

## BrokerCheck Report

### GARY WAYNE HAMMOND

CRD# 2660432

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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](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.**

**GARY W. HAMMOND**

CRD# 2660432

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:**

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

**Registration History**

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

- B HORNOR, TOWNSEND & KENT, INC.**  
CRD# 4031  
CHARLOTTE, NC  
08/2017 - 12/2017
- B MML INVESTORS SERVICES, LLC**  
CRD# 10409  
CHARLOTTE, NC  
03/2017 - 05/2017
- B MSI FINANCIAL SERVICES, INC.**  
CRD# 14251  
CHARLOTTE, NC  
08/2000 - 03/2017

**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	10
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 2 principal/supervisory exams, 2 general industry/product exams, and 3 state securities law exams.**

### Principal/Supervisory Exams

Exam	Category	Date
<b>B</b> General Securities Sales Supervisor - General Module Examination	Series 10	03/29/2000
<b>B</b> General Securities Sales Supervisor - Options Module Examination	Series 9	03/29/2000

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> Securities Industry Essentials Examination	SIE	12/04/2017
<b>B</b> General Securities Representative Examination	Series 7	10/25/1995

### State Securities Law Exams

Exam	Category	Date
<b>B IA</b> Uniform Combined State Law Examination	Series 66	12/01/2006
<b>IA</b> Uniform Investment Adviser Law Examination	Series 65	11/29/1999
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	10/26/1995

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/](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> 08/2017 - 12/2017	HORNOR, TOWNSEND & KENT, INC.	4031	CHARLOTTE, NC
<b>B</b> 03/2017 - 05/2017	MML INVESTORS SERVICES, LLC	10409	CHARLOTTE, NC
<b>B</b> 08/2000 - 03/2017	MSI FINANCIAL SERVICES, INC.	14251	CHARLOTTE, NC
<b>B</b> 08/2000 - 07/2007	METROPOLITAN LIFE INSURANCE COMPANY	4095	CHARLOTTE, NC
<b>B</b> 07/2000 - 08/2000	PARK AVENUE SECURITIES LLC	46173	NEW YORK, NY
<b>B</b> 05/1999 - 07/2000	PARK AVENUE SECURITIES LLC	46173	NEW YORK, NY
<b>B</b> 10/1995 - 05/1999	GUARDIAN INVESTOR SERVICES CORPORATION	6635	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
08/2017 - Present	HORNOR TOWNSEND & KENT INC	REGISTERED REPRESENTATIVE	Y	HORSHAM, PA, United States
08/2017 - Present	PENN MUTUAL LIFE INSURANCE	AGENT	Y	HORSHAM, PA, United States
04/2017 - 08/2017	Gary Hammond Insurance Company	Owner	N	Stanley, NC, United States
07/2016 - 04/2017	MML INVESTORS SERVICES, LLC	Mass Transfer	Y	CHARLOTTE, NC, United States
07/2016 - 04/2017	Massachusetts Mutual Life Insurance Company	Registered Rep	Y	Springfield, MA, United States
07/2000 - 07/2016	METLIFE SECURITIES, INC.	SALES	Y	CHARLOTTE, NC, United States



## Registration and Employment History

### Employment History, continued

Employment	Employer Name	Position	Investment Related	Employer Location
07/2000 - 07/2016	METROPOLITAN LIFE INS CO	SALES	Y	CHARLOTTE, NC, 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) INSURANCE BROKERAGE | INVESTMENT RELATED: YES | DBA NAME: | POSITION HELD: AGENT- | ADDRESS: 2101 REXFORD RD, STE 150-E, CHARLOTTE, NC 28211 | START DATE: 2017-08-21 | NATURE OF ACTIVITY: MULTI-LINE INSURANCE BROKERAGE- | APPROX HRS PER MTH: 26-40 HOURS | APPROX TRADING HRS PER MTH: 26-40 HOURS | DESCRIPTION OF DUTIES: Insurance sales and service for multiple carriers including Penn Mutual Life Insurance Company.





## 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	1	9	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:** 01/19/2021

**Docket/Case Number:** [2017054137002](#)

**Employing firm when activity occurred which led to the regulatory action:** MSI FINANCIAL SERVICES, INC.

**Product Type:** Other: Private Securities

**Allegations:** Without admitting or denying the findings, Hammond consented to the sanction and to the entry of findings that he participated in private securities transactions totaling \$1,638,000 without providing written notice to his member firm. The findings stated that the transactions involved investments in limited liability companies controlled by Hammond's half-brother. Hammond participated in these transactions by referring investors to his half-brother, attending meetings about the investments and receiving compensation for his referrals. Two of the limited liability company investments turned out to be Ponzi schemes. Hammond referred customers, who invested a total of \$1,019,000, to these fraudulent investments. Additionally, in a firm compliance questionnaire, Hammond falsely answered questions about whether he participated in private securities transactions or



received referral fees outside of his firm.

**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:**

01/19/2021

**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**

<b>Sanction Type:</b>	Bar (Permanent)
<b>Capacities Affected:</b>	All Capacities
<b>Duration:</b>	Indefinite
<b>Start Date:</b>	01/19/2021
<b>End Date:</b>	





## 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

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	MSI Financial Services, Inc.
<b>Allegations:</b>	Plaintiffs alleged Unfair and Deceptive Trade Practices and State Securities Fraud regarding the advisor's recommendation to invest in private securities commencing 2012.
<b>Product Type:</b>	Other: Private Securities
<b>Alleged Damages:</b>	\$25,000.01
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	Alleged damages in excess of \$25,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	No
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	North Carolina Superior Court Division, Mecklenburg County
<b>Docket/Case #:</b>	19CVS12902
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	06/28/2019

### Customer Complaint Information

<b>Date Complaint Received:</b>	07/01/2019
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	12/09/2020
<b>Settlement Amount:</b>	\$680,000.00



**Individual Contribution Amount:** \$0.00

**Firm Statement** Internal Case #201935132

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### Disclosure 2 of 5

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** MSI Financial Services, Inc. f/k/a MetLife Securities

**Allegations:** Plaintiffs alleged Unfair and Deceptive Trade Practices and State Securities Fraud regarding the advisor's recommendation to invest in private securities commencing in 2005 and 2016.

**Product Type:** Other: Private Securities

**Alleged Damages:** \$25,000.01

**Alleged Damages Amount Explanation (if amount not exact):** Alleged damages in excess of \$25,000.00

**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:** North Carolina Superior Court Division, Mecklenburg County

**Docket/Case #:** 19CVS5033

**Filing date of arbitration/CFTC reparation or civil litigation:** 03/18/2019

### Customer Complaint Information

**Date Complaint Received:** 03/21/2019

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 12/24/2020



<b>Settlement Amount:</b>	\$20,000.00
<b>Individual Contribution Amount:</b>	\$0.00
<b>Firm Statement</b>	Internal Case #201934378

### Disclosure 3 of 5

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	MSI Financial Services, Inc. f/k/a MetLife Securities
<b>Allegations:</b>	Plaintiffs alleged Unfair and Deceptive Trade Practices and State Securities Fraud regarding the advisor's recommendation to invest in private securities commencing 1999.
<b>Product Type:</b>	Other: Private Securities
<b>Alleged Damages:</b>	\$25,000.01
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	Alleged damages in excess of \$25,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	No
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	North Carolina Superior Court Division, Mecklenburg County
<b>Docket/Case #:</b>	18CVS22954
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	12/12/2018

### Customer Complaint Information

<b>Date Complaint Received:</b>	12/31/2018
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled





<b>Status Date:</b>	12/18/2020
<b>Settlement Amount:</b>	\$1,190,000.00
<b>Individual Contribution Amount:</b>	\$0.00
<b>Firm Statement</b>	Internal case #201933714

#### Disclosure 4 of 5

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	MSI Financial Services, Inc. f/k/a MetLife Securities
<b>Allegations:</b>	Plaintiffs alleged Unfair and Deceptive Trade Practice, State Securities Fraud regarding an investment into a fictitious entity, in 2008, approximately.
<b>Product Type:</b>	Other: Private Securities
<b>Alleged Damages:</b>	\$25,000.01
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	Alleged damages in excess of \$25,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	No
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	North Carolina Superior Court Division, Mecklenburg County
<b>Docket/Case #:</b>	18CVS24234
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	12/28/2018

#### Customer Complaint Information

<b>Date Complaint Received:</b>	01/07/2019
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled



<b>Status Date:</b>	12/10/2020
<b>Settlement Amount:</b>	\$86,000.00
<b>Individual Contribution Amount:</b>	\$0.00
<b>Firm Statement</b>	Internal Case #201933782

#### Disclosure 5 of 5

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	MSI Financial Services, Inc. f/k/a MetLife Securities
<b>Allegations:</b>	Plaintiff alleged Unfair and Deceptive Trade Practices and State Securities Fraud regarding the advisor's recommendation to invest in private securities, commencing in 2000.
<b>Product Type:</b>	Other: Private securities
<b>Alleged Damages:</b>	\$0.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	Alleged damages in excess of \$25,000.00

#### Civil Litigation Information

<b>Type of Court:</b>	State Court
<b>Name of Court:</b>	North Carolina Superior Court Division
<b>Location of Court:</b>	Mecklenburg County, North Carolina
<b>Docket/Case #:</b>	18CVS19512
<b>Date Notice/Process Served:</b>	10/22/2018
<b>Litigation Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	12/03/2020
<b>Monetary Compensation Amount:</b>	\$975,000.00
<b>Individual Contribution Amount:</b>	\$175,000.00



**Firm Statement**

Internal Case #201833168



## 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

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	MSI Financial Services, Inc.
<b>Allegations:</b>	Complainant alleged the former advisor's investment recommendations were unsuitable, commencing on or about August 2014.
<b>Product Type:</b>	Other: Advisory Account
<b>Alleged Damages:</b>	\$0.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	It is believed the potential damages would exceed the reporting threshold.
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

### Customer Complaint Information

<b>Date Complaint Received:</b>	02/26/2018
<b>Complaint Pending?</b>	No
<b>Status:</b>	Closed/No Action
<b>Status Date:</b>	03/16/2018
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	
<b>Firm Statement</b>	Referred to MetLife for handling. Internal case number 201831201.

### Disclosure 2 of 4



**Reporting Source:** Firm

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

**Allegations:** Plaintiff alleged that from August 2011 through March 2012, approximately, the former advisor facilitated the withdrawal of brokerage account funds and invested the proceeds in fraudulent securities.

**Product Type:** Annuity-Fixed  
Annuity-Variable  
Other: Brokerage accounts

**Alleged Damages:** \$690,000.00

**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 Arbitration

**Docket/Case #:** 17-02180

**Filing date of arbitration/CFTC reparation or civil litigation:** 08/14/2017

### Customer Complaint Information

**Date Complaint Received:** 08/17/2017

**Complaint Pending?** No

**Status:** Withdrawn

**Status Date:** 06/25/2019

**Settlement Amount:**

**Individual Contribution Amount:**

**Firm Statement** Internal Case #201729975

**Reporting Source:** Broker



**Employing firm when activities occurred which led to the complaint:** MSI Financial Services Inc

**Allegations:** Based on the Form U5 amendment filed by the representative's predecessor broker dealer " Plaintiff alleged that from August 2011 through March 2012, approximately, the former advisor facilitated the withdrawal of brokerage account funds and invested the proceeds in fraudulent securities".

**Product Type:** Annuity-Fixed  
Annuity-Variable  
Other: Brokerage Accounts

**Alleged Damages:** \$690,000.00

**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 #:** 17-02180

**Filing date of arbitration/CFTC reparation or civil litigation:** 08/14/2017

### Customer Complaint Information

**Date Complaint Received:** 08/17/2017

**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:** MSI Financial Services, Inc.

**Allegations:** Customer alleged the advisor's recommendation to purchase two variable



annuities in June 2014 was not in her best interests. Customer has alleged damages for the waiver of surrender penalties as noted below.

**Product Type:** Annuity-Variable  
**Alleged Damages:** \$12,679.97  
**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:** 08/18/2017  
**Complaint Pending?** No  
**Status:** Denied  
**Status Date:** 09/08/2017  
**Settlement Amount:**  
**Individual Contribution Amount:**  
**Firm Statement** Internal reference 201729496.

**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** MSI Financial Services Inc.

**Allegations:** Based on the Form U5 amendment filed by the representative's predecessor broker dealer, the customer alleged the advisor's recommendation to purchase two variable annuities in June of 2014 was not in her best interests. Customer has alleged damages for the waiver of surrender penalties as noted below.

**Product Type:** Annuity-Variable  
**Alleged Damages:** \$12,679.97  
**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:** 08/18/2017

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 09/08/2017

**Settlement Amount:**

**Individual Contribution  
Amount:**

### Disclosure 4 of 4

**Reporting Source:** Broker

**Employing firm when  
activities occurred which led  
to the complaint:** MetLife Securities

**Allegations:** Customer alleged the advisor's recommendation to purchase several variable life insurance policies, commencing in September 2010, was not appropriate.

**Product Type:** Insurance

**Alleged Damages:** \$16,400.00

**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:** 05/13/2016

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 06/20/2016

**Settlement Amount:**

**Individual Contribution**





**Amount:**



## 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 1

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	MSI Financial Services, Inc. f/k/a MetLife Securities
<b>Allegations:</b>	Plaintiff alleged Unfair and Deceptive Trade Practice and State Securities Fraud regarding the advisor's recommendation to invest in private securities commencing 2014.
<b>Product Type:</b>	Other: Private securities
<b>Alleged Damages:</b>	\$25,000.01
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	Alleged damages in excess of \$25,000.00.
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	No
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	North Carolina Superior Court Division, Lincoln County
<b>Docket/Case #:</b>	18CV 00528
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	04/27/2018

### Customer Complaint Information

<b>Date Complaint Received:</b>	05/07/2018
<b>Complaint Pending?</b>	Yes
<b>Settlement Amount:</b>	



**Individual Contribution  
Amount:**



## 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:** MML Invesotors Services, LLC

**Termination Type:** Discharged

**Termination Date:** 04/21/2017

**Allegations:** Terminated in connection with an internal review relating to violation of company policy as to the handling of a customer complaint and selling away.

**Product Type:** Other: Outside investment

**Reporting Source:** Broker

**Employer Name:** MML Investors Services, LLC

**Termination Type:** Discharged

**Termination Date:** 04/21/2017

**Allegations:** Terminated in connection with an internal review relating to violation of company policy as to the handling of a customer complaint and selling away.

**Product Type:** Other: Outside Investment

**Broker Statement**

Please refer to broker check.  
Please refer to letter of explanation.  
I am currently working with my attorney to expunge U5.

## End of Report



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