

## BrokerCheck Report

**RANDY BOYD WELBORN**

CRD# 4547206

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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](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).

**RANDY B. WELBORN**

CRD# 4547206

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

**IA LPL FINANCIAL LLC**  
FORT SMITH, AR  
CRD# 6413  
Registered with this firm since: 07/03/2025

**IA FINANCIAL ADVOCATES INVESTMENT MANAGEMENT**  
101 N 11TH STREET  
Suite 238  
Fort Smith, AR 72901  
CRD# 151298  
Registered with this firm since: 06/02/2016

**B LPL FINANCIAL LLC**  
FORT SMITH, AR  
CRD# 6413  
Registered with this firm since: 06/02/2016

**Report Summary for this Broker**

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

**Broker Qualifications**

**This broker is registered with:**

- 1 Self-Regulatory Organization
- 16 U.S. states and territories

**This broker has passed:**

- 0 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):**

- IA RBC CAPITAL MARKETS, LLC**  
CRD# 31194  
NEW YORK, NY  
03/2010 - 06/2016
- B RBC CAPITAL MARKETS, LLC**  
CRD# 31194  
EAGLE, ID  
03/2010 - 06/2016
- IA EDWARD JONES**  
CRD# 250  
ST. LOUIS, MO  
01/2007 - 03/2010

**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
Customer Dispute	3



## Broker Qualifications

### Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

**This individual is currently registered with 1 SRO and is licensed in 16 U.S. states and territories through his or her employer.**

### Employment 1 of 2

Firm Name: **FINANCIAL ADVOCATES INVESTMENT MANAGEMENT**  
 Main Office Address: **1601 COOPER POINT ROAD NW  
 OLYMPIA, WA 98502**  
 Firm CRD#: **151298**

	U.S. State/ Territory	Category	Status	Date
IA	Arkansas	Investment Adviser Representative	Approved	09/26/2019
IA	Texas	Investment Adviser Representative	Restricted Approval	01/30/2020

### Branch Office Locations

1601 COOPER POINT ROAD NW  
 OLYMPIA, WA 98502

101 N 11TH STREET  
 Suite 238  
 Fort Smith, AR 72901

### Employment 2 of 2

Firm Name: **LPL FINANCIAL LLC**  
 Main Office Address: **1055 LPL WAY  
 FORT MILL, SC 29715**  
 Firm CRD#: **6413**

	SRO	Category	Status	Date
B	FINRA	General Securities Representative	Approved	06/02/2016

## Broker Qualifications



### Employment 2 of 2, continued

	U.S. State/ Territory	Category	Status	Date
B	Arizona	Agent	Approved	01/03/2020
B	Arkansas	Agent	Approved	07/16/2019
IA	Arkansas	Investment Adviser Representative	Approved	07/03/2025
B	California	Agent	Approved	06/02/2016
B	Colorado	Agent	Approved	06/02/2016
B	Florida	Agent	Approved	02/26/2021
B	Idaho	Agent	Approved	06/02/2016
B	Kansas	Agent	Approved	05/03/2025
B	Kentucky	Agent	Approved	06/02/2016
B	Missouri	Agent	Approved	12/07/2017
B	New Hampshire	Agent	Approved	10/20/2023
B	New Mexico	Agent	Approved	06/02/2016
B	North Dakota	Agent	Approved	05/12/2020
B	Oklahoma	Agent	Approved	09/09/2019
B	Oregon	Agent	Approved	01/03/2022
B	Texas	Agent	Approved	06/02/2016
IA	Texas	Investment Adviser Representative	Approved	07/09/2025
B	Utah	Agent	Approved	06/02/2016

### Branch Office Locations

**LPL FINANCIAL LLC**  
FORT SMITH, AR

## Broker Qualifications



### Employment 2 of 2, continued

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## 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, 2 general industry/product exams, and 2 state securities law exams.**

### Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> Securities Industry Essentials Examination	SIE	10/01/2018
<b>B</b> General Securities Representative Examination	Series 7	08/05/2002

### State Securities Law Exams

Exam	Category	Date
<b>B</b> <b>IA</b> Uniform Combined State Law Examination	Series 66	12/04/2006
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	08/08/2002

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
IA	05/2025 - 06/2025	LPL FINANCIAL LLC	6413	BOISE, ID
B	03/2010 - 06/2016	RBC CAPITAL MARKETS, LLC	31194	EAGLE, ID
IA	03/2010 - 06/2016	RBC CAPITAL MARKETS, LLC	31194	EAGLE, ID
IA	01/2007 - 03/2010	EDWARD JONES	250	CALDWELL, ID
B	08/2002 - 03/2010	EDWARD JONES	250	CALDWELL, ID

### Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

**Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.**

Employment	Employer Name	Position	Investment Related	Employer Location
06/2016 - Present	Financial Advocates Investment Management	INVESTMENT ADVISER REPRESENTATIVE	Y	Fort Smith, AR, United States
06/2016 - Present	LPL FINANCIAL LLC	REGISTERED REPRESENTATIVE	Y	ROGERS, AR, United States
03/2010 - 06/2016	RBC CAPITAL MARKETS	FC	Y	BOISE, ID, 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. 6/2/2016 - CLEAR CREEK WEALTH MANAGEMENT, LLC - Investment Related - At Reported Business Location(s) - DBA FOR LPL BUSINESS (ENTITY FOR LPL BUSINESS) - Started 3/8/2016 - 40 Hours Per Month/0 Hours During Securities Trading - Time Spent 10%.
2. 6/10/2016 - Clear Creek Wealth Management, LLC - Investment Related - At Reported Business Location(s) - Registered Investment Advisor DBA - IAR - Started 3/8/16 - Time Spent 85%.

## Registration and Employment History



### Other Business Activities, continued

3. 6/10/2016 - Financial Advocates Investment Management - Investment Related - At Reported Business Location(s) - Registered Investment Advisor Hybrid - IAR - Started 3/8/16 - 156 Hours Per Month/38 Hours During Securities Trading - Time Spent 85%.

4. 10/01/2024 - Real Estate one rental - Real Estate Rental - Investment Related - Mulberry, AR - Start Date 11/01/2000 - 1 Hour Per Month/ 0 Hours During Trading

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## Disclosure Events



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

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
  - 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
Customer Dispute	0	3	N/A



## Disclosure Event Details

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

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

### Customer Dispute - 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 3

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	EDWARD JONES
<b>Allegations:</b>	12/02/09-3/23/10; CLIENT CLAIMS HE MET WITH THE FA ON DECEMBER 2, 2009 TO DISCUSS IDEAS FOR MANAGING HIS ACCOUNT. THE CLIENT STATES THERE WAS VERY LITTLE DISCUSSION. CLIENT STATES FEES WERE DISCUSSED. THE CLIENT STATES THE FA TOOK A FEW NOTES; HOWEVER, HE DID NOT TRANSACT ACCORDINGLY. CLIENT STATES THE FA TOOK LIBERTY TO BUY AND SELL STOCKS AT HIS DISCRETION. CLIENT STATES THE FA INVERTED THE PURCHASE VOLUME ON TWO OF THE STOCKS. CLIENT ALSO CLAIMS, ON THE DAY THE FA DEPARTED EDWARD JONES THE CLIENT CALLED HEADQUARTERS TO EXECUTE TWO TRADES AND FOUND OUT HE HAD 8 OPEN ORDERS. CLIENT WAS NOT AWARE OF THEM AND HAD THEM CLOSED. FILING REQUIRED. COMMISSIONS TOTAL FOR THE STOCKS LISTED IN THE COMPLAINT COMES TO \$6,434.69.
<b>Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Alleged Damages:</b>	\$5,000.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	ALLEGATIONS CLAIM DAMAGES THAT APPEAR TO BE IN EXCESS OF \$5,000
<b>Is this an oral complaint?</b>	No



**Is this a written complaint?** Yes

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

### Customer Complaint Information

**Date Complaint Received:** 03/23/2010

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 04/05/2010

**Settlement Amount:**

**Individual Contribution Amount:**

### Firm Statement

FA STATES CLIENT CONTACTED HIM TO DISCUSS STOCKS. FA CLAIMS AN APPOINTMENT WAS MADE AND THE CLIENT CAME TO THE OFFICE TO DISCUSS HOW EDWARD JONES HANDLES STOCKS. FA STATES HE WENT OVER STOCKS AND THE PROCESS OF USING STOP LOSSES ON A FLIP CHART WITH THE CLIENT. ACCORDING TO THE FA, HE WENT OVER A LIST OF STOCKS, THE COMMISSIONS, AND THE USE OF SELL STOPS. THE FA STATES THE CLIENT WAS INTERESTED IN HIS RECOMMENDATIONS. IT IS OUR UNDERSTANDING THE CLIENT INSTRUCTED THE FA TO PURCHASE THE STOCKS AND PLACE THE SELL STOPS. FURTHER, THE FA STATES, HE SPOKE WITH THE CLIENT WEEKLY, AND SOMETIMES DAILY, TO DISCUSS THE STOCKS IN HIS ACCOUNT. THE FA INDICATES ALL OF THE TRADES IN THE CLIENT'S ACCOUNT WERE DONE AT HIS INSTRUCTION, TYPICALLY WHILE THE CLIENT WAS IN THE OFFICE. FINALLY, THE FA CLAIMS HE DID NOT REQUEST PRIOR YEAR STATEMENTS. THE FA INDICATES HE WAS AWARE THE CLIENT HAD BROUGHT A BAG OF ENVELOPES TO THE OFFICE; HOWEVER, IT WAS HIS UNDERSTANDING THE BOA WAS ASSISTING THE CLIENT WITH HIS COST BASIS. ACCORDING TO THE FA, HE DID NOT LOOK AT THEM, NOR DID HE TAKE THEM FROM THE OFFICE. OUR RECORDS INDICATE THE CLIENT WAS SENT TRADE CONFIRMATIONS FOR EACH TRANSACTION. IN ADDITION, HE WOULD HAVE RECEIVED ACCOUNT STATEMENTS SINCE THE TRADES TOOK PLACE REFLECTING THE HOLDINGS IN HIS ACCOUNT AS WELL ANY ACCOUNT ACTIVITY. THEREFORE, WE BELIEVE HAD THE TRANSACTIONS BEEN EXECUTED WITHOUT HIS CONSENT THE CLIENT WOULD HAVE BROUGHT IT TO THE FA'S ATTENTION IMMEDIATELY. BASED ON THE INFORMATION AVAILABLE, WE BELIEVE THE TRANSACTIONS EFFECTED IN THE CLIENT'S ACCOUNT WERE COMPLETED WITH HIS KNOWLEDGE AND AUTHORIZATION AND THEREFORE RESPECTFULLY DENY ANY REIMBURSEMENT IN THIS



MATTER.

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**Reporting Source:** Broker

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

**Allegations:** 12/02/09-3/23/10; CLIENT CLAIMS HE MET WITH THE FA ON DECEMBER 2, 2009 TO DISCUSS IDEAS FOR MANAGING HIS ACCOUNT. THE CLIENT STATES THERE WAS VERY LITTLE DISCUSSION. CLIENT STATES FEES WERE DISCUSSED. THE CLIENT STATES THE FA TOOK A FEW NOTES; HOWEVER, HE DID NOT TRANSACT ACCORDINGLY. CLIENT STATES THE FA TOOK LIBERTY TO BUY AND SELL STOCKS AT HIS DISCRETION. CLIENT STATES THE FA INVERTED THE PURCHASE VOLUME ON TWO OF THE STOCKS. CLIENT ALSO CLAIMS, ON THE DAY THE FA DEPARTED EDWARD JONES THE CLIENT CALLED HEADQUARTERS TO EXECUTE TWO TRADES AND FOUND OUT HE HAD 8 OPEN ORDERS. CLIENT WAS NOT AWARE OF THEM AND HAD THEM CLOSED. FILING REQUIRED. COMMISSIONS TOTAL FOR THE STOCKS LISTED IN THE COMPLAINT COMES TO \$6,434.69.

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

**Alleged Damages:** \$5,000.00

**Alleged Damages Amount Explanation (if amount not exact):** ALLEGATIONS CLAIM DAMAGES THAT APPEAR TO BE IN EXCESS OF \$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:** 03/23/2010

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 04/05/2010

**Settlement Amount:**



**Individual Contribution Amount:**

**Disclosure 2 of 3**

**Reporting Source:** Broker

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

**Allegations:** THE CLIENT STATES WHEN SHE INVESTED \$100,000, SHE THOUGHT SHE WAS PURCHASING A CD. SHE STATES SHE WAS NOT AWARE SHE INVESTED IN AN ANNUITY. SHE STATES SHE DECIDED TO WITHDRAW THE MONEY FROM THE ANNUITY AND HAD A TAXABLE AMOUNT OF \$45503.32. SHE ALSO STATES THE FA WAS NOT RESPONSIVE WHEN BOTH HER AND HER CPA CONTACTED HER OFFICE FOR FOLLOW UP REGARDING THE ISSUE. SHE STATES THAT DUE TO WITHDRAWALS, SHE PAID AN ADDITIONAL \$17158 IN TAXES.

**Product Type:** Annuity(ies) - Variable

**Alleged Damages:** \$5,000.00

**Customer Complaint Information**

**Date Complaint Received:** 05/06/2008

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 06/03/2003

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement** THE FA STATES HE WAS CONTACTED BY THE CLIENT TO DISCUSS INVESTMENT OPTIONS ON A FUNDS THAT CAME DUE ON A CD HELD AT ANOTHER FINANCIAL INSTITUTION. ACCORDING TO THE FA, THE FUNDS INVESTED WERE NOT NEEDED IMMEDIATELY; HE RECOMMENDED ADDING TO THE EXISTING ANNUITY. IT IS OUR UNDERSTANDING THE CLIENT AGREED WITH THIS RECOMMENDATION AT THE TIME. WHEN THE CLIENT WITHDREW THE FUNDS, SHE WAS TAXED ON THE GAINS FROM DATE OF THE ORIGINAL INVESTMENT; OUR RECORDS INDICATE THE CLIENT ORIGINALLY INVESTED IN THE ABOVE ANNUITY ON OCTOBER 26, 2005. THE FA STATES HE INFORMED THE CLIENT AT THE TIME OF THE ORIGINAL PURCHASE THAT WITHDRAWALS COULD BE TAXED BASED ON THE



ORIGINAL INVESTMENT. OUR RECORDS REFLECT THE CLIENT SIGNED THE TRANSFER OF ASSETS: REPOSITIONING ASSETS USING A PARTIAL VARIABLE ANNUITY LIQUIDATION ON MAY 5, 2007; THIS LETTER INDICATES THE CLIENT HAD A CHANGE IN INVESTMENT OBJECTIVE, AND THE CLIENT WAS AWARE THE PARTIAL LIQUIDATION COULD TRIGGER A TAXABLE EVENT REPORTABLE TO THE IRS. THE FA STATES HIS OFFICE TALKED THE CLIENT'S CPA. IN ADDITION, HE STATES HIS BRANCH OFFICE TRIED CONTACTING HIM A COUPLE OF TIMES BUT THOSE CALLS WERE NOT RETURNED. SINCE THIS WAS A CLASS A ANNUITY, THERE WERE NO WITHDRAWAL CHARGES. A SALES CHARGE WAS PAID AT THE TIME OF THE PURCHASE.

### Disclosure 3 of 3

**Reporting Source:** Broker

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

**Allegations:** THE CLIENT STATES THE ANNUITY HE WAS SOLD BY THE FA WAS NOT SUITABLE. HE STATES HE WAS NOT INFORMED THE MONEY WOULD BE LOCKED INTO THE ANNUITY FOR 16 YEARS OR THERE COULD BE A PENALTY IF WITHDRAWN PRIOR TO THE END OF THE CONTRACT. THE CLIENT STATES THE FA TOLD THEM THERE WOULD BE A SMALL FEE. THEY STATED THEY WANTED A SECURE ACCOUNT WHERE THE INVESTMENT WOULD NOT LOSE VALUE. HE STATES HE WAS INFORMED BY THE FA THAT THE ANNUITY WOULD GAIN IN VALUE, BUT NOT LOSE VALUE BECAUSE THE AMOUNT HE INVESTED WAS LOCKED IN.

**Product Type:** Annuity(ies) - Variable

**Alleged Damages:** \$5,000.00

### Customer Complaint Information

**Date Complaint Received:** 04/24/2008

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 06/03/2008

**Settlement Amount:**

**Individual Contribution Amount:**



**Broker Statement**

ACCORDING TO THE FA, THE CLIENT REQUESTED INFORMATION REGARDING ANNUITIES. THE FA STATES THE CLIENT WAS CONCERNED WITH SAFETY AND INTERESTED IN THE POTENTIAL DEATH BENEFIT. OUR RECORDS INDICATE HE PURCHASED AIG SUNAMERICA LIFE ASSURANCE CO. POLARIS II A-CLASS ANNUITY ON JULY 12, 2007; THE TOTAL AMOUNT PURCHASED WAS \$89,810.00. SINCE THIS WAS A CLASS A ANNUITY, THE COMMISSIONS WERE PAID AT THE TIME OF THE PURCHASE. THE CLIENT HAS STATED HE HAD TO PAY A PENALTY OF \$171.46 ON A WITHDRAWAL OF \$4,488.35; THERE WAS NO PENALTY PAID ON THE WITHDRAWAL OF \$4,488.35. THE CLIENT PURCHASED A CLASS A ANNUITY; THERE ARE NO SURRENDER CHARGES ON THIS ANNUITY. THE CLIENT WAS NOT, AS HE STATED IN THE LETTER, LOCKED INTO THIS ANNUITY FOR 16 YEARS WITH A BIG PENALTY FOR EARLY WITHDRAWAL. OUR RECORDS INDICATE THE CLIENT LIQUIDATED THE ANNUITY IN FULL ON APRIL 29, 2008; THE TOTAL AMOUNT OF THE PROCEEDS WAS \$76,690.86. THERE WERE NO SURRENDER CHARGES, PENALTIES OR FEES ON THIS LIQUIDATION. THE DIFFERENCE BETWEEN WHAT WAS INVESTED AND WHAT WAS RECEIVED ON THE LIQUIDATION INCLUDES THE PREVIOUS DISTRIBUTION FROM THE ANNUITY, COMMISSIONS PAID AT THE TIME OF THE PURCHASE AND MARKET FLUCTUATION.

WHILE WE UNDERSTAND HIS DISAPPOINTMENT WITH THE PERFORMANCE OF THE INVESTMENTS, THE VALUE OF THESE SHARES ARE ATTRIBUTED TO CIRCUMSTANCES BEYOND OUR CONTROL AND MARKET FLUCTUATION, WHICH IS A RISK ASSOCIATED WITH INVESTING. AT THE TIME OF THE PURCHASE, THE ANNUITY MET THE CLIENT'S STATED OBJECTIVES. IN LIGHT OF THESE CIRCUMSTANCES, THE REQUEST FOR REIMBURSEMENT IS RESPECTFULLY DENIED.

## End of Report



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