

## BrokerCheck Report

**DONALD JOSEPH FOWLER**

CRD# 4989632

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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).

**DONALD J. FOWLER**

CRD# 4989632

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
- 1 State Securities Law Exam

### Registration History

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

- B WORDEN CAPITAL MANAGEMENT LLC**  
CRD# 148366  
Rockville Ctre., NY  
11/2014 - 08/2019
- B J.D. NICHOLAS & ASSOCIATES, INC.**  
CRD# 44791  
SYOSSET, NY  
01/2007 - 11/2014
- B AMERICAN CAPITAL PARTNERS, LLC**  
CRD# 119249  
WANTAGH, NY  
09/2005 - 02/2007

### 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	2
Civil Event	1
Customer Dispute	15

## 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 1 state securities law exam.**

### Principal/Supervisory Exams

Exam	Category	Date
<b>B</b> General Securities Principal Examination	Series 24	05/24/2008

### 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	09/06/2005

### State Securities Law Exams

Exam	Category	Date
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	09/21/2005

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> 11/2014 - 08/2019	WORDEN CAPITAL MANAGEMENT LLC	148366	Rockville Ctre., NY
<b>B</b> 01/2007 - 11/2014	J.D. NICHOLAS & ASSOCIATES, INC.	44791	SYOSSET, NY
<b>B</b> 09/2005 - 02/2007	AMERICAN CAPITAL PARTNERS, LLC	119249	WANTAGH, NY

### 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
01/2007 - Present	A&F FINANCIAL SECURITIES, INC.	REGISTERED REPRESENTATIVE	Y	SYOSSET, NY, 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. Don Fowler, Inc.; 34 Morton Ave, Massapequa, NY 11758; holding company used to pay bills; owner since June 1, 2018; 0 hours pr month devoted to business and 0 hours during trading hours
2. Grand Restaurant & Bar Supply; 651 Grand Ave., Deer Park, NY 11792; consulting member beginning October ; 20 hours per month, none during trading hours; non-investment related

## 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	2	0
Civil Event	0	1	0
Customer Dispute	2	13	N/A





## Disclosure Event Details

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 The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer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

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

### Regulatory - Final

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

#### Disclosure 1 of 2

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:**

**Date Initiated:** 08/25/2021

**Docket/Case Number:** [2017056432606](#)

**Employing firm when activity occurred which led to the regulatory action:** WORDEN CAPITAL MANAGEMENT LLC

**Product Type:** Other: Unspecified Securities

**Allegations:** Without admitting or denying the findings, Fowler consented to the sanction and to the entry of findings that he churned and excessively traded four customers' accounts. The findings stated that while exercising de facto control over the customers' accounts, Fowler recommended excessive activity and his customers routinely followed his recommendations. Fowler's trading in the customers' accounts was excessive and, with reckless disregard for the customers' interests, conducted to maximize his commissions. Fowler employed an investment strategy that entailed short-term in-and-out trades and he used margin as a means to increase the buying power in his customers' accounts. Fowler's trading of the four accounts resulted in high turnover rates and cost-to-equity ratios. The customers paid a total of \$949,356 in commissions and suffered \$1,095,778 in losses.



Therefore, Fowler willfully violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder and violated FINRA Rules 2111, 2020, and 2010.

<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>	Yes
<b>Resolution Date:</b>	08/25/2021
<b>Sanctions Ordered:</b>	Bar (Permanent)
<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>	Yes
<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>	Yes



**(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**

No

**(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?**

No

#### **Sanction 1 of 1**

**Sanction Type:** Bar (Permanent)

**Capacities Affected:** All Capacities

**Duration:** Indefinite

**Start Date:** 08/25/2021

**End Date:**



## Disclosure 2 of 2

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Sanction(s) Sought:</b>	Other: N/A
<b>Date Initiated:</b>	03/31/2020
<b>Docket/Case Number:</b>	3-19740
<b>Employing firm when activity occurred which led to the regulatory action:</b>	
<b>Product Type:</b>	No Product
<b>Allegations:</b>	<p>SEC Admin Release 34-88529, March 31, 2020: The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 ("Exchange Act") against Donald J. Fowler. On January 9, 2017, the Commission brought a civil injunctive action against, among others, Fowler, in the United States District Court for the Southern District of New York. The Commission's complaint alleged that Fowler recommended to customers a pattern of high cost, in-and-out trading without any reasonable basis to believe that his recommendations were suitable for anyone. The Commission's complaint also alleged that Fowler's recommendations resulted in losses for the customers and ill-gotten gains for Fowler; that Fowler churned customer accounts; and that Fowler made unauthorized trades. On June 20, 2019, a jury in the above-mentioned civil action (Securities and Exchange Commission v. Donald J. Fowler, Civil Action Number 17-CV-139 (S.D.N.Y.)), found that Fowler violated Section 17(a) of the Securities Act of 1933 ("Securities Act") and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. On February 28, 2020, a final judgment was entered against Fowler, permanently enjoining him from future violations of Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Donald J. Fowler, Civil Action Number 17-CV-139 (S.D.N.Y.).</p>
<b>Current Status:</b>	Final
<b>Resolution:</b>	Order



**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:**

12/05/2023

**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 2**

<b>Sanction Type:</b>	Bar (Permanent)
<b>Capacities Affected:</b>	Participating in any Penny Stock offering
<b>Duration:</b>	Indefinite
<b>Start Date:</b>	12/05/2023
<b>End Date:</b>	

#### **Sanction 2 of 2**



<b>Sanction Type:</b>	Bar (Permanent)
<b>Capacities Affected:</b>	Association with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or NRSRO
<b>Duration:</b>	Indefinite
<b>Start Date:</b>	12/05/2023
<b>End Date:</b>	
<b>Regulator Statement</b>	Accordingly it is ordered that Fowler be barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization (NRSRO) and is barred from participating in an offering of penny stock, including acting as a promoter, finder, consultant, agent, or other person who engages in activities with a broker, dealer, or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.



## Civil - Final

This type of disclosure event involves (1) an injunction issued by a court in connection with investment-related activity, (2) a finding by a court of a violation of any investment-related statute or regulation, or (3) an action brought by a state or foreign financial regulatory authority that is dismissed by a court pursuant to a settlement agreement.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Relief Sought:</b>	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines
<b>Date Court Action Filed:</b>	01/09/2017
<b>Product Type:</b>	Other: unspecified securities
<b>Type of Court:</b>	Federal Court
<b>Name of Court:</b>	United States District Court for the Southern District of New York
<b>Location of Court:</b>	Southern District of New York
<b>Docket/Case #:</b>	1:17-cv-00139
<b>Employing firm when activity occurred which led to the action:</b>	J.D. Nicholas & Associates, Inc.
<b>Allegations:</b>	<p>SEC Press Release 2017-2, January 9, 2017:</p> <p>The Securities and Exchange Commission charged two New York-based brokers with fraudulently using an in-and-out trading strategy that was unsuitable for customers in order to generate hefty commissions for themselves.</p> <p>The Securities and Exchange Commission alleges that Donald J. Fowler (Fowler) and the other individual recommended to customers a high-cost trading strategy consisting of the excessive buying and selling of stocks. This strategy benefitted Fowler because the frequency of the trading generated substantial commissions and other fees. The customers who trusted Fowler and relied on his supposed stock-picking expertise, however, ended up with enormous losses.</p> <p>The uniform trading strategy followed by Fowler in 27 customer accounts at J.D. Nicholas &amp; Associates, Inc. ("J.D. Nicholas"), a now-defunct broker-dealer based in Syosset, NY, shows, the high-cost, excessive trading generated ill-gotten gains for Fowler while his customers' account balances dwindled away.</p> <p>Fowler's conduct violated the antifraud provisions of the federal securities laws in two respects. First, Fowler recommended a trading strategy to 27 customers without any reasonable basis to believe that the strategy was suitable for anyone.</p>





Fowler knew or should have known that, in view of the excessive in-and-out trading and the cost structure, his strategy was bound to lose money in each of the 27 customer accounts. Second, Fowler engaged in churning with regard to at least 3 of the 27 customer accounts.

By virtue of the conduct alleged, Fowler, directly or indirectly, singly or in concert, violated and is otherwise liable for violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder.

**Current Status:** Final

**Resolution:** Order

**Resolution Date:** 02/25/2020

**Sanctions Ordered or Relief Granted:** Civil and Administrative Penalty(ies)/Fine(s)  
Disgorgement  
Injunction  
Monetary Penalty other than Fines

#### Capacities 1 of 1

**Capacities Affected:** N/A

**Duration:** Permanent

**Start Date:** 02/28/2020

**End Date:**

#### Monetary Sanction 1 of 3

**Monetary Sanction:** Disgorgement

**Total Amount:** \$132,085.20

**Portion against individual:** 132085.20

**Date Paid:**

**Portion Waived:** No

#### Amount Waived:

#### Monetary Sanction 2 of 3

**Monetary Sanction:** prejudgment interest

**Total Amount:** \$35,195.04

**Portion against individual:** 35195.04

**Date Paid:**



**Portion Waived:** No

**Amount Waived:**

**Monetary Sanction 3 of 3**

**Monetary Sanction:** Monetary Fine

**Total Amount:** \$1,950,000.00

**Portion against individual:** 1950000

**Date Paid:**

**Portion Waived:** No

**Amount Waived:**

**Regulator Statement**

On February 25, 2020, the U.S. District Court for the Southern District of New York issued a memorandum opinion and order. The jury unanimously found Fowler liable with respect to all of the SEC's six causes of action. The jury found that Fowler with scienter did "employ any device, scheme or artifice to defraud, or engage in any act...which would operate as a fraud or deceit on any person" in violation of identified sections of the Exchange Act. The jury also concluded that Fowler did "with scienter make any untrue statement or a material fact, or any omission of a material fact, in violation of Section 10(b) of the Exchange Act and Exchange Act Rule 10b-5(b)." Fowler also "negligently obtain[ed] money or property by means of an untrue statement of a material fact, or by an omission of a material fact" in violation of Section 17(a)(2) of the Securities Act, and negligently engaged in a transaction, practice, or course of business which operated or would operate as a fraud or deceit on the purchaser of a security, in violation of Section 17(a)(3) of the Securities Act. The jury specifically found that Fowler "with scienter recommend[ed] an investment strategy with no reasonable basis to believe the strategy was suitable for any customer, in violation of Section 10(b) of the Exchange Act and, moreover, the jury found that Fowler, again, acting with scienter, made unauthorized trades in the accounts of 12 of the 13 customer accounts that were the focus of the litigation. Ultimately, the jury found that Fowler engaged in unsuitable trading in all of the customer accounts that were examined and engaged in unauthorized trading in 12 of 13 of his customers' accounts. The consequences of this conduct was significant, resulting in substantial losses for Fowler's clients, many of whom were not wealthy, and were ill-suited to suffer the consequences of Fowler's misconduct. For the reasons stated above, the SEC's motion is GRANTED. Fowler is ordered to disgorge \$132,076.40, plus prejudgment interest at the underpayment rate established for the Internal Revenue Service and ordered to pay civil penalties in the amount of \$1,950,000. The Court will also permanently enjoin Mr. Fowler from further violations of the securities laws. The SEC is directed to submit an appropriate proposed permanent injunction and form of judgment within 14 days of the entry of this Memorandum Opinion and Order. The SEC is also directed to submit to the Court a letter by the



same date, setting forth its calculation of prejudgment interest, attaching an Excel spreadsheet to show its calculations. The spreadsheet should also be submitted in native format to the Court's chambers email account, copying counsel for the defendant.

On February 28, 2020 a final judgment as to Donald Fowler was issued. Fowler is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act"), Rule 10b-5 promulgated thereunder and Section 17(a) of the Securities Act of 1933 (the "Securities Act"). Fowler shall pay disgorgement of \$132,085.20, prejudgment interest thereon of \$35,195.04, and a civil penalty in the amount of \$1,950,000.

<b>Reporting Source:</b>	Broker
<b>Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Relief Sought:</b>	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines
<b>Date Court Action Filed:</b>	01/09/2017
<b>Product Type:</b>	Other: unspecified securities
<b>Type of Court:</b>	Federal Court
<b>Name of Court:</b>	United States District Court for the Southern District of New York
<b>Location of Court:</b>	Southern District of New York
<b>Docket/Case #:</b>	1:17-cv-00139
<b>Employing firm when activity occurred which led to the action:</b>	J.D. Nicholas & Associates, Inc.
<b>Allegations:</b>	SEC Press Release 2017-2, January 9, 2017: The Securities and Exchange Commission charged two New York-based brokers with fraudulently using an in-and-out trading strategy that was unsuitable for customers in order to generate hefty commissions for themselves. The Securities and Exchange Commission alleges that Donald J. Fowler (Fowler) and the other individual recommended to customers a high-cost trading strategy consisting of the excessive buying and selling of stocks. This strategy benefitted Fowler because the frequency of the trading generated substantial commissions and other fees. The customers who trusted Fowler and relied on his supposed stock-picking expertise, however, ended up with enormous losses. The uniform trading strategy followed by Fowler in 27



customer accounts at J.D. Nicholas & Associates, Inc. ("J.D. Nicholas"), a now-defunct broker-dealer based in Syosset, NY, shows, the high-cost, excessive trading generated ill-gotten gains for Fowler while his customers' account balances dwindled away. Fowler's conduct violated the antifraud provisions of the federal securities laws in two respects. First, Fowler recommended a trading strategy to 27 customers without any reasonable basis to believe that the strategy was suitable for anyone. Fowler knew or should have known that, in view of the excessive in-and-out trading and the cost structure, his strategy was bound to lose money in each of the 27 customer accounts. Second, Fowler engaged in churning with regard to at least 3 of the 27 customer accounts. By virtue of the conduct alleged, Fowler, directly or indirectly, singly or in concert, violated and is otherwise liable for violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder.

**Current Status:**

Pending

**Limitations or Restrictions in Effect During Appeal:**

n/a



## 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 12

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	Worden Capital Management LLC
<b>Allegations:</b>	Breach of fiduciary duty; negligence; negligent supervision; fraud; breach of contract; violation of GA Uniform Securities Act. Dates of alleged activity: March 2015 through January 2018.
<b>Product Type:</b>	Equipment Leasing Equity Listed (Common & Preferred Stock)
<b>Alleged Damages:</b>	\$100,000.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	SOC claims that damages were between \$100,000 and \$500,000.

### Arbitration Information

<b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b>	FINRA Dispute Resolution
<b>Docket/Case #:</b>	19-02335
<b>Date Notice/Process Served:</b>	10/14/2019
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	08/20/2020
<b>Monetary Compensation Amount:</b>	\$120,000.00
<b>Individual Contribution Amount:</b>	\$0.00

### Disclosure 2 of 12

<b>Reporting Source:</b>	Firm
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**Employing firm when activities occurred which led to the complaint:** Worden Capital Management LLC

**Allegations:** Fraud, negligent misrepresentation, breach of fiduciary duty and breach of the covenants of good faith and fair dealing, negligent supervision, breach of conduct, Section 20 violations, respondeat superior

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

**Alleged Damages:** \$25,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 19-02317

**Filing date of arbitration/CFTC reparation or civil litigation:** 08/15/2019

### Customer Complaint Information

**Date Complaint Received:** 08/22/2019

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 10/03/2019

**Settlement Amount:** \$7,500.00

**Individual Contribution Amount:** \$0.00

### Disclosure 3 of 12

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** Worden Capital Management LLC



**Allegations:** Violation of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, Churning or Excessive Activity, Unauthorized Trading, Breach of Fiduciary Duty, Negligent Failure to Supervise, Common Law Fraud. Allegation period: 12/02/2014 to 05/05/2016

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

**Alleged Damages:** \$812,000.00

**Alleged Damages Amount Explanation (if amount not exact):** Claimant is also seeking additional damages for lost income, punitive damages, interest, reasonable fees and cost of suit, etc.

### Arbitration Information

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

**Docket/Case #:** 16-01503

**Date Notice/Process Served:** 06/06/2016

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 05/22/2017

**Monetary Compensation Amount:** \$400,000.00

**Individual Contribution Amount:** \$95,500.00

**Broker Statement** The registered representative vehemently denies all claims set forth. The client was aware of any risk involved, commission charge and was a sophisticated investor willing to take risk. The allegations set forth in the statement of claim is factually impossible and clearly erroneous. Moreover, the claims are filed by a "Representative" of Vindication Recovery Services. Vindication Recovery Services is owned and operated by individuals of whom are barred from the securities industry. These individuals are profiting by misleading the public into believing there was wrong doing if losses occurred and attempting to extort money from Brokers, and Broker-Dealers. Vindication Recovery Services is soliciting claims against the brokerage industry with no regard for the validity of the claim. Settled with customer to avoid lengthy and costly litigation.



**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** J.D. NICHOLAS & ASSOCIATES, INC.

**Allegations:** CHURNING, UNSUITABILITY, NEGLIGENT SUPERVISION, MARKUP OR COMMISSION ABUSE, BREACH OF FIDUCIARY DUTY.

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

**Alleged Damages:** \$419,372.00

**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:** 04/02/2015

**Complaint Pending?** Yes

**Settlement Amount:**

**Individual Contribution Amount:**

**Firm Statement** THE FIRM RECEIVED A LETTER FROM AN ATTORNEY THAT THE FIRM HAS LEARNED WAS SUBJECT TO A LAWSUIT ALLEGING FRAUD, THEFT AND DEFAMATION IN CONNECTION WITH HIS SOLICITATION OF SUPPOSED INVESTOR COMPLAINTS.

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**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** J.D. NICHOLAS & ASSOCIATES, INC.

**Allegations:** CHURNING, UNSUITABILITY, NEGLIGENT SUPERVISION, MARKUP OR COMMISSION ABUSE, BREACH OF FIDUCIARY DUTY.

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





**Alleged Damages:** \$419,372.00

**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:** 04/02/2015

**Complaint Pending?** No

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

**Status Date:** 03/07/2016

**Settlement Amount:** \$0.00

**Individual Contribution Amount:** \$0.00

### Arbitration Information

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

**Docket/Case #:** 15-03411

**Date Notice/Process Served:** 03/07/2016

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 02/02/2017

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

**Individual Contribution Amount:** \$0.00

**Broker Statement** THE FIRM RECEIVED A LETTER FROM AN ATTORNEY THAT THE FIRM HAS LEARNED WAS SUBJECT TO A LAWSUIT ALLEGING FRAUD, THEFT AND DEFAMATION IN CONNECTION WITH HIS SOLICITATION OF SUPPOSED INVESTOR COMPLAINTS.



**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** J.D. NICHOLAS & ASSOCIATES, INC.

**Allegations:** CLAIMANT HAS BEEN INJURED GREATLY AS A RESULT OF RESPONDENT'S (J.D. NICHOLAS & ASSOCIATES, INC.) BREACH OF FIDUCIARY DUTY, NEGLIGENCE, VIOLATIONS OF THE OHIO SECURITIES ACT, AND BREACH OF CONTRACT. THE DATES RELATED TO THE ALLEGATIONS ARE APPROXIMATELY JANUARY 2014 TO APRIL 2014.

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

**Alleged Damages:** \$100,000.00

**Alleged Damages Amount Explanation (if amount not exact):** CLIENTS STATES AMOUNT IS APPROXIMATE

**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 #:** 15-00399

**Filing date of arbitration/CFTC reparation or civil litigation:** 02/25/2015

### Customer Complaint Information

**Date Complaint Received:** 03/02/2015

**Complaint Pending?** Yes

**Settlement Amount:**

**Individual Contribution Amount:**

**Reporting Source:** Broker



<b>Employing firm when activities occurred which led to the complaint:</b>	J.D. NICHOLAS & ASSOCIATES, INC.
<b>Allegations:</b>	CLAIMANT HAS BEEN INJURED GREATLY AS A RESULT OF RESPONDENT'S (J.D. NICHOLAS & ASSOCIATES, INC.) BREACH OF FIDUCIARY DUTY, NEGLIGENCE, VIOLATIONS OF THE OHIO SECURITIES ACT, AND BREACH OF CONTRACT. THE DATES RELATED TO THE ALLEGATIONS ARE APPROXIMATELY JANUARY 2014 TO APRIL 2014.
<b>Product Type:</b>	Equity-OTC Equity Listed (Common & Preferred Stock)
<b>Alleged Damages:</b>	\$100,000.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	CLIENT STATES AMOUNT IS APPROXIMATE
<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>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	15-00399
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	02/25/2015

### Customer Complaint Information

<b>Date Complaint Received:</b>	03/02/2015
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	10/20/2015
<b>Settlement Amount:</b>	\$24,000.00
<b>Individual Contribution Amount:</b>	\$24,000.00



## Disclosure 6 of 12

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	J.D. NICHOLAS & ASSOCIATES, INC.
<b>Allegations:</b>	CLIENT ASSETS WERE INVESTED IN HIGHLY SPECULATIVE AND RISKY INVESTMENTS THAT WERE WHOLLY UNSUITABLE TO HIS INVESTMENT OBJECTIVES AND RISK-TOLERANCE.
<b>Product Type:</b>	Equity-OTC Equity Listed (Common & Preferred Stock) Options
<b>Alleged Damages:</b>	\$150,000.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	CLIENT STATES THIS AMOUNT IS APPROXIMATE
<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>	01/29/2015
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	04/27/2015
<b>Settlement Amount:</b>	\$50,000.00
<b>Individual Contribution Amount:</b>	\$30,000.00

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	J.D. NICHOLAS & ASSOCIATES, INC.
<b>Allegations:</b>	CLIENT ASSETS WERE INVESTED IN HIGHLY SPECULATIVE AND RISKY



INVESTMENTS THAT WERE WHOLLY UNSUITABLE TO HIS INVESTMENT OBJECTIVES AND RISK-TOLERANCE.

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

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

**Alleged Damages Amount Explanation (if amount not exact):** CLIENT STATES THIS AMOUNT IS APPROXIMATE

**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:** 01/29/2015

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 04/27/2015

**Settlement Amount:** \$50,000.00

**Individual Contribution Amount:** \$30,000.00

### Disclosure 7 of 12

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** J.D. NICHOLAS & ASSOCIATES, INC.

**Allegations:** ALLEGED CLAIMS INVOLVE CHURNING, NEGLIGENCE, UNSUITABILITY, OVERCONCENTRATION, AND FAILURE TO SUPERVISE.

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

**Alleged Damages:** \$344,948.00



**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

## Customer Complaint Information

**Date Complaint Received:** 10/24/2014

**Complaint Pending?** No

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

**Status Date:** 12/31/2014

**Settlement Amount:**

**Individual Contribution Amount:**

## Arbitration Information

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

**Docket/Case #:** 14-03697

**Date Notice/Process Served:** 12/31/2014

**Arbitration Pending?** Yes

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** J.D. NICHOLAS & ASSOCIATES, INC.

**Allegations:** ALLEGED CLAIMS INVOLVE CHURNING, NEGLIGENCE, UNSUITABILITY, OVERCONCENTRATION, AND FAILURE TO SUPERVISE.

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

**Alleged Damages:** \$344,948.00

**Is this an oral complaint?** No



**Is this a written complaint?** Yes

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

### Customer Complaint Information

**Date Complaint Received:** 10/24/2014

**Complaint Pending?** No

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

**Status Date:** 12/31/2014

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

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

**Docket/Case #:** 14-03697

**Date Notice/Process Served:** 12/31/2014

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 05/02/2016

**Monetary Compensation Amount:** \$350,000.00

**Individual Contribution Amount:** \$0.00

### Disclosure 8 of 12

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** J.D. NICHOLAS & ASSOCIATES, INC.

**Allegations:** CLIENT ALLEGES VIOLATION OF THE UTAH SECURITIES ACT, UTAH CODE ANN. 61-1-22(1-2), UTAH CODE ANN. 61-1-22(4)(A), VIOLATION OF SEC RULE



10B-5, AND NEGLIGENCE.

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

**Alleged Damages:** \$90,068.00

### Arbitration Information

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

**Docket/Case #:** 14-01888

**Date Notice/Process Served:** 07/07/2014

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 08/06/2014

**Monetary Compensation Amount:** \$65,000.00

**Individual Contribution Amount:** \$0.00

### Disclosure 9 of 12

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** J.D.NICHOLAS & ASSOCIATES, INC.

**Allegations:** PURCHASING AND SELLING SECURITIES ON MARGIN OUTSIDE THE SCOPE OF THE CLIENT'S RISK TOLERANCE. ACTIVITY PERIOD MARCH 2012 TO AUGUST 2013.

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

**Alleged Damages:** \$48,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes





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

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

**Docket/Case #:** 14-00878

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 03/27/2014

### Customer Complaint Information

**Date Complaint Received:** 03/31/2014

**Complaint Pending?** No

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

**Status Date:** 05/06/2015

**Settlement Amount:** \$12,000.00

**Individual Contribution  
Amount:** \$12,000.00

### Arbitration Information

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

**Docket/Case #:** 14-00878

**Date Notice/Process Served:** 03/31/2014

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 05/06/2015

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

**Individual Contribution  
Amount:** \$12,000.00

**Reporting Source:** Broker

**Employing firm when** J.D.NICHOLAS & ASSOCIATES, INC.



### activities occurred which led to the complaint:

<b>Allegations:</b>	PURCHASING AND SELLING SECURITIES ON MARGIN OUTSIDE THE SCOPE OF THE CLIENT'S RISK TOLERANCE. ACTIVITY PERIOD MARCH 2012 TO AUGUST 2013.
<b>Product Type:</b>	Equity-OTC Equity Listed (Common & Preferred Stock) Options
<b>Alleged Damages:</b>	\$48,000.00
<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>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	14-00878
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	03/27/2014

### Customer Complaint Information

<b>Date Complaint Received:</b>	03/31/2014
<b>Complaint Pending?</b>	No
<b>Status:</b>	Evolved into Arbitration/CFTC reparation (the individual is a named party)
<b>Status Date:</b>	03/31/2014
<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>	14-00878



**Date Notice/Process Served:** 03/31/2014

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 05/05/2015

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

**Individual Contribution Amount:** \$12,000.00

#### Disclosure 10 of 12

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** J.D. NICHOLAS & ASSOCIATES, INC.

**Allegations:** BREACH OF FIDUCIARY DUTY, NEGLIGENCE, NEGLIGENT MISREPRESENTATION, CHURNING

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

**Alleged Damages:** \$21,365.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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

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

**Docket/Case #:** 12-03016

**Filing date of arbitration/CFTC reparation or civil litigation:** 08/17/2012

#### Customer Complaint Information

**Date Complaint Received:** 08/29/2012

**Complaint Pending?** No



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

**Status Date:** 08/29/2012

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

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

**Docket/Case #:** 12-03016

**Date Notice/Process Served:** 08/29/2012

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 10/29/2012

**Monetary Compensation Amount:** \$14,500.00

**Individual Contribution Amount:** \$14,500.00

### Disclosure 11 of 12

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** A&F FINANCIAL SECURITES, INC

**Allegations:** UNSUITABILITY AND IMPROPER USE OF MARGIN

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

**Alleged Damages:** \$487,285.64

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

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



## Customer Complaint Information

**Date Complaint Received:** 08/02/2011  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 12/30/2011  
**Settlement Amount:** \$178,500.00  
**Individual Contribution Amount:** \$50,000.00

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### Disclosure 12 of 12

**Reporting Source:** Broker  
**Employing firm when activities occurred which led to the complaint:** A&F FINANCIAL SECURITIES, INC.  
**Allegations:** CLIENT ALLEGES UNAUTHORIZED TRADE ON MAY 4, 2011 OF SHORT-TERM APPLE CALL OPTIONS THAT EXPIRED WORTHLESS.  
**Product Type:** Options  
**Alleged Damages:** \$23,865.00  
**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:** 05/06/2011  
**Complaint Pending?** No  
**Status:** Evolved into Arbitration/CFTC reparation (the individual is a named party)  
**Status Date:** 10/04/2011  
**Settlement Amount:**  
**Individual Contribution Amount:**

## Arbitration Information



<b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b>	FINRA
<b>Docket/Case #:</b>	11-03655
<b>Date Notice/Process Served:</b>	10/04/2011
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	11/25/2011
<b>Monetary Compensation Amount:</b>	\$35,000.00
<b>Individual Contribution Amount:</b>	\$35,000.00



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

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

### Disclosure 1 of 1

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	J.D. NICHOLAS & ASSOCIATES, INC.
<b>Allegations:</b>	UNSUITABLE RECOMMENDATIONS, UNAUTHORIZED TRANSACTIONS
<b>Product Type:</b>	Equity-OTC Equity Listed (Common & Preferred Stock) Options
<b>Alleged Damages:</b>	\$81,000.00
<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>	07/31/2012
<b>Complaint Pending?</b>	No
<b>Status:</b>	Closed/No Action
<b>Status Date:</b>	06/04/2014
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	
<b>Broker Statement</b>	THE CLIENT SUBMITTED A COMPLAINT ONLINE DIRECTLY TO FINRA WITHOUT PRIOR NOTIFICATION TO THE FIRM.



## Customer Dispute - Pending

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

### Disclosure 1 of 2

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	Worden Capital Management LLC
<b>Allegations:</b>	Churning and violations of SEC Rule 10b-5; qualitative and quantitative unsuitability; breach of fiduciary contract; negligent misrepresentations and omissions; and violations of FINRA Rule 2010. Alleged activity occurred between September 2015 and September 2019.
<b>Product Type:</b>	Equity-OTC Equity Listed (Common & Preferred Stock)
<b>Alleged Damages:</b>	\$1,277,631.00
<b>Arbitration Information</b>	
<b>Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):</b>	FINRA Dispute Resolution
<b>Docket/Case #:</b>	21-01931
<b>Date Notice/Process Served:</b>	08/09/2021
<b>Arbitration Pending?</b>	Yes

### Disclosure 2 of 2

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	Worden Capital Management LLC
<b>Allegations:</b>	Churning and Qualitative and Quantitative Unsuitability; Breach of Fiduciary Duty; Breach of Contract; Negligent Misrepresentation and Omissions. Activity was between March 2017 through October 2017.
<b>Product Type:</b>	Equity-OTC





	Equity Listed (Common & Preferred Stock)
<b>Alleged Damages:</b>	\$27,410.00
<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>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA DR
<b>Docket/Case #:</b>	20-00801
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	03/11/2020

### Customer Complaint Information

<b>Date Complaint Received:</b>	11/19/2020
<b>Complaint Pending?</b>	Yes
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	

## End of Report



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