

BrokerCheck Report

RICHARD SCOTT EVERHART

CRD# 2165784

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

About BrokerCheck®



BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.
- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - 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



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. For more information about FINRA, visit www.finra.org.

RICHARD S. EVERHART

CRD# 2165784

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
- 3 General Industry/Product Exams
- 1 State Securities Law Exam

Registration History

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

- B** MID ATLANTIC CAPITAL CORPORATION
CRD# 10674
DUBLIN, OH
12/2015 - 03/2020
- B** CAMBRIDGE INVESTMENT RESEARCH, INC.
CRD# 39543
DUBLIN, OH
01/2001 - 12/2015
- B** WALNUT STREET SECURITIES, INC.
CRD# 15840
EL SEGUNDO, CA
06/1995 - 12/2000

Disclosure Events

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

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

The following types of disclosures have been reported:

Type	Count
Regulatory Event	1

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. A passed exam or exam waiver does not permit a broker to do business without an active SRO or state registration.

This individual has passed 1 principal/supervisory exam, 3 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
B Investment Company Products/Variable Contracts Principal Examination	Series 26	05/01/1995

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	10/08/2002
B Investment Company Products/Variable Contracts Representative Examination	Series 6	07/26/1991

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	04/16/1992

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at www.finra.org/brokerqualifications/registeredrep/.

Broker Qualifications



Professional Designations

This section details that the representative has reported **1** professional designation(s).

Certified Financial Planner

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



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
B 12/2015 - 03/2020	MID ATLANTIC CAPITAL CORPORATION	10674	DUBLIN, OH
B 01/2001 - 12/2015	CAMBRIDGE INVESTMENT RESEARCH, INC.	39543	DUBLIN, OH
B 06/1995 - 12/2000	WALNUT STREET SECURITIES, INC.	15840	EL SEGUNDO, CA
B 07/1991 - 07/1995	ALLES INVESTMENTS, INC.	26860	DUBLIN, OH

Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.

Employment	Employer Name	Position	Investment Related	Employer Location
02/1996 - Present	EVERHART ADVISORS	PRESIDENT	Y	DUBLIN, OH, United States
12/2015 - 03/2020	MID ATLANTIC CAPITAL CORPORATION	REGISTERED REPRESENTATIVE	Y	DUBLIN, OH, United States
01/2001 - 12/2015	CAMBRIDGE INVESTMENT RESEARCH, INC.	REGISTERED REP	Y	FAIRFIELD, IA, United States

Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

1)THE 401(K)OWNER'S MANUAL~NON-INVESTMENT RELATED~535 METRO PLACE SOUTH, SUITE 100, DUBLIN, OH 43017~BOOK~CO-AUTHOR~AUGUST 2017~0HRS PER MONTH~0HRS PER MONTH DURING MARKET

2)Member, 535 METRO PLACE SOUTH LLC - NON INVESTMENT RELATED - entity owns 5200 RINGS RD, DUBLIN, OH 43017, Everhart Advisors' business location. A portion of the building is rented to tenants.

3)Everhart QOF LLC ~ Investment related ~ 6980 Corazon Dr. Dublin, OH 43016 ~ Private Fund investing in qualified opportunity zones ~ 50%

Registration and Employment History



Other Business Activities, continued

owner ~ September 2022 ~ 0HRS PER MONTH~0HRS PER MONTH DURING MARKET~PASSIVE OWNERSHIP

4)FE X 225 LLC ~ Non-investment related ~ 535 Metro Place South, Dublin, OH 43017 ~ Part owner of entity that owns a private jet and leases to Fly Exclusive ~ 33% owner ~ Entity formed in September 2022, purchase complete in March 2023 ~ 0 hrs per month inside and outside business hours ~ no income aside from distributions of profit.

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	1	0



Disclosure Event Details

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

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

Regulatory - Final

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

Disclosure 1 of 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Other: n/a
Date Initiated:	01/14/2016
Docket/Case Number:	3-17051
Employing firm when activity occurred which led to the regulatory action:	Everhart Financial Group, Inc.
Product Type:	Mutual Fund
Allegations:	SEC Admin Release 34-76897/IA Release 4314/January 14, 2016: The Securities and Exchange Commission (Commission) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 (Advisers Act) and Section 15(b)(6) of the Securities Exchange Act of 1934 (Exchange Act) against Richard Scott Everhart, his registered investment adviser firm and another principal owner. Since 2010, the registered investment adviser has principally invested its clients in the mutual funds offered by a single family of mutual funds (the Mutual Fund Complex). This Mutual Fund Complex offers two share classes to investment advisers and the only meaningful difference between them is that one share class charges "12b-1



fees" and the other does not. Despite significantly higher fees, some adviser representatives at the registered investment adviser nearly always invested non-retirement individual advisory accounts in shares that charged a 12b-1 fee, which was paid to the registered investment adviser's principal owners, one of them being Everhart, who also were licensed registered representatives of a registered broker-dealer. Receipt of 12b-1 fees not only created a conflict of interest that was not adequately disclosed to the registered investment adviser's clients, but favoring 12b-1 funds over others was inconsistent with the registered investment adviser's duty to seek best execution for its clients. In addition, the registered investment adviser had several compliance failures, including the lack of annual compliance reviews for several years, and also issued insufficient disclosures regarding the receipt of 12b-1 fees. As a result, Everhart, the registered investment adviser's president and majority owner, willfully violated Sections 206(2) of the Advisers Act and caused violations of Sections 204 and 206(4) and Rules 204-3(a), 204-3(b)(1) and (2), and 206(4)-7 thereunder.

Current Status:	Final
Resolution:	Order
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	Yes
Resolution Date:	01/14/2016
Sanctions Ordered:	Cease and Desist Censure Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Monetary Penalty other than Fines
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?	Yes



(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?

Yes

(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

No



(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?

No

Monetary Sanction 1 of 3

Monetary Related Sanction: Disgorgement

Total Amount: \$201,985.66

Portion Levied against individual: \$201,985.66

Payment Plan: joint and several

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Monetary Sanction 2 of 3

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

Total Amount: \$40,000.00

Portion Levied against individual: \$40,000.00

Payment Plan:

Is Payment Plan Current:

**Date Paid by individual:**

Was any portion of penalty waived? No

Amount Waived:**Monetary Sanction 3 of 3**

Monetary Related Sanction: Monetary Penalty other than Fines

Total Amount: \$23,422.66

Portion Levied against individual: \$23,422.66

Payment Plan: joint and several

Is Payment Plan Current:**Date Paid by individual:**

Was any portion of penalty waived? No

Amount Waived:**Regulator Statement**

In anticipation of the institution of these proceedings, Everhart has submitted an Offer of Settlement which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission's jurisdiction over them and the subject matter of these proceedings, which are admitted, Everhart consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940 and Section 15(b)(6) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order. In determining to accept the Offers, the Commission considered remedial acts promptly undertaken by Everhart and cooperation afforded the Commission staff. In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Everhart's Offer. Accordingly, pursuant to Sections 203(e), 203(f) and 203(k) of the Advisers Act and Section 15(b)(6) of the Exchange Act, it is hereby ordered that: Everhart is censured and shall cease and desist from committing or causing any violations and any future violations of Sections 204, 206(2), and 206(4) of the Advisers Act and Rules 204-3(a), 204-3(b)(1) and (2), and 206(4)-7 thereunder. Everhart, on a joint and several basis shall, within 14 days of the entry of this Order, pay total disgorgement of \$201,985.66 and prejudgment interest of \$23,422.66 to the Commission for transfer to the general fund of the United States Treasury. Everhart shall, within 14



days of the entry of this Order, pay a civil penalty in the total amount of \$40,000 to the Commission for transfer to the general fund of the United States Treasury.

Reporting Source:	Broker
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Other: n/a
Date Initiated:	01/14/2016
Docket/Case Number:	3-17051
Employing firm when activity occurred which led to the regulatory action:	Everhart Financial Group, Inc.
Product Type:	Mutual Fund
Allegations:	SEC Admin Release 34-76897/IA Release 4314/January 14, 2016: The Securities and Exchange Commission (Commission) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 (Advisers Act) and Section 15(b)(6) of the Securities Exchange Act of 1934 (Exchange Act) against Richard Scott Everhart, his registered investment adviser firm and another principal owner. Since 2010, the registered investment adviser has principally invested its clients in the mutual funds offered by a single family of mutual funds (the Mutual Fund Complex). This Mutual Fund Complex offers two share classes to investment advisers and the only meaningful difference between them is that one share class charges "12b-1 fees" and the other does not. Despite significantly higher fees, some adviser representatives at the registered investment adviser nearly always invested non-retirement individual advisory accounts in shares that charged a 12b-1 fee, which was paid to the registered investment adviser's principal owners, one of them being Everhart, who also were licensed registered representatives of a registered broker-dealer. Receipt of 12b-1 fees not only created a conflict of interest that was not adequately disclosed to the registered investment adviser's clients, but favoring 12b-1 funds over others was inconsistent with the registered investment adviser's duty to seek best execution for its clients. In addition, the registered investment adviser had several compliance failures, including the lack of annual compliance reviews for several years, and also issued insufficient disclosures regarding the receipt of 12b-1 fees. As a result, Everhart, the registered investment adviser's president and majority owner, willfully violated Sections 206(2) of the Advisers Act and caused violations of Sections 204 and 206(4) and Rules 204-3(a), 204-3(b)(1) and (2), and 206(4)-7 thereunder.



Current Status:	Final
Resolution:	Order
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	Yes
Resolution Date:	01/14/2016
Sanctions Ordered:	Cease and Desist Censure Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Monetary Penalty other than Fines
Monetary Sanction 1 of 3	
Monetary Related Sanction:	Disgorgement
Total Amount:	\$201,985.66
Portion Levied against individual:	\$201,985.66
Payment Plan:	
Is Payment Plan Current:	
Date Paid by individual:	
Was any portion of penalty waived?	No
Amount Waived:	
Monetary Sanction 2 of 3	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$40,000.00
Portion Levied against individual:	\$40,000.00
Payment Plan:	
Is Payment Plan Current:	

**Date Paid by individual:**

Was any portion of penalty waived? No

Amount Waived:**Monetary Sanction 3 of 3**

Monetary Related Sanction: Monetary Penalty other than Fines

Total Amount: \$23,422.66

Portion Levied against individual: \$23,422.66

Payment Plan:**Is Payment Plan Current:****Date Paid by individual:**

Was any portion of penalty waived? No

Amount Waived:**Broker Statement**

In anticipation of the institution of these proceedings, Everhart has submitted an Offer of Settlement which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission's jurisdiction over them and the subject matter of these proceedings, which are admitted, Everhart consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940 and Section 15(b)(6) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order. In determining to accept the Offers, the Commission considered remedial acts promptly undertaken by Everhart and cooperation afforded the Commission staff. In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Everhart's Offer. Accordingly, pursuant to Sections 203(e), 203(f) and 203(k) of the Advisers Act and Section 15(b)(6) of the Exchange Act, it is hereby ordered that: Everhart is censured and shall cease and desist from committing or causing any violations and any future violations of Sections 204, 206(2), and 206(4) of the Advisers Act and Rules 204-3(a), 204-3(b)(1) and (2), and 206(4)-7 thereunder. Everhart, on a joint and several basis shall, within 14 days of the entry of this Order, pay total disgorgement of \$201,985.66 and prejudgment interest of \$23,422.66 to the Commission for transfer to the general fund of the United States Treasury. Everhart shall, within 14



days of the entry of this Order, pay a civil penalty in the total amount of \$40,000 to the Commission for transfer to the general fund of the United States Treasury.

End of Report



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