

BrokerCheck Report

STEVEN FREDERICK BECHER

CRD# 2797889

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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



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.

**STEVEN F. BECHER**

CRD# 2797889

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

IA WELLS FARGO ADVISORS
 460 CENTRAL WAY
 KIRKLAND, WA 98033
 CRD# 19616
 Registered with this firm since: 03/04/2011

B WELLS FARGO CLEARING SERVICES, LLC
 460 CENTRAL WAY
 KIRKLAND, WA 98033
 CRD# 19616
 Registered with this firm since: 03/04/2011

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:**

- 6 Self-Regulatory Organizations
- 29 U.S. states and territories

This broker has passed:

- 0 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 CHASE INVESTMENT SERVICES CORP.**
 CRD# 25574
 BELLEVUE, WA
 05/2009 - 03/2011
- IA CHASE INVESTMENT SERVICES CORP.**
 CRD# 25574
 NEW YORK, NY
 05/2009 - 03/2011
- IA WAMU INVESTMENTS, INC.**
 CRD# 599
 IRVINE, CA
 01/2009 - 05/2009

Disclosure Events

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

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

The following types of disclosures have been reported:

Type	Count
Customer Dispute	6



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 6 SROs and is licensed in 29 U.S. states and territories through his or her employer.

Employment 1 of 1

Firm Name: **WELLS FARGO CLEARING SERVICES, LLC**

Main Office Address: **ONE NORTH JEFFERSON AVENUE
MAIL CODE: H0004-05E
ST. LOUIS, MO 63103**

Firm CRD#: **19616**

SRO	Category	Status	Date
B Cboe Exchange, Inc.	General Securities Representative	Approved	12/01/2021
B FINRA	General Securities Representative	Approved	03/04/2011
B NYSE American LLC	General Securities Representative	Approved	07/29/2011
B Nasdaq PHLX LLC	General Securities Representative	Approved	09/30/2011
B Nasdaq Stock Market	General Securities Representative	Approved	03/04/2011
B New York Stock Exchange	General Securities Representative	Approved	03/04/2011

U.S. State/ Territory	Category	Status	Date
B Alaska	Agent	Approved	09/23/2024
B Arizona	Agent	Approved	03/04/2011
B California	Agent	Approved	03/07/2011
B Colorado	Agent	Approved	10/17/2013
B Florida	Agent	Approved	03/15/2024
B Hawaii	Agent	Approved	05/21/2019
B Idaho	Agent	Approved	07/30/2014

Broker Qualifications



Employment 1 of 1, continued

	U.S. State/ Territory	Category	Status	Date
B	Illinois	Agent	Approved	02/07/2024
B	Indiana	Agent	Approved	03/06/2025
B	Kentucky	Agent	Approved	03/20/2024
B	Louisiana	Agent	Approved	06/30/2014
B	Maryland	Agent	Approved	10/19/2022
B	Mississippi	Agent	Approved	06/21/2024
B	Missouri	Agent	Approved	03/15/2024
B	Montana	Agent	Approved	04/01/2024
B	Nevada	Agent	Approved	03/15/2024
B	New Mexico	Agent	Approved	10/01/2024
B	New York	Agent	Approved	12/26/2024
B	North Carolina	Agent	Approved	03/21/2024
B	Ohio	Agent	Approved	03/15/2024
B	Oregon	Agent	Approved	11/04/2013
B	Pennsylvania	Agent	Approved	04/25/2013
B	South Carolina	Agent	Approved	03/15/2024
B	Tennessee	Agent	Approved	03/15/2024
B	Texas	Agent	Approved	08/15/2018
IA	Texas	Investment Adviser Representative	Restricted Approval	08/13/2018
B	Utah	Agent	Approved	08/25/2025
B	Virginia	Agent	Approved	09/12/2024



Broker Qualifications

Employment 1 of 1, continued

	U.S. State/ Territory	Category	Status	Date
B	Washington	Agent	Approved	03/04/2011
IA	Washington	Investment Adviser Representative	Approved	03/04/2011
B	Wisconsin	Agent	Approved	02/25/2019

Branch Office Locations

WELLS FARGO CLEARING SERVICES, LLC
460 CENTRAL WAY
KIRKLAND, WA 98033

WELLS FARGO CLEARING SERVICES, LLC
205 108TH AVE NE 6TH FL
BELLEVUE, WA 98004



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

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	02/12/1998
B Investment Company Products/Variable Contracts Representative Examination	Series 6	12/18/1996

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	07/19/2001
B Uniform Securities Agent State Law Examination	Series 63	10/21/1996

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 05/2009 - 03/2011	CHASE INVESTMENT SERVICES CORP.	25574	BELLEVUE, WA
IA 05/2009 - 03/2011	CHASE INVESTMENT SERVICES CORP.	25574	BELLEVUE, WA
B 01/2009 - 05/2009	WAMU INVESTMENTS, INC.	599	REDMOND, WA
IA 01/2009 - 05/2009	WAMU INVESTMENTS, INC.	599	REDMOND, WA
IA 07/2001 - 01/2009	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	BELLEVUE, WA
B 07/2001 - 01/2009	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	BELLEVUE, WA
B 02/1998 - 06/2001	EDWARD JONES	250	ST. LOUIS, MO
B 12/1996 - 12/1997	JOHN HANCOCK DISTRIBUTORS, INC.	468	BOSTON, MA
B 12/1996 - 05/1997	JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY	5181	BOSTON, 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
11/2016 - Present	WELLS FARGO CLEARING SERVICES, LLC	REGISTERED REP	Y	KIRKLAND, WA, United States
05/2010 - Present	LAKE WASHINGTON SCHOOL DISTRICT	WRESTLING COACH	N	REDMOND, WA, United States
03/2011 - 11/2016	WELLS FARGO ADVISORS LLC	REGISTERED REP	Y	KIRKLAND, WA, United States



Registration and Employment History

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.

LAKE WASHINGTON SCHOOL DISTRICT WRESTLING COACH; NON INVESTMENT RELATED; REDMOND WA: COACH, 100 HRS PER MONTH 0 HRS DURING TRADING; COACH WRESTLING.
RENTAL PROPERTY HELD BY SELF DIRECTED IRA, INVT RELATED, RONALD,WA, 100% OWNERSHIP, START DATE 7/3/2023, 1 HR PER MONTH, 0 HRS DURING TRADING, PROPERTY OWNER.

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.
 -
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
Customer Dispute	0	6	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.

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:	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
Allegations:	THE CUSTOMER ALLEGES UNSUITABLE INVESTMENT RECOMMENDATIONS AND MISREPRESENTATION AND OMISSION OF MATERIAL FACTS FROM NOVEMBER 2006 TO NOVEMBER 2008.
Product Type:	Debt-Corporate Mutual Fund
Alleged Damages:	\$350,000.00

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	12-01415
Date Notice/Process Served:	04/30/2012
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	10/19/2012
Monetary Compensation Amount:	\$150,000.00



Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

Allegations: THE CUSTOMER ALLEGES UNSUITABLE INVESTMENT RECOMMENDATIONS AND MISREPRESENTATION AND OMISSION OF MATERIAL FACTS FROM NOVEMBER 2006 TO NOVEMBER 2008.

Product Type: Debt-Corporate
Mutual Fund

Alleged Damages: \$350,000.00

Arbitration Information

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

Docket/Case #: 12-01415

Date Notice/Process Served: 04/30/2012

Arbitration Pending? No

Disposition: Settled

Disposition Date: 10/19/2012

Monetary Compensation Amount: \$150,000.00

Individual Contribution Amount: \$0.00

Broker Statement MR. BECHER DENIES ANY WRONGDOING ASSOCIATED WITH THIS MATTER. THE CLIENTS WERE INVESTED IN A DIVERSIFIED FIXED INCOME PORTFOLIO, PER THEIR REQUEST, WHICH WAS SUITABLE FOR THEIR STATED RISK TOLERANCES. THE CLIENTS SOLD THEIR PORTFOLIO AT THE LOWEST POINT IN THE MARKET AGAINST THE SPECIFIC ADVICE FROM MR. BECHER. THEREFORE THEY DID NOT PARTICIPATE IN ANY MARKET RECOVERY.



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 5

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	Wells Fargo Advisors, LLC
Allegations:	Client alleged investments are unsuitable. (3/4/2015-7/15/2015)
Product Type:	Other: Wrap Accounts
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	Damages, not specified, are believed to be more than \$5,000.
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:	07/15/2015
Complaint Pending?	No
Status:	Denied
Status Date:	10/14/2015
Settlement Amount:	
Individual Contribution Amount:	
Broker Statement	Given the clients investment objective and time horizon, I recommended a conservative income portfolio. I explained all risks and expenses to the client before investing and after investing in the conservative income portfolio. Client agreed to invest into the conservative income portfolio knowing the value could fluctuate.



Disclosure 2 of 5

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: EDWARD JONES

Allegations: CLIENTS STATE THAT THEY CONTACTED IR SEVERAL TIMES WITH THEIR CONCERNS ABOUT THE VALUE OF THEIR MUTUAL FUND INVESTMENTS. CLIENTS FELT THEIR FUNDS WERE IN TROUBLE, BUT CLAIM THAT IR CONTINUED TO TELL THEM TO HOLD ON TO THEIR MUTUAL FUNDS. CLIENTS CLAIM THEY INVESTED \$89,000 IN NOVEMBER OF 1999 AND THAT THEY HAD LOST ABOUT \$40,000 BY OCTOBER 2002, AND THAT THIS WAS THE FAULT OF THE FIRM AND THE IR.

Product Type: Mutual Fund(s)

Alleged Damages: \$49,000.00

Customer Complaint Information

Date Complaint Received: 03/11/2003

Complaint Pending? No

Status: Denied

Status Date: 05/19/2003

Settlement Amount:

Individual Contribution Amount:

Firm Statement IR STATED THAT HE RECALLS DISCUSSIONS WITH CLIENTS ABOUT THE MARKET AND STATED TO THEM THAT THEY COULD LIQUIDATE AT ANY TIME AND PUT THE MONEY INTO CASH. IT WOULD APPEAR THE PURCHASE WAS AUTHORIZED AND THE NECESSARY INFORMATION WAS PROVIDED FOR CLIENTS TO MAKE AN INFORMED DECISION TO INVEST. DECREASE IN VALUE OF CLIENTS' ACCOUNT CAN BE ATTRIBUTED TO MARKET FLUCTUATION, A RISK ASSOCIATED WITH INVESTING AND OF WHICH THE CLIENTS WERE INFORMED BY THE IR. CLAIM DENIED.

Reporting Source: Broker



Employing firm when activities occurred which led to the complaint: EDWARD JONES

Allegations: CLIENTS STATE THAT THEY CONTACTED IR SEVERAL TIMES WITH THEIR CONCERNS ABOUT THE VALUE OF THEIR MUTUAL FUND INVESTMENTS. CLIENTS FELT THEIR FUNDS WERE IN TROUBLE, BUT CLAIM THAT IR CONTINUED TO TELL THEM TO HOLD ON TO THEIR MUTUAL FUNDS. CLIENTS CLAIM THEY INVESTED \$89,000.00 IN NOVEMBER OF 1999 AND THAT THEY HAD LOST ABOUT \$40,000.00 BY OCTOBER 2002, AND THAT THIS WAS THE FAULT OF THE FIRM AND THE IR.

Product Type: Mutual Fund(s)

Alleged Damages: \$49,000.00

Customer Complaint Information

Date Complaint Received: 03/11/2003

Complaint Pending? No

Status: Denied

Status Date: 05/19/2003

Settlement Amount:

Individual Contribution Amount:

Disclosure 3 of 5

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: EDWARD JONES

Allegations: CLIENT CLAIMS IR MISREPRESENTED HIS VARIABLE ANNUITY BY STATING THERE WAS A GUARANTEED 9% RATE FOR FIRST YEAR ON \$37,378.86 AFTER WHICH THE INVESTMENT WOULD BE TRANSFERRED TO VARIOUS SUB-ACCOUNTS. CLAIMS IR TOLD HIM AN \$20M COULD BE ADDED TO THE ANNUITY AND THE ADDITIONAL INVESTMENT WOULD ALSO EARN 9%, BUT THE CLIENT DISCOVERED THIS WAS NOT TRUE.

Product Type: Annuity-Variable

Alleged Damages: \$5,000.00



Customer Complaint Information

Date Complaint Received: 07/22/2002

Complaint Pending? No

Status: Denied

Status Date: 08/14/2002

Settlement Amount:

Individual Contribution Amount:

Firm Statement

OUR RECORDS INDICATE THE CLIENT INITIATED A 1035 EXCHANGE INTO THE SUNAMERICA POLARIS II VARIABLE ANNUITY WITH THE FORMER IR, STEVE BECHER, FOR \$37,378.86 ON 12/29/99. AT THE TIME OF 1035 EXCHANGE, THERE WAS A \$600.00 SURRENDER PENALTY ASSESSED ON THE FORMER CONTRACT ISSUED BY MIDLAND MUTUAL INS CO. THE CLIENT ALSO MADE AN ADDITIONAL PURCHASE OF \$20,000.00 ON 2/24/00. THE 9% FIRST YEAR RETURN REFERRED TO IN HIS LETTER WAS THE DCA RATE AVAILABLE ON THE POLARIS II CONTRACT AT THE TIME OF PURCHASE. THE DCA PROGRAM ALLOWS FOR THE SYSTEMATIC INVESTING OF MONEY IN THE ANNUITY INTO VARIOUS SUBACCOUNTS PROVIDED WITHIN THE ANNUITY. SUNAMERICA PAYS THE DCA RATE ON THE MONEY NOT CURRENTLY INVESTED IN THE SUBACCOUNTS. OVER A TWELVE MONTH PERIOD, SUNAMERICA INVESTS 1/12 OF THE MONEY INTO THE SUBACCOUNTS TO TAKE ADVANTAGE OF DOLLAR COST AVERAGING. THE 3% RATE HE REFERRED TO IN HIS LETTER APPEARS TO BE THE FIXED SUBACCOUNT RATE AVAILABLE AT THE TIME WITHIN THE POLARIS II CONTRACT. OUR RECORDS INDICATE THE CLIENT AFFIRMED, IN WRITING, HE RECEIVED THE POLARIS II CONTRACT, NUMBERED [CONTRACT #], AND WAS AWARE THIS WAS A VARIABLE PRODUCT AND NOT GUARANTEED AS TO A FIXED RETURN. THIS CONFIRMATION ALSO STATES HE RECEIVED CURRENT PROSPECTUSES AND HE READ THEM CAREFULLY AND UNDERSTOOD THEIR CONTENTS. OUR RECORDS FURTHER INDICATE THE CLIENT ACKNOWLEDGED, IN WRITING, HIS UNDERSTANDING OF THE \$600.00 SURRENDER CHARGE INCURRED AS A RESULT OF THEIR 1035 EXCHANGE. HE FURTHER ACKNOWLEDGED THE TERMS OF THE SURRENDER SCHEDULE OF THE NEW CONTRACT AND THE DCA RATE ALONG WITH THE ALLOCATIONS TO THE SUBACCOUNTS. NEXT, THERE IS NO DOCUMENTATION TO SUPPORT THE CLIENT'S CLAIM THE 2/24/00 ADDITION OF \$20,000.00 SHOULD HAVE BEEN PLACED IN THE DCA PROGRAM WITH THE ANNUITY. AS A RESULT, THE \$20,000.00 ADDITION WAS PLACED INTO THE VARIOUS SUBACCOUNTS ACCORDING TO THE ALLOCATIONS THE CLIENT INSTRUCTED MR. BECHER TO ESTABLISH.



Reporting Source: Broker
Employing firm when activities occurred which led to the complaint: EDWARD JONES

Allegations: CLIENT CLAIMS IR MISREPRESENTED HIS VARIABLE ANNUITY BY STATING THERE WAS A GUARANTEED 9% RATE FOR FIRST YEAR ON \$37,378.86 AFTER WHICH THE INVESTMENT WOULD BE TRANSFERRED TO VARIOUS SUBACCOUNTS. CLAIMS IR TOLD HIM AN \$20M COULD BE ADDED TO THE ANNUITY AND THE ADDITIONAL INVESTMENT WOULD ALSO EARN 9%, BUT THE CLIENT DISCOVERED THIS WAS NOT TRUE.

Product Type: Annuity(ies) - Variable

Alleged Damages: \$5,000.00

Customer Complaint Information

Date Complaint Received: 07/22/2002

Complaint Pending? No

Status: Denied

Status Date: 08/14/2002

Settlement Amount:

Individual Contribution Amount:

Disclosure 4 of 5

Reporting Source: Firm
Employing firm when activities occurred which led to the complaint: EDWARD JONES

Allegations: CPA WROTE ON BEHALF OF CLIENT. CPA ALLEGED INVESTMENTS WERE UNSUITABLE BASED UPON CLIENT'S HEALTH STATUS AND EXPECTED DECREASE IN INCOME STREAM. IN 11/00, VARIOUS FIXED INCOME PRODUCTS WERE PURCHASED AND ONE ORCL, AS WELL AS PUTNAM AND FEDERATED MFDS. ADDITIONAL FIXED INCOME PRODUCTS WERE PURCHASED IN 04/01.



Product Type: Mutual Fund(s)

Alleged Damages: \$5,000.00

Customer Complaint Information

Date Complaint Received: 09/07/2001

Complaint Pending? No

Status: Denied

Status Date: 10/02/2001

Settlement Amount:

Individual Contribution Amount:

Firm Statement

SALE PROCEEDS WERE GENERATED FROM THE SALE OF RELATIVELY AGGRESSIVE EQUITY INVESTMENTS. AT THE TIME OF THE PURCHASES, CLIENT WOULD HAVE RECEIVED TRADE CONFIRMATIONS AND SUBSEQUENT CUSTOMER STATEMENTS. TRADES APPEARED TO HAVE BEEN ENTERED WITH CLIENT'S AUTHORIZATION AND UNDERSTANDING OF THE RISKS INVOLVED WITH THE TRANSACTIONS. FURTHER, IT APPEARS THE TRADES WERE IN LINE WITH THE CLIENT'S STATED INVESTMENT OBJECTIVES AND FINANCIAL WHEREWITHAL. CLAIM DENIED.

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: EDWARD JONES

Allegations: CPA WROTE ON BEHALF OF CLIENT. CPA ALLEGED INVESTMENTS WERE UNSUITABLE BASED UPON CLIENT'S HEALTH STATUS AND EXPECTED DECREASE IN INCOME STREAM. IN 11/00, VARIOUS FIXED INCOME PRODUCTS WERE PURCHASED AND ONE ORCL, AS WELL AS PUTNAM AND FEDERATED MFDS. ADDITIONAL FIXED INCOME PRODUCTS WERE PURCHASED IN 04/01.

Product Type: Mutual Fund(s)

Alleged Damages: \$5,000.00



Customer Complaint Information

Date Complaint Received: 09/07/2001

Complaint Pending? No

Status: Denied

Status Date: 10/02/2001

Settlement Amount:

Individual Contribution Amount:

Broker Statement

SALE PROCEEDS WERE GENERATED FROM THE SALE OF THE RELATIVELY AGGRESSIVE EQUITY INVESTMENTS. AT THE TIME OF THE PURCHASES, CLIENT WOULD HAVE RECEIVED TRADE CONFIRMATIONS AND SUBSEQUENT CUSTOMER STATEMENTS. TRADES APPEARED TO HAVE BEEN ENTERED WITH CLIENT'S AUTHORIZATION AND UNDERSTANDING OF THE RISKS INVOLVED WITH THE TRANSACTIONS. FURTHER, IT APPEARS THE TRADES WERE IN LINE WITH THE CLIENT'S STATED INVESTMENT OBJECTIVES AND FINANCIAL WHEREWITHAL. CLAIM DENIED.

Disclosure 5 of 5

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: EDWARD JONES

Allegations: CLIENT STATES BECHER ADVISED HER THE 100M ANNUITY SHE PURCHASED IN APRIL 2000 WOULD INCUR NO COMMISSIONS AND NO CHARGE TO LIQUIDATE AND WOULD GROW 13% PER YEAR. THE CLIENT STATES SHE PAID \$3,500 IN COMMISSION AND THE VALUE OF THE ANNUITY HAS DECLINED TO APPROXIMATELY \$75,000.

Product Type: Annuity(ies) - Variable

Alleged Damages: \$75,000.00

Customer Complaint Information

Date Complaint Received: 07/11/2001

Complaint Pending? No



Status: Denied

Status Date: 10/24/2001

Settlement Amount:

Individual Contribution Amount:

Firm Statement

BECHER INDICATES THE CLIENT EXPRESSED AN INTEREST IN GROWTH AND INCOME AND BECHER THEN PRESENTED ANNUITIES AS A POSSIBLE INVESTMENT ALTERNATIVE. BECHER STATES HE EXPLAINED THE ANNUITY COULD BE PURCHASED WITH AN UP-FRONT SALES CHARGE OR WITH A BACK-END SALES CHARGE. BECHER STATES HE ALSO DISCUSSED MARKET FLUCTUATION, SURRENDER CHARGES, DEATH BENEFIT AS WELL AS SUB-ACCOUNTS. THE CLIENT SIGNED THE ANNUITY APPLICATION AND CONFIRMATION WHICH INDICATES THE CLIENT UNDERSTOOD THE ANNUITY CONTRACT AND PROSPECTUS. CLAIM DENIED.

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: EDWARD JONES

Allegations: CLIENT STATES BECHER ADVISED HER THAT THE 100M ANNUITY SHE PURCHASED IN APRIL 2000 WOULD INCUR NO COMMISSIONS AND NO CHARGE TO LIQUIDATE AND WOULD GROW 13% PER YEAR. THE CLIENT STATES SHE PAID \$3,500 IN COMMISSION AND THE VALUE OF THE ANNUITY HAS DECLINED TO APPROXIMATELY \$75,000.

Product Type: Annuity(ies) - Variable

Alleged Damages: \$75,000.00

Customer Complaint Information

Date Complaint Received: 07/11/2001

Complaint Pending? No

Status: Denied

Status Date: 10/24/2001

**Settlement Amount:****Individual Contribution Amount:****Broker Statement**

BECHER INDICATES THE CLIENT EXPRESSED AN INTEREST IN GROWTH AND INCOME AND BECHER THEN PRESENTED ANNUITIES AS POSSIBLE INVESTMENT ALTERNATIVE. BECHER STATES HE EXPLAINED THE ANNUITY COULD BE PURCHASED WITH AN UP-FRONT SALES CHARGE OR WITH A BACK-END SALES CHARGE. BECHER STATES HE ALSO DISCUSSED MARKET FLUCTUATION, SURRENDER CHARGES, DEATH BENEFIT AS WELL AS SUB-ACCOUNTS. THE CLIENT SIGNED THE ANNUITY APPLICATION AND CONFIRMATION WHICH INDICATES THE CLIENT UNDERSTOOD THE ANNUITY CONTRACT AND PROSPECTUS. CLAIM DENIED.

End of Report



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