

BrokerCheck Report

PAUL DEAN GARNETT

CRD# 815379

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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.

PAUL D. GARNETT

CRD# 815379

This broker is not currently registered.

Report Summary for this Broker



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

Broker Qualifications

This broker is not currently registered.

This broker has passed:

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

Registration History

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

- B SECURITIES AMERICA, INC.**
CRD# 10205
BEATRICE, NE
08/2013 - 10/2015
- B EDWARD JONES**
CRD# 250
BEATRICE, NE
11/1975 - 07/2013

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
Customer Dispute	1
Termination	1

Investment Adviser Representative Information

The information below represents the individual's record as a broker. For details on this individual's record as an investment adviser representative, visit the SEC's Investment Adviser Public Disclosure website at

<https://www.adviserinfo.sec.gov>

Broker Qualifications



Registrations

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

This broker is not currently registered.



Broker Qualifications

Industry Exams this Broker has Passed

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

This individual has passed 0 principal/supervisory exams, 2 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/09/2015
B General Securities Representative Examination	Series 7	11/15/1975

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	07/05/2007
B Uniform Securities Agent State Law Examination	Series 63	10/11/1979

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 08/2013 - 10/2015	SECURITIES AMERICA, INC.	10205	BEATRICE, NE
B 11/1975 - 07/2013	EDWARD JONES	250	BEATRICE, NE

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
02/2016 - Present	Primary Wealth Management, LLC	Investment Adviser Representative	Y	Beatrice, NE, United States
02/2016 - 12/2018	Garnett Insurance Solutions, LLC	Insurance Agent	N	Beatrice, NE, United States
08/2013 - 02/2016	INSURANCE	INSURANCE AGENT	N	BEATRICE, NE, United States
08/2013 - 10/2015	SECURITIES AMERICA ADVISORS	IAR	Y	BEATRICE, NE, United States
08/2013 - 10/2015	SECURITIES AMERICA INC	REGISTERED REP	Y	BEATRICE, NE, 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) PDG ENTERPRISES, LLC; (non-investment related); 2630 Eastside Blvd., Beatrice, NE; Family company to invest in business opportunities and to utilize gifting for personal estate planning; Managing Member; start date 83/2007; 20 hrs/month; 5 hrs during trading hours; determine the business opportunities for investment.
- 2)Garnett Family Farms, LLC; (not investment related); 5500 Merle Hay Rd, #14, Johnston, IA; chicken and egg-layer facilities and agriculture; Managing Member; 1997; 2 hrs/month; 0 hrs/month during trading; business manager
- 3)E Energy Adams, LLC; (investment related); 13238 E. Aspen Rd. Adams, NE; ethanol plant investment; limited investor; 2008; 0 hrs/month; 0 hrs/month during trading; no duties

Registration and Employment History



Other Business Activities, continued

- 4) Truman State University President's Advisory Council; (not investment related), 100 E. Normal Ave., Kirksville, MO; Advisory Council; Council Member; start date 03/2018; 1.5 hours/month; 0 hrs/month during trading; advise the university on various matters;
 - 5) Truman State University Foundation; (not investment related), 100 E. Normal Ave., Kirksville, MO; Board Member and Investment Committee Member; start date 04/2020; 1.5 hours/month; 0 hrs/month during trading; advise the university on various matters
 - 6) Security4Sports, LLC; (non-investment related); 2630 Eastside Blvd., Beatrice, NE 68310; provides insurance solutions; CEO and Managing Member; start date 04/2018; 5 hrs/month; 0 hrs/month during trading; manage business consultants.
 - 7) Rare Earth Salts, Inc. (non-investment related); 5331 Element Avenue, Beatrice, NE 68310; Rare earth metal extraction; Board of Managers; start date 08/2019; 4 hrs/month; 0 hrs/month during trading; no duties.
 - 8) Licensed insurance agent (investment related); 2630 Eastside Blvd., Beatrice, NE; Insurance Sales; Insurance agent; start date 02/2016; 5 hrs/month all during trading hours.
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Disclosure Events



What you should know about reported disclosure events:

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

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

	Pending	Final	On Appeal
Regulatory Event	0	2	0
Customer Dispute	0	1	N/A
Termination	N/A	1	N/A



Disclosure Event Details

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

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

Regulatory - Final

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

Disclosure 1 of 2

Reporting Source:	Regulator
Regulatory Action Initiated By:	Nebraska Department of Banking and Finance
Sanction(s) Sought:	Civil and Administrative Penalty(ies)/Fine(s) Suspension
Date Initiated:	10/26/2015
Docket/Case Number:	N/A
URL for Regulatory Action:	
Employing firm when activity occurred which led to the regulatory action:	Edward Jones
Product Type:	Other: Private Securities Transaction
Allegations:	Participation in a securities transaction outside the regular scope of business of employment with his member firm without providing written notice to the member firm.
Current Status:	Final
Resolution:	Consent



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Resolution Date:	03/03/2016
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Suspension
Sanction 1 of 1	
Sanction Type:	Suspension
Capacities Affected:	ALL CAPACITIES
Duration:	10 DAYS
Start Date:	02/22/2016
End Date:	03/03/2016
Monetary Sanction 1 of 2	
Monetary Related Sanction:	Monetary Penalty other than Fines
Total Amount:	\$1,000.00
Portion Levied against individual:	\$1,000.00
Payment Plan:	
Is Payment Plan Current:	
Date Paid by individual:	02/22/2016
Was any portion of penalty waived?	No
Amount Waived:	
Monetary Sanction 2 of 2	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$10,000.00
Portion Levied against individual:	\$10,000.00
Payment Plan:	

**Is Payment Plan Current:****Date Paid by individual:** 02/22/2016**Was any portion of penalty waived?** No**Amount Waived:****Reporting Source:** Broker**Regulatory Action Initiated By:** State of Nebraska**Sanction(s) Sought:** Civil and Administrative Penalty(ies)/Fine(s)
Suspension**Date Initiated:** 12/11/2015**Docket/Case Number:** N/A**Employing firm when activity occurred which led to the regulatory action:** Edward D. Jones**Product Type:** No Product**Allegations:** ALLEGATIONS OF VIOLATIONS OF RULES NASD RULE 3040 AND FINRA RULES 3270 AND 2010.**Current Status:** Final**Resolution:** Consent**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:** 02/12/2016**Sanctions Ordered:** Civil and Administrative Penalty(ies)/Fine(s)
Suspension**Sanction 1 of 1****Sanction Type:** Suspension



Capacities Affected: All Capacities
Duration: 10 days
Start Date: 02/16/2016
End Date: 02/26/2016

Monetary Sanction 1 of 1

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)
Total Amount: \$11,000.00
Portion Levied against individual: \$11,000.00
Payment Plan:
Is Payment Plan Current:
Date Paid by individual: 02/12/2016
Was any portion of penalty waived? No

Amount Waived:

Disclosure 2 of 2

Reporting Source: Regulator
Regulatory Action Initiated By: FINRA
Sanction(s) Sought:
Date Initiated: 12/11/2015
Docket/Case Number: [2013037631501](#)
Employing firm when activity occurred which led to the regulatory action: Edward D. Jones & Co., L.P.

Product Type: Other: private securities

Allegations: Without admitting or denying the findings, Garnett consented to the sanctions and to the entry of findings that he participated in an undisclosed private securities transaction away from his member firm by organizing a private placement for an entity that was formed to acquire an interest in a helicopter medical evacuation



business and failed to provide written notice to his firm prior to participating in the transaction. The findings stated that Garnett participated in the transaction by seeking investors, including the firm's customers, to pool their assets with other investors to purchase an interest in the business, coordinating the investor group's activities, and negotiating with the business. Garnett also participated in the transaction by preparing agendas for investor meetings, and following up with investors to make sure that they had signed the subscription agreements and wired their funds. The private placement entity later issued \$2.5 million in securities to eight investors, including Garnett. In addition, Garnett invested a total of \$140,000 in two other private securities offerings. Garnett failed to provide notice of the transactions to his firm. The findings also stated that Garnett acted as statutory manager of the private placement entity, conducted its business, executed contracts on behalf of it, and presided over an initial member meeting and failed to provide prior written notice to the firm of his participation in the outside business activity.

Current Status:	Final
Resolution:	Acceptance, Waiver & Consent(AWC)
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:	12/11/2015
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Suspension
If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?	No



(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?

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



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

Sanction 1 of 1

Sanction Type:	Suspension
Capacities Affected:	any capacity
Duration:	One year
Start Date:	12/21/2015
End Date:	12/20/2016

Monetary Sanction 1 of 1

Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$40,000.00
Portion Levied against individual:	\$40,000.00
Payment Plan:	deferred
Is Payment Plan Current:	
Date Paid by individual:	
Was any portion of penalty waived?	No

Amount Waived:



Reporting Source:	Broker
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Bar Cease and Desist Censure Civil and Administrative Penalty(ies)/Fine(s) Denial Expulsion Monetary Penalty other than Fines Prohibition Reprimand Requalification Rescission Restitution Revocation Suspension Undertaking
Date Initiated:	07/01/2015
Docket/Case Number:	20130376315
Employing firm when activity occurred which led to the regulatory action:	Edward D. Jones
Product Type:	No Product
Allegations:	ALLEGATIONS OF VIOLATIONS OF RULES NASD RULE 3040 AND FINRA RULES 3270 AND 2010.
Current Status:	Final
Resolution:	Acceptance, Waiver & Consent(AWC)
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:	12/11/2015



Sanctions Ordered: Civil and Administrative Penalty(ies)/Fine(s)
Suspension

Sanction 1 of 1

Sanction Type: Suspension

Capacities Affected: All capacities

Duration: one year

Start Date: 12/21/2015

End Date: 12/20/2016

Monetary Sanction 1 of 1

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)

Total Amount: \$40,000.00

Portion Levied against individual: \$40,000.00

Payment Plan: Yes

Is Payment Plan Current: Yes

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:



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

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a consumer-initiated, investment-related written complaint containing allegations that the broker engaged in sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities, which was closed without action, withdrawn, or denied.

Disclosure 1 of 1

Reporting Source: Broker

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

Allegations: CUSTOMER CLAIMS IR EMPLOYED BY EDWARD JONES MISLED HIM INTO BELIEVING HE HAD TO SELL THE 1,848 SHARES OF WALMART STOCK HE HELD IN HIS RETIREMENT ACCOUNT. THE CUSTOMER NOW STATES HE HAS BEEN ADVISED HE COULD HAVE CHOSEN TO TAKE HIS REQUIRED MINIMUM DISTRIBUTIONS IN KIND AND HE DID NOT NEED TO SELL THE WAL MART STOCK. CUSTOMER INDICATES WALMART STOCK IS UP IN VALUE AND THAT HE HAS LOST APPROXIMATELY \$100,000.00 AS A RESULT OF THE SALE. HE REQUESTS REIMBURSEMENT.

Product Type:

Alleged Damages: \$100,000.00

Customer Complaint Information

Date Complaint Received: 11/30/1998

Complaint Pending? No

Status: Denied

Status Date: 01/13/1999

Settlement Amount:

Individual Contribution Amount:

Broker Statement CUSTOMER WAS ADVISED THAT IR CLAIMS HE NEVER TOLD CUSTOMER HE HAD TO SELL THE SHARES OF WALMART STOCK TO MAKE HIS REQUIRED MINIMUM DISTRIBUTIONS. IR INDICATES CUSTOMER HAD A LARGE HOLDING OF THE STOCK IN HIS JOINT ACCOUNT. IR CLAIMS CUSTOMER WAS CONCERNED ABOUT INCOME AND THE DIVIDEND RATE ON THE WALMART STOCK SO HE RECOMMENDED REPOSITIONING



THE
RETIREMENT ACCOUNT INTO HIGHER DIVIDEND PAYING STOCKS.
CUSTOMER
AGREED. RECOMMENDATION WAS SUITABLE AND MADE IN GOOD FAITH.
CLAIM DENIED.
NOT PROVIDED



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:	Broker
Employer Name:	EDWARD JONES
Termination Type:	Discharged
Termination Date:	07/08/2013
Allegations:	FAILED TO DISCLOSE OUTSIDE BUSINESS ACTIVITIES IN WHICH MR. GARNETT'S EDWARD JONES CLIENTS INVESTED. MR GARNETT WAS APPOINTED MANAGER OF A PRIVATE PLACEMENT INVESTMENT AND SOLICITED ADDITIONAL CAPITAL COMMITMENTS FROM INVESTORS.
Product Type:	Other: PRIVATE PLACEMENT
Broker Statement	I WAS ONE OF EIGHT PASSIVE INVESTORS IN AN OUTSIDE BUSINESS ENTITY FORMED TO PURCHASE A MINORITY STAKE IN A CLOSELY HELD BUSINESS. THE TRANSACTION WAS NOT COMPLETED AT THE TIME OF EDWARD JONES' INVESTIGATION OR WHEN MY EMPLOYMENT WITH EDWARD JONES WAS TERMINATED. I DID NOT RECEIVE ANY SELLING COMPENSATION OF ANY KIND FROM ANY SOURCE IN THE TRANSACTION. IN MY 38-YEAR CAREER WITH EDWARD JONES, I ALWAYS DISCLOSED ANY OUTSIDE TRANSACTIONS TO EDWARD JONES AFTER THEY WERE COMPLETED, WHETHER OR NOT EDWARD JONES CLIENTS WERE INVOLVED. UP UNTIL THIS INSTANCE, THIS PROCEDURE WAS ALWAYS ACCEPTED BY EDWARD JONES AND ALL AUDITS OF OUTSIDE INVESTMENTS WERE ALWAYS APPROVED AS WELL.

End of Report



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