

## BrokerCheck Report

**MICHAEL JOHN PATA**

CRD# 2699862

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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](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).

**MICHAEL J. PATA**

CRD# 2699862

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

**B ACCEPTUS CAPITAL CORP.**  
 Port Washington, NY  
 CRD# 282755  
 Registered with this firm since: 11/30/2016

**B AEGIS CAPITAL CORP.**  
 1305 WALT WHITMAN RD  
 SUITE 120  
 MELVILLE, NY 11747  
 CRD# 15007  
 Registered with this firm since: 02/19/2010

**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:**

- 2 Self-Regulatory Organizations
- 52 U.S. states and territories

**This broker has passed:**

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

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

- B GUNNALLEN FINANCIAL, INC**  
 CRD# 17609  
 FARMINGDALE, NY  
 08/2002 - 03/2010
- B FIRST MONTAUK SECURITIES CORP.**  
 CRD# 13755  
 RED BANK, NJ  
 05/2001 - 08/2002
- B J.P. TURNER & COMPANY, L.L.C.**  
 CRD# 43177  
 ATLANTA, GA  
 04/2000 - 05/2001

**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



## 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 2 SROs and is licensed in 52 U.S. states and territories through his or her employer.**

### Employment 1 of 2

Firm Name: **ACCEPTUS CAPITAL CORP.**

Main Office Address: **22 COUNTRY CLUB DRIVE  
PORT WASHINGTON, NY 11050**

Firm CRD#: **282755**

	SRO	Category	Status	Date
B	FINRA	General Securities Principal	Approved	11/30/2016
B	FINRA	General Securities Representative	Approved	11/30/2016
B	FINRA	Registered Options Principal	Approved	11/30/2016

	U.S. State/ Territory	Category	Status	Date
B	Nevada	Agent	Approved	05/15/2018
B	New York	Agent	Approved	03/30/2017

### Branch Office Locations

**ACCEPTUS CAPITAL CORP.**  
22 COUNTRY CLUB DRIVE  
PORT WASHINGTON, NY 11050

**ACCEPTUS CAPITAL CORP.**  
Port Washington, NY

### Employment 2 of 2

Firm Name: **AEGIS CAPITAL CORP.**

Main Office Address: **1345 AVENUE OF THE AMERICAS  
27TH FLOOR**

## Broker Qualifications



### Employment 2 of 2, continued

NEW YORK, NY 10105

Firm CRD#: 15007

SRO	Category	Status	Date
<b>B</b> FINRA	General Securities Principal	Approved	02/19/2010
<b>B</b> FINRA	General Securities Representative	Approved	02/19/2010
<b>B</b> FINRA	Registered Options Principal	Approved	02/19/2010
<b>B</b> Nasdaq Stock Market	General Securities Principal	Approved	09/15/2011
<b>B</b> Nasdaq Stock Market	General Securities Representative	Approved	09/15/2011

U.S. State/ Territory	Category	Status	Date
<b>B</b> Alabama	Agent	Approved	02/19/2010
<b>B</b> Alaska	Agent	Approved	03/15/2010
<b>B</b> Arizona	Agent	Approved	04/15/2010
<b>B</b> Arkansas	Agent	Approved	03/14/2011
<b>B</b> California	Agent	Approved	03/08/2010
<b>B</b> Colorado	Agent	Approved	05/09/2011
<b>B</b> Connecticut	Agent	Approved	03/16/2010
<b>B</b> Delaware	Agent	Approved	03/04/2010
<b>B</b> District of Columbia	Agent	Approved	02/19/2010
<b>B</b> Florida	Agent	Approved	02/16/2012
<b>B</b> Georgia	Agent	Approved	03/09/2010
<b>B</b> Hawaii	Agent	Approved	04/07/2010
<b>B</b> Idaho	Agent	Approved	02/24/2010

## Broker Qualifications



### Employment 2 of 2, continued

	U.S. State/ Territory	Category	Status	Date
B	Illinois	Agent	Approved	02/19/2010
B	Indiana	Agent	Approved	03/03/2010
B	Iowa	Agent	Approved	03/04/2010
B	Kansas	Agent	Approved	03/16/2010
B	Kentucky	Agent	Approved	03/03/2010
B	Louisiana	Agent	Approved	02/19/2010
B	Maine	Agent	Approved	03/17/2010
B	Maryland	Agent	Approved	02/19/2010
B	Massachusetts	Agent	Approved	03/10/2010
B	Michigan	Agent	Approved	03/18/2010
B	Minnesota	Agent	Approved	02/19/2010
B	Mississippi	Agent	Approved	02/19/2010
B	Missouri	Agent	Approved	05/10/2010
B	Montana	Agent	Approved	03/04/2010
B	Nebraska	Agent	Approved	02/19/2010
B	New Hampshire	Agent	Approved	02/19/2010
B	New Jersey	Agent	Approved	03/18/2010
B	New Mexico	Agent	Approved	03/26/2010
B	New York	Agent	Approved	02/19/2010
B	North Carolina	Agent	Approved	02/19/2010
B	North Dakota	Agent	Approved	03/30/2010



## Broker Qualifications

### Employment 2 of 2, continued

	U.S. State/ Territory	Category	Status	Date
B	Ohio	Agent	Approved	02/22/2012
B	Oklahoma	Agent	Approved	03/05/2010
B	Oregon	Agent	Approved	04/21/2010
B	Pennsylvania	Agent	Approved	03/02/2010
B	Puerto Rico	Agent	Approved	02/19/2010
B	Rhode Island	Agent	Approved	02/19/2010
B	South Carolina	Agent	Approved	02/23/2010
B	South Dakota	Agent	Approved	02/19/2010
B	Tennessee	Agent	Approved	01/21/2016
B	Texas	Agent	Approved	06/04/2010
B	Utah	Agent	Approved	03/24/2025
B	Vermont	Agent	Approved	03/16/2010
B	Virginia	Agent	Approved	03/23/2010
B	Washington	Agent	Approved	02/22/2010
B	West Virginia	Agent	Approved	02/19/2010
B	Wisconsin	Agent	Approved	04/09/2010
B	Wyoming	Agent	Approved	02/19/2010

### Branch Office Locations

**AEGIS CAPITAL CORP.**  
 1305 WALT WHITMAN RD  
 SUITE 120  
 MELVILLE, NY 11747

**Broker Qualifications**



**Employment 2 of 2, continued**

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

### Principal/Supervisory Exams

Exam	Category	Date
<b>B</b> Registered Options Principal Examination	Series 4	12/02/2002
<b>B</b> General Securities Principal Examination	Series 24	02/20/1998

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> Securities Industry Essentials Examination	SIE	10/01/2018
<b>B</b> General Securities Representative Examination	Series 7	03/01/1996

### State Securities Law Exams

Exam	Category	Date
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	03/11/1996

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> 08/2002 - 03/2010	GUNNALLEN FINANCIAL, INC	17609	FARMINGDALE, NY
<b>B</b> 05/2001 - 08/2002	FIRST MONTAUK SECURITIES CORP.	13755	RED BANK, NJ
<b>B</b> 04/2000 - 05/2001	J.P. TURNER & COMPANY, L.L.C.	43177	ATLANTA, GA
<b>B</b> 01/1998 - 05/2000	INSTITUTIONAL EQUITY CORPORATION	19628	DALLAS, TX
<b>B</b> 07/1996 - 12/1997	JOSEPH STEVENS & COMPANY, INC.	35459	BROOKLYN, NY
<b>B</b> 03/1996 - 07/1996	REDSTONE SECURITIES, INC.	19628	DALLAS, TX

### 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
11/2016 - Present	Acceptus Capital Corp	registered representative	Y	melville, NY, United States
02/2010 - Present	AEGIS CAPITAL CORP.	REGISTERED REPRESENTATIVE	Y	FARMINGDALE, NY, 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)TCB SECURITIES, INC., 1305 WALT WHITMAN RD. SUITE 120 MELVILLE, NY 11747, PH 516-221-6600, START DATE 4/2000, TOTAL HRS MO. 10, DUTIES: PAYING BILLS OF BRANCH
- 2)MICHAEL PATA, AGENT,1305 WALT WHITMAN RD. SUITE 120 MELVILLE, NY 11747, PH 516 221-6600, START DATE 1/2008, TOTAL HRS MO. 5, DUTIES: HANDLING, FIXED INCOME, HEALTH & DENTAL INSURANCE FOR REPRESENTATIVES IN MY OFFICE.
- 3) JP DLAP, 1305 WALT WHITMAN RD. SUITE 120 MELVILLE, NY 11747 - PARTNER - BOOKKEEPING, START DATE MARCH 2013, 3-5 HOURS PER MONTH

## Registration and Employment History



### Other Business Activities, continued

4) ACC AGENCY INC., 1305 WALT WHITMAN RD. SUITE 120 MELVILLE, NY 11747; INVESTMENT RELATED, FIXED GENERAL INSURANCE AGENCY; DIRECTOR, OVERSEEING OPERATIONS AND GENERAL GROWTH INITIATIVES; START DATE 08/19/2015; 5-10 HOURS PER MONTH DEVOTED TO BUSINESS DURING NON-SECURITIES TRADING HOURS.

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## 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:**
  - A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
  - 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.
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3. **Disclosure events in BrokerCheck reports come from different sources:**
  - 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.
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4. **There are different statuses and dispositions for disclosure events:**
  - 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.
  - 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



## 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>	
<b>Date Initiated:</b>	02/05/2008
<b>Docket/Case Number:</b>	<a href="#">ELI2004035401</a>
<b>Employing firm when activity occurred which led to the regulatory action:</b>	GUNNALLEN FINANCIAL, INC
<b>Product Type:</b>	No Product
<b>Allegations:</b>	NASD RULES 2110 AND 3010: FROM NOVEMBER 2002 THROUGH JUNE 2003, RESPONDENT PATA FAILED TO PROPERLY SUPERVISE A REGISTERED REPRESENTATIVE WHO WAS ENGAGED IN EXCESSIVE TRADING IN THREE CUSTOMER ACCOUNTS.
<b>Current Status:</b>	Final
<b>Resolution:</b>	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:** 02/05/2008

**Sanctions Ordered:** Civil and Administrative Penalty(ies)/Fine(s)  
Suspension

**Regulator Statement** WITHOUT ADMITTING OR DENYING THE FINDINGS, PATA CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE HE IS FINED \$5,000 AND SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY PRINCIPAL CAPACITY FOR 10 BUSINESS DAYS. THE SUSPENSION IN ANY PRINCIPAL CAPACITY WILL BE IN EFFECT FROM MARCH 4, 2008 THROUGH MARCH 17, 2008. FINES PAID ON NOVEMBER 20, 2008.

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**Reporting Source:** Broker

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:**

**Other Sanction(s) Sought:**

**Date Initiated:** 02/05/2008

**Docket/Case Number:** ELI0435401

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

**Product Type:** No Product

**Other Product Type(s):**

**Allegations:** NASD RULES 2110 AND 3010: FROM NOVEMBER 2002 THROUGH JUNE 2003, RESPONDENT PATA FAILED TO PROPERLY SUPERVISE A REGISTERED REPRESENTATIVE WHO WAS ENGAGED IN EXCESSIVE TRADING IN THREE CUSTOMER ACCOUNTS.

**Current Status:** Final

**Resolution:** Acceptance, Waiver & Consent(AWC)



**Resolution Date:** 02/05/2008

**Sanctions Ordered:** Monetary/Fine \$5,000.00  
Suspension

**Other Sanctions Ordered:**

**Sanction Details:** WITHOUT ADMITTING OR DENYING THE FINDINGS, PATA CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE HE IS FINED \$5,000 AND SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY PRINCIPAL CAPACITY FOR 10 BUSINESS DAYS. THE SUSPENSION IN ANY PRINCIPAL CAPACITY WILL BE IN EFFECT FROM MARCH 4, 2008 THROUGH MARCH 17, 2008.

**Broker Statement** I HAVE CONSENTED TO THE DESCRIBED SANCTIONS WITHOUT ADMITTING OR DENYING THE FINDINGS. THE INVESTIGATION PERTAINED TO THE THREE ACCOUNTS HANDLED BY ONE REPRESENTATIVE FROM NOVEMBER 2002 TO JUNE 2003. THE THREE ACCOUNTS WERE ALL OWNED BY ONE MARRIED COUPLE. THE ALLEGATIONS MADE BY THE COUPLE WERE SETTLED TO THEIR SATISFACTION ON APRIL 16, 2007 AND I WAS DISMISSED FROM THE CASE. THE CLIENTS' ALLEGATIONS ARE ALREADY REPORTED ON MY FORM U4 AS SETTLED. I TERMINATED THE REPRESENTATIVE IN QUESTION.





## 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 2

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	GUNNALLEN FINANCIAL
<b>Allegations:</b>	CLIENT ALLEGED FAILURE TO SUPERVISE, UNSUITABLE INVESTMENTS AND CHURNING.
<b>Product Type:</b>	Equity - OTC
<b>Alleged Damages:</b>	\$2,000,000.00

### Customer Complaint Information

<b>Date Complaint Received:</b>	09/12/2006
<b>Complaint Pending?</b>	No
<b>Status:</b>	Arbitration/Reparation
<b>Status Date:</b>	09/12/2006
<b>Settlement Amount:</b>	

**Individual Contribution Amount:**

### Arbitration Information

<b>Arbitration/Reparation Claim filed with and Docket/Case No.:</b>	NASD CASE # 06-04023
<b>Date Notice/Process Served:</b>	09/12/2006
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	08/13/2007
<b>Monetary Compensation Amount:</b>	\$450,000.00
<b>Individual Contribution Amount:</b>	\$56,250.00

**Broker Statement**

I WOULD LIKE TO STATE I WAS NOT THE BROKER OF RECORD. THE CLIENT IS EXTREMELY SUITABLE FOR THE ACTIVITY IN HIS ACCOUNT AND AUTHORIZED EVERY TRANSACTION. THE ACCOUNT WAS PROPERLY SUPERVISED AND THE ALLEGATIONS HAVE BEEN FOUND TO HAVE NO MERIT BY THE FIRM. THE SETTLEMENT DETERMINATION WAS BASED EXCLUSIVELY ON A RISK REWARD ANALYSIS. MY CONTRIBUTION TO THE SETTLEMENT AMOUNT IS BASED ON MY CONTRACTUAL RELATIONSHIP WITH GUNNALLEN FINANCIAL AND SHOULD NOT BE CONSTRUED AS AN ADMISSION OF WRONGDOING. I WAS DISMISSED WITH PREJUDICE FROM THIS ARBITRATION AND CLAIMANT AGREED TO ASSIST IN EXPUNGING THIS MATTER FROM MY RECORD.

**Disclosure 2 of 2**

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	GUNNALLEN FINANCIAL
<b>Allegations:</b>	CLIENTS ALLEGED FAILURE TO SUPERVISE RR'S UNSUITABLE AND EXCESSIVE TRADING
<b>Product Type:</b>	Equity-OTC
<b>Alleged Damages:</b>	\$100,000.00
<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>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	06-02657
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	06/05/2006

**Customer Complaint Information**

<b>Date Complaint Received:</b>	06/05/2006
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled



**Status Date:** 04/16/2007

**Settlement Amount:** \$24,500.00

**Individual Contribution Amount:** \$0.00

### Arbitration Information

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

**Docket/Case #:** 06-02657

**Date Notice/Process Served:** 06/05/2006

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 04/16/2007

**Monetary Compensation Amount:** \$24,500.00

**Individual Contribution Amount:** \$0.00

### Broker Statement

I WAS NOT THE REPRESENTATIVE ON THE ACCOUNT. CLIENT'S CLAIM HAS NO MERIT. ALL TRADES WERE AUTHORIZED AND SUITABLE. I SUPERVISED THE ACCOUNT PROPERLY. THE CLAIM HAS BEEN CLOSED BY THE FIRM. "I FEEL THAT THE ACCOUNT WAS HANDLED PROPERLY AT ALL TIMES. THE SETTLEMENT DETERMINATION WAS BASED EXCLUSIVELY ON A RISK-REWARD ASSESSMENT THAT MILITATED IN FAVOR OF RESOLUTION. MY CONTRIBUTION TO THE SETTLEMENT AMOUNT IS BASED ON MY CONTRACTUAL RELATIONSHIP WITH GUNNALLEN, AND SHOULD NOT BE CONSTRUED AS AN ADMISSION OF WRONGDOING." MR. PATA WAS DISMISSED WITH PREJUDICE FROM THIS ARBITRATION. SINCE THE SETTLEMENT OCCURRED THE REPRESENTATIVE THAT MANAGED THE ACCOUNT AND WAS RESPONSIBLE FOR ALL SETTLEMENT CONTRIBUTIONS HAS PAID ME BACK IN FULL PER HIS REGISTERED REPRESENTATIVE AGREEMENT. MY INDIVIDUAL CONTRIBUTION IS NOW ZERO.



## 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 2

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** GUNNALLEN FINANCIAL

**Allegations:** CLIENTS ALLEGED UNAUTHORIZED AND UNSUITABLE TRADES

**Product Type:** Equity - OTC

**Alleged Damages:** \$100,000.00

### Customer Complaint Information

**Date Complaint Received:** 08/31/2006

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 10/19/2006

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement**

THE CLIENT WAS FULLY AWARE OF EVERY TRANSACTION AND AUTHORIZED EVERY TRANSACTION PRIOR TO BEING EXECUTED. THE CLIENT IS SUITABLE FOR ALL TRANSACTIONS THAT OCCURRED IN HIS ACCOUNT. CLIENT DID NOT COMPLAIN FOR OVER ONE AND ONE HALF YEARS AFTER THE LAST TRANSACTION.

### Disclosure 2 of 2

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** INSTITUTIONAL EQUITY CORPORATION

**Allegations:** UNSUITABLE TRANSACTIONS AUGUST 1999, NETLINK COMMUNICATIONS AND OTHER TRANSACTIONS.



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

**Alleged Damages:** \$30,000.00

### Customer Complaint Information

**Date Complaint Received:** 04/17/2000

**Complaint Pending?** Yes

**Settlement Amount:**

**Individual Contribution Amount:**

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** INSTITUTIONAL EQUITIES, INC.

**Allegations:** UNSUITABLE TRANSACTIONS AUGUST 1999, NETLINK COMMUNICATIONS AND OTHER TRANSACTIONS.

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

**Alleged Damages:** \$30,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

### Customer Complaint Information

**Date Complaint Received:** 04/17/2000

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 08/11/2000

**Settlement Amount:** \$0.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** THE ALLEGATIONS ARE WITHOUT MERIT AND I DENY ANY WRONGDOING.

## End of Report



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