

BrokerCheck Report

DENNIS ALLEN HAYES

CRD# 4403550

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

About BrokerCheck®



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

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

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

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

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

- **How current is this information?**

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

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

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

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

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

Thank you for using FINRA BrokerCheck.



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

brokercheck.finra.org



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

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

DENNIS A. HAYES

CRD# 4403550

This broker is not currently registered.

Report Summary for this Broker



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

Broker Qualifications

This broker is not currently registered.

This broker has passed:

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

Registration History

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

- B SALOMON WHITNEY FINANCIAL**
CRD# 145012
MELVILLE, NY
04/2017 - 04/2017
- B NEWBRIDGE SECURITIES CORPORATION**
CRD# 104065
BOCA RATON, FL
02/2010 - 09/2016
- B NFP SECURITIES, INC.**
CRD# 42046
CHARLOTTE, NC
02/2009 - 02/2010

Disclosure Events

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

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

The following types of disclosures have been reported:

Type	Count
Regulatory Event	1
Customer Dispute	7
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. A passed exam or exam waiver does not permit a broker to do business without an active SRO or state registration.

This individual has passed 0 principal/supervisory exams, 3 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	04/27/2017
B General Securities Representative Examination	Series 7	11/25/2003
B Investment Company Products/Variable Contracts Representative Examination	Series 6	07/05/2001

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	07/02/2001

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/.



Broker Qualifications

Professional Designations

This section details that the representative has reported **1** professional designation(s).

Personal Financial Specialist

This representative holds or did hold **1** professional designation(s) that may have been used to qualify as an Investment Advisor representative. Please check with the appropriate designation authority for verification that the designation is still in effect. The contact information for these professional designation authorities can be found on the website for the North American Securities Administrators Association at <http://www.nasaa.org>



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
B 04/2017 - 04/2017	SALOMON WHITNEY FINANCIAL	145012	MELVILLE, NY
B 02/2010 - 09/2016	NEWBRIDGE SECURITIES CORPORATION	104065	BOCA RATON, FL
B 02/2009 - 02/2010	NFP SECURITIES, INC.	42046	CHARLOTTE, NC
B 09/2006 - 02/2009	CAPITAL INVESTMENT GROUP, INC.	14752	CHARLOTTE, NC
B 09/2005 - 09/2006	MML INVESTORS SERVICES, INC.	10409	CHARLOTTE, NC
B 12/2003 - 09/2005	EQUITY SERVICES, INC.	265	MONTPELIER, VT
B 10/2003 - 12/2003	VERAVEST INVESTMENTS, INC.	3960	WORCESTER, MA
B 07/2001 - 03/2002	AAL CAPITAL MANAGEMENT CORPORATION	18387	MINNEAPOLIS, MN

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
04/2017 - Present	Salomon Whitney Financial	Registered Rep	Y	Melville, NY, United States
03/2002 - Present	DENNIS A HAYES FINANCIAL SERVICES	ANNUITY FIXED SALES	Y	CHARLOTTE, NC, United States
04/2001 - Present	DENNIS A HAYES CPA	BUSINESS CONSULTANT	N	CHARLOTTE, NC, United States
02/2010 - 09/2016	NEWBRIDGE SECURITIES	REGISTERED REPRESENTATIVE	Y	CHARLOTTE, NC, United States

Registration and Employment History



Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

1)DENNIS HAYES CPA.LOCATED IN CHARLOTTE NC. BUSINESS CONSULTING.PROPRIETOR FROM 04/2001 TO PRESENT. HRS VARY.AVERAGE 4HRS PER MONTH.DUTIES TYPICALLY COMPILE FINANCIAL STATEMENTS FOR SMALL BUSINESS.DO SPECIAL PROJECT CONSULTING WORK. 2)DENNIS HAYES FINANCIAL SERVICES.INVESTMENT RELATED.CHARLOTTE NC.FIXED ANNUITY SALES. ANNUITY SALES CONSULTANT FROM 03/2002 TO PRES.MEET WITH PROSPECTIVE CLIENTS AND HELP THEM MAKE INVESTMENT DECISIONS THAT FIT THEIR GOALS. AGENT FOR SEVERAL INSUR CO TO SELL LIFE, DISABILITY AND LTC. FINANCIAL PLANNER.12/2003 TO PRES. 80 HR PR MNTH. DURING TRADING HRS.I AM AN AGENT OR BROKER FOR SEVERAL INSUR CO TO SELL LIFE, DISABILITY,HEALTH AND LTC. 3)HAYES WEALTH, LLC-THIS ENTITY IS SET UP FOR ACCOUNTING AND TAX EFFICIENCY. AFTER COMMISSIONS ARE RECEIVED PERSONALLY THEY ARE TRANSFERRED TO THE LLC WHERE ALL BUSINESS INCOME AND EXPENSES ARE PROPERLY ACCOUNTED FOR ON A TIMELY BASIS. THIS PROVIDES A MORE EFFECTIVE WAY TO MANAGE FEDERAL AND STATE INCOME TAXES AS WELL AS FICA TAXES.METHOD OF COMPENSATION: NONE 4) NFN,CORP. IS A C CORP WHICH IS DEVOTED TO INSURANCE SALES. I AM PRESIDENT OWNING 33.3% COMPENSATED BY COMMISSION. 5) FAREWELL TO SUMMER FOUNDATION: CHARLOTTE, NC, ON THE BOARD OF DIRECTORS/NOT A TITLED BOARD MEMBER, 5/2013, SERVE AS A VOLUNTEER BOOKKEEPER. 6) DEANS CONSULTING: 3/2016- CORPORATION, ANSWER QUESTIONS REGARDING FORMING CAPTIVE INSURANCE COMPANIES. NOT INVOLVED IN ANY SECURITIES ACTIVITY REGARDING THIS ENTITY.

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.
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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	1	0
Customer Dispute	0	7	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 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: n/a
Date Initiated:	01/11/2019
Docket/Case Number:	2016050883001
Employing firm when activity occurred which led to the regulatory action:	Newbridge Securities Corporation
Product Type:	Promissory Note
Allegations:	Hayes was named a respondent in a FINRA complaint alleging that without providing his member firm prior written notice, he participated in private securities transactions by recommending that investors, most of whom were customers of the firm, invest a total of \$2.7 million in securities issued by privately held companies and helped facilitate those investments. The complaint alleges that the investors suffered losses of at least \$2.3 million, after one of the companies filed for bankruptcy and the other companies ceased operations. The complaint also alleges that Hayes used personal email addresses to correspond with customers about their firm accounts and communicated via text message with another firm customer about her firm account. Hayes did not provide these communications to the firm and therefore the firm could not review or retain this securities related



correspondence, causing it to fail to preserve its books and records. The complaint further alleges that Hayes failed to provide information and documents to FINRA related to complaints that customers made about his handling of their investments.

Current Status:	Final
Resolution:	Decision & Order of Offer of Settlement
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Resolution Date:	03/22/2019
Sanctions Ordered:	Bar (Permanent)
If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?	No
(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?	



(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or

(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?

Sanction 1 of 1

Sanction Type: Bar (Permanent)

Capacities Affected: All Capacities

Duration: Indefinite

Start Date: 03/22/2019

End Date:

**Regulator Statement**

Without admitting or denying the allegations, Hayes consented to the sanction and to the entry of findings that he participated in private securities transactions without providing prior written notice to his member firm. The findings stated that Hayes recommended that investors, most of whom were firm customers, invest a total of \$2.7 million in five companies, and facilitated those investments. The investors suffered losses of at least \$2.3 million, after one of the companies filed for bankruptcy and the other companies ceased operations. The findings also stated that Hayes used personal email addresses to correspond with customers about their firm accounts and communicated via text message with a firm customer about her account. Hayes did not provide these communications to the firm. Therefore, the firm failed to review or retain this securities-related correspondence as books and records, as required. The findings also included that Hayes failed to provide documents and information requested by FINRA related to customer complaints received regarding Hayes' handling of the customers' investments.



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 7

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	NEWBRIDGE SECURITIES CORPORATION
Allegations:	Claimant [Redacted] alleges unsuitability, misrepresentations/omissions, negligence, violations of FINRA rules, and failure to supervise, and Claimant [Redacted] alleges selling away, violations of FINRA rules, and failure to supervise.
Product Type:	Other: ALTERNATIVE INVESTMENTS
Alleged Damages:	\$500,000.00
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 #:	18-03996
Filing date of arbitration/CFTC reparation or civil litigation:	11/20/2018

Customer Complaint Information

Date Complaint Received:	11/26/2018
Complaint Pending?	No
Status:	Settled
Status Date:	01/06/2020
Settlement Amount:	\$112,500.00
Individual Contribution Amount:	\$0.00



Disclosure 2 of 7

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	NEWBRIDGE SECURITIES CORPORATION
Allegations:	CLIENT ALLEGED HE WAS IMPROPERLY AND NEGLIGENTLY ADVISED ON SEVERAL INVESTMENTS CAUSING SUBSTANTIAL LOSSES IN HIS ACCOUNT.
Product Type:	Promissory Note
Alleged Damages:	\$66,246.47
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:	04/24/2018
Complaint Pending?	No
Status:	Settled
Status Date:	09/23/2019
Settlement Amount:	\$26,250.00
Individual Contribution Amount:	\$0.00

Disclosure 3 of 7

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	NEWBRIDGE SECURITIES CORPORATION
Allegations:	CLAIMANT ALLEGES NEGLIGENCE AND CONCENTRATION OF UNSUITABLE INVESTMENTS LEAD TO LOSSES IN HIS ACCOUNTS.
Product Type:	Other: NON-TRADED REITS
Alleged Damages:	\$0.00



Alleged Damages Amount Explanation (if amount not exact): DAMAGES TO BE DETERMINED AT HEARING.

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 #: 17-03125

Filing date of arbitration/CFTC reparation or civil litigation: 11/20/2017

Customer Complaint Information

Date Complaint Received: 12/07/2017

Complaint Pending? No

Status: Settled

Status Date: 10/22/2018

Settlement Amount: \$760,000.00

Individual Contribution Amount: \$0.00

Disclosure 4 of 7

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: NEWBRIDGE SECURITIES CORPORATION

Allegations: CLAIMANTS ALLEGE THEY WERE INVESTED IN AN UNSUITABLE TRANSACTION AND FAILURE TO SUPERVISE.

Product Type: Other: PRIVATE SECURITY

Alleged Damages: \$100,000.00

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 #: 17-01875

Filing date of arbitration/CFTC reparation or civil litigation: 07/17/2017

Customer Complaint Information

Date Complaint Received: 07/19/2017

Complaint Pending? No

Status: Settled

Status Date: 07/17/2018

Settlement Amount: \$30,000.00

Individual Contribution Amount: \$0.00

Disclosure 5 of 7

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: NEWBRIDGE SECURITIES CORPORATION

Allegations: "The Firm received a complaint by counsel for former customers alleging that the Firm's former registered representative, Dennis Hayes, recommended unsuitable securities and engaged in unauthorized transactions in the customers' accounts."

Product Type: Equity-OTC
Equity Listed (Common & Preferred Stock)
Promissory Note
Other: PRIVATE PLACEMENT

Alleged Damages: \$650,000.00



Alleged Damages Amount
Explanation (if amount not exact):

ARBITRATION AMOUNT SPECIFIED.

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: 06/19/2017

Complaint Pending? No

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

Status Date: 11/27/2017

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

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

Docket/Case #: 17-02853

Date Notice/Process Served: 11/27/2017

Arbitration Pending? No

Disposition: Settled

Disposition Date: 03/11/2019

Monetary Compensation Amount: \$212,500.00

Individual Contribution Amount: \$0.00

Disclosure 6 of 7

Reporting Source: Firm



Employing firm when activities occurred which led to the complaint: NEWBRIDGE SECURITIES CORPORATION

Allegations: CLIENT IS REQUESTING REDEMPTION AND PAYMENT FOR TWO FINANCIAL INSTRUMENTS SOLD TO HER BY HER BROKER, MR. HAYES, WHICH HAS MATURED AND PAYMENTS NOT RECEIVED. (ARBITRATION CLAIMS FAILURE TO SUPERVISE, MISCONDUCT UNDER THE THEORIES OF CONTROL PERSON LIABILITY AND RESPONDEAT SUPERIOR, PARTICIPATED IN THE SALE OF UNREGISTERED INVESTMENTS, VIOLATED SUITABILITY OBLIGATIONS, BREACH OF FIDUCIARY DUTY, NEGLIGENT AND FRAUDULENT MISPRESENTATIONS AND OMISSIONS)

Product Type: Penny Stock
Promissory Note
Real Estate Security

Alleged Damages: \$750,000.00

Alleged Damages Amount Explanation (if amount not exact): EVOLVED INTO AN ARBITRATION

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 #: 16-02002

Filing date of arbitration/CFTC reparation or civil litigation: 07/13/2016

Customer Complaint Information

Date Complaint Received: 08/02/2016

Complaint Pending? No

Status: Settled

Status Date: 08/03/2017

Settlement Amount: \$120,000.00



Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: NEWBRIDGE SECURITIES CORPORATION

Allegations: CLIENT IS REQUESTING REDEMPTION AND PAYMENT FOR TWO FINANCIAL INSTRUMENTS SOLD TO HER BY HER BROKER, MR. HAYES, WHICH HAS MATURED AND PAYMENTS NOT RECEIVED. (ARBITRATION CLAIMS FAILURE TO SUPERVISE, MISCONDUCT UNDER THE THEORIES OF CONTROL PERSON LIABILITY AND RESPONDEAT SUPERIOR, PARTICIPATED IN THE SALE OF UNREGISTERED INVESTMENTS, VIOLATED SUITABILITY OBLIGATIONS, BREACH OF FIDUCIARY DUTY, NEGLIGENT AND FRAUDULENT MISREPRESENTATIONS AND OMISSIONS)

Product Type: Penny Stock
Promissory Note
Real Estate Security

Alleged Damages: \$750,000.00

Alleged Damages Amount Explanation (if amount not exact): EVOLVED INTO AN ARBITRATION

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 #: 16-02002

Filing date of arbitration/CFTC reparation or civil litigation: 07/13/2016

Customer Complaint Information

Date Complaint Received: 08/02/2016

Complaint Pending? Yes

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

CLIENT CHOSE TO MAKE A PRIVATE INVESTMENT AS SHE HAS DONE OVER THE PAST SEVERAL YEARS. SHE REQUESTED THAT FUNDS BE SENT TO HER FROM NEWBRIDGE SECURITIES ACCOUNTS SO THAT SHE COULD INDEPENDENTLY SEND HER FUNDS/CHECK FOR THE NOTES SHE RECEIVED. CLIENT SPOKE INDEPENDENTLY TO USA PERSONNEL TO LEARN OF THE COMPANY SUBSEQUENT TO MY VISIT TO HER OFFICE ON JANUARY 14, 2013 AT 4PM. THE INITIAL NOTES WERE ISSUED JANUARY 31, 2013. I DID NOT PHYSICALLY HANDLE THE CHECKS. I WAS NOT COMPENSATED IN ANY WAY. THE CLIENT ALSO CONTENDS THAT SHE GAVE ME A THIRD CHECK ON JANUARY 14, 2013. THE NOTE SHE HOLDS IN RELATIONSHIP TO THIS AFOREMENTIONED CHECK IS DATED JUNE 12, 2013. I DID NOT HANDLE HER CHECKS. WE BOTH HAVE SIMILAR NOTES. I WOULD CALL AND CHECK ON THE STATUS AND REPORT WHAT I LEARNED TO HER. CLIENT ALSO SPOKE WITH USA PERSONNEL INDEPENDENT OF ME THROUGH THIS PROCESS. THE COMPANY CONTINUES TO ACKNOWLEDGE THE DEBT AND IS ACCURING INTEREST. I BELIEVE WE BOTH WILL BE PAID BY USA. THEY ARE DELINQUENT, BUT THEY CONTINUE TO BE RESPONSIVE AND INTEND TO HONOR THEIR DEBT.

Disclosure 7 of 7

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: NEWBRIDGE SECURITIES CORP.

Allegations: CLAIMANT ALLEGES FRAUD, CONSTRUCTIVE FRAUD, NEGLIGENT MISREPRESENTATION/OMISSION AND VIOLATIONS OF NORTH CAROLINA SECURITIES ACT.

Product Type: Promissory Note

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): STATEMENT OF CLAIM IS STATING THE DAMAGE AMOUNT WILL BE DETERMINED AT THE HEARING.

Arbitration Information



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

Docket/Case #: 16-00899

Date Notice/Process Served: 04/12/2016

Arbitration Pending? No

Disposition: Settled

Disposition Date: 07/13/2016

Monetary Compensation Amount: \$12,500.00

Individual Contribution Amount: \$12,500.00

Broker Statement

The Claimant's claims are entirely without merit and I intend to vigorously defend against them. She was never a customer of Newbridge Securities Corporation, and I was never her financial advisor. Moreover, I did not give her any advice, nor did I in any way solicit the investment in question. I never received any commission or other compensation in connection her investment. I reserve my rights to pursue such remedies against the claimant as may be available to me under applicable law.



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:	NEWBRIDGE SECURITIES CORPORATION
Termination Type:	Permitted to Resign
Termination Date:	09/08/2016
Allegations:	HE WAS PERMITTED TO RESIGN BASED ON TWO ISSUES. FIRST, THE FIRM HAS AN OPEN INTERNAL REVIEW REGARDING A CUSTOMER COMPLAINT THAT EVOLVED INTO A ARBITRATION FOR POSSIBLE SELLING AWAY AND PRIVATE SECURITIES TRANSACTIONS. SECOND, HAD LITTLE OR NO PRODUCTION IN THE LAST 12 MONTHS.
Product Type:	No Product

End of Report



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