

**BrokerCheck Report**

**DANIEL GORDON MAUGHAN**

CRD# 2561363

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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](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)

**Thank you for using FINRA BrokerCheck.**

**DANIEL G. MAUGHAN**

CRD# 2561363

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

### Registration History

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

- B FINANCIAL WEST GROUP**  
CRD# 16668  
LOS ANGELES, CA  
05/2010 - 08/2017
- B WEDBUSH SECURITIES INC.**  
CRD# 877  
LOS ANGELES, CA  
02/2002 - 05/2010
- B METLIFE SECURITIES INC.**  
CRD# 14251  
SPRINGFIELD, MA  
08/2001 - 01/2002

### 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
Regulatory Event	1
Customer Dispute	4
Termination	1

### Investment Adviser Representative Information

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

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

## Broker Qualifications



### Registrations

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

This broker is not currently registered.



## Broker Qualifications

### Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below.

**This individual has passed 0 principal/supervisory exams, 3 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>B</b> Securities Industry Essentials Examination	SIE	08/17/2017
<b>B</b> Futures Managed Funds Examination	Series 31	06/23/1997
<b>B</b> General Securities Representative Examination	Series 7	03/17/1997

### State Securities Law Exams

Exam	Category	Date
<b>IA</b> Uniform Investment Adviser Law Examination	Series 65	05/12/1997
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	04/10/1997

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/).

## Broker Qualifications



## Professional Designations

This section details that the representative has reported **0** professional designation(s).

No information reported.



## Registration and Employment History

### Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
<b>B</b> 05/2010 - 08/2017	FINANCIAL WEST GROUP	16668	LOS ANGELES, CA
<b>B</b> 02/2002 - 05/2010	WEDBUSH SECURITIES INC.	877	LOS ANGELES, CA
<b>B</b> 08/2001 - 01/2002	METLIFE SECURITIES INC.	14251	SPRINGFIELD, MA
<b>B</b> 08/2001 - 01/2002	METROPOLITAN LIFE INSURANCE COMPANY	4095	NEW YORK, NY
<b>B</b> 03/1997 - 03/2001	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	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
05/2010 - Present	FINANCIAL WEST GROUP	REGISTERED REP	Y	WESTLAKE VILLAGE, CA, 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. Deferred Sales Trust. Non-Investment related. Address: 805 S. Windsor Blvd., Los Angeles, CA 90005. Nature of business: Estate Planning Team. Position/Title: N/A. Start date: 06/30/2015. Number of hours devoted during securities trading hours: 40% of time. Duties: Refer prospects to Estate Planning Team for possible participation/transition of Deferred Sales Trust. Once engaged Rep will implement the investment proposal by allocating funds to income producing alternative investments and managed accounts.



## 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
Customer Dispute	0	4	N/A
Termination	N/A	1	N/A





## Disclosure Event Details

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

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

### Regulatory - Final

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

#### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	Other: N/A
<b>Date Initiated:</b>	08/14/2019
<b>Docket/Case Number:</b>	<a href="#">2017054755206</a>
<b>Employing firm when activity occurred which led to the regulatory action:</b>	Financial West Group
<b>Product Type:</b>	Options Other: Exchange-traded funds and exchange traded notes
<b>Allegations:</b>	Maughan was named a respondent in a FINRA complaint alleging that he churned and excessively traded a customer's trust account at his member firm. The complaint alleges that by churning the customer's trust account, Maughan willfully violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and also violated FINRA Rule 2020. Maughan exercised de facto control over the trust account and made all investment decisions in it, including what securities to buy and sell, the quantities of the securities to buy and sell, and when each transaction would occur. Maughan executed trades in the trust account with a principal value of all purchases and sales in excess of \$70 million and the annualized cost-to-equity ratio-the percentage the account had to appreciate to break even-was



21.06. Maughan's churning and excessive trading was quantitatively unsuitable and generated commissions and costs totaling approximately \$841,000 while causing the account to incur realized and unrealized losses of approximately \$812,000. Maughan also recommended qualitatively unsuitable trades in the trust account involving options and non-traditional Exchange-Traded Funds (ETFs) and an Exchange Traded Note (ETN).

<b>Current Status:</b>	Final
<b>Resolution:</b>	Decision & Order of Offer of Settlement
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	Yes
<b>Resolution Date:</b>	10/15/2019
<b>Sanctions Ordered:</b>	Bar (Permanent)
<b>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?</b>	Yes
<b>(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?</b>	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

#### **Sanction 1 of 1**

**Sanction Type:** Bar (Permanent)

**Capacities Affected:** All Capacities

**Duration:** indefinite

**Start Date:** 10/15/2019

**End Date:**



## Regulator Statement

Without admitting or denying the allegations, Maughan consented to the sanction and to the entry of findings that he churned and excessively traded a customer's trust account. The findings stated that Maughan executed trades with a principal value of all purchases and sales in excess of \$70 million, in the trust account. Maughan's churning and excessive trading generated commissions and costs totaling approximately \$841,000 while causing the account to incur realized and unrealized losses of approximately \$812,000. By churning the trust account, Maughan willfully violated Section 10(b) of the Exchange Act of 1934 and Rule 10b-5 thereunder, and violated FINRA Rule 2020. Maughan exercised de facto control over the trust account and made all investment decisions in it, including what securities to buy and sell, the quantities of the securities to buy and sell, and when each transaction would occur. The level of activity in the trust account was inconsistent with the customers', a husband and wife, objectives and financial situation. The findings also stated that moreover, the trading was excessive and quantitatively unsuitable for them-as evidenced by the annualized turnover rate (8.36) and the annualized cost-to-equity ratio (21.06 percent), as well as the size and frequency of the transactions. Through Maughan's churning of the trust account and by seeking to maximize his own financial benefit at the expense of his customers, he acted either with the intent to defraud (scienter) or with reckless disregard for the customers' interests. The findings also stated that Maughan recommended qualitatively unsuitable trades in the trust account involving options and non-traditional Exchange-Traded Funds and an Exchange Traded Note. Maughan lacked a reasonable basis to believe that his recommended transactions were suitable for the customers.



## Customer Dispute - Settled

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

### Disclosure 1 of 4

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	FINANCIAL WEST GROUP
<b>Allegations:</b>	Breach of fiduciary duty, Negligence, Breach at contract, and misrepresentation
<b>Product Type:</b>	Equity-OTC Options Penny Stock
<b>Alleged Damages:</b>	\$1,500,000.00

### Arbitration Information

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

FINRA

<b>Docket/Case #:</b>	15-02211
<b>Date Notice/Process Served:</b>	09/09/2015
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	03/29/2017
<b>Monetary Compensation Amount:</b>	\$550,000.00
<b>Individual Contribution Amount:</b>	\$0.00

### Broker Statement

In response to this matter, I assert that I acted at the client's behest and in their best interest at all times. Unfortunately, due to the client's unrealistic expectations, negative consequences were realized and the responsibility for that was placed squarely on my shoulders. I vehemently disagree with the settlement, of which I was not a contributing party to.

### Disclosure 2 of 4

<b>Reporting Source:</b>	Broker
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<b>Employing firm when activities occurred which led to the complaint:</b>	WEDBUSH MORGAN SECURITIES
<b>Allegations:</b>	STATEMENT OF CLAIM ALLEGES BREACH OF FIDUCIARY DUTIES, NEGLIGENT MISREPRESENTATION, NEGLIGENCE, FRAUD CONVERSION UNSUITABLE ADVICE, BREACH OF CONTRACT AND LACK OF SUPERVISION. CLIENT ALSO ALLEGES FAILURE TO FOLLOW WRITTEN AND VERBAL INSTRUCTIONS AND UNAUTHORIZED PURCHASE.
<b>Product Type:</b>	Equity-OTC Mutual Fund Other: EXCHANGE TRADED FUND
<b>Alleged Damages:</b>	\$50,000.00
<b>Arbitration Information</b>	
<b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b>	FINRA
<b>Docket/Case #:</b>	09-02496
<b>Date Notice/Process Served:</b>	07/13/2009
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	04/15/2010
<b>Monetary Compensation Amount:</b>	\$10,000.00
<b>Individual Contribution Amount:</b>	\$0.00
<b>Broker Statement</b>	CLIENT CLAIMED I REFUSED TO SELL HER ACCOUNT, EVEN THOUGH SHE NEVER GAVE ME A CLIENT ORDER TO LIQUIDATE. FIRM SETTLED FOR BUSINESS PURPOSES. I WAS IN NO WAY INVOLVED IN THE SETTLEMENT AND DID NOT AGREE WITH IT.

#### Disclosure 3 of 4

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	MERRILL LYNCH, PIERCE, FENNER & SMITH INC.



**Allegations:** IN CONNECTION WITH STOCK PURCHASES IN FEBRUARY 2000, PLAINTIFFS ALLEGE, AMONG OTHER THINGS, CHURNING, UNAUTHORIZED TRADING AND UNSUITABILITY. NO SPECIFIC DAMAGES ALLEGED.

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

**Alleged Damages:** \$0.00

### Customer Complaint Information

**Date Complaint Received:** 12/18/2002

**Complaint Pending?** No

**Status:** Litigation

**Status Date:** 12/18/2002

**Settlement Amount:**

**Individual Contribution Amount:**

### Civil Litigation Information

**Court Details:** SUPERIOR COURT OF CALIFORNIA, LOS ANGELES COUNTY, CENTRAL DISTRICT CASE NO. BC286786

**Date Notice/Process Served:** 12/18/2002

**Litigation Pending?** No

**Disposition:** Settled

**Disposition Date:** 10/13/2003

**Monetary Compensation Amount:** \$46,000.00

**Individual Contribution Amount:** \$0.00

**Firm Statement** WE SETTLED THIS MATTER FOR BUSINESS REASONS.

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**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH,PIERCE,FENNER & SMITH, INC.

**Allegations:** IN CONNECTION WITH STOCK PURCHASES IN FEBRUARY 2000, PLAINTIFFS ALLEGE, AMONG OTHER THINGS, CHURNING, ANAUTHORIZED



TRADING AND UNSUITABILITY. NO SPECIFIC DAMAGES ALLEGED.

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

**Alleged Damages:** \$0.00

### Customer Complaint Information

**Date Complaint Received:** 12/18/2002

**Complaint Pending?** No

**Status:** Evolved into Civil litigation (the individual is a named party)

**Status Date:** 10/13/2003

**Settlement Amount:**

**Individual Contribution Amount:**

### Civil Litigation Information

**Type of Court:** Federal Court

**Name of Court:** SUPERIOR COURT OF CALIFORNIA

**Location of Court:** LOS ANGELES, CA

**Docket/Case #:** BC286786

**Date Notice/Process Served:** 12/18/2002

**Litigation Pending?** No

**Disposition:** Settled

**Disposition Date:** 10/13/2003

**Monetary Compensation Amount:** \$46,000.00

**Individual Contribution Amount:** \$0.00

### Broker Statement

CLIENT HELD POSITIONS IN THE ML HOLDERS DIVIDENDS PAID IN STOCK. EXPLAINED TO CLIENT BUT WIFE DID NOT UNDERSTAND. SHE CALLED TO COMPLAIN ABOUT UNAUTHORIZED PURCHASES. FIRM SETTLED FOR BUSINESS PURPOSES AFTER I WAS GONE. I WAS IN NO WAY A PART OF THE SETTLEMENT AND DID NOT AGREE WITH IT. AFTER NYSE OTR, I WAS EXONORATED OF ANY WRONG DOING.





**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH, PIERCE, FENNER & SMITH INC.

**Allegations:** CLIENT'S DAUGHTER CLAIMS THAT THREE PURCHASES IN HER FATHER'S ACCOUNT WERE UNAUTHORIZED. SHE ADDITIONALLY STATES THAT EVEN IF THE BROKER TALKED TO HER FATHER AND HE AGREED TO THE PURCHASES, IT WASN'T AN AUTHORIZED PURCHASE BECAUSE HER FATHER COULD NOT COMPREHEND THE CONVERSATION.

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

**Other Product Type(s):** MUTUAL FUNDS

**Alleged Damages:** \$99,000.00

### Customer Complaint Information

**Date Complaint Received:** 03/21/2001

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 06/29/2001

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NASD DOCKET NUMBER 01-0202537

**Date Notice/Process Served:** 06/29/2001

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 08/20/2001

**Monetary Compensation Amount:** \$51,321.00

**Individual Contribution Amount:** \$0.00



**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** CLIENT'S DAUGHTER CLAIMS THAT THREE PURCHASES IN HER FATHER'S ACCOUNT WERE UNAUTHORIZED. SHE ADDITIONALLY STATES THAT EVEN IF THE BROKER TALKED TO HER FATHER AND HE AGREED TO THE PURCHASES, IT WASN'T AN AUTHORIZED PURCHASE BECAUSE HE COULD NOT COMPREHEND THE CONVERSATION.

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

**Alleged Damages:** \$99,000.00

**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:** NASD

**Docket/Case #:** 01-0202537

**Filing date of arbitration/CFTC reparation or civil litigation:** 06/29/2001

### Customer Complaint Information

**Date Complaint Received:** 03/21/2001

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 08/20/2001

**Settlement Amount:** \$51,321.00

**Individual Contribution Amount:** \$0.00

### Arbitration Information

**Disposition:** Settled

**Disposition Date:** 08/20/2001



**Broker Statement**

CLIENT'S DAUGHTER CALLED TO COMPLAIN ABOUT UNAUTHORIZED ORDERS ON FATHER'S BEHALF AS SHE CLAIMED HE WAS UNABLE TO UNDERSTAND. I WAS UNABLE TO CANCEL THE IOI AS I WAS TERMINATED ON THE SPOT. FIRM SETTLED FOR BUSINESS PURPOSES. I WAS NO PART OF THE SETTLEMENT AND DID NOT AGREE WITH IT. AFTER NYSE OTR, I WAS EXONERATED OF ANY WRONG DOING.



## 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

<b>Reporting Source:</b>	Broker
<b>Employer Name:</b>	MERRILL LYNCH
<b>Termination Type:</b>	Discharged
<b>Termination Date:</b>	02/07/2001
<b>Allegations:</b>	ENTERED ORDERS IN CLIENTS ACCOUNTS WITHOUT PRIOR CONSENT.
<b>Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Types:</b>	
<b>Broker Statement</b>	DURING THE MONTH OF JANUARY 2001, MERRILL LYNCH WAS OFFERING A REIT AND A PREFERRED. I BEGAN CONTACTING INCOME ORIENTED CLIENTS FROM A MONEY FUNDS LIST. I RECOVERED SEVERAL INDICATIONS OF INTEREST. THE DAY I ENTERED THE IOI'S, I WAS EXTREMELY ILL AND WENT HOME EARLY. FOUR DAYS LATER OVER A WEEKEND I CAME BACK TO LEARN I HAD MADE SEVERAL ERRORS.

## End of Report



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