes



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

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

**Docket/Case #:** 10-00986

**Filing date of arbitration/CFTC reparation or civil litigation:** 02/25/2010

### Customer Complaint Information

**Date Complaint Received:** 03/30/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$868,967.36

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 33 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** IN CONNECTION WITH THE RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND PROVIDENT SHALE, CLAIMANTS ALLEGE UNSUITABILITY, NEGLIGENT MISREPRESENTATION AND OMISSIONS OF FACT, AND BREACH OF FIDUCIARY DUTY.

**Product Type:** Direct Investment-DPP & LP Interests  
Oil & Gas

**Alleged Damages:** \$1,939,000.00

**Alleged Damages Amount Explanation (if amount not exact):** THIS IS A MULTI-CLIENT CLAIM INVOLVING MORE THAN ONE REPRESENTATIVE. ALLEGED DAMAGES FOR THIS REPRESENTATIVE ARE \$380,000.





**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 10-01006  
**Filing date of arbitration/CFTC reparation or civil litigation:** 03/11/2010

### Customer Complaint Information

**Date Complaint Received:** 03/17/2010  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/29/2011  
**Settlement Amount:** \$900,072.28  
**Individual Contribution Amount:** \$0.00  
**Firm Statement** 10/12/2011: THIS CLAIM WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.

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**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.  
**Allegations:** CLAIMANTS ALLEGE UNSUITABILITY, NEGLIGENT MISREPRESENTATION AND OMISSIONS OF MATERIAL FACT, AND BREACH OF FIDUCIARY DUTY WITH REGARD TO RECOMMENDATION AND SALE OF MEDICAL CAPITAL AND PROVIDENT ROYALTIES  
**Product Type:** Other: ALTERNATIVE INVESTMENTS  
**Alleged Damages:** \$530,000.00  
**Is this an oral complaint?** No



**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 10-01006

**Filing date of arbitration/CFTC reparation or civil litigation:** 03/11/2010

### Customer Complaint Information

**Date Complaint Received:** 03/30/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$900,072.28

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 34 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** CLAIMANT ALLEGES THAT THE SALES OF ALTERNATIVE INVESTMENTS AND REITS WERE UNSUITABLE AND FRAUDULENT. ALLEGATIONS INCLUDE BREACH OF FIDUCIARY DUTY, BREACH OF CONTRACT, UNSUITABILITY AND MISREPRESENTATION.

**Product Type:** Direct Investment-DPP & LP Interests  
Real Estate Security

**Alleged Damages:** \$600,000.00

**Is this an oral complaint?** No



**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 09-06900

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 12/15/2009

### Customer Complaint Information

**Date Complaint Received:** 12/24/2009

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$265,677.62

**Individual Contribution  
Amount:** \$0.00

**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC. CLAIMS RELATING TO ADDITIONAL PRODUCTS CONTINUE AT THIS TIME. 2/23/2012: SAI SETTLED WITH THE CLAIMANT IN THE AMOUNT OF \$80,000 TO RESOLVE ALL REMAINING CLAIMS. THIS MATTER IS NOW FULLY RESOLVED.

**Reporting Source:** Broker

**Employing firm when  
activities occurred which led  
to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** CLAIMANT ALLEGES THAT THE SALES OF ALTERNATIVE INVESTMENTS AND REITS WERE UNSUITABLE AND FRAUDULENT. ALLEGATIONS INCLUDE BREACH OF FIDUCIARY DUTY, BREACH OF CONTRACT, UNSUITABILITY AND MISREPRESENTATION.

**Product Type:** Other: ALTERNATIVE INVESTMENT PRODUCTS



**Alleged Damages:** \$600,000.00

**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 #:** 09-06900

**Filing date of arbitration/CFTC reparation or civil litigation:** 12/15/2009

### Customer Complaint Information

**Date Complaint Received:** 01/21/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$265,677.62

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 35 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** CLAIMANTS ALLEGE SALES OF FRAUDULENT INVESTMENTS IN ALTERNATIVE INVESTMENT PRODUCTS. ALLEGATIONS INCLUDE NEGLIGENCE, BREACH OF FIDUCIARY DUTY AND BREACH OF CONTRACT.

**Product Type:** Other: ALTERNATIVE INVESTMENT PRODUCTS

**Alleged Damages:** \$541,000.00



**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 09-06553  
**Filing date of arbitration/CFTC reparation or civil litigation:** 11/25/2009

### Customer Complaint Information

**Date Complaint Received:** 12/02/2009  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 11/23/2010  
**Settlement Amount:** \$325,000.00  
**Individual Contribution Amount:** \$0.00

**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** CLAIMANT ALLEGES SALES OF FRAUDULENT INVESTMENT IN ALTERNATIVE INVESTMEN PRODUCTS. ALLEGEATIONS INCLUDE NEGLIGENCEM BREACH OF FIDUCIARY DUTY AND BREACH OF CONTRACT.

**Product Type:** Other: ALTERNATIVE INVESTMENT PRODUCTS

**Alleged Damages:** \$541,000.00

**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 #:** 09-06553

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 11/25/2009

### Customer Complaint Information

**Date Complaint Received:** 01/07/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 11/23/2010

**Settlement Amount:** \$325,000.00

**Individual Contribution  
Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 36 of 37

**Reporting Source:** Firm

**Employing firm when  
activities occurred which led  
to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** CLAIMANTS ALLEGE THAT REPRESENTATIVE PURCHASED UNSUITABLE INVESTMENTS IN MEDICAL CAPITAL AND GENEVA EXCHANGE FUNDS. CLAIMANTS ALSO ALLEGE MISREPRESENTATION.

**Product Type:** Direct Investment-DPP & LP Interests  
Other: GENEVA EXCHANGE FUNDS

**Alleged Damages:** \$1,550,500.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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



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

**Docket/Case #:** 09-06904

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 12/07/2009

### Customer Complaint Information

**Date Complaint Received:** 12/28/2009

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$116,048.51

**Individual Contribution  
Amount:** \$0.00

**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC.  
02/10/2012: ALL CLAIMS ASSOCIATED WITH THIS MATTER HAVE BEEN RESOLVED.

**Reporting Source:** Broker

**Employing firm when  
activities occurred which led  
to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** CLAIMANTS ALLEGE THAT REPRESENTATIVE PURCHASE UNSUITABLE INVESTMENTS IN MEDICAL CAPITAL AND GENEVA EXCHANGE FUNDS. CLAIMANTS ALLEGE MISREPRESENTATION.

**Product Type:** Other: ALTERNATIVE INVESTMENT PRODUCTS

**Alleged Damages:** \$1,550,500.00

**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 #:** 09-06904

**Filing date of arbitration/CFTC reparation or civil litigation:** 12/07/2009

### Customer Complaint Information

**Date Complaint Received:** 01/07/2010

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/29/2011

**Settlement Amount:** \$116,048.51

**Individual Contribution Amount:** \$0.00

**Broker Statement** I was not named in original claim. This claim was settled by Securities America as part of a global settlement without any contribution or liability to me.

### Disclosure 37 of 37

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** BEGINNING IN FEBRUARY 2008, CLAIMANT ALLEGES REPRESENTATIVE SOLD HER INVESTMENTS THAT WERE UNSUITABLE. ALLEGATIONS INCLUDE MISREPRESENTATION, FRAUD AND NEGLIGENCE.

**Product Type:** Direct Investment-DPP & LP Interests

**Alleged Damages:** \$2,000,000.00

### Arbitration Information

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

**Docket/Case #:** 09-06150





**Date Notice/Process Served:** 11/09/2009

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 09/29/2011

**Monetary Compensation Amount:** \$487,403.76

**Individual Contribution Amount:** \$0.00

**Firm Statement** 10/12/2011: THE PORTION OF THIS CLAIM RELATING TO MEDICAL CAPITAL WAS PART OF A GLOBAL SETTLEMENT BY SECURITIES AMERICA, INC. CLAIMS RELATING TO ADDITIONAL PRODUCTS CONTINUE AT THIS TIME.  
01/04/2012: STEPHEN HOSHIMI WAS DISMISSED FROM THIS MATTER WITH PREJUDICE.

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**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SECURITIES AMERICA, INC.

**Allegations:** BEGINNING IN FEBRUARY 2008, CLAIMANT ALLEGES REPRESENTATIVE SOLD HER INVESTMENTS THAT WERE UNSUITABLE. ALLEGATIONS INCLUDE MISREPRESENTATIVE, FRAUD AND NEGLIGENCE.

**Product Type:** Direct Investment-DPP & LP Interests  
Other: LP INTERESTS

**Alleged Damages:** \$2,000,000.00

### Customer Complaint Information

**Date Complaint Received:**

**Complaint Pending?**

**Status:**

**Status Date:** 09/29/2011

**Settlement Amount:** \$487,403.76

**Individual Contribution Amount:** \$0.00

### Arbitration Information



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

**Docket/Case #:** 09-06150

**Date Notice/Process Served:** 11/09/2009

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 09/29/2011

**Monetary Compensation Amount:** \$487,403.76

**Individual Contribution Amount:** \$0.00

**Broker Statement**

THIS WAS INITIALLY FILED NAMING ME AS A RESPONDENT. I WAS REMOVED AS RESPONDENT WITH PREJUDICE AND THIS CLAIM BECAME PART OF A GLOBAL SETTLEMENT WITH SECURITIES AMERICA. I CONTRIBUTED NOTHING TO THE SETTLEMENT AND DENY ANY WRONGDOING.



## 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 2

<b>Reporting Source:</b>	Firm
<b>Employer Name:</b>	Crescent Securities Group, Inc.
<b>Termination Type:</b>	Permitted to Resign
<b>Termination Date:</b>	09/02/2016
<b>Allegations:</b>	Undisclosed outside business activity
<b>Product Type:</b>	No Product
<b>Firm Statement</b>	During the course of an examination it was learned that Mr. Hoshimi had launched a website to promote a previously undisclosed outside business activity. Additional undisclosed activities were subsequently found.

### Disclosure 2 of 2

<b>Reporting Source:</b>	Firm
<b>Employer Name:</b>	SECURITIES AMERICA, INC.
<b>Termination Type:</b>	Discharged
<b>Termination Date:</b>	10/21/2008
<b>Allegations:</b>	THE REPRESENTATIVE FAILED TO FOLLOW FIRM POLICIES & PROCEDURES RELATING TO LIFE SETTLEMENT TRANSACTIONS AND REGISTERED REPRESENTATIVE ACTIVITIES.
<b>Product Type:</b>	Other
<b>Other Product Types:</b>	LIFE SETTLEMENT

<b>Reporting Source:</b>	Broker
<b>Employer Name:</b>	SECURITIES AMERICA, INC.
<b>Termination Type:</b>	Discharged
<b>Termination Date:</b>	10/23/2008



**Allegations:** "FAILURE TO FOLLOW FIRM POLICIES & PROCEDURES RELATING TO LIFE SETTLEMENT TRANSACTIONS AND REGISTERED REPRESENTATIVE ACTIVITIES."

**Product Type:** Other

**Other Product Types:** LIFE SETTLEMENT

**Broker Statement** LIFE INSURANCE SALES DISCLOSED ANNUALLY TO SECURITIES AMERICA ON THEIR "OUTSIDE BUSINESS ACTIVITY FORM" - ASSUMED LIFE SETTLEMENT WAS PART OF INSURANCE SALES

**Financial - Final**

This type of disclosure event involves a bankruptcy, compromise with one or more creditors, or Securities Investor Protection Corporation liquidation involving the broker or an organization/brokerage firm the broker controlled that occurred within the last 10 years.

**Disclosure 1 of 1**

<b>Reporting Source:</b>	Broker
<b>Action Type:</b>	Bankruptcy
<b>Bankruptcy:</b>	Chapter 7
<b>Action Date:</b>	03/01/2011
<b>Organization Investment-Related?</b>	
<b>Type of Court:</b>	Federal Court
<b>Name of Court:</b>	U.S. BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA
<b>Location of Court:</b>	SANTA ANA, CALIFORNIA
<b>Docket/Case #:</b>	8:11-BK-19610RK
<b>Action Pending?</b>	No
<b>Disposition:</b>	Discharged
<b>Disposition Date:</b>	07/20/2011

## End of Report



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