

BrokerCheck Report

KIMBERLY PINE KITTS

CRD# 2768200

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Broker Qualifications	2 - 3
Registration and Employment History	5 - 6
Disclosure Events	7



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.

KIMBERLY P. KITTS

CRD# 2768200

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

Registration History

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

- B ROYAL ALLIANCE ASSOCIATES, INC.**
CRD# 23131
PALMER, MA
04/2004 - 11/2017
- B ING FINANCIAL PARTNERS, INC.**
CRD# 2882
WINDSOR, CT
01/2003 - 04/2004
- B FORUM FUND SERVICES, LLC**
CRD# 46106
PORTLAND, ME
01/2002 - 09/2002

Disclosure Events

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

Are there events disclosed about this broker? **Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	2
Criminal	1
Civil Event	1
Customer Dispute	5
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, 3 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
B General Securities Principal Examination	Series 24	09/23/2004
B Investment Company Products/Variable Contracts Principal Examination	Series 26	10/13/1997

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	11/16/2017
B General Securities Representative Examination	Series 7	06/04/2001
B Investment Company Products/Variable Contracts Representative Examination	Series 6	07/09/1996

State Securities Law Exams

Exam	Category	Date
B IA Uniform Combined State Law Examination	Series 66	08/12/2003
B Uniform Securities Agent State Law Examination	Series 63	11/17/1997

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at www.finra.org/brokerqualifications/registeredrep/.



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 04/2004 - 11/2017	ROYAL ALLIANCE ASSOCIATES, INC.	23131	PALMER, MA
B 01/2003 - 04/2004	ING FINANCIAL PARTNERS, INC.	2882	WINDSOR, CT
B 01/2002 - 09/2002	FORUM FUND SERVICES, LLC	46106	PORTLAND, ME
B 09/1999 - 12/2001	PFPC DISTRIBUTORS, INC.	31334	BERWYN, PA
B 12/1998 - 02/1999	NEW ENGLAND SECURITIES	615	NEW YORK, NY
B 08/1997 - 03/1998	JACKSON NATIONAL FINANCIAL SERVICES, INC.	29604	LOS ANGELES, 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
02/2006 - Present	SOUND FINANCIAL, LLC	INDEPENDENT CONTRACTOR	Y	WEST CHATHAM, MA, United States
03/2005 - Present	INVESCOR	ADVISORY REPRESENTATIVE	Y	ORLEANS, MA, United States
07/2002 - Present	MARQUIS CONSULTING, LLC	OWNER	Y	ORLEANS, MA, United States
10/1996 - Present	KIMBERLY KITTS- INDEPENDENT INSURANCE AGENT	OWNER	Y	ORLEANS, MA, 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

1) MARQUIS CONSULTING; NON-INVESTMENT RELATED; 12 WEST ROAD ORLEANS MA 02653; OWNER; STARTED 06/2002; 8 HRS/MTH; 1 HR/MTH DURING ST HOURS; TAX CONSULTING AND BUSINESS VALUATION WORK.

2) MARQUIS CONSULTING

POSITION: Owner - NATURE: Limited Liability Company - INVESTMENT RELATED: No NUMBER OF HOURS: 8 SECURITIES TRADING HOURS: 1 START DATE: 11/01/2002; ADDRESS: 48 Quanset Rd., Orleans MA 02653

DESCRIPTION: Business valuation. Estimate the economic value of an owner's interest in a business to determine the sale or purchase price in the sale of a business or used to resolve disputes related to estate or divorce planning, purchase price for assets or estimate a partner's value in a buy sell.

3) RITA ROBBINS AND BRUCE ARNOLD; INVESTMENT RELATED; 12 WEST ROAD ORLEANS MA 02653; TRUSTEE; STARTED 05/01/2007; 0 HRS/MTH; 0 HRS/MTH DURING ST HOURS; IN THE EVENT BOTH RITA AND BRUCE ARE INCAPABLE, ADMINISTER OF THEIR ESTATE FOR THE BENEFIT OF THEIR MINOR CHILDREN.

4) KIMBERLY KITTS

POSITION: Owner - NATURE: Sole Proprietorship INVESTMENT RELATED: Yes NUMBER OF HOURS: 10 SECURITIES TRADING HOURS: 10 START DATE: 06/01/2002; ADDRESS: 28 Fieldstone Dr., Palmer MA 01069

DESCRIPTION: Sale of fixed life insurance products.

5) CENTER FOR COASTAL STUDIES

POSITION: volunteer NATURE: private non-profit INVESTMENT RELATED: No NUMBER OF HOURS: 10 SECURITIES TRADING HOURS: 1 START DATE: 09/01/2016; ADDRESS: 115 Bradford St., Provincetown MA 02657, United States

DESCRIPTION: volunteer - no specific duties, attend board meetings



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	2	0
Criminal	0	1	0
Civil Event	0	1	0
Customer Dispute	0	5	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 2

Reporting Source:	Regulator
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Other: n/a
Date Initiated:	06/06/2019
Docket/Case Number:	3-19193
Employing firm when activity occurred which led to the regulatory action:	Marquis Consulting, LLC,
Product Type:	No Product
Allegations:	SEC Admin 34-86045, IA Release 5250 / June 6, 2019: The Securities and Exchange Commission deems it appropriate and in the public interest that public administrative proceedings be instituted against Kimberly Pine Kitts ("Respondent"). On the basis of this Order and Respondent's Offer, the Commission finds that on June 3, 2019, a final judgment was entered by consent against Respondent, permanently enjoining her from future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Advisers Act, in the Civil Action Number 1:18-CV-11507, in the United States District Court for the District of Massachusetts. On November 19, 2018, Respondent pleaded guilty to one count of investment adviser fraud in violation of Title 15 United States



Code, Section 80b-6, four counts of wire fraud in violation of Title 18 United States Code, Section 1343, and one count of aggravated identity theft in violation of Title 18 United States Code, Section 1028A before the United States District Court for the District of Massachusetts, in United States v. Kimberly Kitts, No. 1:18-CR-10325.

Current Status:	Final
Resolution:	Order
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:	06/06/2019
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 2

Sanction Type:	Bar (Permanent)
Capacities Affected:	participating in any offering of a penny stock
Duration:	Indefinite
Start Date:	06/06/2019
End Date:	

Sanction 2 of 2



Sanction Type:	Bar (Permanent)
Capacities Affected:	any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or NRSRO
Duration:	Indefinite
Start Date:	06/06/2019
End Date:	
Regulator Statement	<p>Respondent has submitted an Offer of Settlement (the Offer) which the Commission has determined to accept.</p> <p>In view of the foregoing, the Commission deems it appropriate in the public interest to impose the sanctions agreed to in the Respondent's Offer.</p> <p>Accordingly, it is hereby ordered that Respondent be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization (NRSRO); and barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.</p> <p>Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.</p>

Disclosure 2 of 2

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Suspension
Date Initiated:	12/08/2017
Docket/Case Number:	2017056380201



Employing firm when activity occurred which led to the regulatory action:	n/a
Product Type:	No Product
Allegations:	Respondent Kitts failed to respond to FINRA request for information.
Current Status:	Final
Resolution:	letter
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:	03/12/2018
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 2

Sanction Type: Bar (Permanent)
Capacities Affected: All capacities
Duration: Indefinite
Start Date: 03/12/2018

End Date:

Sanction 2 of 2



Sanction Type: Suspension
Capacities Affected: All capacities
Duration: n/a
Start Date: 01/02/2018
End Date: 03/11/2018

Regulator Statement Pursuant to FINRA Rule 9552(h) and in accordance with FINRA's Notice of Suspension and Suspension from Association letters dated December 8, 2017, and January 2, 2018, respectively, on March 12, 2018, Kitts is barred from association with any FINRA member in any capacity. Respondent failed to request termination of her suspension within three months of the date of the Notice of Suspension; therefore, she is automatically barred from association with any FINRA member in any capacity.



Criminal - Final Disposition

This type of disclosure event involves a criminal charge against the broker that has resulted in a conviction, acquittal, dismissal, or plea. The criminal matter may pertain to any felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property.

Disclosure 1 of 1

Reporting Source:	Regulator
Formal Charges were brought in:	Federal Court
Name of Court:	The United States District Court for the District of Massachusetts
Location of Court:	Massachusetts
Docket/Case #:	18-cr-10325
Charge Date:	09/18/2018
Charge(s) 1 of 3	
Formal Charge(s)/Description:	investment adviser fraud in violation of 15 U.S.C. 80(b)
No of Counts:	1
Felony or Misdemeanor:	Felony
Plea for each charge:	pledged guilty
Disposition of charge:	Convicted
Charge(s) 2 of 3	
Formal Charge(s)/Description:	aggravated identity theft in violation of 18 U.S.C. 1028A
No of Counts:	1
Felony or Misdemeanor:	Felony
Plea for each charge:	pledged guilty
Disposition of charge:	Convicted
Charge(s) 3 of 3	
Formal Charge(s)/Description:	wire fraud in violation of 18 U.S.C. 1343
No of Counts:	4
Felony or Misdemeanor:	Felony



Plea for each charge: pleded guilty

Disposition of charge: Convicted

Current Status: Final

Status Date: 03/20/2019

Disposition Date: 03/20/2019

Sentence/Penalty: On November 19, 2018, Kitts pled guilty to charges filed by the U.S. Attorney for the District of Massachusetts of wire fraud, investment adviser fraud, and aggravated identity theft. The court found factual basis, the plea was accepted and entered.

On March 20, 2019, Kimberly Kitts was adjudicated guilty and sentenced to 87 months in prison followed by three years supervised release and ordered to pay \$3,085,939 in restitution.



Civil - Final

This type of disclosure event involves (1) an injunction issued by a court in connection with investment-related activity, (2) a finding by a court of a violation of any investment-related statute or regulation, or (3) an action brought by a state or foreign financial regulatory authority that is dismissed by a court pursuant to a settlement agreement.

Disclosure 1 of 1

Reporting Source:	Regulator
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Relief Sought:	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines
Date Court Action Filed:	07/19/2018
Product Type:	Annuity-Variable Other: Unspecified securities
Type of Court:	Federal Court
Name of Court:	United States District Court District of Massachusetts
Location of Court:	Boston, Massachusetts
Docket/Case #:	1:18-cv-11507
Employing firm when activity occurred which led to the action:	Royal Alliance Associates, Inc.
Allegations:	SEC Litigation Release No. 24208, July 19, 2018: The Securities and Exchange Commission filed an enforcement action charging Kimberly Pine Kitts with defrauding multiple clients by stealing over three million dollars from their investment and retirement accounts. According to the complaint, Kitts engaged in a six-year scheme to steal money from client accounts by forging client signatures on withdrawal requests from variable annuities, forging client signatures to wire funds from client brokerage accounts, and misleading clients into withdrawing funds to make fake tax payments. Kitts continued this practice until 2017 when a client questioned Kitts about the dwindling balance in her account. Through 82 unauthorized withdrawals, Kitts stole more than three million dollars from seven clients, and then tried to conceal her fraud through falsified account statements and other documentation. Kitts used the money she stole for personal expenses, including paying for vacations and several luxury vehicles. The Commission's complaint alleges that Kitts violated Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder.



Current Status:	Final
Resolution:	Judgment Rendered
Resolution Date:	06/03/2019
Sanctions Ordered or Relief Granted:	Disgorgement Injunction Other: prejudgment interest. Her payment obligation is deemed satisfied by entry of the restitution order entered against her in the parallel criminal case.
Capacities 1 of 1	
Capacities Affected:	n/a
Duration:	permanently
Start Date:	06/03/2019
End Date:	
Monetary Sanction 1 of 1	
Monetary Sanction:	Disgorgement
Total Amount:	\$2,882,221.00
Portion against individual:	2882221
Date Paid:	
Portion Waived:	No
Amount Waived:	
Regulator Statement	SEC Litigation Release No. 24497 / June 11, 2019: On June 3, 2019, a federal court judge entered a final judgment against Massachusetts resident and Cape Cod-area investment adviser Kimberly Pine Kitts in an SEC case that charged Kitts with defrauding multiple clients by stealing over \$3 million from their investment and retirement accounts. The final judgment in the SEC's case permanently enjoins Kitts from violating the antifraud provisions of Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and orders her to pay disgorgement and prejudgment interest totaling \$2,882,221. Her payment obligation is deemed satisfied by entry of the restitution order entered against her in the parallel criminal case. On June 6, 2019, Kitts was also barred by the Commission from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization, and from participating in any offering of a penny stock.



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

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Royal Alliance Associates, Inc.
Allegations:	Client alleged that rep defrauded her
Product Type:	No Product
Alleged Damages:	\$215,523.55
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:	11/13/2018
Complaint Pending?	No
Status:	Settled
Status Date:	10/17/2019
Settlement Amount:	\$232,761.77
Individual Contribution Amount:	\$0.00

Disclosure 2 of 2

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	ROYAL ALLIANCE
Allegations:	THE CLIENT'S COUNSEL ALLEGED THAT THE ADVISOR CONVERTED AND/OR MISAPPROPRIATED FUNDS.
Product Type:	No Product



Alleged Damages: \$0.00
Alleged Damages Amount Explanation (if amount not exact): NO SPECIFIC DAMAGE AMOUNT HAS BEEN ALLEGED
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: 11/07/2017
Complaint Pending? No
Status: Settled
Status Date: 05/11/2018
Settlement Amount: \$1,969,086.67
Individual Contribution Amount: \$0.00



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
Allegations:	ALLEGES THAT POOR RECOMMENDATIONS/ADVICE FROM THE REGISTERED REPRESENTATIVE CAUSED LOSSES IN ACCOUNT THAT WOULD NOT HAVE OCCURRED IF THE REPRESENTATIVE USED A DIFFERENT INVESTMENT STRATEGY.
Product Type:	Equity Listed (Common & Preferred Stock)
Alleged Damages:	\$24,778.00
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:	04/10/2012
Complaint Pending?	No
Status:	Denied
Status Date:	04/20/2012
Settlement Amount:	
Individual Contribution Amount:	
Broker Statement	CLIENT RECEIVED A HYPOTHETICAL REPORT FROM HIS NEW ADVISOR THAT SHOWS IN HINDSIGHT HOW MUCH BETTER HIS ACCOUNT COULD HAVE PERFORMED IN 2008 AND 2009 HAD THE CLIENT'S FUNDS BEEN INVESTED USING THE NEW ADVISOR'S INVESTMENT STRATEGIES.



Disclosure 2 of 3

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	ROYAL ALLIANCE ASSOCIATES, INC.
Allegations:	CUSTOMER ALLEGES THAT ANNUITY EXCHANGES WERE NOT IN THE CUSTOMER'S BEST INTEREST AND RESULTED IN A LOSS OF DEATH BENEFIT AND ACCOUNT VALUE.
Product Type:	Annuity-Variable
Alleged Damages:	\$44,000.00
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:	06/22/2010
Complaint Pending?	No
Status:	Denied
Status Date:	06/24/2010

Settlement Amount:

Individual Contribution Amount:

Broker Statement	AFTER INVESTIGATION BY ROYAL ALLIANCE, IT WAS DETERMINED THAT THIS COMPLAINT WAS WITHOUT MERIT. THE INVESTMENTS THAT ARE THE SUBJECT OF THE COMPLAINT WERE CONSISTENT WITH THE CLIENT'S STATED GOALS AND THE CLIENT AUTHORIZED AND SIGNED NUMEROUS DISCLOSURES ACKNOWLEDGING HIS UNDERSTANDING OF THE BENEFITS, COSTS AND RISKS INVOLVED IN THESE EXCHANGES.
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Disclosure 3 of 3

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

Allegations: CUSTOMERS ALLEGE THAT MS. KITTS FAILED TO EXECUTE AN ORDER TO LIQUIDATE THEIR ACCOUNTS.

Product Type: Mutual Fund

Alleged Damages: \$180,000.00

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: 12/17/2008

Complaint Pending? No

Status: Closed/No Action

Status Date: 03/23/2010

Settlement Amount:

Individual Contribution Amount:

Broker Statement AFTER A THOROUGH INVESTIGATION, THIS COMPLAINT WAS FOUND TO BE WITHOUT MERIT.



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:	ROYAL ALLIANCE ASSOCIATES INC.
Termination Type:	Discharged
Termination Date:	11/15/2017
Allegations:	CORRESPONDENCE WAS RECEIVED FROM A CLIENT'S ATTORNEY ALLEGING A CONVERSION OR MISAPPROPRIATION OF FUNDS
Product Type:	No Product

End of Report



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