

**BrokerCheck Report**

**STEVEN M NETZEL**

CRD# 2863170

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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.



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

[brokercheck.finra.org](http://brokercheck.finra.org)



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

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)

**Thank you for using FINRA BrokerCheck.**

**STEVEN M. NETZEL**

CRD# 2863170

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:**

- 0 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 MADISON AVENUE SECURITIES, LLC**  
CRD# 23224  
Sun Lakes, AZ  
06/2019 - 08/2019
- B KALOS CAPITAL, INC.**  
CRD# 44337  
CHANDLER, AZ  
11/2013 - 06/2019
- B MADISON AVENUE SECURITIES, INC.**  
CRD# 23224  
SUN LAKES, AZ  
02/2009 - 12/2013

**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	2
Financial	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 0 principal/supervisory exams, 2 general industry/product exams, and 1 state securities law exam.**

### Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

### 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	02/09/2009

### State Securities Law Exams

Exam	Category	Date
<b>B IA</b> Uniform Combined State Law Examination	Series 66	02/20/2009

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> 06/2019 - 08/2019	MADISON AVENUE SECURITIES, LLC	23224	Sun Lakes, AZ
<b>B</b> 11/2013 - 06/2019	KALOS CAPITAL, INC.	44337	CHANDLER, AZ
<b>B</b> 02/2009 - 12/2013	MADISON AVENUE SECURITIES, INC.	23224	SUN LAKES, AZ

### 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
06/2016 - Present	Val Vista Capital Management LLC	Investment Adviser Representative	Y	Sun Lakes, AZ, United States
08/2005 - Present	AFFORDABLE SUPPLEMENTAL, INC., DBA NETZEL FINANCIAL	OWNER, PRESIDENT	Y	SUN LAKES, AZ, United States
06/2019 - 07/2019	MADISON AVENUE SECURITIES, LLC	REGISTERED REPRESENTATIVE	Y	SAN DIEGO, CA, United States
11/2013 - 06/2019	KALOS CAPITAL	REGISTERED REPRESENTATIVE	Y	ALPHARETTA, GA, United States
11/2013 - 07/2016	KALOS MANAGEMENT	INVESTMENT ADVISOR	Y	ALPHARETTA, GA, United States
03/2009 - 11/2013	MADISON AVENUE SECURITIES, INC.	INVESTMENT ADVISOR REP	Y	SUN LAKES, AZ, United States
08/2008 - 11/2013	MADISON AVENUE SECURITIES, INC.	REGISTERED REP	Y	SUN LAKES, AZ, 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

NAME: NETZEL HOLDINGS, LLC; INV RELATED: YES; ADDRESS: 10450 E. RIGGS ROAD, #101, SUN LAKES, AZ 85248; NATURE: OWNERSHIP OF COMMERCIAL REAL ESTATE; POSITION: SOLE MEMBER; START DATE: 01/2006; HOURS/MONTH: 4; TRADING HOURS/MONTH: 4; DUTIES: OWNER/MANAGER

NAME: PARKCAR II, LLC; INV RELATED: YES; ADDRESS: 10450 E. RIGGS ROAD, #101, SUN LAKES, AZ 85248; NATURE: HOLDS 3 NON-TRADED SECURITIES; POSITION: 50% MEMBER; START DATE: 10/2013; HOURS/MONTH: LESS THAN 1; TRADING HOURS/MONTH: LESS THAN 1; DUTIES: MANAGING ACTIVITIES OF THE HOLDINGS

NAME: NETZEL FINANCIAL (DBA OF AFFORDABLE SUPPLEMENTAL, INC.) (INSURANCE); INV RELATED: YES; ADDRESS: 10450 E. RIGGS ROAD, #101, SUN LAKES, AZ 85248; NATURE: INSURANCE SALES; POSITION: PRESIDENT/ADVISOR; START DATE: 01/2005; HOURS/MONTH: 160+; TRADING HOURS/MONTH: 160+; DUTIES: ADVISOR

NAME: VAL VISTA CAPITAL MANAGEMENT; INV RELATED: YES; ADDRESS: 10450 E. RIGGS ROAD, #101, SUN LAKES, AZ 85248; NATURE: RIA; POSITION: OWNER/ADVISOR; START DATE: 09/2015; HOURS/MONTH: 160+; TRADING HOURS/MONTH: 160+; DUTIES: BUILDING PORTFOLIOS, MAKING TRADES, AND PICKING STOCKS & BONDS

NAME: ADVISORS EXCEL; INV RELATED: YES; ADDRESS: 2950 SW McCLURE ROAD, TOPEKA, KS 66614; NATURE: INSURANCE PRODUCTS OFFERED THROUGH AE, CREATIVE SERVICES PROVIDED BY AE; POSITION: INSURANCE AGENT; START DATE: 08/2012; HOURS/MONTH: 40; TRADING HOURS/MONTH: 40; DUTIES: INSURANCE SALES

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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:**
  - o A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
  - o A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
  - o
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - o As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
  - o
4. **There are different statuses and dispositions for disclosure events:**
  - o A disclosure event may have a status of *pending*, *on appeal*, or *final*.
    - § A "pending" event involves allegations that have not been proven or formally adjudicated.
    - § An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
    - § A "final" event has been concluded and its resolution is not subject to change.
  - o A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
    - § An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
    - § A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
    - § A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Regulatory Event	0	1	0
Customer Dispute	1	1	N/A
Financial	0	1	N/A



## Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

### Regulatory - Final

This type of disclosure event may involve (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of a broker's authority to act as an attorney, accountant, or federal contractor.

#### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	ARIZONA CORPORATION COMMISSION SECURITIES DIVISION
<b>Sanction(s) Sought:</b>	Cease and Desist Civil and Administrative Penalty(ies)/Fine(s)
<b>Date Initiated:</b>	03/01/2012
<b>Docket/Case Number:</b>	S-20840A-12-0084
<b>URL for Regulatory Action:</b>	
<b>Employing firm when activity occurred which led to the regulatory action:</b>	
<b>Product Type:</b>	Investment Contract Promissory Note
<b>Allegations:</b>	NETZEL VIOLATED A.R.S. 44-1841 BY OFFERING OR SELLING SECURITIES THAT WERE NEITHER REGISTERED NOR EXEMPT FROM REGISTRATION. NETZEL VIOLATED A.R.S. 44-1842 BY OFFERING OR SELLING SECURITIES WHILE NEITHER REGISTERED AS A DEALER OR SALESMAN NOR EXEMPT FROM REGISTRATION.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Consent



**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:** 03/16/2012

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

**Monetary Sanction 1 of 1**

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)

**Total Amount:** \$10,000.00

**Portion Levied against individual:** \$10,000.00

**Payment Plan:** DUE ON DATE OF ORDER

**Is Payment Plan Current:** Yes

**Date Paid by individual:** 03/16/2011

**Was any portion of penalty waived?** No

**Amount Waived:**

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**Reporting Source:** Broker

**Regulatory Action Initiated By:** ARIZONA CORPORATION COMMISSION SECURITIES DIVISION

**Sanction(s) Sought:** Cease and Desist  
Civil and Administrative Penalty(ies)/Fine(s)

**Date Initiated:** 03/01/2012

**Docket/Case Number:** S-20840A-12-0084

**Employing firm when activity occurred which led to the regulatory action:** NONE

**Product Type:** Investment Contract



## Promissory Note

<b>Allegations:</b>	U6 FILED BY THE ARIZONA CORPORATION COMMISSION SECURITIES DIVISION STATES NETZEL VIOLATED A.R.S. 44-1841 BY OFFERING OR SELLING SECURITIES THAT WERE NEITHER REGISTERED NOR EXEMPT FROM REGISTRATION. NETZEL VIOLATED A.R.S. 44-1842 BY OFFERING OR SELLING SECURITIES WHILE NEITHER REGISTERED AS A DEALER OR SALESMAN NOR EXEMPT FROM REGISTRATION.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Consent
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Resolution Date:</b>	03/16/2012
<b>Sanctions Ordered:</b>	Cease and Desist Civil and Administrative Penalty(ies)/Fine(s)
<b>Monetary Sanction 1 of 1</b>	
<b>Monetary Related Sanction:</b>	Civil and Administrative Penalty(ies)/Fine(s)
<b>Total Amount:</b>	\$10,000.00
<b>Portion Levied against individual:</b>	\$10,000.00
<b>Payment Plan:</b>	DUE ON DATE OF ORDER
<b>Is Payment Plan Current:</b>	Yes
<b>Date Paid by individual:</b>	03/16/2011
<b>Was any portion of penalty waived?</b>	No
<b>Amount Waived:</b>	



## Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	Kalos Capital, Inc.
<b>Allegations:</b>	Unsuitable recommendations
<b>Product Type:</b>	Oil & Gas Real Estate Security Other: Private Equity and alternative investments
<b>Alleged Damages:</b>	\$300,000.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	No specific amount claimed in the SOC, but worst case scenario would be the entire amount of all investments.

### Arbitration Information

<b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b>	FINRA
<b>Docket/Case #:</b>	19-02921
<b>Date Notice/Process Served:</b>	10/07/2019
<b>Arbitration Pending?</b>	Yes

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	Kalos Capital, Inc.
<b>Allegations:</b>	unsuitable recommendations
<b>Product Type:</b>	Other: Private equity and alternative investments
<b>Alleged Damages:</b>	\$300,000.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	No specific amount claimed in the SOC, but worst case scenario would be the entire amount of all investments.



exact):

### Arbitration Information

<b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b>	FINRA
<b>Docket/Case #:</b>	19-02921
<b>Date Notice/Process Served:</b>	10/07/2019
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	07/13/2020
<b>Monetary Compensation Amount:</b>	\$177,500.00
<b>Individual Contribution Amount:</b>	\$0.00

### Broker Statement

My broker-dealer opted to settle this claim rather than risk the legal expenses surpassing the cost to settle. I maintain that at the time of purchase, the client was fully informed of the risks associated with this investment, understood those risks and presented evidence that it was suitable for his portfolio. This arbitration was brought by his son and not the client. I, along with all other parties except the BD, were dismissed from the case and I was not asked to contribute anything towards the settlement.



## Customer Dispute - Pending

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, consumer-initiated, investment-related written complaint containing allegations that the broker engaged in, sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	Kalos Capital, Inc.
<b>Allegations:</b>	Unsuitable investments, failure to supervise, and misrepresentation
<b>Product Type:</b>	Direct Investment-DPP & LP Interests Oil & Gas Other: Private Equity and alternative investments
<b>Alleged Damages:</b>	\$0.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	Unspecified damages for the consideration paid for the securities with interest and reasonable attorney fees.

### Arbitration Information

<b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b>	FINRA
<b>Docket/Case #:</b>	20-02253
<b>Date Notice/Process Served:</b>	08/22/2020
<b>Arbitration Pending?</b>	Yes
<b>Firm Statement</b>	Client was solicited by a law firm that advertises on-line that they are successful in obtaining settlements regarding a poor performing investment purchased by claimants. The claimants understood the risks, and the investment recommendations were suitable for their stated goals, objectives, and risk profiles. Kalos Capital and I deny all allegations.



## Financial - Final

This type of disclosure event involves a bankruptcy, compromise with one or more creditors, or Securities Investor Protection Corporation liquidation involving the broker or an organization/brokerage firm the broker controlled that occurred within the last 10 years.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Broker
<b>Action Type:</b>	Compromise
<b>Action Date:</b>	09/15/2011
<b>Organization Investment-Related?</b>	
<b>Action Pending?</b>	No
<b>Disposition:</b>	Short sale
<b>Disposition Date:</b>	09/15/2011
<b>If a compromise with creditor, provide:</b>	
<b>Name of Creditor:</b>	Wells Fargo Home Mortgage
<b>Original Amount Owed:</b>	\$506,000.00
<b>Terms Reached with Creditor:</b>	short sale



## End of Report



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