

BrokerCheck Report

RICHARD MICHAEL WESSELT

CRD# 2195569

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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.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

brokercheck.finra.org



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

Thank you for using FINRA BrokerCheck.



RICHARD M. WESSELT

CRD# 2195569

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

FORTUNE FINANCIAL SERVICES, INC.

3582 BROADHEAD ROAD
SUITE 202

MONACA, PA 15061

CRD# 42150

Registered with this firm since: 09/05/2017

FORTUNE FINANCIAL SERVICES, INC.

3441 Germantown Pike

Collegeville, PA 19426

CRD# 42150

Registered with this firm since: 09/05/2017

Report Summary for this Broker

This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

Broker Qualifications

This broker is registered with:

- 1 Self-Regulatory Organization
- 15 U.S. states and territories

This broker has passed:

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

Registration History

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

THE O.N. EQUITY SALES COMPANY

CRD# 2936

Collegeville, PA

03/2014 - 09/2017

STERNE AGEE FINANCIAL SERVICES, INC.

CRD# 18456

JEFFERSONVILLE, PA

05/2002 - 03/2014

AMERICAN INVESTMENT SERVICES, INC.

CRD# 21111

OKLAHOMA CITY, OK

04/1997 - 05/2002

Disclosure Events

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

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

The following types of disclosures have been reported:

Type	Count
Customer Dispute	13
Termination	1



Broker Qualifications

Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

This individual is currently registered with 1 SRO and is licensed in 15 U.S. states and territories through his or her employer.

Employment 1 of 1

Firm Name: **FORTUNE FINANCIAL SERVICES, INC.**
 Main Office Address: **3582 BROADHEAD ROAD
 SUITE 202
 MONACA, PA 15061**
 Firm CRD#: **42150**

SRO	Category	Status	Date
FINRA	Invest. Co and Variable Contracts	APPROVED	09/05/2017

U.S. State/ Territory	Category	Status	Date	U.S. State/ Territory	Category	Status	Date
Arizona	Agent	APPROVED	09/05/2017	Pennsylvania	Agent	APPROVED	09/06/2017
California	Agent	APPROVED	09/05/2017	Washington	Agent	APPROVED	09/05/2017
Connecticut	Agent	APPROVED	09/22/2017				
Delaware	Agent	APPROVED	09/05/2017				
Florida	Agent	APPROVED	09/05/2017				
Georgia	Agent	APPROVED	09/07/2017				
Iowa	Agent	APPROVED	09/07/2017				
Kansas	Agent	APPROVED	09/05/2017				
Maryland	Agent	APPROVED	09/08/2017				
Minnesota	Agent	APPROVED	09/05/2017				
New Jersey	Agent	APPROVED	09/05/2017				
New York	Agent	APPROVED	09/05/2017				
North Carolina	Agent	APPROVED	09/05/2017				

Broker Qualifications



Employment 1 of 1, continued

Branch Office Locations

FORTUNE FINANCIAL SERVICES, INC.

3441 Germantown Pike
Collegeville, PA 19426



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

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
Securities Industry Essentials Examination	SIE	10/01/2018
Investment Company Products/Variable Contracts Representative Examination	Series 6	08/14/1992

State Securities Law Exams

Exam	Category	Date
Uniform Securities Agent State Law Examination	Series 63	11/20/1992

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/.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
03/2014 - 09/2017	THE O.N. EQUITY SALES COMPANY	2936	Collegeville, PA
05/2002 - 03/2014	STERNE AGEE FINANCIAL SERVICES, INC.	18456	JEFFERSONVILLE, PA
04/1997 - 05/2002	AMERICAN INVESTMENT SERVICES, INC.	21111	OKLAHOMA CITY, OK
05/1994 - 03/1997	W. S. GRIFFITH & CO., INC.	10410	HARTFORD, CT
08/1992 - 05/1994	PML SECURITIES COMPANY	4082	NEWARK, DE

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
09/2017 - Present	Fortune Financial Services, Inc.	Monaca, PA
03/2014 - Present	THE O. N. EQUITY SALES COMPANY	CINCINNATI, OH
12/2001 - Present	OHIO NATIONAL FINANCIAL SERVICES	CINCINNATI, OH
04/1994 - Present	PHOENIX HOME LIFE	BALA CYNWYD, PA
03/1990 - Present	PROVIDENT MUTUAL	PHILADELPHIA, PA
05/2002 - 03/2014	SAL FINANCIAL SERVICES, INC.	BIRMINGHAM, AL

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) WESSELT CAPITAL GROUP; INVESTMENT RELATED; 3441 GERMANTOWN PIKE COLLEGEVILLE PA. 19426; INSURANCE/INVESTMENTS; OWNER SINCE 1990; 120 HOURS PER MONTH; 6-8 DURING SEC TRADING HOURS; SALES OF INVESTMENT PRODUCTS,WHOLE LIFE AND EIA.



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
Customer Dispute	4	9	N/A



Termination	N/A	1	N/A
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Disclosure Event Details

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

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

Customer Dispute - Settled

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

Disclosure 1 of 5

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	The ON Equity Sales Company
Allegations:	Customer alleges sale of variable annuity was not suitable. The time period is 8/14/2016 to 8/17/2017
Product Type:	Annuity-Variable
Alleged Damages:	\$5,736.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	08/17/2017
Complaint Pending?	No
Status:	Settled
Status Date:	11/07/2017
Settlement Amount:	\$25,674.00



Individual Contribution Amount: \$25,674.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: The ON Equity Sales Company

Allegations: Customer alleges sale of variable annuity was not suitable. The time period is 8/14/2016 to 8/17/2017

Product Type: Annuity-Variable

Alleged Damages: \$5,736.00

Is this an oral complaint? No

Is this a written complaint? Yes

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

Arbitration/Reparation forum or court name and location:

Docket/Case #:

Filing date of arbitration/CFTC reparation or civil litigation: 08/17/2017

Customer Complaint Information

Date Complaint Received: 08/17/2017

Complaint Pending? No

Status: Settled

Status Date: 11/07/2017

Settlement Amount: \$25,674.00

Individual Contribution Amount: \$25,674.00

Broker Statement Update in response to U5 filing



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Sterne Agee Financial Services, Inc.

Allegations: claimant alleges rep negligently sold unsuitable products in violation of his fiduciary duty

Product Type: Other: insurance products - non securities

Alleged Damages: \$100,000.00

Alleged Damages Amount Explanation (if amount not exact): Approx 100k-150k

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 #: 17-00534

Filing date of arbitration/CFTC reparation or civil litigation: 02/28/2017

Customer Complaint Information

Date Complaint Received: 03/02/2017

Complaint Pending? No

Status: Settled

Status Date: 04/17/2018

Settlement Amount: \$15,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Broker



Employing firm when activities occurred which led to the complaint: Sterne Agee Financial Services, Inc.

Allegations: Claimant alleges rep negligently sold unsuitable products in violation of his fiduciary duty.

Product Type: Other: insurance products - non securities

Alleged Damages: \$100,000.00

Alleged Damages Amount Explanation (if amount not exact): Approx \$100k-150k

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 #: 17-00534

Filing date of arbitration/CFTC reparation or civil litigation: 02/28/2017

Customer Complaint Information

Date Complaint Received: 03/02/2017

Complaint Pending? No

Status: Settled

Status Date: 04/17/2018

Settlement Amount: \$15,000.00

Individual Contribution Amount: \$0.00

Disclosure 3 of 5

Reporting Source: Broker



Employing firm when activities occurred which led to the complaint:	The O.N. Equity Sales Company
Allegations:	customers alleges sale of variable annuity and life insurance were unsuitable
Product Type:	Annuity-Variable Insurance
Alleged Damages:	\$25,709.94
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	08/10/2016
Complaint Pending?	No
Status:	Settled
Status Date:	10/24/2016
Settlement Amount:	\$24,257.14
Individual Contribution Amount:	\$3,000.00

Disclosure 4 of 5

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	STERNE AGEE FINANCIAL SERVICES, INC.
Allegations:	THE COMPLAINANTS ALLEGE THAT REP MADE UNSUITABLE RECOMMENDATIONS IN MARCH OF 2007.
Product Type:	Annuity-Variable Insurance
Alleged Damages:	\$30,000.00
Is this an oral complaint?	No
Is this a written complaint?	Yes



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

Customer Complaint Information

Date Complaint Received: 01/12/2012

Complaint Pending? No

Status: Settled

Status Date: 03/09/2012

Settlement Amount: \$9,453.00

**Individual Contribution
Amount:** \$4,726.50

Broker Statement SETTLEMENT WAS TO COMPROMISE DISPUTED CLAIMS AND AVOID EXPENSE OF LITIGATION. NEITHER REP NOR FIRM ADMITTED ANY LIABILITY AND STILL DENY ALL CLAIMS ALLEGED BY CLAIMANTS.

Disclosure 5 of 5

Reporting Source: Broker

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

Allegations: CLAIMANTS ALLEGE THAT REP MADE MISREPRESENTATIONS AND GAVE UNSUITABLE ADVICE THAT RESULTED IN FINANCIAL LOSS.

Product Type: Annuity-Variable

Alleged Damages: \$250,000.00

Customer Complaint Information

Date Complaint Received: 10/16/2008

Complaint Pending? No

Status: Settled

Status Date: 11/04/2009

Settlement Amount: \$65,000.00

**Individual Contribution
Amount:** \$10,000.00



Arbitration Information

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

FINRA

Docket/Case #:

08-03728

Date Notice/Process Served:

10/16/2008

Arbitration Pending?

No

Disposition:

Settled

Disposition Date:

11/04/2009

Monetary Compensation Amount:

\$65,000.00

Individual Contribution Amount:

\$10,000.00

Broker Statement

REP AND FIRM SETTLED WITH CLAIMANTS TO END CONTROVERSY AND TO AVOID ADDITIONAL LEGAL EXPENSES.



Customer Dispute - Closed-No Action / Withdrawn / Dismissed / Denied

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a consumer-initiated, investment-related written complaint containing allegations that the broker engaged in sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities, which was closed without action, withdrawn, or denied.

Disclosure 1 of 4

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	STERNE AGEE FINANCIAL SERVICES, INC.
Allegations:	COMPLAINANT ALLEGES THAT THE REPRESENTATIVE MISREPRESENTED THE RISK AND NATURE OF A LIMITED PARTNERSHIP INVESTMENT WHICH THE COMPLAINANT PURCHASED IN OCTOBER OF 2006.
Product Type:	Direct Investment-DPP & LP Interests
Alleged Damages:	\$60,000.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	10/04/2013
Complaint Pending?	No
Status:	Denied
Status Date:	11/19/2013
Settlement Amount:	
Individual Contribution Amount:	
Broker Statement	REPRESENTATIVE DENIES THE MATERIAL ALLEGATIONS IN THE COMPLAINT.

Disclosure 2 of 4

Reporting Source:	Broker
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Employing firm when activities occurred which led to the complaint:	STERNE AGEE FINANCIAL SERVICES, INC.
Allegations:	CLAIMANT ALLEGES THAT REP MADE UNSUITABLE RECOMMENDATIONS AND MISREPRESENTATIONS IN CONNECTION WITH A VARIABLE ANNUITY DURING THE PERIOD 12/1/04 TO 2/11/08.
Product Type:	Annuity(ies) - Variable
Alleged Damages:	\$45,576.00
Customer Complaint Information	
Date Complaint Received:	03/12/2008
Complaint Pending?	No
Status:	Denied
Status Date:	12/24/2008
Settlement Amount:	
Individual Contribution Amount:	
Broker Statement	FILE CLOSED AFTER FINRA DETERMINATION AND NO FURTHER CONTACT FROM COMPLAINANT.

Disclosure 3 of 4

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	STERNE AGEE FINANCIAL SERVICES, INC.
Allegations:	COMPLAINANT ALLEGES THAT REPRESENTATIVE MADE UNSUITABLE RECOMMENDATIONS AND MISREPRESENTATIONS INVOLVING MUTUAL FUNDS DURING THE PERIOD 12/15/05 TO 11/28/07.
Product Type:	Mutual Fund(s)
Other Product Type(s):	LIFE INSURANCE
Alleged Damages:	\$200,000.00
Customer Complaint Information	
Date Complaint Received:	12/13/2007



Complaint Pending? No
Status: Denied
Status Date: 12/12/2008
Settlement Amount:
Individual Contribution Amount:
Broker Statement FILE CLOSED AFTER FINRA DETERMINATION AND NO FURTHER CONTACT FROM COMPLAINANT.

Disclosure 4 of 4

Reporting Source: Broker
Employing firm when activities occurred which led to the complaint: STERNE AGEE FINANCIAL SERVICES, INC.
Allegations: COMPLAINANT ALLEGES THAT REPRESENTATIVE MADE UNSUITABLE RECOMMENDATIONS AND MISREPRESENTATIONS INVOLVING MUTUAL FUNDS DURING THE PERIOD 1/1/04 TO 3/30/07.
Product Type: Mutual Fund(s)
Other Product Type(s): LIFE INSURANCE
Alleged Damages: \$75,000.00

Customer Complaint Information

Date Complaint Received: 12/13/2007
Complaint Pending? No
Status: Denied
Status Date: 12/12/2008
Settlement Amount:
Individual Contribution Amount:
Broker Statement FILE CLOSED AFTER FINRA DETERMINATION AND NO FURTHER CONTACT FROM COMPLAINANT.



Customer Dispute - Pending

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, consumer-initiated, investment-related written complaint containing allegations that the broker engaged in, sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities.

Disclosure 1 of 4

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Sterne Agee Financial Services, Inc
Allegations:	Unsuitable investment recommendations, investment strategy and misrepresentations and omissions.
Product Type:	Annuity-Variable Insurance
Alleged Damages:	\$220,000.00
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 #:	19-00475
Filing date of arbitration/CFTC reparation or civil litigation:	02/15/2019

Customer Complaint Information

Date Complaint Received:	02/21/2019
Complaint Pending?	Yes
Settlement Amount:	
Individual Contribution Amount:	

Disclosure 2 of 4



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: The O. N. Equity Sales Company

Allegations: customer alleges Mr. Wesselt engaged in unsuitable sales practices relating to sale of insurance and annuities.

Product Type: Annuity-Variable
Insurance

Alleged Damages: \$750,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 12/22/2018

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: The O.N. Equity Sales Company

Allegations: [REDACTED] alleges Mr. Wesselt engaged in unsuitable sales of insurance and annuities

Product Type: Annuity-Variable
Insurance

Alleged Damages: \$750,000.00

Is this an oral complaint? No

Is this a written complaint? Yes



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

Customer Complaint Information

Date Complaint Received: 01/07/2019

Complaint Pending? Yes

Settlement Amount:

**Individual Contribution
Amount:**

Disclosure 3 of 4

Reporting Source: Firm

**Employing firm when
activities occurred which led
to the complaint:** Sterne Agee Financial Services

Allegations: Claimant alleges unsuitable investment recommendations, deceptive and unfair trade practices

Product Type: Annuity-Variable
Insurance

Alleged Damages: \$300,000.00

Is this an oral complaint? No

Is this a written complaint? No

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

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

Docket/Case #: 18-03363

**Filing date of
arbitration/CFTC reparation
or civil litigation:** 09/25/2018

Customer Complaint Information

Date Complaint Received: 10/05/2018

Complaint Pending? No



Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)

Status Date: 09/25/2018

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

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

Docket/Case #: 18-03363

Date Notice/Process Served: 09/25/2018

Arbitration Pending? Yes

Disclosure 4 of 4

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Sterne Agee Financial Services

Allegations: Claimant alleges unsuitable investment recommendations and misrepresentations and/or omission of material information

Product Type: Annuity-Variable Insurance

Alleged Damages: \$150,000.00

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 Arbitration

Docket/Case #: 18-02233



Filing date of arbitration/CFTC reparation or civil litigation: 06/19/2018

Customer Complaint Information

Date Complaint Received: 07/02/2018

Complaint Pending? No

Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)

Status Date: 06/19/2018

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

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

Docket/Case #: 18-02233

Date Notice/Process Served: 07/02/2018

Arbitration Pending? Yes

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: The O.N. Equity Sales Company

Allegations: customer alleges unsuitable investment recommendations and misrepresentation

Product Type: Annuity-Variable Insurance

Alleged Damages: \$400,000.00

Arbitration Information

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



Docket/Case #: 18-02233
Date Notice/Process Served: 06/26/2018
Arbitration Pending? Yes

Reporting Source: Broker
Employing firm when activities occurred which led to the complaint: The O.N. Equity Sales Company
Allegations: Customer alleges unsuitable investment recommendations and misrepresentation.
Product Type: Annuity-Variable Insurance
Alleged Damages: \$400,000.00
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 Dispute Resolution

Docket/Case #: 18-02233
Filing date of arbitration/CFTC reparation or civil litigation: 06/15/2018

Customer Complaint Information

Date Complaint Received: 06/19/2018
Complaint Pending? No
Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)
Status Date: 06/15/2018

Settlement Amount:

Individual Contribution Amount:

Arbitration Information



Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	18-02233
Date Notice/Process Served:	06/19/2018
Arbitration Pending?	Yes



Employment Separation After Allegations

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

Disclosure 1 of 1

Reporting Source: Broker

Employer Name: W. S. GRIFFITH & CO., INC.

Termination Type: Discharged

Termination Date: 02/26/1997

Allegations: N/A
PLACING A CUSTOMER'S SIGNATURE ON A DOCUMENT.

Product Type:

Other Product Types:

Broker Statement

MY TERMINATION FROM W.S. GRIFFITH & CO.
 MY TERMINATION FROM W.S. GRIFFITH & CO. RESULTED FROM A MEMO I PREPARED ON BEHALF OF MY CUSTOMER, [CUSTOMER]. [CUSTOMER] HAS NOT FILED A COMPLAINT THAT I AM AWARE OF. HE HAS BEEN A LIFE LONG FRIEND OF 21 YEARS. [CUSTOMER] WAS CONTACTED BY AN AGENT FROM WESTERN RESERVE LIFE AND PURCHASED AN ADDITIONAL VARIABLE LIFE POLICY FROM HIM. LATER, THIS SAME AGENT CONTACTED [CUSTOMER] ABOUT DOING A 1035 EXCHANGE ON THE PHOENIX LIFE VARIABLE POLICY HE HAD PURCHASED FROM ME. THE WESTERN RESERVE AGENT INFORMED [CUSTOMER] THAT HIS COULD BE DONE AT A MINIMAL CHARGE, BUT HE DID NOT EXPLAIN THAT THIS COULD ELIMINATE THE CASH VALUE THE POLICY HAD ACCRUED. THIS WOULD HAVE RESULTED IN A \$2000.00 LOSS TO [CUSTOMER]. AFTER DISCUSSING THIS WITH [CUSTOMER], HE GAVE ME HIS EXPRESSED AUTHORIZATION TO DO WHATEVER WAS NEEDED NOT TO LOSE HIS CASH VALUE. WITH THIS IN MIND, AND BEING UNABLE TO REACH [CUSTOMER], I SENT A MEMO WITH [CUSTOMER'S] NAME ON IT TO STOP THE EXECUTION OF THE 1035 EXCHANGE, NOT REALIZING I WAS VIOLATING FIRM POLICY. I FELT I WAS ACTING IN MY FRIEND'S BEST INTEREST. I ACTED ON [CUSTOMER'S] BEHALF WITH HIS ORAL AUTHORIZATION TO STOP HIM FROM TAKING A \$2000.00 LOSS, WHICH HE DID NOT SUFFER. I HAVE



ATTACHED A DEPOSITION FROM [CUSTOMER] TO AFFIRM MY ACTIONS WERE IN HIS BEST INTEREST AND WITH HIS APPROVAL. IT IS ONLY NOW, SINCE BEING TERMINATED, THAT I REALIZE THE PROBLEMS CREATED FOR MYSELF BY MY ACTIONS. I ACTED HONESTLY WITH MY CLIENT'S BEST INTEREST AT HEART, BUT I AM NOW AWARE THAT THIS COULD HAVE DAMAGE TO MY CAREER. I DO NOT WISH TO LOSE AN OPPORTUNITY TO CONTINUE IN A PROFESSION THAT MEANS SO MUCH TO ME AND WILL NOT ALLOW MYSELF TO REPEAT SUCH A MISTAKE AS THIS ONE.

End of Report



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