

BrokerCheck Report

JOHN WILLIAM SPACH

CRD# 2731192

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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.

Thank you for using FINRA BrokerCheck.



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

brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. [For more information about FINRA, visit www.finra.org.](http://www.finra.org)

JOHN W. SPACH

CRD# 2731192

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:

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

Registration History

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

- B** **KESTRA INVESTMENT SERVICES, LLC**
CRD# 42046
Aliso Viejo, CA
08/2014 - 06/2018
- B** **FINANCIAL TELESIS INC**
CRD# 31012
westlake village, CA
05/2007 - 07/2014
- B** **FINANCIAL WEST GROUP**
CRD# 16668
WESTLAKE VILLAGE, CA
10/2002 - 10/2007

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	1
Termination	2

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 1 principal/supervisory exam, 3 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
B General Securities Principal Examination	Series 24	12/05/2000

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	06/18/2018
B General Securities Representative Examination	Series 7	12/13/1999
B Investment Company Products/Variable Contracts Representative Examination	Series 6	04/09/1996

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	02/26/1999
B Uniform Securities Agent State Law Examination	Series 63	04/24/1996

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/.

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 08/2014 - 06/2018	KESTRA INVESTMENT SERVICES, LLC	42046	Aliso Viejo, CA
B 05/2007 - 07/2014	FINANCIAL TELESIS INC	31012	westlake village, CA
B 10/2002 - 10/2007	FINANCIAL WEST GROUP	16668	WESTLAKE VILLAGE, CA
B 10/2000 - 11/2002	SENTRA SECURITIES CORPORATION	10249	PHOENIX, AZ
B 04/1998 - 10/2000	NFP SECURITIES, INC.	42046	AUSTIN, TX
B 04/1996 - 08/1998	MML INVESTORS SERVICES, INC.	10409	SPRINGFIELD, MA

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
07/2014 - Present	Kestra Investment Services, LLC.	REGISTERED REP	Y	Austin, TX, United States
04/2013 - Present	NFP RETIREMENT, INC.	INVESTMENT ADVISOR REPRESENTATIVE	Y	ALISO VIEJO, CA, United States
05/2007 - 07/2014	FINANCIAL TELESIS INC	REGISTERED REPRESENTATIVE INDEPENDENT CONTRACTOR	Y	SAN RAFAEL, CA, United States
06/1997 - 02/2014	SPACH FINANCIAL	PRESIDENT	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.



Registration and Employment History

Other Business Activities, continued

Business Name: Gen X for America Investment Related: No Address: 8950 West Olympic Blvd Beverly Hills CA 90211 Nature of Business: Other Back Office Operations Position, Title or Relationship: Treasurer Start Date: 9/1/2016 Hours per month: 0% - 10% (0 - 16 hours) Hours per month during trading hours: 0% - 10% (0 - 14 hours) Duties: Keep track of funds coming in and going out of the PAC

Business Name: ibotit Investment Related: No Address: 857 Calle Laredo Thousand Oaks CA 91360 Nature of Business: Other Other/None of the Above I will be maintaining a smart phone application Position, Title or Relationship: Owner, Creator Start Date: 12/18/2015 Hours per month: 0% - 10% (0 - 16 hours) Hours per month during trading hours: 0% - 10% (0 - 14 hours) Duties: Build, enhance, improve smart phone application

Business Name: NFP Retirement Investment Related: No Address: 31416 Agoura Rd. Westlake Village CA 91360 Nature of Business: Insurance Position, Title or Relationship: Sales Rep Start Date: 1/1/1996 Hours per month: 0% - 10% (0 - 16 hours) Hours per month during trading hours: 0% - 10% (0 - 14 hours) Duties: So cost and coverage from multiple vendors

Business Name: ERISA SMART Investment Related: No Address: 21021 Ventura Blvd. Woodland Hills CA 91364 Nature of Business: Consulting Position, Title or Relationship: 10% Owner Start Date: 10/1/2012 Hours per month: 0% - 10% (0 - 16 hours) Hours per month during trading hours: 0% - 10% (0 - 14 hours) Duties: none

Business Name: John W. Spach - Board member of Oaks Christian School Investment Related: No Address: 31749 La Tienda Rd. Westlake Village CA 91362 Nature of Business: Community/Charitable/Civic Position, Title or Relationship: Board of Advisor member Start Date: 9/15/2015 Hours per month: 0% - 10% (0 - 16 hours) Hours per month during trading hours: 0% - 10% (0 - 14 hours) Duties: attend two meetings a year



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	1	N/A
Termination	N/A	2	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:	Other: N/A
Date Initiated:	02/21/2019
Docket/Case Number:	2018058884001
Employing firm when activity occurred which led to the regulatory action:	Kestra Investment Services, LLC
Product Type:	No Product
Allegations:	Without admitting or denying the findings, Spach consented to the sanction and to the entry of findings that he refused to produce documents and information requested by FINRA in connection with its investigation into potential violations relating, in part, to a customer complaint noted in his Form U5. The findings stated that Spach's member firm filed a Form U5 terminating his registration and disclosing that he had been permitted to resign while under internal review relating to the potential violation of various firm policies while attempting to settle a customer complaint with a client of his registered investment advisor.
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:

02/21/2019

Sanctions Ordered:

Bar (Permanent)

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

No

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



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

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

Sanction 1 of 1

Sanction Type:	Bar (Permanent)
Capacities Affected:	All Capacities
Duration:	Indefinite
Start Date:	02/21/2019
End Date:	





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 1

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	NFP Retirement Inc.
Allegations:	John Spach recommended an investment management client invest \$475,000 into a promissory note. The note defaulted and the client complained to John Spach. John Spach attempted to settle the complaint without informing the firm. The firm's investigation discovered the the events set forth in the response to Item 7.B.6.
Product Type:	Promissory Note Other: Short term unsecured debt instrument
Alleged Damages:	\$450,000.00
Is this an oral complaint?	Yes
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	05/18/2018
Complaint Pending?	No
Status:	Settled
Status Date:	05/31/2018
Settlement Amount:	\$450,000.00
Individual Contribution Amount:	\$450,000.00

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	Kestra Investment Services, LLC
Allegations:	John Spach, a registered representative associated with Kestra, introduced a client



of his independent RIA (not affiliated with Kestra), to an outside investor. The client invested \$475,000 and received a promissory note. The RR's client is not a client of Kestra. The promissory note defaulted. Following such default, the client made an oral complaint to the RR, who agreed to settle and pay the client the balance of the note, plus interest per year until paid in full.

Product Type: Promissory Note
Alleged Damages: \$450,000.00
Is this an oral complaint? Yes
Is this a written complaint? No
Is this an arbitration/CFTC reparation or civil litigation? No

Customer Complaint Information

Date Complaint Received: 02/06/2018
Complaint Pending? No
Status: Settled
Status Date: 04/26/2018
Settlement Amount: \$450,000.00
Individual Contribution Amount: \$450,000.00



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 2

Reporting Source:	Firm
Employer Name:	Kestra Investment Services
Termination Type:	Permitted to Resign
Termination Date:	07/01/2018
Allegations:	Mr. Spach failed to disclose his receipt of an oral complaint and attempted to settle the complaint without firm knowledge or consent in violation of firm policy. Further, Spach failed to disclose passive investments to the firm.
Product Type:	No Product

Disclosure 2 of 2

Reporting Source:	Firm
Employer Name:	NFP Retirement Inc.
Termination Type:	Discharged
Termination Date:	07/26/2018
Allegations:	Alleged violations of the Investment Advisers Act of 1940 (275.204A-1, 275.204-2; 275.204-3; 275.206(4)-2; 275.206(4)-3 and 275.206(4)-7)) from co-mingling client assets with his own personal assets, breach of fiduciary duty (to include unsuitable investment advice, material misstatements, and failure to disclose material conflicts of interest), circumvention of compliance policies and procedures, and operational systems and procedures of the third-party custodian, and affirmative misrepresentations to the firm.
Product Type:	Promissory Note Other: Short term unsecured debt instrument
Firm Statement	Circumstances leading to termination are described in the response to Item 7.B.6.

End of Report



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