

BrokerCheck Report

Christopher J Shaw

CRD# 5011382

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About BrokerCheck®

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

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

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

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

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:

- o information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
- o information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

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

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

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

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

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



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)

Thank you for using FINRA BrokerCheck.



Christopher J. Shaw

CRD# 5011382

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

B NEWBRIDGE SECURITIES CORPORATION
 GLENWAY COMMONS BLVD
 100 GLENWAY STREET, SUITE J
 BELMONT, NC 28012
 CRD# 104065
 Registered with this firm since: 09/24/2020

IA NEWBRIDGE FINANCIAL SERVICES GROUP, INC.
 GLENWAY COMMONS BLVD
 100 GLENWAY STREET, STE J
 BELMONT, NC 28012
 CRD# 130814
 Registered with this firm since: 01/13/2021

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:

- 2 Self-Regulatory Organizations
- 2 U.S. states and territories

This broker has passed:

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

Registration History

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

- IA PRUDENTIAL FINANCIAL PLANNING SERVICES**
 CRD# 5685
 NEWARK, NJ
 05/2019 - 09/2020
- B PRUCO SECURITIES, LLC.**
 CRD# 5685
 CHARLOTTE, NC
 05/2019 - 09/2020
- IA KALOS MANAGEMENT**
 CRD# 133025
 ALPHARETTA, GA
 01/2017 - 05/2019

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	7
Termination	1



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 2 SROs and is licensed in 2 U.S. states and territories through his or her employer.

Employment 1 of 2

Firm Name: **NEWBRIDGE FINANCIAL SERVICES GROUP, INC.**

Main Office Address: **1200 NORTH FEDERAL HIGHWAY
SUITE 400
BOCA RATON, FL 33432**

Firm CRD#: **130814**

U.S. State/ Territory	Category	Status	Date
IA North Carolina	Investment Adviser Representative	APPROVED	01/13/2021

Branch Office Locations

This individual does not have any registered Branch Office where the individual is located.

Employment 2 of 2

Firm Name: **NEWBRIDGE SECURITIES CORPORATION**

Main Office Address: **1200 NORTH FEDERAL HIGHWAY
SUITE 400
BOCA RATON, FL 33432**

Firm CRD#: **104065**

SRO	Category	Status	Date
B FINRA	General Securities Representative	APPROVED	09/24/2020
B Nasdaq Stock Market	General Securities Representative	APPROVED	09/24/2020

U.S. State/ Territory	Category	Status	Date
B North Carolina	Agent	APPROVED	01/13/2021



Broker Qualifications

Employment 2 of 2, continued

U.S. State/ Territory	Category	Status	Date
B South Carolina	Agent	APPROVED	03/01/2021

Branch Office Locations

NEWBRIDGE SECURITIES CORPORATION
GLENWAY COMMONS BLVD
100 GLENWAY STREET, SUITE J
BELMONT, NC 28012



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 0 principal/supervisory exams, 2 general industry/product exams, and 3 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	12/13/2005

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	01/30/2017
B Uniform Securities Agent State Law Examination	Series 63	12/15/2011
B IA Uniform Combined State Law Examination	Series 66	09/14/2006

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 **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 05/2019 - 09/2020	PRUDENTIAL FINANCIAL PLANNING SERVICES	5685	CHARLOTTE, NC
B 05/2019 - 09/2020	PRUCO SECURITIES, LLC.	5685	CHARLOTTE, NC
IA 01/2017 - 05/2019	KALOS MANAGEMENT	133025	Belmont, NC
B 09/2011 - 05/2019	KALOS CAPITAL, INC.	44337	Belmont, NC
B 12/2005 - 05/2010	BLACKBIRD NORTH AMERICA	104176	CHARLOTTE, NC

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
09/2020 - Present	NEWBRIDGE FINANCIAL SERVICES GROUP, INC	REGISTERED INVESTMENT ADVISOR	Y	BELMONT, NC, United States
09/2020 - Present	NEWBRIDGE SECURITIES CORPORATION	REGISTERED REPRESENTATIVE	Y	BELMONT, NC, United States
10/2017 - Present	CJS Wealthmanagement	CEO/Founder	Y	Belmont, NC, United States
08/2013 - Present	CLEAR MARKETS NORTH AMERICA	BOARD DIRECTOR	N	CHARLOTTE, NC, United States
05/2019 - 09/2020	Pruco Securities LLC	Registered Representative	Y	Charlotte, NC, United States
05/2019 - 09/2020	THE PRUDENTIAL INSURANCE COMPANY OF AMERICA	Financail Professional	N	Charlotte, NC, United States
08/2011 - 05/2019	KALOS CAPITAL INC	REGISTERED REPRESENTATIVE	Y	ALPHARETTA, GA, United States
07/2005 - 07/2011	BLACKBIRD NORTH AMERICA	COO	Y	CHARLOTTE, NC, United States



Registration and Employment History

Employment History, continued

Employment	Employer Name	Position	Investment Related	Employer Location States
08/2000 - 07/2011	BLACKBIRD EUROPE LTD	DIRECTOR	Y	LONDON, United Kingdom

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) RESURGENCE PPG POSITION:

Trustee, NATURE: Resurgence PPG is a disabled veteran owned and operated, 501(c)(3) nonprofit charity that strives to provide therapy and rehabilitation to disabled, injured, and ill service members and veterans through the liberation of personal flight experienced via powered paragliding. These adventures are provided at no cost to the service member/veteran and are only made possible through the donations and support of corporations and individuals like you. Please click on the donations page to make a donation to bring flight to those that have given so much. INVESTMENT RELATED: No, NUMBER OF HOURS: 4, SECURITIES TRADING HOURS: 0 START DATE: 07/03/2017 ADDRESS: 116 Missouri Lane, Mount Holly NC 28120, United States, DESCRIPTION: Advice and help with Marketing and Promotions, to expand PPG's foot print in the Veteran Non-Profit space.

(2) CJS WEALTH MANAGEMENT (DBA):

POSITION: owner/President, NATURE: Finance and Insurance, INVESTMENT RELATED: YES, NUMBER OF HOURS: 160, SECURITIES TRADING HOURS: 160, START DATE: 10/02/2007 ADDRESS: 100 Glenwat St,SuiteJ, Belmont NC 28012, United States,DESCRIPTION: financial advisor.

(3) CJS WEALTHMANAGEMENT(DBA):

INSURANCE AGENT - Fixed Indexed Annuities,Life Insurance, 100 Glenway Street,Belmont,NC 28012.

(4) CLEAR MARKETS NORTH AMERICA:

POSITION: A BOARD DIRECTOR, NATURE: Finance and Insurance, INVESTMENT RELATED: No, NUMBER OF HOURS: 2, SECURITIES TRADING HOURS: 0, START DATE: 08/19/2013 ADDRESS: 831 EAST MOREHEAD ST, Suite 150, Charlotte NC 28202, United States. DESCRIPTION: ENSURE THE COMPANY'S PROSPERITY BY COLLECTIVELY DIRECTING THE COMPANY'S AFFAIRS, WHILST MEETING THE APPROPRIATE INTERESTS OF ITS SHAREHOLDERS AND STAKEHOLDERS. IN ADDITION TO BUSINESS AND FINANCIAL ISSUES, BOARDS OF DIRECTORS MUST DEAL WITH CHALLENGES AND ISSUES RELATING TO CORPORATE GOVERNANCE CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE ETHICS.

(5) SOUTH CAROLINA STATE GUARD:

POSITION: SGT E5 NATURE: Government and Civic Body INVESTMENT RELATED: No, NUMBER OF HOURS: 7, SECURITIES TRADING HOURS: 0, START DATE: 07/01/2015

Registration and Employment History



Other Business Activities, continued

ADDRESS: South Carolina State Guard, 551 Granby Ln, Columbia SC 29201, United States.

DESCRIPTION: To provide support for law enforcement at military events or as a force multiplier at civilian events.



Disclosure Events

What you should know about reported disclosure events:

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

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

	Pending	Final	On Appeal
Customer Dispute	1	6	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.

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 6

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Kalos Capital, Inc.
Allegations:	Breach of contract, breach of fiduciary duty and violations of North Carolina securities statutes. Claimant is seeking an award in the amount of between \$50,000 and \$100,000, including all direct and/or consequential damages and statutory and/or punitive damages; plus interest and costs as provided by statute.
Product Type:	Direct Investment-DPP & LP Interests Other: Alternative Investments
Alleged Damages:	\$100,000.00
Alleged Damages Amount Explanation (if amount not exact):	Between \$50,000 and \$100,000, plus interest and costs, all lost opportunities, rescission of all transactions, statutory damages, punitive damages, and pre-award and pre-judgement interest on all sums invested from the date deposited until the date of the award.

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	21-00656
Date Notice/Process Served:	03/10/2021
Arbitration Pending?	No



Disposition: Settled

Disposition Date: 06/02/2021

Monetary Compensation Amount: \$14,125.00

Individual Contribution Amount: \$0.00

Firm Statement This claim was solicited via the internet by a law firm claiming they were investigating fraud by an issuer. Kalos and I deny any and all wrongdoing and I would have preferred to vigorously defend our actions in a fair venue. As confident as I am that I would be exonerated of any wrongdoing, Kalos determined as a business judgment that it was in the firm's best interests to resolve the dispute rather than incur the time, business disruption, and legal expenses associated with a protracted arbitration proceeding. While this deprives me of due process, I understand the claim has nuisance value for settlement from a business standpoint for Kalos.

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: PRUCO SECURITIES, LLC.

Allegations: Claimant alleges the representative engaged in unsuitable recommendations and misrepresentation in connection with a private placement investment.

Product Type: Direct Investment-DPP & LP Interests

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 #: FID1190833

Filing date of arbitration/CFTC reparation or civil litigation: 03/11/2021

Customer Complaint Information



Date Complaint Received: 03/23/2021
Complaint Pending? No
Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)
Status Date: 03/23/2021

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

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

Docket/Case #: FID1190833

Date Notice/Process Served: 03/11/2021

Arbitration Pending? Yes

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: KALOS CAPITAL INC. AND PRUCO SECURITIES LLC

Allegations: Breach of contract, breach of fiduciary duty and violations of North Carolina securities statutes. Claimant is seeking an award in the amount of between \$50,000 and \$100,000, including all direct and/or consequential damages and statutory and/or punitive damages; plus interest and costs as provided by statute.

Product Type: Direct Investment-DPP & LP Interests
Other: ALTERNATIVES INVESTMENTS

Alleged Damages: \$100,000.00

Alleged Damages Amount Explanation (if amount not exact): Between \$50,000 and \$100,000, plus interest and costs, all lost opportunities, rescission of all transactions, statutory damages, punitive damages, and pre-award and pre-judgement interest on all sums invested from the date deposited until the date of the award.

Arbitration Information



Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	21-00656
Date Notice/Process Served:	03/10/2021
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	06/02/2021
Monetary Compensation Amount:	\$14,125.00
Individual Contribution Amount:	\$0.00

Disclosure 2 of 6

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	PRUCO SECURITIES, LLC.
Allegations:	Claimants allege the representative engaged in unsuitable recommendations.
Product Type:	Other: GPB Capital
Alleged Damages:	\$500,000.00
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 #:	20-04001
Filing date of arbitration/CFTC reparation or civil litigation:	12/10/2020

Customer Complaint Information



Date Complaint Received:	12/16/2020
Complaint Pending?	No
Status:	Evolved into Arbitration/CFTC reparation (the individual is a named party)
Status Date:	12/16/2020
Settlement Amount:	
Individual Contribution Amount:	
Arbitration Information	
Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	20-04001
Date Notice/Process Served:	12/16/2020
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	01/18/2021
Monetary Compensation Amount:	\$25,000.00
Individual Contribution Amount:	\$0.00
Firm Statement	Client was solicited by a claimants' law firm due to a currently poor performing investment to bring action against me and Kalos Capital. The claimants understood the risks, and the investment recommendations were suitable for their stated goals, objectives, and risk profiles. Kalos Capital, Inc. determined as a business judgment that it was in the firm's best interests to resolve the dispute rather than incur the time, disruption, and legal expenses associated with a protracted arbitration proceeding.
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Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Kalos Capital, Inc.
Allegations:	Unsuitable and overconcentrated recommendations.



Product Type:	Direct Investment-DPP & LP Interests Equity Listed (Common & Preferred Stock) Real Estate Security
Alleged Damages:	\$500,000.00
Alleged Damages Amount Explanation (if amount not exact):	Claimants filed for damages between \$100,000 and \$500,000 for respondents Kalos Capital, Inc and Pruco Securities
Arbitration Information	
Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	20-04001
Date Notice/Process Served:	12/10/2020
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	01/18/2021
Monetary Compensation Amount:	\$25,000.00
Individual Contribution Amount:	\$0.00
Firm Statement	<p>Client was solicited by a claimants' law firm due to a currently poor performing investment to bring action against me and Kalos Capital. The claimants understood the risks, and the investment recommendations were suitable for their stated goals, objectives, and risk profiles.</p> <p>Kalos Capital, Inc. determined as a business judgment that it was in the firm's best interests to resolve the dispute rather than incur the time, disruption, and legal expenses associated with a protracted arbitration proceeding.</p>
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Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	PRUCO SECURITIES, LLC.AND KALOS CAPITAL, INC
Allegations:	Claimants allege the representative engaged in unsuitable recommendations.



Product Type: Direct Investment-DPP & LP Interests
Equity Listed (Common & Preferred Stock)
Real Estate Security
Other: GPB Capital

Alleged Damages: \$500,000.00

Alleged Damages Amount Explanation (if amount not exact): Claimants filed for damages between \$100,000 and \$500,000 for respondents Kalos Capital, Inc and Pruco Securities

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 #: 20-04001

Filing date of arbitration/CFTC reparation or civil litigation: 12/10/2020

Customer Complaint Information

Date Complaint Received: 12/16/2020

Complaint Pending? No

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

Status Date: 12/16/2020

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

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

Docket/Case #: 20-04001

Date Notice/Process Served: 12/16/2020



Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	01/18/2021
Monetary Compensation Amount:	\$50,000.00
Individual Contribution Amount:	\$0.00
Broker Statement	In the response this is part of a group settlement, which was accepted between the Christmas and New Year period. I am waiting on finalized paperwork.

Disclosure 3 of 6

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Kalos Capital, Inc.
Allegations:	Claimant alleges that they did not qualify as an accredited investor when this solicitation was made in September 2016 and has no recollection of signing subscription documents and he has no memory of receiving or reviewing any offering memoranda
Product Type:	Direct Investment-DPP & LP Interests
Alleged Damages:	\$90,000.00
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:	Raleigh, NC
Docket/Case #:	20-01214
Filing date of arbitration/CFTC reparation or civil litigation:	04/15/2020

Customer Complaint Information

Date Complaint Received:	04/30/2020
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Complaint Pending? No

Status: Settled

Status Date: 01/18/2021

Settlement Amount: \$13,183.00

Individual Contribution Amount: \$0.00

Firm Statement We believe the claim is without merit and vehemently deny the claim. We have on file signed documents that refute the client's claims.

Reporting Source: Broker

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

Allegations: Allegation(s) and a brief summary of events related to the allegation(s) including dates when activities leading to the allegation(s) occurred:
Claimant alleges that they did not qualify as an accredited investor when this solicitation was made in September 2016 and has no recollection of signing subscription documents and he has no memory of receiving or reviewing any offering memoranda

Product Type: Direct Investment-DPP & LP Interests

Alleged Damages: \$90,000.00

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: Raleigh, NC

Docket/Case #: 20-01214

Filing date of arbitration/CFTC reparation or civil litigation: 04/15/2020

Customer Complaint Information

Date Complaint Received: 08/24/2020



Complaint Pending?	No
Status:	Settled
Status Date:	01/18/2021
Settlement Amount:	\$13,183.00
Individual Contribution Amount:	\$0.00

Disclosure 4 of 6

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	KALOS CAPITAL, INC
Allegations:	Claimant alleges the representative engaged in misrepresentation and unsuitable recommendations.
Product Type:	Real Estate Security Other: PRIVATE PLACEMENT
Alleged Damages:	\$500,000.00
Alleged Damages Amount Explanation (if amount not exact):	100,000 - 500,000 plus interest and costs
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 -Christine K. Witherspoon v. KALOS CAPITAL, INC.,
Docket/Case #:	20-00661
Filing date of arbitration/CFTC reparation or civil litigation:	02/26/2020

Customer Complaint Information

Date Complaint Received:	02/26/2020
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Complaint Pending? No
Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)
Status Date: 01/22/2021

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): FINRA -Christine K. Witherspoon v. KALOS CAPITAL, INC.,

Docket/Case #: 20-00661

Date Notice/Process Served: 02/26/2020

Arbitration Pending? No

Disposition: Settled

Disposition Date: 01/22/2021

Monetary Compensation Amount: \$12,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Firm

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

Allegations: Unsuitability

Product Type: Direct Investment-DPP & LP Interests
Other: Alternative Investments

Alleged Damages: \$500,000.00

Alleged Damages Amount Explanation (if amount not exact): The amt cited was \$100-500k.

Arbitration Information



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

Docket/Case #: 20-00661

Date Notice/Process Served: 02/26/2020

Arbitration Pending? No

Disposition: Settled

Disposition Date: 01/18/2021

Monetary Compensation Amount: \$41,237.00

Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: KALOS CAPITAL, INC

Allegations: Claimant alleges the representative engaged in misrepresentation and unsuitable recommendations

Product Type: Real Estate Security
Other: Private Placement_____

Alleged Damages: \$500,000.00

Alleged Damages Amount Explanation (if amount not exact): 100,000 - 500,000 plus interest and costs

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): FINRA -Christine K. Witherspoon v. KALOS CAPITAL, INC.,

Docket/Case #: 20-00661

Date Notice/Process Served: 02/26/2020

Arbitration Pending? No

Disposition: Settled



Disposition Date:	01/18/2021
Monetary Compensation Amount:	\$41,237.00
Individual Contribution Amount:	\$0.00
Broker Statement	FIRM RECEIVED NOTIFICATION ON 2/19/2021 THAT U5 SETTLEMENT WAS SUBMITTED BY PREVIOUS FIRM ON 2/18/2021.

Disclosure 5 of 6

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Kalos Capital, Inc.
Allegations:	breach of fiduciary duty; unsuitable investments
Product Type:	Other: Alternative investments
Alleged Damages:	\$350,000.00

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	19-03047
Date Notice/Process Served:	11/04/2019
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	11/23/2020
Monetary Compensation Amount:	\$125,000.00
Individual Contribution Amount:	\$0.00

Reporting Source:	Broker
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Employing firm when activities occurred which led to the complaint: Kalos Capital, Inc.

Allegations: breach of fiduciary duty; unsuitable investments

Product Type: Other: Alternative investments

Alleged Damages: \$350,000.00

Arbitration Information

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

Docket/Case #: 19-03047

Date Notice/Process Served: 11/04/2019

Arbitration Pending? No

Disposition: Settled

Disposition Date: 11/23/2020

Monetary Compensation Amount: \$125,000.00

Individual Contribution Amount: \$0.00

Disclosure 6 of 6

Reporting Source: Firm

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

Allegations: Client alleges unsuitable investments in alternative securities between 11/2012 and 05/2017.

Product Type: Oil & Gas
Real Estate Security

Alleged Damages: \$450,000.00

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 #: 19-01140

**Filing date of
arbitration/CFTC reparation
or civil litigation:** 05/01/2019

Customer Complaint Information

Date Complaint Received: 07/08/2019

Complaint Pending? No

Status: Settled

Status Date: 05/05/2020

Settlement Amount: \$175,000.00

**Individual Contribution
Amount:** \$0.00

Firm Statement Kalos Capital, Inc. determined as a business judgement that it was in the firm's best interests to resolve the dispute rather than incur time,disruption, and legal expenses associated with a protracted proceeding.

Reporting Source: Broker

**Employing firm when
activities occurred which led
to the complaint:** Kalos Capital, Inc.

Allegations: CLIENT ALLEGES UNSUITABLE INVESTMENTS IN ALTERNATIVE SECURITIES BETWEEN 11/2012 AND 05/2017

Product Type: Oil & Gas
Real Estate Security

Alleged Damages: \$450,000.00

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 #: 19-01140

Filing date of arbitration/CFTC reparation or civil litigation: 05/01/2019

Customer Complaint Information

Date Complaint Received: 07/08/2019

Complaint Pending? No

Status: Settled

Status Date: 08/24/2020

Settlement Amount: \$175,000.00

Individual Contribution Amount: \$0.00

Broker Statement

I had worked with [REDACTED] since 2012. Over that time, we worked to establish a diversified portfolio which included several asset classes. I recommended to [REDACTED] - annuities for the guarantees, stocks for liquidity, BDC, REIT's and private equities for income. [REDACTED] stated that she would be losing the alimony she had been relying upon at a certain point and needed to replace that part of her income. In trying to meet her needs, we reviewed several investments but decided the REITs and private equities most closely met her need. In making my recommendations, I utilized the Kalo's approved marketing materials; no materials other than these approved documents were used with [REDACTED]. We met, discussed the merits and risks associated with each of her investments, we went through the fact-finding process and as required for the private equity portion determined that she was an accredited investor. [REDACTED] indicated at that time that she was in fact comfortable with these investments to replace the income she was losing, so we proceeded with the investments. I took every step possible to cover [REDACTED] need to replace the income she was losing while thoroughly explaining to her all the risks associated with these investments. I feel that I did everything possible to provide her with professional, unbiased portfolio recommendations based on her stated objectives. All recommendations made to [REDACTED] were only acted upon after I explained the risks/potential rewards to her and she confirmed that she understood and



wanted to proceed.



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 1

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Kalos Capital, Inc.
Allegations:	Claimant is alleging claiming breach of contract, breach of fiduciary duty, negligence, and recommendations of unsuitable, risky, illiquid, complex alternative investments.
Product Type:	Direct Investment-DPP & LP Interests Real Estate Security Other: Non-traded REITs
Alleged Damages:	\$175,000.00
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 #:	21-00807
Filing date of arbitration/CFTC reparation or civil litigation:	03/25/2021

Customer Complaint Information

Date Complaint Received:	03/30/2021
Complaint Pending?	Yes
Settlement Amount:	
Individual Contribution Amount:	
Firm Statement	This claim was solicited via the internet by a law firm claiming they were



investigating fraud by an issuer. Kalos and I deny any and all wrongdoing and I would have preferred to vigorously defend our actions in a fair venue. As confident as I am that I would be exonerated of any wrongdoing, Kalos determined as a business judgment that it was in the firm's best interests to resolve the dispute rather than incur the time, business disruption, and legal expenses associated with a protracted arbitration proceeding. While this deprives me of due process, I understand the claim has nuisance value for settlement from a business standpoint for Kalos.

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	Kalos Capital, Inc.
Allegations:	Claimant is alleging claiming breach of contract, breach of fiduciary duty, negligence, and recommendations of unsuitable, risky, illiquid, complex alternative investments.
Product Type:	Direct Investment-DPP & LP Interests Real Estate Security Other: Non-traded REITs
Alleged Damages:	\$175,000.00
Arbitration Information	
Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	21-00807
Date Notice/Process Served:	03/25/2021
Arbitration Pending?	Yes



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: Pruco Securities, LLC

Termination Type: Discharged

Termination Date: 09/02/2020

Allegations: Registered Representative transacted discretionary trades in client brokerage accounts, and inaccurately marked certain trades as unsolicited when they were solicited.

Product Type: Other: Brokerage Accounts

Reporting Source: Broker

Employer Name: PRUCO SECURITIES, LLC

Termination Type: Discharged

Termination Date: 09/02/2020

Allegations: REGISTERED REPRESENTATIVE TRANSACTED DISCRETIONARY TRADES IN CLIENT BROKERAGE ACCOUNTS, AND INACCURATELY MARKED CERTAIN TRADES UNSOLICITED WHEN THEY WERE SOLICITED.

Product Type: Other: BROKERAGE ACCOUNTS

End of Report



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