

## BrokerCheck Report

**CLAY EMERSON HOFFMAN**

CRD# 4371162

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Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

## About BrokerCheck®



BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.
- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
  - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
  - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

**Thank you for using FINRA BrokerCheck.**



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at [brokercheck.finra.org](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).

**CLAY E. HOFFMAN**

CRD# 4371162

This broker is not currently registered.

## Report Summary for this Broker



This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

### Broker Qualifications

This broker is not currently registered.

#### This broker has passed:

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

### Registration History

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

- B SUMMIT BROKERAGE SERVICES, INC.**  
CRD# 34643  
BRUNSWICK, GA  
05/2013 - 03/2016
- B SUNTRUST INVESTMENT SERVICES, INC.**  
CRD# 17499  
ST. SIMONS, GA  
10/2007 - 04/2013
- B MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED**  
CRD# 7691  
PONTE VEDRA BEACH, FL  
06/2007 - 10/2007

### Disclosure Events

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

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

The following types of disclosures have been reported:

Type	Count
Regulatory Event	4
Customer Dispute	14
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 1 principal/supervisory exam, 2 general industry/product exams, and 2 state securities law exams.**

### Principal/Supervisory Exams

Exam	Category	Date
<b>B</b> Investment Company Products/Variable Contracts Principal Examination	Series 26	09/19/2008

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> Securities Industry Essentials Examination	SIE	03/01/2016
<b>B</b> General Securities Representative Examination	Series 7	05/14/2001

### State Securities Law Exams

Exam	Category	Date
<b>B IA</b> Uniform Combined State Law Examination	Series 66	03/16/2009
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	05/17/2001

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> 05/2013 - 03/2016	SUMMIT BROKERAGE SERVICES, INC.	34643	BRUNSWICK, GA
<b>B</b> 10/2007 - 04/2013	SUNTRUST INVESTMENT SERVICES, INC.	17499	ST. SIMONS, GA
<b>B</b> 06/2007 - 10/2007	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	PONTE VEDRA BEACH, FL
<b>B</b> 05/2001 - 06/2007	EDWARD JONES	250	TIFTON, GA

### 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
05/2013 - Present	SUMMIT BROKERAGE SERVICES INC	REG REP	Y	BRUNSWICK, GA, United States
05/2013 - Present	SUMMIT FINANCIAL GROUP	IA REP	Y	BRUNSWICK, GA, 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.

(1) Hoffman Investments - d/b/a at branch office - owner - 40 hours a month

## Disclosure Events



### What you should know about reported disclosure events:

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

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

	Pending	Final	On Appeal
Regulatory Event	0	4	0
Customer Dispute	0	14	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 4

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: n/a
Date Initiated:	11/01/2016
Docket/Case Number:	<a href="#">2015045207702</a>
Employing firm when activity occurred which led to the regulatory action:	Summit Brokerage Services, Inc.
Product Type:	No Product
Allegations:	Hoffman was named a respondent in a FINRA complaint alleging that he failed to respond to multiple requests for documents and information related to an investigation pursuant to FINRA Rule 8210.
Current Status:	Final
Resolution:	Decision



**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:**

04/28/2017

**Sanctions Ordered:**

Bar (Permanent)

Other: In light of the bar, no monetary sanctions have been imposed.

**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:** 04/28/2017

**End Date:**

**Regulator Statement**

Default decision rendered on March 31, 2017 wherein Hoffman is barred in all capacities from association with any FINRA member firm. The sanction is based on findings that Hoffman failed to respond to FINRA information requests in connection with an investigation into potentially serious misconduct. The decision became final on April 28, 2017.

**Disclosure 2 of 4**

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	Suspension
<b>Date Initiated:</b>	06/10/2016
<b>Docket/Case Number:</b>	2015045207701
<b>Employing firm when activity occurred which led to the regulatory action:</b>	N/A
<b>Product Type:</b>	No Product
<b>Allegations:</b>	Respondent Hoffman failed to respond to FINRA request for information.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Letter
<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>	07/05/2016
<b>Sanctions Ordered:</b>	Suspension
<b>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?</b>	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:** Suspension

**Capacities Affected:** Any capacity

**Duration:** N/A

**Start Date:** 07/05/2016

**End Date:**

#### Regulator Statement

Pursuant to FINRA Rule 9552 and in accordance with FINRA's Notice of Suspension letter dated June 10, 2016, Hoffman is suspended on July 5, 2016 from associating with any FINRA member firm in any capacity. If Hoffman fails to request termination of the suspension within three months of the date of the Notice of Suspension, he will automatically be barred on September 13, 2016 from association with any FINRA member in any capacity pursuant to FINRA Rule 9552(h).

#### Disclosure 3 of 4

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:** Revocation

**Date Initiated:** 05/10/2016



<b>Docket/Case Number:</b>	<a href="#"><u>2014041921901</u></a>
<b>Employing firm when activity occurred which led to the regulatory action:</b>	N/A
<b>Product Type:</b>	No Product
<b>Allegations:</b>	Respondent Hoffman failed to pay fines and/or costs of \$5000.00 in FINRA Case #2014041921901.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Letter
<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>	05/10/2016
<b>Sanctions Ordered:</b>	Revocation
<b>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?</b>	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?

Regulator Statement	Pursuant to FINRA Rule 8320, Respondent Hoffman's FINRA registration is revoked as of the close of business on May 10, 2016 for failure to pay fines and/or costs.
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Disclosure 4 of 4

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	
Date Initiated:	02/09/2016
Docket/Case Number:	<a href="#">2014041921901</a>
Employing firm when activity occurred which led to the regulatory action:	Summit Brokerage Services, Inc.
Product Type:	Other: Unspecified securities
Allegations:	Without admitting or denying the findings, Hoffman consented to the sanctions and to the entry of findings that he executed discretionary transactions in a customer's account without prior written authorization from the customer to exercise discretionary trading power and without written approval of the account as discretionary by his member firm. The findings stated that Hoffman exercised discretion in executing transactions in the customer's account. Hoffman discussed



investment strategies, purchases and sales of products with the customer, but exercised his discretion in executing those transactions on future dates without prior written authorization.

<b>Current Status:</b>	Final
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<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>	02/09/2016
<b>Sanctions Ordered:</b>	Civil and Administrative Penalty(ies)/Fine(s) Suspension
<b>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?</b>	No
<b>(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?</b>	



**(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**

<b>Sanction Type:</b>	Suspension
<b>Capacities Affected:</b>	Any capacity
<b>Duration:</b>	15 business days
<b>Start Date:</b>	03/07/2016
<b>End Date:</b>	03/28/2016

**Monetary Sanction 1 of 1****Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)**Total Amount:** \$5,000.00**Portion Levied against individual:** \$5,000.00**Payment Plan:****Is Payment Plan Current:****Date Paid by individual:****Was any portion of penalty waived?** No**Amount Waived:****Reporting Source:** Broker**Regulatory Action Initiated By:** FINRA**Sanction(s) Sought:****Date Initiated:** 02/09/2016**Docket/Case Number:** [2014041921901](#)**Employing firm when activity occurred which led to the regulatory action:** Summit Brokerage Services, Inc**Product Type:** Other: Unspecified securities

**Allegations:** Without admitting or denying the findings, Hoffman consented to the sanctions and to the entry of findings that he executed discretionary transactions in a customer's account without prior written authorization from the customer to exercise discretionary trading power and without written approval of the account as discretionary by his member firm. The findings stated that Hoffman exercised discretion in executing transactions in the customer's account. Hoffman discussed investment strategies, purchases and sales of products with the customer, but exercised his discretion in executing those transactions on future dates without prior written authorization.

**Current Status:** Final



<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<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>	02/09/2016
<b>Sanctions Ordered:</b>	Civil and Administrative Penalty(ies)/Fine(s) Suspension
<b>Sanction 1 of 1</b>	
<b>Sanction Type:</b>	Suspension
<b>Capacities Affected:</b>	Any Capacity
<b>Duration:</b>	15 business days
<b>Start Date:</b>	03/07/2016
<b>End Date:</b>	03/28/2016
<b>Monetary Sanction 1 of 1</b>	
<b>Monetary Related Sanction:</b>	Civil and Administrative Penalty(ies)/Fine(s)
<b>Total Amount:</b>	\$5,000.00
<b>Portion Levied against individual:</b>	\$5,000.00
<b>Payment Plan:</b>	
<b>Is Payment Plan Current:</b>	
<b>Date Paid by individual:</b>	
<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 10

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	SUNTRUST INVESTMENT SERVICES AND SUMMIT BROKERAGE SERVICES INC
<b>Allegations:</b>	ALLEGES: LOSSES DUE TO IMPROPER SUITABILITY. UNAUTHORIZED TRADING. MISREPRESENTATION.
<b>Product Type:</b>	Equity Listed (Common & Preferred Stock) Mutual Fund Real Estate Security
<b>Alleged Damages:</b>	\$234,697.00

## Customer Complaint Information

<b>Date Complaint Received:</b>	
<b>Complaint Pending?</b>	No
<b>Status:</b>	Evolved into Arbitration/CFTC reparation (the individual is a named party)
<b>Status Date:</b>	04/16/2015
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	

## Arbitration Information

<b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b>	FINRA
<b>Docket/Case #:</b>	15-00848
<b>Date Notice/Process Served:</b>	04/16/2015
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	12/23/2015



**Monetary Compensation Amount:** \$90,000.00

**Individual Contribution Amount:** \$90,000.00

#### Disclosure 2 of 10

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SUNTRUST INVESTMENTS & SUMMIT BROKERAGE SERVICES

**Allegations:** UNAUTHORIZED TRADING. FRAUD. CONVERSION. NEGLIGENT MISREPRESENTATION. BREACH OF CONTRACT. BREACH OF FIDUCIARY DUTY. ANNUITY PURCHASED SEPT 2012. UNAUTHORIZED TRADES DURING 2013.

**Product Type:** Annuity-Variable

**Alleged Damages:** \$77,285.86

**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:** 12/22/2014

**Complaint Pending?** No

**Status:** Evolved into Civil litigation (the individual is a named party)

**Status Date:** 02/13/2015

**Settlement Amount:**

**Individual Contribution Amount:**

#### Arbitration Information

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

**Docket/Case #:** 15-00646



**Date Notice/Process Served:** 03/20/2015

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 12/23/2015

**Monetary Compensation Amount:** \$60,000.00

**Individual Contribution Amount:** \$60,000.00

### Civil Litigation Information

**Type of Court:** State Court

**Name of Court:** SUPERIOR COURT OF GLYNN COUNTY STATE OF GA

**Location of Court:** GLYNN COUNTY GA

**Docket/Case #:** SE15-00164-063

**Date Notice/Process Served:** 02/13/2015

**Litigation Pending?** No

**Disposition:** Other: Moved to arbitration

**Disposition Date:** 03/20/2015

**Broker Statement** Husband and Wife filed separate civil litigations that were compelled to one arbitration which was settled.

### Disclosure 3 of 10

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SUNTRUST INVESTMENTS & SUMMIT BROKERAGE SERVICES

**Allegations:** UNAUTHORIZED TRADING. FRAUD. CONVERSION. NEGLIGENT MISREPRESENTATION. BREACH OF CONTRACT. BREACH OF FIDUCIARY DUTY. ANNUITY PURCHASED JUNE 2012. UNAUTHORIZED TRADES DURING 2013.

**Product Type:** Annuity-Variable

**Alleged Damages:** \$68,010.26

**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:** 12/22/2014

**Complaint Pending?** No

**Status:** Evolved into Civil litigation (the individual is a named party)

**Status Date:** 02/13/2015

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

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

**Docket/Case #:** 15-00646

**Date Notice/Process Served:** 03/20/2015

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 12/23/2015

**Monetary Compensation Amount:** \$60,000.00

**Individual Contribution Amount:** \$60,000.00

### Civil Litigation Information

**Type of Court:** State Court

**Name of Court:** SUPERIOR COURT OF GLYNN COUNTY STATE OF GA

**Location of Court:** GLYNN COUNTY

**Docket/Case #:** CE15-00165-063

**Date Notice/Process Served:** 02/13/2015



<b>Litigation Pending?</b>	No
<b>Disposition:</b>	Other: Moved to arbitration
<b>Disposition Date:</b>	03/20/2015
<b>Broker Statement</b>	Husband and Wife filed separate civil litigations that were compelled to one arbitration which was settled.

#### Disclosure 4 of 10

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	SUNTRUST INVESTMENT SERVICES, INC
<b>Allegations:</b>	CLIENT, THROUGH HER ATTORNEY, ALLEGES THAT THE FORMER REPRESENTATIVE WAS NEGLIGENT IN PROVIDING INVESTMENT ADVICE AND BREACHED HIS FIDUCIARY DUTY TO THE CLIENT
<b>Product Type:</b>	Mutual Fund
<b>Alleged Damages:</b>	\$92,795.53
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

#### Customer Complaint Information

<b>Date Complaint Received:</b>	10/01/2013
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	02/05/2014
<b>Settlement Amount:</b>	\$23,000.00
<b>Individual Contribution Amount:</b>	\$0.00

<b>Reporting Source:</b>	Broker
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<b>Employing firm when activities occurred which led to the complaint:</b>	SUNTRUST INVESTMENT SERVICES, INC
<b>Allegations:</b>	CLIENT, THROUGH HER ATTORNEY, ALLEGES THAT THE FORMER REPRESENTATIVE WAS NEGLIGENT IN PROVIDING INVESTMENT ADVICE AND BREACHED HIS FIDUCIARY DUTY TO THE CLIENT
<b>Product Type:</b>	Mutual Fund
<b>Alleged Damages:</b>	\$92,795.53
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

### Customer Complaint Information

<b>Date Complaint Received:</b>	10/01/2013
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	02/05/2014
<b>Settlement Amount:</b>	\$23,000.00
<b>Individual Contribution Amount:</b>	\$0.00

### Disclosure 5 of 10

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	SUNTRUST INVESTMENT SERVICES, INC
<b>Allegations:</b>	CLIENT ALLEGES THAT HER REPRESENTATIVE PUT HER IN UNSUITABLE MUTUAL FUND INVESTMENTS.
<b>Product Type:</b>	Mutual Fund
<b>Alleged Damages:</b>	\$60,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes



Is this an arbitration/CFTC  
reparation or civil litigation? No

### Customer Complaint Information

Date Complaint Received: 07/10/2013  
Complaint Pending? No  
Status: Settled  
Status Date: 08/22/2013  
Settlement Amount: \$26,316.25  
Individual Contribution  
Amount: \$0.00

Reporting Source: Broker

Employing firm when  
activities occurred which led  
to the complaint: SUNTRUST INVESTMENT SERVICES, INC

Allegations: CLIENT ALLEGES THAT HER REPRESENTATIVE PUT HER IN UNSUITABLE  
MUTUAL FUND INVESTMENTS

Product Type: Mutual Fund

Alleged Damages: \$60,000.00

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: 07/10/2013  
Complaint Pending? No  
Status: Settled  
Status Date: 08/22/2013  
Settlement Amount: \$26,316.25  
Individual Contribution  
Amount: \$0.00



### Disclosure 6 of 10

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	SUNTRUST INVESTMENT SERVICES, INC
<b>Allegations:</b>	CLIENT ALLEGES SHE WAS UNAWARE OF A TRADE UNTIL AFTER IT OCCURRED AND WAS UNAWARE OF SALES CHARGES RELATED TO HER MUTUAL FUNDS.
<b>Product Type:</b>	Mutual Fund
<b>Alleged Damages:</b>	\$6,150.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

### Customer Complaint Information

<b>Date Complaint Received:</b>	06/04/2013
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	09/17/2013
<b>Settlement Amount:</b>	\$4,873.18
<b>Individual Contribution Amount:</b>	\$0.00

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	SUNTRUST INVESTMENT SERVICES INC
<b>Allegations:</b>	CLIENT ALLEGES SHE WAS UNAWARE OF A TRADE UNTIL AFTER IT OCCURRED AND WAS UNAWARE OF SALES CHARGES RELATED TO HER MUTUAL FUNDS.
<b>Product Type:</b>	Mutual Fund



**Alleged Damages:** \$6,150.00

**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:** 06/04/2013

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/17/2013

**Settlement Amount:** \$4,873.18

**Individual Contribution Amount:** \$0.00

### Disclosure 7 of 10

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** SUNTRUST INVESTMENT SERVICES, INC

**Allegations:** CLIENT IS UNHAPPY WITH THE PERFORMANCE AND SUITABILITY OF THE ANNUITY AND ALLEGES THAT THE REPRESENTATIVE DID NOT DISCLOSE SURRENDER CHARGES.

**Product Type:** Annuity-Variable

**Alleged Damages:** \$75,132.25

**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:** 05/28/2013

**Complaint Pending?** No



**Status:** Settled

**Status Date:** 09/11/2013

**Settlement Amount:** \$12,424.15

**Individual Contribution Amount:** \$0.00

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SUNTRUST INVESTMENT SERVICES, INC

**Allegations:** CLIENT IS UNHAPPY WITH THE PERFORMANCE AND SUITABILITY OF THE ANNUITY AND ALLEGES THAT THE REPRESENTATIVE DID NOT DISCLOSE SURRENDER CHARGES.

**Product Type:** Annuity-Variable

**Alleged Damages:** \$75,132.25

**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:** 05/28/2013

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/11/2013

**Settlement Amount:** \$12,424.15

**Individual Contribution Amount:** \$0.00

### Disclosure 8 of 10

**Reporting Source:** Firm



**Employing firm when activities occurred which led to the complaint:** SUNTRUST INVESTMENT SERVICES, INC

**Allegations:** THE CLIENT ALLEGES SHE HAS NO IDEA WHAT IS GOING ON IN HER ACCOUNT AND DID NOT INITIATE THE SALE OF THIS \$39,157 OF SEARS HOLDINGS BOND OR THE SAME-DAY PURCHASE OF \$40,116 OF EXIDE TECHNOLOGIES BOND.

**Product Type:** Debt-Corporate

**Alleged Damages:** \$150,000.00

**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:** 04/24/2013

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 08/21/2013

**Settlement Amount:** \$80,000.00

**Individual Contribution Amount:** \$0.00

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SUNTRUST INVESTMENT WERVICES INC

**Allegations:** THE CLIENT ALLEGES SHE HAS NO IDEA WHAT IS GOING ON IN HER ACCOUNT AND DID NOT INITIATE THE SALE OF THIS \$39,157 OF SEARS HOLDINGS BOND OR THE SAME-DAY PURCHASE OF \$40,116 OF EXIDE TECHNOLOGIES BOND.

**Product Type:** Debt-Corporate

**Alleged Damages:** \$150,000.00

**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:** 04/24/2013

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 08/21/2013

**Settlement Amount:** \$80,000.00

**Individual Contribution  
Amount:** \$0.00

### Disclosure 9 of 10

**Reporting Source:** Firm

**Employing firm when  
activities occurred which led  
to the complaint:** SUNTRUST INVESTMENT SERVICES, INC

**Allegations:** THE CLIENT ALLEGE AMONG OTHER ISSUES, INAPPROPRIATE TRADING  
AND POOR PERFORMANCE ON THE INVESTMENTS.

**Product Type:** Equity Listed (Common & Preferred Stock)  
Mutual Fund

**Alleged Damages:** \$21,000.00

### Arbitration Information

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

**Docket/Case #:** 12-01264

**Date Notice/Process Served:** 05/21/2012

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 01/23/2014



**Monetary Compensation Amount:** \$12,000.00

**Individual Contribution Amount:** \$0.00

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**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SUNTRUST INVESTMENT SERVICES, INC

**Allegations:** THE CLIENTS ALLEGE, AMONG OTHER ISSUES, INAPPROPRIATE TRADING AND POOR PERFORMANCE OF THE INVESTMENTS.

**Product Type:** Equity Listed (Common & Preferred Stock)  
Mutual Fund

**Alleged Damages:** \$21,000.00

### Arbitration Information

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

**Docket/Case #:** CASE # 12-01264

**Date Notice/Process Served:** 05/21/2012

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 01/23/2014

**Monetary Compensation Amount:** \$12,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** THE CLAIMANTS ALLEGATIONS ARE COMPLETE DENIED AND WILL BE VIGOROUSLY CONTESTED. DURING DISCOVERY THE CLIENT WAS SHOWN THAT SHE DID NOT LOSE MONEY. IN FACT THE ACCOUNT WAS PROFITABLE. OUR EXPECTATIONS ARE THAT THE ARBITRATION WILL BE DISMISSED.

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**Reporting Source:** Broker

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

**Allegations:** ALLEGATIONS THAT THE CLAIMANT DID NOT RECEIVE A TIMELY PROSPECTUS, AND THAT THE INVESTMENT PURCHASED BY CLAIMANT WAS NOT ADEQUATELY EXPLAINED. (AMOUNT CLAIMED: \$72,975.00 IN COMPENSATORY DAMAGES, PLUS FEES AND COSTS.)

**Product Type:** Other

**Alleged Damages:** \$72,975.00

### Customer Complaint Information

**Date Complaint Received:**

**Complaint Pending?**

**Status:** Arbitration/Reparation

**Status Date:**

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NASD; CASE NO: 06-02782

**Date Notice/Process Served:** 07/17/2006

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 10/04/2006

**Monetary Compensation Amount:** \$3,525.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** SETTLED FOR \$3,525.00



## Customer Dispute - Closed-No Action / Withdrawn / Dismissed / Denied

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a consumer-initiated, investment-related written complaint containing allegations that the broker engaged in sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities, which was closed without action, withdrawn, or denied.

### Disclosure 1 of 4

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** Summit Brokerage Services

**Allegations:** ON AN IRA DISTRIBUTION FORM CLIENT ALLEGED REP STOLE FROM HER, LIED TO HER AND TRICKED HER

**Product Type:** No Product

**Alleged Damages:** \$0.00

**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:** 06/27/2014

**Complaint Pending?** No

**Status:** Closed/No Action

**Status Date:** 08/30/2016

**Settlement Amount:**

**Individual Contribution Amount:**

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SUMMIT BROKERAGE SERVICES

**Allegations:** ON AN IRA DISTRIBUTION FORM CLIENT ALLEGED REP STOLE FROM HER, LIED TO HER AND TRICKED HER.



**Product Type:** No Product

**Alleged Damages:** \$0.00

**Alleged Damages Amount Explanation (if amount not exact):** NO ALLEGED DAMAGES.

**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:** 06/27/2014

**Complaint Pending?** Yes

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement** FIRM IS LOOKING INTO THE ALLEGATIONS AND HAS ATTEMPTED TO CONTACT THE CLIENT.

### Disclosure 2 of 4

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** SUNTRUST INVESTMENT SERVICES, INC

**Allegations:** THE CLIENT'S SON, WHO IS AUTHORIZED REPRESENTATIVE FOR THE CLIENT, SAYS THE REPRESENTATIVE TOLD HIM THE TAX IMPLICATIONS ON A FIXED ANNUITY WOULD BE MINIMAL.

**Product Type:** Annuity-Fixed

**Alleged Damages:** \$31,000.00

**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:** 02/12/2013  
**Complaint Pending?** No  
**Status:** Denied  
**Status Date:** 02/25/2013  
**Settlement Amount:**  
**Individual Contribution Amount:**

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### Disclosure 3 of 4

**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** SUNTRUST INVESTMENT SERVICES, INC  
**Allegations:** THE CLIENT'S ATTORNEY ALLEGED THAT THE REPRESENTATIVE SAID THE CLIENT SHOULD PUT HIS MONEY INTO A VARIABLE ANNUITY AND SAID THE CLIENT COULD WITHDRAW HIS MONEY AT ANY TIME.  
**Product Type:** Annuity-Variable  
**Alleged Damages:** \$272,345.00  
**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:** SUPERIOR COURT OF GLYNN COUNTY GEORGIA  
**Docket/Case #:** CASE # CE09-168206  
**Filing date of arbitration/CFTC reparation or civil litigation:** 10/02/2009

## Customer Complaint Information

**Date Complaint Received:** 10/07/2009  
**Complaint Pending?** No



<b>Status:</b>	Withdrawn
<b>Status Date:</b>	03/01/2012
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	
<b>Broker Statement</b>	"THE CLAIMANT VOLUNTARILY DISMISSED HER COMPLAINT WITH RESPECT TO THE REFERENCED TRANSACTION."

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#### Disclosure 4 of 4

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	SUNTRUST INVESTMENT SERVICES, INC
<b>Allegations:</b>	THE CLIENTS WERE UNHAPPY WITH THE PERFORMANCE OF THE BOND AND ALLEGED THAT IT WAS MISREPRESENTED TO THEM.
<b>Product Type:</b>	Debt - Municipal
<b>Alleged Damages:</b>	\$218,123.83

#### Customer Complaint Information

<b>Date Complaint Received:</b>	10/15/2008
<b>Complaint Pending?</b>	No
<b>Status:</b>	Denied
<b>Status Date:</b>	10/30/2008
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	



## 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:** SUNTRUST INVESTMENT SERVICES, INC

**Termination Type:** Discharged

**Termination Date:** 04/11/2013

**Allegations:** THE OUTCOME OF A CONTINUING REVIEW OF MR. HOFFMAN'S CLIENT ACCOUNT TRANSACTIONS PRESENTED AN UNACCEPTABLE RISK TO THE FIRM

**Product Type:** Other: MULTIPLE

**Reporting Source:** Broker

**Employer Name:** SUNTRUST INVESTMENT SERVICES, INC

**Termination Type:** Discharged

**Termination Date:** 04/11/2013

**Allegations:** THE OUTCOME OF A CONTINUING REVIEW OF MR. HOFFMAN'S CLIENT ACCOUNT TRANSACTIONS PRESENTED AN UNACCEPTABLE RISK TO THE FIRM

**Product Type:** Other: MULTIPLE

**Broker Statement** AFTER SEVERAL MANAGEMENT CHANGES SUNTRUST BECAME MORE CONSERVATIVE IN THE INVESTMENTS THEY WOULD ALLOW IN ACCOUNTS. THEY AUDITED 4 ACCOUNTS. ALL FOUR WERE PROFITABLE AND TRADED WITHIN THE INVESTMENT OBJECTIVES OF THE CLIENTS. SUNTRUST EVENTUALLY OBJECTED TO THE USE OF HIGH YIELD BONDS.



## End of Report



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