

BrokerCheck Report

AARON ROBERT PARTHEMER

CRD# 2546369

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



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

Please contact FINRA with any concerns.

About BrokerCheck®



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

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

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

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

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

Thank you for using FINRA BrokerCheck.



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

brokercheck.finra.org



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)

AARON R. PARTHEMER

CRD# 2546369

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:

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

Registration History

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

- B** **WELLS FARGO ADVISORS, LLC**
CRD# 19616
FORT LAUDERDALE, FL
10/2011 - 05/2015
- B** **MORGAN STANLEY SMITH BARNEY**
CRD# 149777
FT. LAUDERDALE, FL
06/2009 - 11/2011
- B** **CITIGROUP GLOBAL MARKETS INC.**
CRD# 7059
FT. LAUDERDALE, FL
11/2006 - 06/2009

Disclosure Events

This broker has been involved in one or more disclosure events involving certain final criminal matters, regulatory actions, civil judicial proceedings, or arbitrations or civil litigations.

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

The following types of disclosures have been reported:

Type	Count
Regulatory Event	3
Customer Dispute	3

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), states and U.S. territories the broker is currently registered and licensed with, the category of each registration, and the date on which the registration became effective. This section also provides, for each 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 0 principal/supervisory exams, 2 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	05/15/2015
B General Securities Representative Examination	Series 7	10/25/1994

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	01/17/1996
B Uniform Securities Agent State Law Examination	Series 63	11/01/1994

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 securities firms:

Registration Dates	Firm Name	CRD#	Branch Location
B 10/2011 - 05/2015	WELLS FARGO ADVISORS, LLC	19616	FORT LAUDERDALE, FL
B 06/2009 - 11/2011	MORGAN STANLEY SMITH BARNEY	149777	FT. LAUDERDALE, FL
B 11/2006 - 06/2009	CITIGROUP GLOBAL MARKETS INC.	7059	FT. LAUDERDALE, FL
B 04/1998 - 11/2006	BANC OF AMERICA INVESTMENT SERVICES, INC.	16361	FT.LAUDERDALE, FL
B 05/1997 - 04/1998	BARNETT INVESTMENTS, INC.	14897	JACKSONVILLE, FL
B 10/1995 - 03/1997	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	NEW YORK, NY
B 10/1994 - 10/1995	L.C. WEGARD & CO., INC.	3722	NEW YORK, NY

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
10/2011 - Present	WELLS FARGO ADVISORS	REGISTERED REPRESENTATIVE	Y	FORT LAUDERDALE, FL, United States

Disclosure Events



What you should know about reported disclosure events:

- 1. **Disclosure events in BrokerCheck reports come from different sources:**
 - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, their employing firms, and regulators. When more than one source reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions are separated by a solid line with the reporting source labeled.

For your convenience, below is a matrix of the number and status of regulatory 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.

	Final	On Appeal
Regulatory Event	3	0
Customer Dispute	3	N/A



Disclosure Event Details

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 involves a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations.

Disclosure 1 of 3

Reporting Source:	Regulator
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Other: n/a
Date Initiated:	03/13/2017
Docket/Case Number:	3-17878
Employing firm when activity occurred which led to the regulatory action:	Morgan Stanley Smith Barney; Wells Fargo Advisors, LLC
Product Type:	Options Other: unspecified securities
Allegations:	<p>SEC Admin Release 34-80221, IA Release 40-4664, Investment Company Act of 1940 Release 32531 / March 13, 2017:</p> <p>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 15(b) and 21C of the Securities Exchange Act of 1934 ("Exchange Act"), Sections 203(f) and 203(k) of the Investment Advisers Act of 1940 ("Advisers Act"), and Section 9(b) of the Investment Company Act of 1940 ("Investment Company Act") against Aaron R. Parthemer ("Parthemer" or "Respondent").</p> <p>The Commission finds that beginning in 2009 and continuing into 2012, Aaron Parthemer participated in selling more than \$5 million of unregistered, illiquid securities to certain of his professional athlete brokerage customers and investment advisory clients in an internet branding company known as Global Village Concerns, Inc. ("GVC"). Parthemer was issued GVC stock options and warrants provided by GVC. Parthemer's conduct with respect to the sale of GVC securities occurred outside and independent of his employment with registered broker-dealers. Parthemer misrepresented and omitted material information about the GVC investments to his investment advisory clients, some of which was based</p>



on information provided to Parthemer by GVC. Parthemer presented this information to his advisory clients without conducting any due diligence to verify any of the information he provided to his advisory clients. Parthemer also used his personal communication devices and emails to communicate with his brokerage customers and others about firm business without causing copies of those communications to be sent to or preserved on the broker-dealers' respective email servers or preserved in paper form.

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:	03/13/2017
Sanctions Ordered:	Bar (Permanent) Cease and Desist Civil and Administrative Penalty(ies)/Fine(s) Prohibition
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

Yes



(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

Sanction 1 of 2

Sanction Type: Bar (Permanent)
Capacities Affected: participating in any offering of a penny stock
Duration: Indefinite
Start Date: 03/13/2017

End Date:

Sanction 2 of 2

Sanction Type: Bar (Permanent)
Capacities Affected: association with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or NRSRO
Duration: Indefinite
Start Date: 03/13/2017
End Date:

Monetary Sanction 1 of 1

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)
Total Amount: \$160,000.00
Portion Levied against individual: \$160,000.00

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

Was any portion of penalty waived? No

Amount Waived:**Regulator Statement**

Respondent submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept.

Parthemer willfully violated Sections 206(1) and 206(2) of the Advisers Act and Section 15(a) of the Exchange Act.

Parthemer willfully aided and abetted and caused violations of Section 17(a)(1) of the Exchange Act and Rule 17a-4(b)(4) thereunder.

Parthemer cease and desist from committing or causing any violations and any future violations of Sections 206(1) and 206(2) of the Advisers Act, and Sections 15(a) and 17(a)(1) of the Exchange Act and Rule 17-a-4(b)(4) promulgated thereunder.

Parthemer is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; prohibited from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter; and barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock. Pursuant to this Order, Parthemer agrees to additional proceedings in this proceeding to determine what, if any, civil penalties are appropriate and in the public interest.

SEC Admin Release 34-81471, IA Release 40-4756, Investment Company Act of 1940 Release 32794 / August 23, 2017: After institution of proceedings, Respondent submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept. It is ORDERED that Parthemer shall, within 35 days of an order lifting the stay in his chapter 7 bankruptcy case, In re Parthemer, Ch. 11 Case No. 15-29830 (Bankr. S.D. Fla.), or the termination of the stay in his chapter 7 bankruptcy case pursuant to Section 362(c)(2) of the Bankruptcy Code, 11 U.S.C. § 362(c)(2), whichever is first, pay a civil money penalty in the amount of \$160,000 to the Securities and Exchange Commission.

Disclosure 2 of 3



Reporting Source:	Regulator
Regulatory Action Initiated By:	New Jersey Bureau of Securities
Sanction(s) Sought:	Revocation
Date Initiated:	09/11/2015
Docket/Case Number:	N/A
URL for Regulatory Action:	http://www.njconsumeraffairs.gov/Actions/Parthemer_Aaron_Robert_CRD2546369_Summary_Revocation_Order_09_11_2015.pdf
Employing firm when activity occurred which led to the regulatory action:	Wells Fargo Advisors, LLC (CRD# 19616) and Morgan Stanley Smith Barney (CRD# 149777)
Product Type:	No Product
Allegations:	Parthemer is the subject of an order of a self-regulatory organization expelling him from a self-regulatory organization. Parthemer has engaged in dishonest or unethical practices in the securities business.
Current Status:	Final
Resolution:	Order
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Resolution Date:	09/11/2015
Sanctions Ordered:	Revocation Other: Parthemer is denied all exemptions contained in N.J.S.A. 49:3-50 subsections (a) paragraph 9, 10, and 11 and subsection (b); and it is further ORDERED that the exemptions to the registration requirements provided by N.J.S.A. 49:3-56(b), N.J.S.A. 49:3-56(c) and N.J.S.A. 49:3-56(g) are hereby revoked.

Disclosure 3 of 3

Reporting Source: Regulator



Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	04/22/2015
Docket/Case Number:	2011030405801
Employing firm when activity occurred which led to the regulatory action:	MORGAN STANLEY SMITH BARNEY; WELLS FARGO ADVISORS, LLC
Product Type:	Other: PRIVATE SECURITIES
Allegations:	<p>WITHOUT ADMITTING OR DENYING THE FINDINGS, PARTHEMER CONSENTED TO THE SANCTION AND TO THE ENTRY OF FINDINGS THAT HE ENGAGED IN SEVERAL OUTSIDE BUSINESS ACTIVITIES WITHOUT PROVIDING PRIOR NOTICE TO, OR RECEIVING APPROVAL FROM, HIS MEMBER FIRMS. THE FINDINGS STATED THAT PARTHEMER LOANED APPROXIMATELY \$399,500 TO CUSTOMERS OF ONE OF HIS FIRMS WITHOUT PERMISSION. AT THE TIME, THE FIRM'S PROCEDURES PROHIBITED LOANS TO A FIRM CUSTOMER UNLESS THE CUSTOMER WAS AN IMMEDIATE FAMILY MEMBER OF THE REPRESENTATIVE AND THE LOAN WAS NOT SECURITIES RELATED. PARTHEMER'S LOANS WERE TO CUSTOMERS WHO NOT IMMEDIATE FAMILY MEMBERS, AND THE LOANS WERE NOT SECURITIES RELATED. THE FINDINGS ALSO STATED THAT PARTHEMER PRESENTED TO FIRM CUSTOMERS AN UNDISCLOSED PRIVATE SECURITY IN WHICH THE CUSTOMERS ULTIMATELY INVESTED IN APPROXIMATELY \$3.08 MILLION OF PREFERRED STOCK OF A COMPANY. PARTHEMER'S CUSTOMER'S INVESTMENTS WERE OUTSIDE THE COURSE AND SCOPE OF HIS EMPLOYMENT WITH HIS FIRMS, AND HE DID NOT SEEK OR OBTAIN WRITTEN APPROVAL FROM THE FIRMS TO PARTICIPATE IN THE TRANSACTIONS. THE FINDINGS ALSO INCLUDED THAT ON MULTIPLE OCCASIONS PARTHEMER PROVIDED FALSE INFORMATION AND FALSE DOCUMENTS IN RESPONSE TO FINRA'S REQUEST FOR INFORMATION. FINRA FOUND THAT PARTHEMER FALSELY REPRESENTED TO HIS FIRMS IN COMPLIANCE QUESTIONNAIRES THAT HE WAS NOT PARTICIPATING IN ANY OUTSIDE BUSINESS ACTIVITIES THAT REQUIRED DISCLOSURE AND THAT HE HAD NOT PARTICIPATED IN ANY PRIVATE SECURITIES TRANSACTIONS.</p>
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:

04/22/2015

Sanctions Ordered:

Bar (Permanent)

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

No

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



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

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

Sanction 1 of 1

Sanction Type: Bar (Permanent)

Capacities Affected: All Capacities

Duration:

Start Date: 04/22/2015

End Date:



Reporting Source:	Firm
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Bar
Date Initiated:	04/22/2015
Docket/Case Number:	2011030405801
Employing firm when activity occurred which led to the regulatory action:	MORGAN STANLEY SMITH BARNEY LLC AND WELLS FARGO ADVISORS, LLC
Product Type:	Equity-OTC
Allegations:	OUTSIDE BUSINESS ACTIVITIES, LOANS TO CUSTOMERS, PRIVATE SECURITIES TRANSACTIONS, FALSE WRITTEN RESPONSES TO FINRA 8210 REQUESTS, FALSE COMPLIANCE QUESTIONNAIRES.
Current Status:	Final
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	04/22/2015
Sanctions Ordered:	Bar (Permanent) Other: N/A
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:	Bar (Permanent)
Capacities Affected:	ALL CAPACITIES
Duration:	
Start Date:	04/22/2015
End Date:	



Customer Dispute - Award / Judgment

This type of disclosure event involves a final, consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the named broker that resulted in an arbitration award or civil judgment for the customer.

Disclosure 1 of 3

Reporting Source:	Regulator
Employing firm when activities occurred which led to the complaint:	Morgan Stanley Smith Barney, LLC and Wells Fargo Advisors, LLC
Allegations:	Parthemer was a subject of the customer's complaint against his member firms that asserted the following causes of action: breach of fiduciary duty; negligence and gross negligence; violations of FINRA Rules 2111, 3110 and 3120; and negligent supervision.
Product Type:	Other: private securities
Alleged Damages:	\$8,853,842.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [FINRA - CASE #16-02052](#)

Date Notice/Process Served:	07/15/2016
Arbitration Pending?	No
Disposition:	Award
Disposition Date:	12/26/2018
Disposition Detail:	Parthemer was a Subject Of the customer's complaint alleging Parthemer and Morgan Stanley Smith Barney, LLC caused sales practice violations. Morgan Stanley Smith Barney, LLC is liable for negligence, negligent supervision, and violation of FINRA Rules 3110 and 3120, and shall pay to Claimant James Groves the sum of \$2,379,000.00 in compensatory damages, plus \$953,000.00 in pre-judgment interest and post-judgment interest, and shall pay to Claimant Asante Samuel the sum of \$863,700.00 in compensatory damages, plus \$15,300.00 in pre-judgment interest and post-judgment interest.

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Morgan Stanley Smith Barney



Allegations: Claimants alleged, inter alia, that FA solicited to them outside investment opportunities that were unauthorized by the firm.

Product Type: Other: Miscellaneous

Alleged Damages: \$7,818,162.85

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 #: 16-02052

Filing date of arbitration/CFTC reparation or civil litigation: 07/15/2016

Customer Complaint Information

Date Complaint Received: 07/30/2016

Complaint Pending? No

Status: Arbitration Award/Monetary Judgment (for claimants/plaintiffs)

Status Date: 12/26/2018

Settlement Amount: \$4,232,908.78

Individual Contribution Amount: \$0.00

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Morgan Stanley Smith Barney and Wells Fargo Advisors, LLC

Allegations: Claimants allege that the FA made unsuitable recommendations which included recommendations for investments in outside activities.

Product Type: Other: Miscellaneous

Alleged Damages: \$7,818,162.85

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 #: 16-02052

Filing date of arbitration/CFTC reparation or civil litigation: 07/15/2016

Customer Complaint Information

Date Complaint Received: 07/30/2016

Complaint Pending? No

Status: Settled

Status Date: 11/01/2017

Settlement Amount: \$360,000.00

Individual Contribution Amount: \$0.00

Firm Statement Without admitting any liability, the Firm settled the matter for \$360,000.00 to avoid further costs of arbitration.

Disclosure 2 of 3

Reporting Source: Regulator

Employing firm when activities occurred which led to the complaint: Morgan Stanley Smith Barney, LLC

Allegations: Negligence, gross negligence, breach of contract, fraud, fraudulent misrepresentation, negligent misrepresentation, fraud in the inducement, and breach of fiduciary duty

Product Type: Other: private placement

Alleged Damages: \$200,000.00

Arbitration Information



Arbitration/Reparation Claim filed with and Docket/Case No.: [FINRA - CASE #15-01066](#)

Date Notice/Process Served: 05/11/2015

Arbitration Pending? No

Disposition: Award

Disposition Date: 05/23/2016

Disposition Detail: Parthemer was a subject of the customer's Statement of Claim for this arbitration alleging that he with his member firm contributed to the sales practice violations. Respondent is liable and shall pay to the Claimants compensatory damages totaling \$206,000.00, plus interest.

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: MSSB

Allegations: CLAIMANTS ALLEGE, INTER ALIA, THAT IN JUNE 2009 AND APRIL 2010 THE FA RECOMMENDED AN INVESTMENT THAT WAS NOT AUTHORIZED BY THE FIRM.

Product Type: No Product

Alleged Damages: \$200,000.00

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 #: 15-01066

Filing date of arbitration/CFTC reparation or civil litigation: 05/11/2015

Customer Complaint Information

Date Complaint Received: 05/13/2015



Complaint Pending?	No
Status:	Arbitration Award/Monetary Judgment (for claimants/plaintiffs)
Status Date:	05/23/2016
Settlement Amount:	\$209,920.84
Individual Contribution Amount:	\$0.00

Disclosure 3 of 3

Reporting Source:	Regulator
Employing firm when activities occurred which led to the complaint:	Morgan Stanley Smith Barney, LLC
Allegations:	Negligence, gross negligence, breach of contract, fraud, fraudulent misrepresentation, negligent misrepresentation, fraud in the inducement, and breach of fiduciary duty.
Product Type:	Other: private placements
Alleged Damages:	\$700,000.00
Arbitration Information	
Arbitration/Reparation Claim filed with and Docket/Case No.:	FINRA - CASE #15-01077
Date Notice/Process Served:	05/12/2015
Arbitration Pending?	No
Disposition:	Award
Disposition Date:	05/23/2016
Disposition Detail:	Parthemer was a subject of the customer's Statement of Claim for this arbitration alleging that he with his member firm contributed to the sales practice violations. Respondent is liable and shall pay to Claimants compensatory damages of \$608,300.00, plus interest.

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



Employing firm when activities occurred which led to the complaint:	MSSB
Allegations:	CLAIMANT ALLEGES, INTER ALIA, THAT FROM JUNE 2009 AND AUGUST 2010 THE FA RECOMMENDED INVESTMENTS THAT WERE AUTHORIZED BY THE FIRM.
Product Type:	No Product
Alleged Damages:	\$700,000.00
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 #:	15-01077
Filing date of arbitration/CFTC reparation or civil litigation:	05/12/2015

Customer Complaint Information

Date Complaint Received:	05/14/2015
Complaint Pending?	No
Status:	Arbitration Award/Monetary Judgment (for claimants/plaintiffs)
Status Date:	05/23/2016
Settlement Amount:	\$614,995.60
Individual Contribution Amount:	\$0.00

End of Report



This page is intentionally left blank.