

BrokerCheck Report

DOUGLAS ANDREW SHARON

CRD# 728393

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

Please contact FINRA with any concerns.

About BrokerCheck®

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

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

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

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

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

- **How current is this information?**

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

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

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

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

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

Thank you for using FINRA BrokerCheck.



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



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

DOUGLAS A. SHARON

CRD# 728393

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

IA RBC CAPITAL MARKETS, LLC
 801 Brickell Avenue
 Suite 2100
 Miami, FL 33131
 CRD# 31194
 Registered with this firm since: 07/19/2017

B RBC CAPITAL MARKETS, LLC
 801 Brickell Avenue
 Suite 2100
 Miami, FL 33131
 CRD# 31194
 Registered with this firm since: 07/18/2017

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:**

- 22 Self-Regulatory Organizations
- 31 U.S. states and territories

This broker has passed:

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

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

- IA MORGAN STANLEY**
 CRD# 149777
 PURCHASE, NY
 06/2009 - 07/2017
- B MORGAN STANLEY**
 CRD# 149777
 MIAMI, FL
 06/2009 - 07/2017
- IA MORGAN STANLEY & CO. INCORPORATED**
 CRD# 8209
 NEW YORK, NY
 03/2008 - 06/2009

**Disclosure Events**

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

Are there events disclosed about this broker? **Yes****The following types of disclosures have been reported:**

Type	Count
Regulatory Event	1
Customer Dispute	3



Broker Qualifications

Registrations

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

This individual is currently registered with 22 SROs and is licensed in 31 U.S. states and territories through his or her employer.

Employment 1 of 1

Firm Name: **RBC CAPITAL MARKETS, LLC**

Main Office Address: **200 VESEY ST.
NEW YORK, NY 10281**

Firm CRD#: **31194**

	SRO	Category	Status	Date
B	BOX Exchange LLC	General Securities Representative	Approved	07/18/2017
B	Cboe BYX Exchange, Inc.	General Securities Representative	Approved	11/18/2020
B	Cboe BZX Exchange, Inc.	General Securities Representative	Approved	11/18/2020
B	Cboe C2 Exchange, Inc.	General Securities Representative	Approved	11/18/2020
B	Cboe EDGA Exchange, Inc.	General Securities Representative	Approved	11/18/2020
B	Cboe EDGX Exchange, Inc.	General Securities Representative	Approved	11/18/2020
B	Cboe Exchange, Inc.	General Securities Representative	Approved	07/18/2017
B	FINRA	General Securities Representative	Approved	07/18/2017
B	Investors' Exchange LLC	General Securities Representative	Approved	11/18/2020
B	Long-Term Stock Exchange, Inc.	General Securities Representative	Approved	11/02/2020
B	MEMX LLC	General Securities Representative	Approved	11/01/2020
B	MIAX PEARL, LLC	General Securities Representative	Approved	11/02/2020
B	NYSE American LLC	General Securities Representative	Approved	07/18/2017
B	NYSE Arca, Inc.	General Securities Representative	Approved	07/18/2017
B	NYSE National, Inc.	General Securities Representative	Approved	11/18/2020

Broker Qualifications



Employment 1 of 1, continued

SRO	Category	Status	Date
B NYSE Texas, Inc.	General Securities Representative	Approved	11/18/2020
B Nasdaq BX, Inc.	General Securities Representative	Approved	07/18/2017
B Nasdaq GEMX, LLC	General Securities Representative	Approved	11/18/2020
B Nasdaq ISE, LLC	General Securities Representative	Approved	07/18/2017
B Nasdaq PHLX LLC	General Securities Representative	Approved	07/18/2017
B Nasdaq Stock Market	General Securities Representative	Approved	07/18/2017
B New York Stock Exchange	General Securities Representative	Approved	07/18/2017

U.S. State/ Territory	Category	Status	Date
B Alaska	Agent	Approved	07/18/2017
B Arizona	Agent	Approved	07/18/2017
B California	Agent	Approved	07/18/2017
B Colorado	Agent	Approved	01/13/2025
B Connecticut	Agent	Approved	07/18/2017
B Delaware	Agent	Approved	07/18/2017
B District of Columbia	Agent	Approved	07/18/2017
B Florida	Agent	Approved	07/18/2017
IA Florida	Investment Adviser Representative	Approved	07/19/2017
B Georgia	Agent	Approved	07/25/2017
B Hawaii	Agent	Approved	07/19/2017
B Illinois	Agent	Approved	07/18/2017
B Louisiana	Agent	Approved	07/18/2017



Broker Qualifications

Employment 1 of 1, continued

	U.S. State/ Territory	Category	Status	Date
B	Maine	Agent	Approved	07/18/2017
B	Maryland	Agent	Approved	07/18/2017
B	Massachusetts	Agent	Approved	07/21/2017
B	Missouri	Agent	Approved	01/09/2020
B	Nevada	Agent	Approved	07/18/2017
B	New Hampshire	Agent	Approved	07/18/2017
B	New Jersey	Agent	Approved	07/18/2017
B	New York	Agent	Approved	07/18/2017
B	Ohio	Agent	Approved	07/19/2017
B	Oregon	Agent	Approved	07/18/2017
B	Pennsylvania	Agent	Approved	07/18/2017
B	Puerto Rico	Agent	Approved	03/28/2023
B	Rhode Island	Agent	Approved	07/18/2017
B	South Carolina	Agent	Approved	07/19/2017
B	Texas	Agent	Approved	09/28/2017
IA	Texas	Investment Adviser Representative	Restricted Approval	09/25/2017
B	Utah	Agent	Approved	07/19/2017
B	Vermont	Agent	Approved	07/18/2017
B	Virginia	Agent	Approved	07/18/2017
B	Washington	Agent	Approved	07/18/2017

Broker Qualifications



Employment 1 of 1, continued

Branch Office Locations

RBC CAPITAL MARKETS, LLC

801 Brickell Avenue
Suite 2100
Miami, FL 33131

RBC CAPITAL MARKETS, LLC

Miami, FL



Broker Qualifications

Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below. A passed exam or exam waiver does not permit a broker to do business without an active SRO or state registration.

This individual has passed 1 principal/supervisory exam, 3 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
B General Securities Sales Supervisor Examination (Options Module & General Module)	Series 8	07/16/1993

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B National Commodity Futures Examination	Series 3	12/08/1982
B General Securities Representative Examination	Series 7	04/11/1981

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	11/22/2005
B Uniform Securities Agent State Law Examination	Series 63	01/07/1982

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
B 06/2009 - 07/2017	MORGAN STANLEY	149777	MIAMI, FL
IA 06/2009 - 07/2017	MORGAN STANLEY	149777	MIAMI, FL
B 03/2008 - 06/2009	MORGAN STANLEY & CO. INCORPORATED	8209	BOSTON, MA
IA 03/2008 - 06/2009	MORGAN STANLEY & CO. INCORPORATED	8209	BOSTON, MA
IA 01/2001 - 04/2008	BEAR, STEARNS & CO. INC.	79	BOSTON, MA
B 12/1987 - 04/2008	BEAR, STEARNS & CO. INC.	79	BOSTON, MA
B 04/1984 - 12/1987	L. F. ROTHSCHILD & CO. INCORPORATED	501	
B 05/1982 - 04/1984	KIDDER, PEABODY & CO. INCORPORATED	7613	
B 11/1981 - 05/1982	FIRST NEW ENGLAND SECURITIES CORPORATION	7107	
B 04/1981 - 10/1981	GILFORD SECURITIES INCORPORATED	8076	

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
12/2018 - Present	City National Bank	Employee of an affiliate	Y	Miami, FL, United States
07/2017 - Present	RBC CAPITAL MARKETS, LLC	FINANCIAL ADVISOR	Y	MIAMI, FL, United States
01/2015 - 07/2017	MORGAN STANLEY PRIVATE BANK, NATIONAL ASSOCIATION	FINANCIAL ADVISOR	Y	NEW YORK, NY, United States
06/2009 - 07/2017	MORGAN STANLEY SMITH BARNEY	Mass Transfer	Y	BOSTON, MA, United States
03/2008 - 07/2017	MORGAN STANLEY & CO., INCORPORATED	FINANCIAL ADVISOR	Y	BOSTON, MA, United States

Registration and Employment History



Other Business Activities

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

(1) 101 FERMWOOD LLC.; ADDRESS: PERSONAL RESIDENCE; NOT INVESTMENT RELATED; BUSINESS DESCRIPTION: NOT AN BUSINESS. THIS IS AN ESTATE PLANNING BROKERAGE ACCOUNT; CAPACITY: OWNER-ACTIVE; START DATE: 10/3/2011; DUTIES: INVESTMENT ADVICE; HOURS DEVOTED PER MONTH: 1; HOURS DEVOTED DURING SECURITIES HOURS PER MONTH: 1.

(2) Name of Entity: Nanceco LLC

Non-Investment related

Address of Entity: 7935 Fisher Island Drive Miami, FL 33109

Nature of OBA: Personal LLC

Position/Title/Relationship: Owner - Active

Start Date: 01/01/09

Time Devoted: 1 hour; 1 hour during securities trading hours

Duties: Any and all necessary to run the entity.

Disclosure Events



What you should know about reported disclosure events:

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

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

	Pending	Final	On Appeal
Regulatory Event	0	1	0
Customer Dispute	0	3	N/A



Disclosure Event Details

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

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

Regulatory - Final

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

Disclosure 1 of 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	WISCONSIN
Sanction(s) Sought:	
Other Sanction(s) Sought:	
Date Initiated:	09/30/1983
Docket/Case Number:	Unknown
Employing firm when activity occurred which led to the regulatory action:	GILFORD SECURITIES
Product Type:	
Other Product Type(s):	
Allegations:	
Current Status:	Final
Resolution:	Decision
Resolution Date:	09/30/1983
Regulator Statement	THE WISCONSIN COMMISSIONER SUMMARILY ISSUED AN ORDER OF PROHIBITION SEPTEMBER 30, 1983, AGAINST DOUGLAS SHARON



(BROOKLINE, MA.) PROHIBITING HIM FROM MAKING FURTHER OFFERS OR SALES OF SECURITIES TO PERSONS IN WISCONSIN UNLESS THE SECURITIES ARE REGISTERED OR PROPERLY EXEMPT FROM REGISTRATION AND FROM TRANSACTING BUSINESS IN WISCONSIN AS A SECURITIES AGENT UNLESS PROPERLY LICENSED.

Reporting Source:	Broker
Regulatory Action Initiated By:	WISCONSIN
Sanction(s) Sought:	Other
Other Sanction(s) Sought:	SEE BELOW
Date Initiated:	09/30/1983
Docket/Case Number:	UNKNOWN
Employing firm when activity occurred which led to the regulatory action:	GILFORD SECURITIES
Product Type:	No Product
Other Product Type(s):	
Allegations:	SEE BELOW
Current Status:	Final
Resolution:	Decision
Resolution Date:	09/30/1983
Sanctions Ordered:	
Other Sanctions Ordered:	
Sanction Details:	ORDER OF PROHIBITION
Broker Statement	WHILE SHARON WAS EMPLOYED WITH GILFORD SECURITIES, HE EXECUTED AN ORDER FOR A SECURITY ON BEHALF OF A CUSTOMER WHO RESIDED IN WISCONSIN. AT THE TIME, SHARON WAS UNAWARE THAT THE SECURITY IN QUESTION WAS NOT "BLUE SKIED" IN WISCONSIN. SHARON STATES THAT HE RECALLS THIS PURCHASE AS TAKING PLACE IN 1981. TWO YEARS PASSED AND HE RECEIVED A NOTICE WHILE AT KIDDER



PEABODY, FROM THE STATE OF WISCONSIN, INFORMING HIM OF THIS MATTER. SHARON STATES THAT WHILE AT GILFORD SECURITIES, A LIST OF HOUSE ACCOUNTS WITH CERTAIN SECURITIES THAT WERE RECOMMENDED BY THE FIRM WAS SHARON'S SOURCE FOR AN ORDER THAT HE EXECUTED FOR A CUSTOMER WHO RESIDED IN WISCONSIN. AFTER THE MARKET PRICE DECLINED, THE CUSTOMER COMPLAINED ABOUT THE TRANSACTION ON THE BASIS THAT THE SECURITY WAS NOT REGISTERED IN WISCONSIN. THE TRADE WAS RESCINDED SUCCESSFULLY. SHARON STATES THAT HE IS NOT AWARE OF ANY OTHER DETAILS. SHARON STATES HE RELIED ON THE FIRM TO TAKE CARE OF THE MATTER, AND INVOLVEMENT WAS MINIMAL.



Customer Dispute - Award / Judgment

This type of disclosure event involves a final, consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the broker that resulted in an arbitration award or civil judgment for the customer.

Disclosure 1 of 1

Reporting Source: Regulator

Employing firm when activities occurred which led to the complaint: BEAR, STEARNS & CO. INC.

Allegations: MISREPRESENTATION; OMISSION OF FACTS; SUITABILITY; ACCOUNT RELATED-NEGLIGENCE; FRAUD; MATERIALLY FALSE AND MISLEADING STATEMENTS

Product Type:

Alleged Damages: \$6,000,000.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [UNKNOWN - CASE #96-00868](#)

Date Notice/Process Served: 03/06/1996

Arbitration Pending? No

Disposition: Other

Disposition Date: 11/19/1997

Disposition Detail: AWARD AGAINST PARTY
***SHARON WAS JOINTLY AND SEVERALLY
LIABLE FOR \$2,179,774.21 IN ACTUAL DAMAGES AND JOINTLY AND
SEVERALLY LIABLE FOR \$507,354.86 IN ATTORNEYS' FEES***

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: BEAR, STEARNS & CO. INC.

Allegations: THE CUSTOMER, A PRIVATE HUD MULTI-FAMILY PROJECT DEVELOPER AND MORTGAGE SERVICER, COMMENCED AN ARBITRATION CLAIMING THAT IT HAD LOST APPROXIMATELY \$6,000,000 IN AN INVESTMENT IN A CMO AND THAT THE RISKS OF THE INVESTMENT WERE NOT FULLY DISCLOSED AT THE TIME OF PURCHASE. (EMPLOYING



FIRM WHEN EVENTS OCCURRED - BEAR, STEARNS & CO INC)

Product Type:**Alleged Damages:** \$6,000,000.00**Customer Complaint Information****Date Complaint Received:****Complaint Pending?** No**Status:** Arbitration/Reparation**Status Date:** 11/19/1997**Settlement Amount:****Individual Contribution
Amount:****Arbitration Information****Arbitration/Reparation Claim
filed with and Docket/Case
No.:** [NASD 96-00868](#)**Date Notice/Process Served:** 03/06/1996**Arbitration Pending?** No**Disposition:** Award to Customer**Disposition Date:** 11/19/1997**Monetary Compensation
Amount:** \$2,687,129.07**Individual Contribution
Amount:****Broker Statement**

A MOTION TO VACATE THE ARBITRATION WAS FILED IN
FEDERAL COURT. AFTER EXTENDED SETTLEMENT DISCUSSIONS, BEAR
STEARNS AND SHARON WITHDREW THEIR MOTION PURSUANT TO A
SETTLEMENT AGREEMENT BY WHICH BEAR STEARNS PAID THE CLAIMANT
\$2,683,717.83.
NOT PROVIDED



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 2

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	LF ROTHSCHILD
Allegations:	CLIENTS ALLEDED UNAUTHORIZED MARGIN TRADING.
Product Type:	Other: UNSPECIFIED
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	UNSPECIFIED
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	12/01/1987
Complaint Pending?	No
Status:	Settled
Status Date:	01/22/1988
Settlement Amount:	\$10.00
Individual Contribution Amount:	\$10.00
Firm Statement	THE FIRM RECEIVED A COMPLAINT FROM CUSTOMER'S ALLEGING UNAUTHORIZED MARGIN TRADING. WE WERE INFORMED BY MR. GLEIT, SHARON'S ATTORNEY, THAT MR. SHARON HAD SETTLED WITH CUSTOMER'S. THE FIRM MADE NO PAYMENT.

Reporting Source:	Broker
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Employing firm when activities occurred which led to the complaint: GILFORD SECURITIES

Allegations: UNKNOWN CRD DATA CONVERSION

Product Type: No Product

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 01/01/1981

Complaint Pending? No

Status: Settled

Status Date: 01/01/1981

Settlement Amount: \$0.00

Individual Contribution Amount: \$0.00

Broker Statement DRP WAS CREATED IN ERROR BY CRD CONVERSION.

Disclosure 2 of 2

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: LF ROTHSCHILD

Allegations:

Product Type:

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 12/01/1987

Complaint Pending? No

Status: Settled

Status Date:

Settlement Amount:



Individual Contribution Amount:

Firm Statement

"THE FIRM RECEIVED A COMPLAINT FROM CUSTOMER'S ALLEGING UNAUTHORIZED MARGIN TRADING. WE WERE INFORMED BY MR. GLEIT, SHARON'S ATTORNEY, THAT MR. SHARON HAD SETTLED WITH CUSTOMER'S. THE FIRM MADE NO PAYMENT."

Reporting Source:

Broker

Employing firm when activities occurred which led to the complaint:

LF ROTHSCHILD

Allegations:

CLIENTS ALLEDED UNAUTHORIZED MARGIN TRADING.

Product Type:

Other: UNSPECIFIED

Alleged Damages:

\$0.00

Alleged Damages Amount Explanation (if amount not exact):

UNSPECIFIED

Is this an oral complaint?

No

Is this a written complaint?

Yes

Is this an arbitration/CFTC reparation or civil litigation?

No

Customer Complaint Information

Date Complaint Received:

12/01/1987

Complaint Pending?

No

Status:

Settled

Status Date:

01/22/1988

Settlement Amount:

\$10.00

Individual Contribution Amount:

\$10.00

Broker Statement

WHILE SHARON WAS EMPLOYED AT L.F. ROTHSCHILD, HE HANDLED THE ACCOUNT OF CUSTOMER'S. AFTER A PERIOD OF TIME, WHEN THE



ACCOUNT WAS STRICTLY TRADING ON A CASH BASIS, THE CLIENTS WANTED SOME OF THEIR FUNDS TO BE INVESTED MORE AGGRESSIVELY IN EQUITIES. PURCHASES WERE MADE ON A MARGIN BASIS. THE CLIENT SUBSEQUENTLY, COMPLAINED THAT LOSSES SUSTAINED IN THE ACCOUNT WERE LARGER THAN WOULD HAVE OCCURRED HAD THE ACCOUNT REMAINED ON A CASH BASIS. THERE WAS A MISUNDERSTANDING BETWEEN THE CLIENT AND SHARON ON THE QUESTION OF USING MARGIN TO ACHIEVE THE CLIENTS' OBJECTIVES. SHARON STATES THAT HE REACHED A SETTLEMENT AGREEMENT WITH THE CLIENTS BY PAYMENT OF \$10.00, ON 1/22/88. THE CUSTOMERS SENT A LETTER OF COMPLAINT ON 12/1/87 TO AL FAGAN, THE OFFICE MANAGER AT L.F. ROTHSCHILD & CO., STATING THAT WITHOUT THEIR PERMISSION, SHARON INSTITUTED A MARGIN ACCOUNT, AND CAUSED THEM TO HAVE GREAT LOSSES. HE FURTHER STATES THAT WITHIN ONE MONTH, MR. SHARON PROMISED TO MAKE THE ACCOUNT WHOLE AGAIN.

End of Report



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