

BrokerCheck Report

SHARON MELINDA KWAN

CRD# 2578627

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Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

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.

SHARON M. KWAN

CRD# 2578627

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

- B** **ROYAL ALLIANCE ASSOCIATES, INC.**
 105 S. FIRST AVENUE
 ARCADIA, CA 91006
 CRD# 23131
 Registered with this firm since: 11/13/2013

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
- 3 U.S. states and territories

This broker has passed:

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

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

- IA** **NATIONAL PLANNING CORPORATION**
 ("NPC OF AMERICA" IN FL & NY)
 CRD# 29604
 LOS ANGELES, CA
 08/2011 - 10/2013
- B** **NATIONAL PLANNING CORPORATION**
 CRD# 29604
 ARCADIA, CA
 04/2009 - 10/2013
- B** **ROYAL ALLIANCE ASSOCIATES, INC.**
 CRD# 23131
 ORANGE, CA
 02/1995 - 05/2009

**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 | 3 |
| 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 3 U.S. states and territories through his or her employer.

Employment 1 of 1

Firm Name: **ROYAL ALLIANCE ASSOCIATES, INC.**

Main Office Address: **10 EXCHANGE PLACE
SUITE 1410
JERSEY CITY, NJ 07302**

Firm CRD#: **23131**

| SRO | Category | Status | Date |
|----------------|-----------------------------------|----------|------------|
| B FINRA | General Securities Representative | APPROVED | 11/13/2013 |

| U.S. State/ Territory | Category | Status | Date |
|-----------------------|----------|----------|------------|
| B California | Agent | APPROVED | 11/13/2013 |
| B Texas | Agent | APPROVED | 11/13/2013 |
| B Utah | Agent | APPROVED | 11/13/2013 |

Branch Office Locations

ROYAL ALLIANCE ASSOCIATES, INC.
105 S. FIRST AVENUE
ARCADIA, CA 91006



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 1 state securities law exam.

Principal/Supervisory Exams

| Exam | Category | Date |
|--------------------------|----------|------|
| No information reported. | | |

General Industry/Product Exams

| Exam | Category | Date |
|--|----------|------------|
| B Securities Industry Essentials Examination | SIE | 10/01/2018 |
| B General Securities Representative Examination | Series 7 | 08/28/1997 |
| B Investment Company Products/Variable Contracts Representative Examination | Series 6 | 02/22/1995 |

State Securities Law Exams

| Exam | Category | Date |
|---|-----------|------------|
| B Uniform Securities Agent State Law Examination | Series 63 | 05/15/1995 |

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 **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 |
|----------------------|---|-------|-----------------|
| IA 08/2011 - 10/2013 | NATIONAL PLANNING CORPORATION ("NPC OF AMERICA" IN FL & NY) | 29604 | ARCADIA, CA |
| B 04/2009 - 10/2013 | NATIONAL PLANNING CORPORATION | 29604 | ARCADIA, CA |
| B 02/1995 - 05/2009 | ROYAL ALLIANCE ASSOCIATES, INC. | 23131 | ORANGE, CA |

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 |
|-------------------|-------------------------------|---------------------------|--------------------|----------------------------|
| 10/2013 - Present | ROYAL ALLIANCE | REGISTERED REP | Y | ARCADIA, CA, United States |
| 04/2009 - 10/2013 | NATIONAL PLANNING CORPORATION | REGISTERED REPRESENTATIVE | Y | ORANGE, 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. SMK FIN'L SVCS INC - YES - PROP/CASUALTY/LIFE/HEALTH INS - AGENT - 2/98 - 60HR/MO - SELL P/C INS.

2. SMK INSURANCE AGENCY

POSITION: Owner/President NATURE: I own SMK Insurance Agency and SMK Financial Services Inc. I sell P/C, life, and health insurance.

INVESTMENT RELATED: Yes NUMBER OF HOURS: 60 SECURITIES TRADING HOURS: 10 START DATE: 02/01/1998

ADDRESS: 1 E. Foothill Blvd. #A, Arcadia CA 91006, United States

DESCRIPTION: I am an agent for P/C, health, and life.

3. INTERNATIONAL CHINESE WOMEN ORGANIZATION

POSITION: president NATURE: Successful women join organization to promote support and friendship. INVESTMENT RELATED: No NUMBER OF HOURS: 3 SECURITIES TRADING HOURS: 0 START DATE: 01/01/2017



Registration and Employment History

Other Business Activities, continued

ADDRESS: 757 Anoakia Lane, Arcadia CA 91006, United States

DESCRIPTION: I preside quarterly meetings with members. My duties is to make sure members get connected and get support from one another. I inform members of local activities from other organizations.

4. RANCHO SANTA ANITA PROPERTY OWNERS ASSOCIATION

POSITION: president NATURE: This is my homeowner's association. My mission is to preserve and protect the integrity of the neighborhood in architecture, security and maintenance of homes in our association. My job is to make sure residents are aware of codes and regulations.

INVESTMENT RELATED: No NUMBER OF HOURS: 6 SECURITIES TRADING HOURS: 0 START DATE: 01/01/2015

ADDRESS: 757 Anoakia Lane, Arcadia CA 91006, United States

DESCRIPTION: I preside in monthly meetings. I make members aware of city codes and regulations regarding to our neighborhood. My discussion topics include architectural review, security new construction, city zoning regulations, utility tax neighborhood patrol city building code and membership.

5. UCHICAGO DEAN'S PARENT AND FAMILY COUNCIL

POSITION: Vice Chair Dean's Parent and Family Council NATURE: University of Chicago INVESTMENT RELATED: No NUMBER OF HOURS: 3 SECURITIES TRADING HOURS: 0 START DATE: 01/01/2020

ADDRESS: 1116 East 59th St. HM152, Chicago IL 60637, United States

DESCRIPTION: Act as liaison between UChicago and parents of recently accepted undergraduate students. Answer questions from incoming freshmen of UChicago. Hold Gatherings that build community between current UChicago members and the new incoming parents.

6. DOWNTOWN ARCADIA IMPROVEMENT ASSOCIATION

POSITION: Board Member NATURE: Non profit organization INVESTMENT RELATED: No NUMBER OF HOURS: 5 SECURITIES TRADING HOURS: 0 START DATE: 01/01/2020

ADDRESS: P.O. Box 661960, Arcadia CA 91066, United States

DESCRIPTION: Try to help to revitalize downtown Arcadia.
Meet regularly to discuss ways to best use the budget allocation.



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 | 3 | 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

Reporting Source: Regulator

Regulatory Action Initiated By: FINRA

Sanction(s) Sought:

Date Initiated: 09/19/2017

Docket/Case Number: [2013038528501](#)

Employing firm when activity occurred which led to the regulatory action: National Planning Corporation

Product Type: No Product

Allegations: Without admitting or denying the findings, Kwan consented to the sanctions and to the entry of findings that between April 2009 and April 2013 she participated in undisclosed outside business activities involving her member firm's customers without providing prior written notice to the firm, as required. The findings stated that Kwan participated in undisclosed real estate activities with the firm's customers, (who were also personal friends), involving residential properties. Kwan did not disclose her real estate activities to the firm until April 2013. The findings also stated that Kwan provided inaccurate annual firm compliance attestations regarding her outside business activities, real estate activities. The findings also included that notwithstanding the firm's policy prohibition, Kwan opened and maintained two joint bank accounts with a firm customer in furtherance of their real



estate activities. Kwan's customer deposited almost \$1.4 million into the two accounts. Kwan deposited an almost equal amount into the same two accounts. Kwan did not disclose and her firm did not approve of Kwan's joint bank accounts with her firm's customer. Kwan also provided inaccurate annual firm compliance attestations regarding her joint bank accounts with a firm customer.

| | |
|---|---|
| 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: | 09/19/2017 |
| Sanctions Ordered: | Civil and Administrative Penalty(ies)/Fine(s) Suspension |
| If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise? | No |
| (1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation? | |



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

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

Sanction 1 of 1

| | |
|-----------------------------|----------------|
| Sanction Type: | Suspension |
| Capacities Affected: | All capacities |
| Duration: | Four months |
| Start Date: | 10/16/2017 |
| End Date: | 02/15/2018 |



Monetary Sanction 1 of 1

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

Total Amount: \$15,000.00

Portion Levied against individual: \$15,000.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual: 10/18/2017

Was any portion of penalty waived? No

Amount Waived:

Reporting Source: Broker

Regulatory Action Initiated By: FINRA

Sanction(s) Sought: Civil and Administrative Penalty(ies)/Fine(s)
Suspension

Date Initiated: 09/19/2017

Docket/Case Number: [2013038528501](#)

Employing firm when activity occurred which led to the regulatory action: NATIONAL PLANNING CORPORATION

Product Type: No Product

Allegations: I had an outside Business Activity that was not disclosed.

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: 09/19/2017
Sanctions Ordered: Civil and Administrative Penalty(ies)/Fine(s)
Suspension

Sanction 1 of 1

Sanction Type: Suspension
Capacities Affected: All capacities
Duration: four months
Start Date: 10/16/2017
End Date: 02/15/2018

Monetary Sanction 1 of 1

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

Total Amount: \$15,000.00

Portion Levied against individual: \$15,000.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual: 10/18/2017

Was any portion of penalty waived? No

Amount Waived:



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 3

| | |
|--|--|
| Reporting Source: | Broker |
| Employing firm when activities occurred which led to the complaint: | Royal Alliance Associates, Inc. |
| Allegations: | Customer alleges misrepresentation in December 2019 purchase of mutual funds. |
| Product Type: | Mutual Fund |
| Alleged Damages: | \$5,000.00 |
| Alleged Damages Amount Explanation (if amount not exact): | The Firm has made a good faith determination that the alleged damages exceed \$5000. |
| 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: | 05/05/2020 |
| Complaint Pending? | No |
| Status: | Denied |
| Status Date: | 06/05/2020 |
| Settlement Amount: | |
| Individual Contribution Amount: | |
| Broker Statement | Representative denies any misrepresentation or other wrongdoing regarding this matter. |

Disclosure 2 of 3



Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: ROYAL ALLIANCE ASSOCIATES, INC.

Allegations: ALLEGE VUL SOLD ON 3/6/2002 WAS PAID FOR BY THE SURRENDER OF A LIFE POLICY, AND THE TRANSACTIONS WERE FOR THE PURPOSE OF GENERATING COMMISSIONS RATHER THAN THE BENEFIT OF THE CLIENT.

Product Type: Annuity(ies) - Variable

Other Product Type(s): VARIABLE LIFE.

Alleged Damages: \$6,989.00

Customer Complaint Information

Date Complaint Received: 08/30/2002

Complaint Pending? No

Status: Withdrawn

Status Date: 09/12/2002

Settlement Amount:

Individual Contribution Amount:

Disclosure 3 of 3

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: ROYAL ALLIANCE ASSOCIATES INC

Allegations: OMISSION OF MATERIAL FACT WITH REGARDS TO EXPENSES/SURRENDER CHARGES ON VARIABLE ANNUITIES SOLD APRIL 2000.

Product Type: Annuity(ies) - Variable

Alleged Damages: \$6,000.00

Customer Complaint Information

Date Complaint Received: 07/03/2000

Complaint Pending? No

Status: Denied



Status Date: 07/07/2000

Settlement Amount:

Individual Contribution Amount:

Broker Statement

THE CUSTOMER'S CLAIM WAS DENIED DUE TO THE FACT THAT SHE RECEIVED AND SIGNED RECEIPT OF PROSPECTUS AND DISCLAIMERS FOR HER INVESTMENTS.



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: Firm
Employer Name: NATIONAL PLANNING CORPORATION
Termination Type: Discharged
Termination Date: 09/25/2013
Allegations: REPRESENTATIVE DID NOT DISCLOSE TO THE FIRM A BANK ACCOUNT WHICH SHE SHARED WITH A CLIENT.
Product Type: No Product

Reporting Source: Broker
Employer Name: NPC
Termination Type: Discharged
Termination Date: 09/25/2013
Allegations: DID NOT DISCLOSE JOINT CHECKING ACCOUNT WITH CLIENT.
Product Type: No Product

End of Report



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