

BrokerCheck Report

STEVEN ROLAND KNUUTTILA

CRD# 3039112

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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.

STEVEN R. KNUUTILA

CRD# 3039112

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

Registration History

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

CAPITAL FINANCIAL SERVICES, INC.

CRD# 8408
PERHAM, MN
06/2012 - 12/2017

QUESTAR CAPITAL CORPORATION

CRD# 43100
PERHAM, MN
12/2006 - 06/2012

USALLIANZ SECURITIES, INC.

CRD# 40875
PERHAM, MN
10/2005 - 12/2006

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
Customer Dispute	40
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, 2 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
Municipal Fund Securities Principal Examination	Series 51	05/19/2003
General Securities Principal Examination	Series 24	10/10/2002

General Industry/Product Exams

Exam	Category	Date
Securities Industry Essentials Examination	SIE	12/31/2017
General Securities Representative Examination	Series 7	05/11/1998

State Securities Law Exams

Exam	Category	Date
Uniform Combined State Law Examination	Series 66	03/15/2006
Uniform Securities Agent State Law Examination	Series 63	05/13/1998

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/.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
06/2012 - 12/2017	CAPITAL FINANCIAL SERVICES, INC.	8408	PERHAM, MN
12/2006 - 06/2012	QUESTAR CAPITAL CORPORATION	43100	PERHAM, MN
10/2005 - 12/2006	USALLIANZ SECURITIES, INC.	40875	PERHAM, MN
05/2002 - 10/2005	RAYMOND JAMES FINANCIAL SERVICES, INC.	6694	ST. PETERSBURG, FL
05/1998 - 05/2002	EDWARD JONES	250	ST. LOUIS, MO

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 Dates	Employer Name	Employer Location
06/2012 - Present	CAPITAL FINANCIAL SERVICES INC.	MINOT, ND
06/2004 - Present	KNUTTILA FINANCIAL SERVICES	PERHAM, MN
10/2002 - Present	SELF EMPLOYED INSURANCE SALES AGENT	PERHAM, MN
12/2006 - 06/2012	QUESTAR CAPITAL CORPORATION	MINNEAPOLIS, MN
08/2006 - 06/2012	QUESTAR ASSET MANAGEMENT	MINNEAPOLIS, MN

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.

PRESIDENT AND OWNER OF KNUTTILA FINANCIAL SERVICES, INC. SALE OF SEMINAR.
INSURANCE AGENT OFFERING FIXED ANNUITIES, DISABILITY, HEALTH, LIFE, EMPLOYEE BENEFITS AND LONG TERM CARE. APPROXIMATELY 16-18 HOURS PER MONTH, OF WHICH 14 HOURS PER MONTH ARE DURING SECURITIES TRADING HOURS.



Registration and Employment History

Other Business Activities, continued

VARIOUS SUPPLEMENTS, AFLAC, MEDICA, ASSURANT HEALTH, JOHN ALDEN, ETC. 10 HOURS PER MONTH, 4 HOURS DURING SECURITIES TRADING HOURS.

PROFESSIONAL REFERRALS TO CPA'S, ATTORNEYS, REAL ESTATE AGENTS/BROKERS, MORTGAGE COMPANIES. 1 HOUR PER MONTH, ALL HOURS DURING SECURITIES TRADING HOURS.

VENTURE PROPERTIES LLC, IRA'S OWN THE LLC. 36370 RUSH LAKE LOOP, OTTERTAIL MN 56571. NATURE UNDEVELOPED REAL ESTATE. IRA OWNS THE LLC. I AM THE IRA ACCOUNT HOLDER. I MAKE DECISIONS REGARDING MY IRA ASSETS. START DATE SEPTEMBER 4, 2014. 0 HOURS DEVOTED A MONTH. 0 DURING TRADING. DUTIES IRA ACCOUNT OWNERS OCCASIONALLY MEET TO DISCUSS WHAT PROPERTIES THE BUSINESS WILL PURCHASE THROUGH IRA'S.

FIXED INSURANCE SALES THROUGH VARIOUS INSURANCE COMPANIES.

DAWSON HOME MORTGAGE (J & K FINANCIAL SERVICES, LLC), NOT INVESTMENT RELATED, 655 3RD AVE SE SUITE D, PERHAM, MN 56573, NATURE -MORTGAGE LOANS, TITLE - PRESIDENT AND PASSIVE OWNER, START DATE - 04/2010, HRS DEVOTED 0, HRS DURING SECURITY HRS- 0, DUTIES - 2-3 HOURS PER YEAR FOR ANNUAL MEETING AND REVIEW.

KNUTTILA PROPERTIES, LLC, NOT INVESTMENT-RELATED, ADDRESS - 1118 SUMMIT AVE, DETROIT LAKES, MN 56501, NATURE - BUSINESS AND RESIDENTIAL RENTALS, TITLE - PRESIDENT, STARTED - 8/2/2007, APPROXIMATE 1 HR DURING BUSINESS AND 0 HRS DURING SECURITY, DUTIES - APPROXIMATELY 2-3 HOURS PER YEAR PRESIDING AS PRESIDENT AT ANNUAL MEETING AND REVIEW; AND APPROXIMATELY 1 HOUR PER MONTH REVIEWING AND PAYING BILLS, MEETING WITH BUSINESS/PERSONAL CPA AND GENERAL DUTIES ASSOCIATED WITH BUSINESS. COMPENSATION IS BASED ON NET EARNINGS OF COMPANY AT YEAR END.

Tarkenton Financial yes investment related. 3340 Peachtree Rd NE Suite 2300 Atlanta GA 30326. Nature Insurance/FMO. Position Advisory Board Member. Start Date 11/09/2016. Number of hours you devote per month 1. Number of hours during trading hours 1. Duties Advisory Board Member.



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



Customer Dispute	15	25	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:	FINRA
Sanction(s) Sought:	
Date Initiated:	06/19/2018
Docket/Case Number:	2017052705601
Employing firm when activity occurred which led to the regulatory action:	n/a
Product Type:	No Product
Allegations:	Without admitting or denying the findings, Knuttila consented to the sanction and to the entry of findings that he refused to appear for FINRA on-the-record testimony relating to an investigation into allegations that Knuttila made unsuitable recommendations to customers.
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:

06/19/2018

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 1

Sanction Type: Bar (Permanent)

Capacities Affected: All capacities

Duration: Indefinite

Start Date: 06/19/2018

End Date:



Reporting Source: Firm

Regulatory Action Initiated By: FINRA

Sanction(s) Sought:

Date Initiated: 06/19/2018

Docket/Case Number: [2017052705601](#)

Employing firm when activity occurred which led to the regulatory action: n/a

Product Type: No Product

Allegations: Without admitting or denying the findings, Knuttila consented to the sanction and to the entry of findings that he refused to appear for FINRA on-the-record testimony relating to an investigation into allegations that Knuttila made unsuitable recommendations to customers.

Current Status: Final

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/19/2018

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 1

Sanction Type: Bar (Permanent)
Capacities Affected: All Capacities
Duration: Indefinite
Start Date: 06/19/2018
End Date:

Disclosure 2 of 2

Reporting Source: Regulator
Regulatory Action Initiated By: Minnesota
Sanction(s) Sought: Bar
 Revocation
 Other: also includes insurance license
Date Initiated: 04/10/2018
Docket/Case Number: 46534
URL for Regulatory Action:



Employing firm when activity occurred which led to the regulatory action:	Capital Financial Services Inc.
Product Type:	Annuity-Variable Equipment Leasing Other: REIT
Allegations:	Respondent sold unsuitable investments to numerous clients.
Current Status:	Final
Resolution:	Consent
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	Yes
Resolution Date:	04/10/2018
Sanctions Ordered:	Bar (Permanent) Civil and Administrative Penalty(ies)/Fine(s) Revocation
Sanction 1 of 1	
Sanction Type:	Bar (Permanent)
Capacities Affected:	All capacities
Duration:	
Start Date:	04/10/2018
End Date:	
Monetary Sanction 1 of 1	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$40,000.00
Portion Levied against individual:	\$10,000.00
Payment Plan:	
Is Payment Plan Current:	Yes



Date Paid by individual:	04/02/2018
Was any portion of penalty waived?	Yes
Amount Waived:	\$30,000.00



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 14

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Questar Capital Corporation and Capital Financial Services
Allegations:	Alleged violations of the MN Securities Act, unsuitability, breach of fiduciary duty, negligence, negligent misrepresentation, intentional misrepresentations, negligent supervision, and breach of contract in the sale of various oil and gas investments and real estate investment trusts between 2011 and 2014
Product Type:	Direct Investment-DPP & LP Interests Oil & Gas Real Estate Security
Alleged Damages:	\$85,000.00
Is this an oral complaint?	No
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA
Docket/Case #:	18-03611
Filing date of arbitration/CFTC reparation or civil litigation:	10/17/2018

Customer Complaint Information

Date Complaint Received:	10/23/2018
Complaint Pending?	No
Status:	Settled
Status Date:	04/04/2019
Settlement Amount:	\$9,000.00



Individual Contribution Amount: \$0.00

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Questar Capital Corporation and Capital Financial Services, Inc.

Allegations: Clients allege unsuitable sales of alternative investments.

Product Type: Oil & Gas
Real Estate Security

Alleged Damages: \$130,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA Office of Dispute Resolution

Docket/Case #: 18-03611

Filing date of arbitration/CFTC reparation or civil litigation: 10/17/2018

Customer Complaint Information

Date Complaint Received: 10/23/2018

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 2 of 14

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Questar Capital Corporation, Capital Financial Services



Allegations: alleged unsuitability, breach of fiduciary duty, common law fraud, breach of contract, negligent supervision, negligent hiring, and violation of the Minnesota Securities Act, in the sale of speculative private placement investments, including REIT's, oil and gas investments, equipment leasing funds and annuities. No specific damages amount claimed

Product Type: Annuity-Fixed
Annuity-Variable
Direct Investment-DPP & LP Interests
Equipment Leasing
Oil & Gas
Real Estate Security

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): The Firm believes damages would exceed. \$5,000

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 18-03226

Filing date of arbitration/CFTC reparation or civil litigation: 09/14/2018

Customer Complaint Information

Date Complaint Received: 09/17/2018

Complaint Pending? No

Status: Settled

Status Date: 01/02/2019

Settlement Amount: \$5,000.00

Individual Contribution Amount: \$0.00



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc.

Allegations: Clients are alleging unsuitability, breach of fiduciary duty, breach of contract.

Product Type: Equipment Leasing
Oil & Gas
Real Estate Security

Alleged Damages: \$5,000.00

Alleged Damages Amount Explanation (if amount not exact): No damage amount was specified however the firm made a good faith estimate that the amount could 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? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 18-03226

Filing date of arbitration/CFTC reparation or civil litigation: 09/14/2018

Customer Complaint Information

Date Complaint Received: 09/14/2018

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 3 of 14

Reporting Source: Firm



Employing firm when activities occurred which led to the complaint:	Questar Capital Corporation and Capital Financial Services
Allegations:	alleged unsuitability, breach of fiduciary duty, common law fraud, breach of contract, negligent supervision, negligent hiring, and violation of the Minnesota Securities Act, in the sale of speculative private placement investments, including oil and gas investments, as well as annuities.
Product Type:	Annuity-Variable Oil & Gas
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	No specific damages claim alleged but the Firm believes the amount would exceed \$5,000.
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA
Docket/Case #:	18-03179
Filing date of arbitration/CFTC reparation or civil litigation:	09/10/2018

Customer Complaint Information

Date Complaint Received:	09/14/2018
Complaint Pending?	No
Status:	Settled
Status Date:	02/28/2019
Settlement Amount:	\$5,000.00
Individual Contribution Amount:	\$0.00



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Questar Capital Corporation and Capital Financial Services, Inc.

Allegations: Alleged breach of fiduciary duty, negligence, negligent supervision, fraud, breach of contract, violation of Sections 10(b) and 10b-5 of the Securities Exchange Act in the sale of various limited partnerships between 2011 and 2014

Product Type: Direct Investment-DPP & LP Interests

Alleged Damages: \$100,000.00

Alleged Damages Amount Explanation (if amount not exact): damages alleged to be between \$100,000 and \$500,000

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 18-01776

Filing date of arbitration/CFTC reparation or civil litigation: 05/07/2018

Customer Complaint Information

Date Complaint Received: 06/26/2018

Complaint Pending? No

Status: Settled

Status Date: 03/19/2019

Settlement Amount: \$100,000.00

Individual Contribution Amount: \$0.00



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Questar Capital Corporation and Capital Financial Services, Inc

Allegations: Alleged unsuitability, breach of fiduciary duty, common law fraud, breach of contract, and negligent supervision in the sale of various private placement beginning in April 2011.

Product Type: Equipment Leasing
Oil & Gas
Real Estate Security

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): Zero, but the firm believes damages would exceed \$5,000

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 17-01352

Filing date of arbitration/CFTC reparation or civil litigation: 05/23/2017

Customer Complaint Information

Date Complaint Received: 05/30/2017

Complaint Pending? No

Status: Settled

Status Date: 05/11/2018

Settlement Amount: \$250,000.00

Individual Contribution Amount: \$5,000.00



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Questar Capital Corporation and Capital Financial Services, Inc

Allegations: Alleged unsuitability, breach of fiduciary duty, common law fraud, breach of contract, and negligent supervision in the sale of various private placement beginning in April 2011.

Product Type: Equipment Leasing
Oil & Gas
Real Estate Security

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): Zero, but the firm believes damages would exceed \$5,000

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 17-01352

Filing date of arbitration/CFTC reparation or civil litigation: 05/23/2017

Customer Complaint Information

Date Complaint Received: 05/31/2017

Complaint Pending? No

Status: Settled

Status Date: 03/12/2018

Settlement Amount: \$22,500.00

Individual Contribution Amount: \$0.00



Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: Questar Capital Corporation and Capital Financial Services, Inc

Allegations: Alleged unsuitability, breach of fiduciary duty, common law fraud, breach of contract, and negligent supervision in the sale of various private placement beginning in April 2011.

Product Type: Equipment Leasing
Oil & Gas
Real Estate Security

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): Zero, but the firm believes damages would exceed \$5,000

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 17-01352

Filing date of arbitration/CFTC reparation or civil litigation: 05/23/2017

Customer Complaint Information

Date Complaint Received: 05/30/2017

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc.

Allegations: Client is alleging unsuitable sales of alternative investments.

Product Type: Equipment Leasing
Oil & Gas
Real Estate Security

Alleged Damages: \$901,190.26

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA Office of Dispute Resolution

Docket/Case #: 17-01062

Filing date of arbitration/CFTC reparation or civil litigation: 04/26/2017

Customer Complaint Information

Date Complaint Received: 05/01/2017

Complaint Pending? No

Status: Settled

Status Date: 08/24/2018

Settlement Amount: \$875,000.00

Individual Contribution Amount: \$5,000.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc



Allegations: Client is alleging unsuitable sales of alternative investments.

Product Type: Equipment Leasing
Oil & Gas
Real Estate Security

Alleged Damages: \$901,190.26

Is this an oral complaint? No

Is this a written complaint? Yes

**Is this an arbitration/CFTC
reparation or civil litigation?** Yes

**Arbitration/Reparation forum
or court name and location:** FINRA Office of Dispute Resolution

Docket/Case #: 17-01062

**Filing date of
arbitration/CFTC reparation
or civil litigation:** 04/26/2017

Customer Complaint Information

Date Complaint Received: 05/01/2017

Complaint Pending? Yes

Settlement Amount:

**Individual Contribution
Amount:**

Disclosure 7 of 14

Reporting Source: Firm

**Employing firm when
activities occurred which led
to the complaint:** Capital Financial Services, Inc

Allegations: Client is alleging unsuitable recommendations of alternative investments.

Product Type: Annuity-Variable
Equipment Leasing
Mutual Fund
Oil & Gas
Real Estate Security



Alleged Damages: \$139,722.14

Alleged Damages Amount Explanation (if amount not exact): Claimant is alleging \$139722.14 in investment losses. Claimant is seeking return of investment losses cost of arbitration and attorney fees.

Arbitration Information

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

Docket/Case #: 17-00462

Date Notice/Process Served: 02/27/2017

Arbitration Pending? No

Disposition: Settled

Disposition Date: 02/14/2018

Monetary Compensation Amount: \$135,000.00

Individual Contribution Amount: \$75,000.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc

Allegations: Client is alleging unsuitable recommendations of alternative investments.

Product Type: Annuity-Variable
Equipment Leasing
Mutual Fund
Oil & Gas
Real Estate Security

Alleged Damages: \$139,722.14

Alleged Damages Amount Explanation (if amount not exact): Claimant is alleging \$139722.14 in investment losses. Claimant is seeking return of investment losses cost of arbitration and attorney fees.

Is this an oral complaint? No



Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA Dispute Resolution

Docket/Case #: 17-00462

Filing date of arbitration/CFTC reparation or civil litigation: 02/20/2017

Customer Complaint Information

Date Complaint Received: 02/27/2017

Complaint Pending? No

Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)

Status Date: 02/20/2017

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

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

Docket/Case #: 17-00462

Date Notice/Process Served: 02/27/2017

Arbitration Pending? Yes

Disclosure 8 of 14

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: CAPITAL FINANCIAL SERVICES, INC.

Allegations: POOR INVESTMENT ADVICE

Product Type: Equity Listed (Common & Preferred Stock)



Oil & Gas

Alleged Damages: \$87,029.00**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:** 06/27/2013**Complaint Pending?** No**Status:** Settled**Status Date:** 10/31/2013**Settlement Amount:** \$91,121.00**Individual Contribution
Amount:** \$91,121.00**Disclosure 9 of 14****Reporting Source:** Firm**Employing firm when
activities occurred which led
to the complaint:** QUESTAR CAPITAL CORPORATION**Allegations:** CONMPLAINT FILED WITH THE STATE OF ND SECURITIES DEPARTMENT. CLAIM ALLEGED REP SOLD THE CLIENT MULTIPLE LIMITED PARTNERSHIPS WITHOUT FULLY EXPLAINING THE RISKS FOR SOMEONE 75 YEARS OLD. CLAIM SPECIFICALLY REFERENCES BEHRINGER HARVARD INVESTMENT OF \$150,000 ON 7/10/2008 AND ANOTHER FOR \$50,000 ON 7/29/2008.**Product Type:** Real Estate Security**Alleged Damages:** \$1,000,000.00**Alleged Damages Amount
Explanation (if amount not
exact):** AMENDED STATEMENT OF CLAIM TO INCREASE DAMAGE AMOUNT TO \$1,000,000.00.**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: 03/04/2013

Complaint Pending? No

Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)

Status Date: 09/02/2014

Settlement Amount:

**Individual Contribution
Amount:**

Arbitration Information

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

Docket/Case #: 14-02375

Date Notice/Process Served: 09/02/2014

Arbitration Pending? No

Disposition: Settled

Disposition Date: 10/20/2015

**Monetary Compensation
Amount:** \$100,000.00

**Individual Contribution
Amount:** \$0.00

Reporting Source: Broker

**Employing firm when
activities occurred which led
to the complaint:** QUESTAR CAPITAL CORPORATION

Allegations: COMPLAINT FILED WITH THE STATE OF ND SECURITIES DEPARTMENT.
CLAIM ALLEGED REP SOLD THE CLIENT MULTIPLE LIMITED PARTNERSHIPS
WITHOUT FULLY EXPLAINING THE RISKS FOR SOMEONE 75 YEARS OLD.
CLAIM SPECIFICALLY REFERENCES BEHRINGER HARVARD INVESTMENT
OF \$150,000 ON 7/10/2008 AND ANOTHER FOR \$50,000 ON 7/29/2008.



Product Type: Real Estate Security

Alleged Damages: \$1,000,000.00

Alleged Damages Amount Explanation (if amount not exact): AMENDED STATEMENT OF CLAIM TO INCREASE DAMAGE AMOUNT TO \$1,000,000.00.

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: 03/04/2013

Complaint Pending? No

Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)

Status Date: 09/02/2014

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

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

Docket/Case #: 14-02375

Date Notice/Process Served: 09/02/2014

Arbitration Pending? No

Disposition: Settled

Disposition Date: 10/20/2015

Monetary Compensation Amount: \$200,000.00

Individual Contribution Amount: \$20,000.00



Disclosure 10 of 14

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	QUESTAR CAPITAL CORPORATION
Allegations:	ALLEGATIONS OF MISREPRESENTATION AND UNSUITABLE RECOMMENDATION IN THE SALE OF AN EQUIPMENT LEASING PROGRAM ON 7/7/2009. TOTAL INVESTMENT WAS \$150,000 AND THE CLIENT IS SEEKING RESCISSION OR A CASH PAYMENT OF \$50,000.
Product Type:	Equipment Leasing
Alleged Damages:	\$50,000.00
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:	02/13/2013
Complaint Pending?	No
Status:	Settled
Status Date:	06/11/2013
Settlement Amount:	\$45,000.00
Individual Contribution Amount:	\$33,750.00

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	QUESTAR CAPITAL CORPORATION
Allegations:	ALLEGATIONS OF MISREPRESENTATION AND UNSUITABLE RECOMMENDATION IN THE SALE OF AN EQUIPMENT LEASING PROGRAM ON 7/7/2009. TOTAL INVESTMENT WAS \$150,000 AND THE CLIENT IS SEEKING RESCISSION OR A CASH PAYMENT OF \$50,000.
Product Type:	Equipment Leasing



Alleged Damages: \$50,000.00
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: 02/13/2013
Complaint Pending? No
Status: Settled
Status Date: 06/11/2013
Settlement Amount: \$45,000.00
**Individual Contribution
Amount:** \$33,750.00

Disclosure 11 of 14

Reporting Source: Firm
**Employing firm when
activities occurred which led
to the complaint:** QUESTAR CAPITAL CORPORATION

Allegations: ALLEGED NEGLIGENCE, FAILURE TO SUPERVISE, VIOLATIONS OF THE MN UNIFORM SECURITIES ACT, COMMON LAW FRAUD, MISREPRESENTATION, BREACH OF CONTRACT, AND RESPONDEAT SUPERIOR IN THE SALE OF \$70,000 CORNERSTONE HEALTHCARE REIT ON 3/16/2010.

Product Type: Real Estate Security

Alleged Damages: \$70,000.00
Is this an oral complaint? No
Is this a written complaint? Yes
**Is this an arbitration/CFTC
reparation or civil litigation?** Yes

**Arbitration/Reparation forum
or court name and location:** FINRA

Docket/Case #: 12-04214



Filing date of arbitration/CFTC reparation or civil litigation: 12/13/2012

Customer Complaint Information

Date Complaint Received: 12/21/2012

Complaint Pending? No

Status: Settled

Status Date: 09/10/2013

Settlement Amount: \$40,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: QUESTAR CAPITAL CORPORATION

Allegations: ALLEGED NEGLIGENCE, FAILURE TO SUPERVISE, VIOLATIONS OF THE MN UNIFORM SECURITIES ACT, COMMON LAW FRAUD, MISREPRESENTATION, BREACH OF CONTRACT, AND RESPONDEAT SUPERIOR IN THE SALE OF \$70,000 CORNERSTONE HEALTHCARE REIT ON 3/16/2010.

Product Type: Real Estate Security

Alleged Damages: \$70,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 12-04214

Filing date of arbitration/CFTC reparation or civil litigation: 12/13/2012



Customer Complaint Information

Date Complaint Received: 12/21/2012
Complaint Pending? No
Status: Settled
Status Date: 09/10/2013
Settlement Amount: \$40,000.00
Individual Contribution Amount: \$0.00

Disclosure 12 of 14

Reporting Source: Broker
Employing firm when activities occurred which led to the complaint: QUESTAR CAPITAL CORPORATION
Allegations: CLIENTS ALLEGE IRA MONEY ROLLED OVER WAS NOT ALLOWABLE BY IRS. TRANSACTION DONE IN 2008. POSSIBLE DAMAGES ASSOCIATED WITH INCOME TAX REPORTING.
Product Type: Annuity-Fixed
Annuity-Variable
Alleged Damages: \$0.00
Alleged Damages Amount Explanation (if amount not exact): NO SPECIFIC DAMAGE AMOUNT ALLEGED HOWEVER ITS POSSIBLE DAMAGES COULD EXCEED \$5000
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: 07/21/2011
Complaint Pending? No
Status: Settled
Status Date: 01/16/2012



Settlement Amount:	\$0.00
Individual Contribution Amount:	\$0.00
Broker Statement	COMPLAINT WAS RESOLVED BY ALLOWING CLIENT TO DISCONTINUE DISTRIBUTIONS FROM HIS ANNUITY AND NO DAMAGES WERE INCURRED.

Disclosure 13 of 14

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	QUESTAR CAPITAL CORPORATION
Allegations:	CLIENTS ALLEGED FEATURES OF 3 JOHN HANCOCK VARIABLE ANNUITIES WERE NOT SELECTED. REPRESENTATIVE OMITTED TO DISCLOSE MATERIAL INFORMATION REGARDING THE CONTRACT FEATURES.
Product Type:	Annuity-Variable
Alleged Damages:	\$18,411.00
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:	11/15/2010
Complaint Pending?	No
Status:	Settled
Status Date:	02/23/2011
Settlement Amount:	\$21,172.95
Individual Contribution Amount:	\$21,172.95

Disclosure 14 of 14

Reporting Source:	Broker
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Employing firm when activities occurred which led to the complaint: QUESTAR CAPITAL CORPORATION

Allegations: CLIENTS ALLEGED FEATURES OF TWO JACKSON NATIONAL LIFE VARIABLE ANNUITIES WERE MISREPRESENTED.

Product Type: Annuity-Variable

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): NO SPECIFIC DAMAGES CLAIMED, BUT BELIEVE 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: 03/08/2010

Complaint Pending? No

Status: Settled

Status Date: 09/14/2010

Settlement Amount: \$117,062.91

Individual Contribution Amount: \$117,062.91



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 11

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Questar Capital Corporation
Allegations:	Alleged misrepresentation and unsuitable sales in equipment leasing and oil and gas drilling programs between 12/24/2009 and 11/3/2011
Product Type:	Equipment Leasing Oil & Gas
Alleged Damages:	\$127,666.00
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:	08/27/2018
Complaint Pending?	No
Status:	Denied
Status Date:	10/01/2018
Settlement Amount:	
Individual Contribution Amount:	

Disclosure 2 of 11

Reporting Source:	Broker
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Employing firm when activities occurred which led to the complaint: CAPITAL FINANCIAL SERVICES, INC.

Allegations: CLIENT UPSET ABOUT LOSS OF FUNDS ON A STOCK PURCHASE.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$17,200.00

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: 08/08/2014

Complaint Pending? No

Status: Closed/No Action

Status Date: 08/10/2016

Settlement Amount: \$0.00

Individual Contribution Amount: \$0.00

Disclosure 3 of 11

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: QUESTAR CAPITAL CORPORATION

Allegations: ALLEGATIONS OF MISREPRESENTATION IN VARIOUS INVESTMENTS SINCE DEC. 2009 INCLUDING U.S. ENERGY LP, LTC INSURANCE, MANAGED ACCOUNT WITH LOCKWOOD/TAG, AMERICAN POWER (AMPW), WILLISTON BASIN (ICPAX), FORD (F), ANNALY (NLY), & ALLIANZ FIA. NO SPECIFIC CLAIM FOR DAMAGES MADE BUT UNREALIZED LOSSES CLAIMED ON TWO OF THE INVESTMENTS OF \$58,900.

Product Type: Annuity-Fixed
Equity-OTC
Equity Listed (Common & Preferred Stock)
Insurance



Oil & Gas

Alleged Damages: \$58,900.00**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:** 12/27/2012**Complaint Pending?** No**Status:** Closed/No Action**Status Date:** 09/12/2013**Settlement Amount:****Individual Contribution
Amount:****Reporting Source:** Broker**Employing firm when
activities occurred which led
to the complaint:** QUESTAR CAPITAL CORPORATION**Allegations:** ALLEGATIONS OF MISREPRESENTATION IN VARIOUS INVESTMENTS SINCE DEC. 2009 INCLUDING U.S. ENERGY LP, LTC INSURANCE, MANAGED ACCOUNT WITH LOCKWOOD/TAG, AMERICAN POWER (AMPW), WILLISTON BASIN (ICPAX), FORD (F), ANNALY (NLY), & ALLIANZ FIA. NO SPECIFIC CLAIM FOR DAMAGES MADE BUT UNREALIZED LOSSES CLAIMED ON TWO OF THE INVESTMENTS OF \$58,900.**Product Type:** Annuity-Fixed
Equity-OTC
Equity Listed (Common & Preferred Stock)
Insurance
Oil & Gas**Alleged Damages:** \$58,900.00**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: 12/27/2012
Complaint Pending? No
Status: Closed/No Action
Status Date: 09/12/2013
Settlement Amount:
**Individual Contribution
Amount:**

Disclosure 4 of 11

Reporting Source: Broker
**Employing firm when
activities occurred which led
to the complaint:** QUESTAR CAPITAL CORPORATION
Allegations: CLIENT ALLEGES TWO VARIABLE ANNUITIES WERE MISREPRESENTED
Product Type: Annuity-Variable
Alleged Damages: \$66,000.00
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: 03/15/2012
Complaint Pending? No
Status: Closed/No Action
Status Date: 05/10/2012
Settlement Amount:
**Individual Contribution
Amount:**



Disclosure 5 of 11

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	QUESTAR CAPITAL CORPORATION
Allegations:	CLIENT ALLEGES CERTAIN INVESTMENTS WERE UNSUITABLE, THAT THEY WERE MISREPRESENTED AND RESULTED IN OVER CONCENTRATION IN ALTERNATIVE INVESTMENTS FOR HIS AGE AND FINANCIAL STATUS.
Product Type:	Direct Investment-DPP & LP Interests
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	NO SPECIFIC DOLLAR AMOUNT CLAIMED, CLIENT WISHES RETURN OF PRINCIPAL INVESTMENT. HOWEVER FIRM IS UNABLE TO DETERMINE DAMAGES WOULD BE LESS 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:	02/14/2011
Complaint Pending?	No
Status:	Denied
Status Date:	03/15/2011
Settlement Amount:	
Individual Contribution Amount:	

Disclosure 6 of 11

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	QUESTAR CAPITAL CORPORATION



Allegations: CLIENT ALLEGES THAT JACKSON VA SOLD TO HIM IN 2007 WAS MISREPRESENTED TO HIM AT TIME OF SALE.

Product Type: Annuity(ies) - Variable

Alleged Damages: \$5,000.00

Customer Complaint Information

Date Complaint Received: 09/25/2008

Complaint Pending? No

Status: Closed/No Action

Status Date: 01/14/2009

Settlement Amount:

Individual Contribution Amount:

Broker Statement AT ORIGINAL MEETING IN SUMMER OF 2007, PRODUCT WAS ADDRESSED AT TIME OF SALE WITH PROPER DISCLOSURE TO CLIENT. THERE IS NO MERIT TO CLAIM AS CLIENT DID SIGN APPROPRIATE ACKNOWLEDGEMENT FORM AND DISCLOSURE/FEATURES IN CONTRACT.

Disclosure 7 of 11

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: RAYMOND JAMES FINANCIAL SERVICES, INC

Allegations: CLIENT ALLEGES THAT PRODUCT SOLD TO HIM IN 2003 WAS MISREPRESENTED TO HIM AT TIME OF SALE.

Product Type: Other

Other Product Type(s): EQUITY INDEX ANNUITIES

Alleged Damages: \$5,000.00

Customer Complaint Information

Date Complaint Received: 06/20/2008

Complaint Pending? No

Status: Closed/No Action

Status Date: 07/07/2008



Settlement Amount:

Individual Contribution Amount:

Disclosure 8 of 11

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: RAYMOND JAMES

Allegations: COMPLAINT FILING ORIGINALLY MADE INCLUDED CLAIMS RELATING TO FIXED AND VARIABLE ANNUITIES SOLD IN 2004 AND 2005. RAYMOND JAMES HAS CLOSED OUT THE COMPLAINT RELATED TO VARIABLE ANNUITIES WITH NO ACTION BUT ALLIANZ LIFE AND AMERICAN EQUITY ARE STILL INVESTIGATING THE COMPLAINTS RELATED TO THE FIXED ANNUITY SALES. THE CLIENT CLAIMS NOT TO HAVE KNOWN THE LONG TERM NATURE OF THE FIXED ANNUITIES, ALL FEES AND EXPENSES WERE NOT DISCLOSED AND ALSO COMPLAINED OF POOR PERFORMANCE. THE MINNESOTA DEPARTMENT OF INSURANCE HAS ALSO INITIATED AN INQUIRY BASED ON A COMPLAINT LETTER SENT TO THEM BY THE CLIENT

Product Type: Annuity(ies) - Fixed

Alleged Damages: \$5,000.00

Customer Complaint Information

Date Complaint Received: 10/10/2007

Complaint Pending? No

Status: Closed/No Action

Status Date: 04/01/2008

Settlement Amount:

Individual Contribution Amount:

Broker Statement THERE WERE MULTIPLE MEETINGS ADDRESSING PRODUCTS PRIOR TO THE SALE WITH DISCLOSURE TO CLIENTS. THERE IS NO MERIT TO THE CLAIM AS CLIENTS DID SIGN APPROPRIATE ACKNOWLEDGEMENT AND DISCLOSURES/FEATURES IN CONTRACTS.



Disclosure 9 of 11

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	RAYMOND JAMES FINANCIAL SERVICES, INC
Allegations:	CLIENTS' CLAIM THAT ANNUITIES SOLD TO THEM IN 2004 AND 2005 WERE MISREPRESENTED TO THEM AT THE TIME OF SALE. A SPECIFIC DOLLAR AMOUNT WAS NOT MENTIONED BUT APPEARS TO BE IN EXCESS OF \$5,000.00.
Product Type:	Annuity(ies) - Variable
Alleged Damages:	\$5,000.00

Customer Complaint Information

Date Complaint Received:	07/17/2007
Complaint Pending?	No
Status:	Closed/No Action
Status Date:	09/05/2007

Settlement Amount:

Individual Contribution Amount:

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	RAYMOND JAMES FINANCIAL SERVICES INC.
Allegations:	COMPLAINT FILING ORIGINALLY MADE INCLUDED CLAIMS RELATING TO FIXED AND VARIABLE ANNUITIES SOLD IN 2004 AND 2005. RAYMOND JAMES HAS CLOSED OUT THE COMPLAINT RELATED TO VARIABLE ANNUITIES WITH NO ACTION BUT ALLIANZ LIFE AND AMERICAN EQUITY ARE STILL INVESTIGATING THE COMPLAINTS RELATED TO THE FIXED ANNUITY SALES. THE CLIENT CLAIMS NOT TO HAVE KNOWN THE LONG TERM NATURE OF THE FIXED ANNUITIES, ALL FEES AND EXPENSES WERE NOT DISCLOSED AND ALSO COMPLAINED OF POOR PERFORMANCE.
Product Type:	Annuity(ies) - Variable
Alleged Damages:	\$5,000.00



Customer Complaint Information

Date Complaint Received: 07/13/2007
Complaint Pending? No
Status: Closed/No Action
Status Date: 09/05/2007

Settlement Amount:

Individual Contribution Amount:

Broker Statement THERE WERE MULTIPLE MEETINGS ADDRESSING PRODUCTS PRIOR TO SALE WITH DISCLOSURE TO CLIENTS. THERE IS NO MERIT TO CLAIM AS CLIENTS DID SIGN APPROPRIATE ACKNOWLEDGEMENT AND DISCLOSURES/FEATURES IN CONTRACT(S).

Disclosure 10 of 11

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

Allegations: CLIENTS CLAIM IN OCTOBER 2001 THEY PURCHASED SHARES OF CEPHEID AND NANOGEN ON THE ADVICE OF THE IR (IN [CUSTOMER'S] ACCOUNT) AND WITH THE IR'S PROMISE HE WOULD MONITOR THE STOCKS AND STAY IN CONTACT WITH THEM ON A REGULAR BASIS REGARDING WHEN TO SELL THE STOCK. CLIENTS CLAIM STHIS WAS NOT DONE AND THEY HAVE INCURRED A SUBSTANTIAL LOSS AS A RESULT. CLAIM EXCEEDS \$5,000

Product Type: Equity-OTC
Alleged Damages: \$5,000.00

Customer Complaint Information

Date Complaint Received: 08/13/2002
Complaint Pending? No
Status: Denied
Status Date: 10/08/2002

Settlement Amount:



Individual Contribution Amount:

Firm Statement

IT APPEARS THE LOSSES ON NANOGEN AND CEPHEID ARE DUE TO THE DECLINE IN THE MARKET WHICH IS A RISK ASSOCIATED WITH INVESTING. CLIENT RECEIVED MONTHLY CUSTOMER STATEMENTS REFLECTING THE VALUE OF HER PORTFOLIO. CLAIM DENIED.

Reporting Source:

Broker

Employing firm when activities occurred which led to the complaint:

EDWARD JONES

Allegations:

CLIENTS CLAIM IN OCTOBER 2001 THEY PURCHASED SHARES OF CEPHEID AND NANOGEN ON THE ADVICE OF THE IR (IN [CUSTOMER'S] ACCOUNT) AND WITH THE IR'S PROMISE HE WOULD MONITOR THE STOCKS AND STAY IN CONTACT WITH THEM ON A REGULAR BASIS REGARDING WHEN TO SELL THE STOCK. CLIENTS CLAIM STHIS WAS NOT DONE AND THEY HAVE INCURRED A SUBSTANTIAL LOSS AS A RESULT. CLAIM EXCEEDS \$5,000

Product Type:

Equity-OTC

Alleged Damages:

\$5,000.00

Customer Complaint Information

Date Complaint Received:

08/13/2002

Complaint Pending?

No

Status:

Denied

Status Date:

10/08/2002

Settlement Amount:

Individual Contribution Amount:

Broker Statement

COMPLAINT NO LONGER REPORTABLE BECAUSE FILED MORE THAN 24 MONTHS AGO AND DID NOT RESULT IN A SETTLEMENT OF \$10,000 OR MORE. PLEASE ARCHIVE.

Disclosure 11 of 11

Reporting Source:

Firm



Employing firm when activities occurred which led to the complaint:

EDWARD JONES

Allegations:

IN FEBRUARY 2000 THE CLIENT PURCHASED A POLARIS ANNUITY. CLIENT CLAIMS SHE IS DISATISFIED HOW IR, STEVE KNUUTILA, INVESTED IN THE ANNUITY BUCKETS. CLIENT CLAIMS SHE WANTED TO EARN INTEREST, HOWEVER, IR PUT HER MONEY IN THE STOCK MARKET. CLIENT CLAIMS SHE THINKS IR DID THIS TO EARN MORE MONEY AND SHE BELIEVES THIS WAS VERY UNFAIR. CLIENT WANTS TO KNOW WHAT CAN BE DONE. THE ANNUITY HAS AN UNREALIZED LOSS EXCEEDING \$5,000.

Product Type:

Annuity(ies) - Variable

Alleged Damages:

\$5,000.00

Customer Complaint Information

Date Complaint Received:

08/08/2002

Complaint Pending?

No

Status:

Denied

Status Date:

01/16/2003

Settlement Amount:

Individual Contribution Amount:

Firm Statement

IR STATED HE DISCUSSED ALL ASPECTS OF THE ANNUITY INVESTMENT AND SPECIFICALLY REVIEWED EACH SUBACCOUNT FUNDS WOULD BE INVESTED IN. IR FURTHER STATED CLIENT WAS FULLY AWARE THE FUNDS WOULD BE INVESTED IN THE STOCK MARKET AND SUBJECT TO MARKET FLUCTUATION. ACCORDING TO IR, CLIENT MAINTAINED OTHER INVESTMENT ACCOUNTS OUTSIDE EDWARD JONES AND THESE WERE FUNDS CLIENT WISHED TO HAVE INVESTED TO BE PASSED ON THROUGH HER ESTATE. IR STATED AS A RESULT HE DISCUSSED IN DETAIL THE DEATH BENEFIT ASSOCIATED WITH THE ANNUITY. HE HAS FURTHER INDICATED HE DID MEET WITH CLIENT ON A REGULAR BASIS (AT LEAST QUARTERLY) FROM THE TIME THE ANNUITY WAS PURCHASED IN FEBRUARY 2000. ADDITIONALLY, CLIENT DID RECEIVE THE ANNUITY CONTRACT AND PROSPECTUS AS INDICATED BY HER SIGNATURE ON THE ANNUITY CONFIRMATION/DELIVERY RECEIPT DATED 3/8/00. THE ANNUITY CONTRACT AND PROSPECTUS SETS OUT ALL ASPECTS OF THE ANNUITY AND THE OBJECTIVES OF THE VARIOUS SUBACCOUNTS. THE ANNUITY CONFIRMATION FORM, WHICH CLIENT SIGNED, SPECIFICALLY STATES THE FUNDS WITHIN THE VARIABLE ANNUITY ARE NOT GUARANTEED AS TO



DOLLAR AMOUNT. BASED ON THIS REVIEW, IT DOES APPEAR CLIENT WAS AWARE OF THE RISKS ASSOCIATED WITH THE PURCHASE OF THE POLARIS II VARIABLE ANNUITY AND AUTHORIZED THE TRANSACTION IN FEBRUARY 2000. FURTHER, IT APPEARS CLIENT RECEIVED THE ANNUITY CONTRACT AND PROSPECTUS AND ACKNOWLEDGED HER UNDERSTANDING THE PRINCIPAL WAS SUBJECT TO FLUCTUATION. THE PURCHASE DID PROVIDE A FREE-LOOK PERIOD IN WHICH THE CONTRACT COULD HAVE BEEN CANCELLED, HOWEVER, CLIENT DID NOT EXERCISE THIS OPTION. CLAIM DENIED.

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

Broker
EDWARD JONES

Allegations:

IN FEBRUARY 2000 THE CLIENT PURCHASED A POLARIS ANNUITY. CLIENT CLAIMS SHE IS DISATISFIED HOW IR, STEVE KNUUTILA, INVESTED IN THE ANNUITY BUCKETS. CLIENT CLAIMS SHE WANTED TO EARN INTEREST, HOWEVER, IR PUT HER MONEY IN THE STOCK MARKET. CLIENT CLAIMS SHE THINKS IR DID THIS TO EARN MORE MONEY AND SHE BELIEVES THIS WAS VERY UNFAIR. CLIENT WANTS TO KNOW WHAT CAN BE DONE. THE ANNUITY HAS AN UNREALIZED LOSS EXCEEDING \$5,000.

Product Type:

Annuity(ies) - Variable

Alleged Damages:

\$5,000.00

Customer Complaint Information

Date Complaint Received:

08/08/2002

Complaint Pending?

No

Status:

Denied

Status Date:

01/16/2003

Settlement Amount:

Individual Contribution Amount:

Broker Statement

THIS POLARIS ANNUITY WAS PRESENTED TWICE TO THE CUSTOMER WITH THE PERSONAL ASSISTANCE OF THE POLARIS WHOLESALER, COMPLAINT NO LONGER REPORTABLE BECAUSE FILED MORE THAN 24 MONTHS AGO AND DID NOT RESULT IN A SETTLEMENT OF \$10,000 OR MORE. PLEASE ARCHIVE.



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 15

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Capital Financial Services, Inc
Allegations:	Client alleges violations of Federal Securities Laws,violations of Minnesota Securities Act, Violation of FINRA rules.
Product Type:	Real Estate Security
Alleged Damages:	\$445,000.00

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA Dispute Resolution
Docket/Case #:	19-00571
Date Notice/Process Served:	03/04/2019
Arbitration Pending?	Yes

Disclosure 2 of 15

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Capital Financial Services, Inc
Allegations:	Clients allege unsuitability, breach of fiduciary duty,breach of contract.
Product Type:	Oil & Gas Real Estate Security
Alleged Damages:	\$5,000.00



Alleged Damages Amount Explanation (if amount not exact): No damage amount was alleged in the statement of claim. The firm made a good faith estimate that the damage amount is not less than \$5,000.

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA Dispute Resolution

Docket/Case #: 19-00203

Filing date of arbitration/CFTC reparation or civil litigation: 01/15/2019

Customer Complaint Information

Date Complaint Received: 01/23/2019

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 3 of 15

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc

Allegations: Client alleges unsuitability, breach of fiduciary duty, breach of contract.

Product Type: Oil & Gas

Alleged Damages: \$5,000.00

Alleged Damages Amount Explanation (if amount not exact): The firm has made a good faith estimate that the damage amount may not be less than \$5,000.

Is this an oral complaint? No



Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA Dispute Resolution

Docket/Case #: 18-04382

Filing date of arbitration/CFTC reparation or civil litigation: 12/21/2018

Customer Complaint Information

Date Complaint Received: 01/03/2019

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 4 of 15

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc

Allegations: Clients allege violation of common law fraud, breach of fiduciary duty, negligent failure to supervise

Product Type: Equipment Leasing
Oil & Gas
Real Estate Security

Alleged Damages: \$5,000.00

Alleged Damages Amount Explanation (if amount not exact): The claim does not have an alleged damage amount, but the firm has made a good faith estimate that the amount is over \$5000.

Is this an oral complaint? No

Is this a written complaint? Yes



Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA Dispute Resolution

Docket/Case #: 18-04170

Filing date of arbitration/CFTC reparation or civil litigation: 12/07/2018

Customer Complaint Information

Date Complaint Received: 12/17/2018

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 5 of 15

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Questar Capital Corporation

Allegations: alleged unsuitability, breach of fiduciary duty, common law fraud, breach of contract, negligent supervision, and violation of the Minnesota Securities Act, in the sale of speculative private placement investments, including REIT's, oil and gas investments, equipment leasing funds and annuities. No specific damages amount claimed

Product Type: Annuity-Variable
Direct Investment-DPP & LP Interests
Equipment Leasing
Oil & Gas
Real Estate Security

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): No specific damages claimed but the Firm is unable to make a good faith determination damages would be less than \$5,000.

Is this an oral complaint? No



Is this a written complaint? No
**Is this an arbitration/CFTC
reparation or civil litigation?** Yes
**Arbitration/Reparation forum
or court name and location:** FINRA
Docket/Case #: 18-04141
**Filing date of
arbitration/CFTC reparation
or civil litigation:** 12/06/2018

Customer Complaint Information

Date Complaint Received: 12/13/2018
Complaint Pending? Yes
Settlement Amount:
**Individual Contribution
Amount:**

Disclosure 6 of 15

Reporting Source: Firm
**Employing firm when
activities occurred which led
to the complaint:** Capital Financial Services, Inc
Allegations: Clients allege unsuitability, breach of fiduciary duty, and breach of contract.
Product Type: Direct Investment-DPP & LP Interests
Oil & Gas
Real Estate Security
Alleged Damages: \$5,000.00
**Alleged Damages Amount
Explanation (if amount not
exact):** The claim do not have an alleged damage amount, but the firm has made a good
faith estimate that the amount is over \$5,000.
Is this an oral complaint? No
Is this a written complaint? Yes
**Is this an arbitration/CFTC
reparation or civil litigation?** Yes



Arbitration/Reparation forum or court name and location: FINRA Dispute Resolution

Docket/Case #: 18-03971

Filing date of arbitration/CFTC reparation or civil litigation: 11/19/2018

Customer Complaint Information

Date Complaint Received: 11/27/2018

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 7 of 15

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Questar Capital Corporation

Allegations: Alleged breach of fiduciary duty, fraud, deceit, negligence, misrepresentation, omission of facts and product unsuitability in the sale of equipment leasing programs, oil and gas drilling programs and a NASDAQ traded common stock between 12/01/2009 and 5/13/2012

Product Type: Direct Investment-DPP & LP Interests
Equipment Leasing
Equity-OTC
Oil & Gas

Alleged Damages: \$127,666.00

Arbitration Information

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

Docket/Case #: 18-03739

Date Notice/Process Served: 11/05/2018



Arbitration Pending? Yes

Disclosure 8 of 15

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc

Allegations: Customer is alleging unsuitability, breach of fiduciary, failure to supervise

Product Type: Equity Listed (Common & Preferred Stock)
Oil & Gas
Real Estate Security

Alleged Damages: \$600,000.00

Arbitration Information

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

Docket/Case #: 18-03642

Date Notice/Process Served: 10/29/2018

Arbitration Pending? Yes

Disclosure 9 of 15

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc

Allegations: Client is alleging unsuitability, breach of fiduciary duty, breach of contract.

Product Type: Equipment Leasing
Oil & Gas
Real Estate Security

Alleged Damages: \$5,000.00

Alleged Damages Amount Explanation (if amount not exact): No damage was specified however, the firm made a good faith estimate that the amount could 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? Yes
Arbitration/Reparation forum or court name and location: FINRA Office of Dispute Resolution
Docket/Case #: 18-03075
Filing date of arbitration/CFTC reparation or civil litigation: 08/30/2018

Customer Complaint Information

Date Complaint Received: 09/05/2018
Complaint Pending? Yes
Settlement Amount:
Individual Contribution Amount:

Disclosure 10 of 15

Reporting Source: Firm
Employing firm when activities occurred which led to the complaint: Questar Capital Corporation and Capital Financial Services
Allegations: alleged unsuitability, breach of fiduciary duty, common law fraud, breach of contract, negligent supervision, negligent hiring, and violation of the Minnesota Securities Act, in the sale of speculative private placement investments, including oil and gas investments, as well as annuities. Time period between 2006 and 2018.
Product Type: Annuity-Variable
 Direct Investment-DPP & LP Interests
 Oil & Gas
Alleged Damages: \$0.00
Alleged Damages Amount Explanation (if amount not exact): The claim contained no specific claim for damages.



Is this an oral complaint? No
Is this a written complaint? Yes
Is this an arbitration/CFTC reparation or civil litigation? Yes
Arbitration/Reparation forum or court name and location: FINRA
Docket/Case #: 18-02777
Filing date of arbitration/CFTC reparation or civil litigation: 08/07/2018

Customer Complaint Information

Date Complaint Received: 08/13/2018
Complaint Pending? Yes
Settlement Amount:
Individual Contribution Amount:
Firm Statement Statement of Claim amended to add an additional Claimant.

Reporting Source: Firm
Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc.
Allegations: Client is alleging unsuitability, breach of fiduciary duty, breach of contract.
Product Type: Oil & Gas
Alleged Damages: \$75,000.00
Alleged Damages Amount Explanation (if amount not exact): No damage amount is alleged, however, the firm has made a good determination that the amount is greater than \$5,000.00.
Is this an oral complaint? No
Is this a written complaint? Yes



Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA Office of Dispute Resolution

Docket/Case #: 18-02777

Filing date of arbitration/CFTC reparation or civil litigation: 08/07/2018

Customer Complaint Information

Date Complaint Received: 08/13/2018

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 11 of 15

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc.

Allegations: Client is alleging unsuitability, breach of fiduciary duty, breach of contract.

Product Type: Oil & Gas

Alleged Damages: \$130,000.00

Alleged Damages Amount Explanation (if amount not exact): No damage amount is alleged, however, the firm has made a good determination that the amount is greater than \$5,000.00.

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA Office of Dispute Resolution



Docket/Case #: 18-02721
Filing date of arbitration/CFTC reparation or civil litigation: 07/31/2018

Customer Complaint Information

Date Complaint Received: 07/31/2018
Complaint Pending? Yes
Settlement Amount:
Individual Contribution Amount:

Disclosure 12 of 15

Reporting Source: Firm
Employing firm when activities occurred which led to the complaint: Questar Capital Corporation and Capital Financial Services, Inc.
Allegations: Client is alleging breach of fiduciary duty, negligence, and negligent supervision.
Product Type: Oil & Gas
Alleged Damages: \$633,000.00
Alleged Damages Amount Explanation (if amount not exact): No damage amount is alleged, however, the firm has made a good determination that the amount is greater than \$5,000.00.
Is this an oral complaint? No
Is this a written complaint? Yes
Is this an arbitration/CFTC reparation or civil litigation? Yes
Arbitration/Reparation forum or court name and location: FINRA office of dispute resolution
Docket/Case #: 18-01776
Filing date of arbitration/CFTC reparation or civil litigation: 05/07/2018



Customer Complaint Information

Date Complaint Received: 06/25/2018

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 13 of 15

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc.

Allegations: Client alleges unsuitable sales of annuities and alternative investments.

Product Type: Annuity-Variable
Real Estate Security

Alleged Damages: \$5,000.00

Alleged Damages Amount Explanation (if amount not exact): Claimant did not specify damage amount, but the firm has made a good faith estimate that the amount is greater than \$5,000.00.

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA Office of Dispute Resolution

Docket/Case #: 18-02152

Filing date of arbitration/CFTC reparation or civil litigation: 06/11/2018

Customer Complaint Information

Date Complaint Received: 06/11/2018

Complaint Pending? Yes



Settlement Amount:

Individual Contribution Amount:

Disclosure 14 of 15

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc

Allegations: Client is upset that two investments that were purchased in 2014 have lost value. Client alleges he wasn't sure if he understood that there may be no liquidity to the investments that were purchased and the investments currently cannot be liquidated. In an additional communication, client acknowledges he has read communications sent from the investments and understands they have no liquidity.

Product Type: Oil & Gas
Real Estate Security

Alleged Damages: \$11,064.13

Alleged Damages Amount Explanation (if amount not exact): The firm cannot determine the exact amount of damages, but has made a good faith determination that the damage amount is greater than \$5,000.00.

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: 10/16/2017

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 15 of 15

Reporting Source: Broker



Employing firm when activities occurred which led to the complaint: Capital Financial Services, Inc.

Allegations: Poor investment advice.

Product Type: Annuity-Variable
Real Estate Security

Alleged Damages: \$70,000.00

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: 09/28/2016

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:



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: QUESTAR CAPITAL CORPORATION

Termination Type: Discharged

Termination Date: 05/15/2012

Allegations: FAILED TO FOLLOW FIRM PROCEDURES REGARDING THE REPORTING OF CUSTOMER COMPLAINTS. FAILED TO FOLLOW FIRM PROCEDURES REGARDING THE USE OF DISCRETION.

Product Type: Equity-OTC
Equity Listed (Common & Preferred Stock)
Mutual Fund
Oil & Gas
Real Estate Security

Reporting Source: Broker

Employer Name: QUESTAR CAPITAL CORPORATION

Termination Type: Discharged

Termination Date: 05/15/2012

Allegations: FAILED TO FOLLOW FIRM PROCEDURES REGARDING THE REPORTING OF CUSTOMER COMPLAINTS. FAILED TO FOLLOW FIRM PROCEDURES REGARDING THE USE OF DISCRETION.

Product Type: Equity-OTC
Equity Listed (Common & Preferred Stock)
Mutual Fund
Oil & Gas
Real Estate Security

End of Report



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