

**BrokerCheck Report**

**DENNIS MASA AKI NAKAMURA**

CRD# 819626

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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](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://www.finra.org/brokercheck). It provides a glossary of terms and a list of frequently asked questions, as well as additional resources.

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)

**Thank you for using FINRA BrokerCheck.**

**DENNIS M. NAKAMURA**

CRD# 819626

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:

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

### Registration History

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

- B MCNALLY FINANCIAL SERVICES CORPORATION**  
CRD# 121196  
Moraga, CA  
09/2010 - 10/2019
- B JHS CAPITAL ADVISORS, INC.**  
CRD# 112097  
MORAGA, CA  
09/2005 - 09/2010
- B STERLING FINANCIAL INVESTMENT GROUP, INC.**  
CRD# 41506  
BOCA RATON, FL  
08/2001 - 09/2005

### 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 | 6     |

## Broker Qualifications



### Registrations

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

This broker is not currently registered.



## Broker Qualifications

### Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below.

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

### Principal/Supervisory Exams

| Exam  | Category  | Date       |
|---|-----------|------------|
| <b>B</b> Municipal Securities Principal Examination | Series 53 | 06/17/1986 |
| <b>B</b> Registered Options Principal Examination   | Series 4  | 03/10/1983 |
| <b>B</b> General Securities Principal Examination   | Series 24 | 10/12/1982 |

### General Industry/Product Exams

| Exam   | Category | Date       |
|--|----------|------------|
| <b>B</b> Securities Industry Essentials Examination    | SIE      | 10/01/2018 |
| <b>B</b> General Securities Representative Examination | Series 7 | 10/17/1981 |
| <b>B</b> Registered Representative Examination         | Series 1 | 03/11/1976 |

### State Securities Law Exams

| Exam  | Category  | Date       |
|---|-----------|------------|
| <b>IA</b> Uniform Investment Adviser Law Examination    | Series 65 | 09/14/1998 |
| <b>B</b> Uniform Securities Agent State Law Examination | Series 63 | 01/29/1985 |

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at [www.finra.org/brokerqualifications/registeredrep/](http://www.finra.org/brokerqualifications/registeredrep/).



## Broker Qualifications

## Professional Designations

This section details that the representative has reported **1** professional designation(s).

### Chartered Financial Consultant

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This representative holds or did hold **1** professional designation(s) that may have been used to qualify as an Investment Advisor representative. Please check with the appropriate designation authority for verification that the designation is still in effect. The contact information for these professional designation authorities can be found on the website for the North American Securities Administrators Association at <http://www.nasaa.org>



## Registration and Employment History

### Registration History

The broker previously was registered with the following firms:

| Registration Dates         | Firm Name                                      | CRD#   | Branch Location |
|----------------------------|--|--------|-----------------|
| <b>B</b> 09/2010 - 10/2019 | MCNALLY FINANCIAL SERVICES CORPORATION         | 121196 | Moraga, CA      |
| <b>B</b> 09/2005 - 09/2010 | JHS CAPITAL ADVISORS, INC.                     | 112097 | MORAGA, CA      |
| <b>B</b> 08/2001 - 09/2005 | STERLING FINANCIAL INVESTMENT GROUP, INC.      | 41506  | BOCA RATON, FL  |
| <b>B</b> 10/1994 - 08/2001 | ROUND HILL SECURITIES, INC.                    | 35223  | ALAMO, CA       |
| <b>B</b> 03/1990 - 10/1994 | FIRST AFFILIATED SECURITIES                    | 23737  | LA JOLLA, CA    |
| <b>B</b> 09/1986 - 03/1990 | SMITH BARNEY, HARRIS UPHAM & CO., INCORPORATED | 7059   | NEW YORK, NY    |
| <b>B</b> 02/1983 - 09/1986 | EXECUTIVE FINANCIAL SERVICES, INC.             | 13105  |                 |
| <b>B</b> 01/1982 - 05/1983 | EMMETT A LARKIN COMPANY, INC.                  | 6625   |                 |
| <b>B</b> 03/1976 - 01/1982 | PML SECURITIES COMPANY                         | 4082   |                 |

### 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              |
|-------------------|--|---------------------------|--------------------|--------------------------------|
| 09/2010 - Present | MCNALLY FINANCIAL SERVICES CORPORATION | REGISTERED REPRESENTATIVE | Y                  | SAN ANTONIO, TX, 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.

INNOVATIVE TECHNOLOGY, INC.



## Registration and Employment History

### Other Business Activities, continued

PRESIDENT & DIRECTOR  
NON-INVESTMENT RELATED (PRODUCT MANUFACTURING)  
10 HOURS PER MONTH  
START DATE - 5/1/10  
ADDRESS: 9120 DOUBLE DIAMOND PKWY. RENO NV, 89521

SASHAY BEAUTY PRODUCTS, INC.  
PRESIDENT & DIRECTOR  
NON-INVESTMENT RELATED (COSMETIC PRODUCT SALES)  
10 HOURS PER MONTH  
START DATE - 3/1/10  
ADDRESS: 9120 DOUBLE DIAMOND PKWY. RENO NV, 89521

INSURANCE BROKERS LICENSE  
NON-INVESTMENT RELATED (LIFE, HEALTH & DISABILITY INSURANCE SALES)  
5 HOURS PER MONTH  
START DATE - 10/31/74  
ADDRESS: 1100 MORAGA WAY, MORAGA CA, 94556

REFEREE AND UMPIRE  
NON-INVESTMENT RELATED (REFEREE BASKETBALL GAMES AND UMPIRE SOFTBALL GAMES)  
15 HOURS PER MONTH  
START DATE - 6/20/09  
ADDRESS: 1100 MORAGA WAY, MORAGA CA, 94556

College Planning Software - 123 College.com  
Not investment Related  
Address: 1761 W. Hillsboro Blvd., Suite 104, Deerfield Beach, FL 33442  
Position: sales rep  
Start Date: 09/16/2015  
Generate college reports to generate investment leads. 4 hours per week sometimes 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:**
  - 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 |
|------------------|---------|-------|-----------|
| Regulatory Event | 0       | 1     | 0         |
| Customer Dispute | 0       | 6     | 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

|  |   |
|--|---|
| <b>Reporting Source:</b>   | Regulator   |
| <b>Regulatory Action Initiated By:</b>   | FINRA   |
| <b>Sanction(s) Sought:</b>   |   |
| <b>Date Initiated:</b>   | 11/21/2019  |
| <b>Docket/Case Number:</b>   | <a href="#">2018058820101</a>   |
| <b>Employing firm when activity occurred which led to the regulatory action:</b> | McNally Financial Services Corporation  |
| <b>Product Type:</b>   | No Product  |
| <b>Allegations:</b>  | Without admitting or denying the findings, Nakamura consented to the sanction and to the entry of findings that he refused to appear and provide on-the-record testimony requested by FINRA in connection to its investigation into whether he violated FINRA rules by making unsuitable investment recommendations to customers while associated with a member firm. |
| <b>Current Status:</b>   | Final   |
| <b>Resolution:</b>   | 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:**

11/21/2019

**Sanctions Ordered:**

Bar (Permanent)

**If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?**

No

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



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

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

**Sanction 1 of 1**

|                             |                 |
|-----------------------------|-----------------|
| <b>Sanction Type:</b>       | Bar (Permanent) |
| <b>Capacities Affected:</b> | All Capacities  |
| <b>Duration:</b>            | Indefinite      |
| <b>Start Date:</b>          | 11/21/2019      |
| <b>End Date:</b>            |                 |





## 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 5

|  |  |
|--|--|
| <b>Reporting Source:</b>   | Firm                                   |
| <b>Employing firm when activities occurred which led to the complaint:</b> | McNally Financial Services Corporation |
| <b>Allegations:</b>  | unsuitable investments                 |
| <b>Product Type:</b>   | No Product                             |
| <b>Alleged Damages:</b>  | \$443,000.00                           |
| <b>Is this an oral complaint?</b>  | No                                     |
| <b>Is this a written complaint?</b>  | No                                     |
| <b>Is this an arbitration/CFTC reparation or civil litigation?</b>         | Yes                                    |
| <b>Arbitration/Reparation forum or court name and location:</b>            | FINRA                                  |
| <b>Docket/Case #:</b>  | 19-03335                               |
| <b>Filing date of arbitration/CFTC reparation or civil litigation:</b>     | 11/14/2019                             |

### Customer Complaint Information

|  |              |
|--|--------------|
| <b>Date Complaint Received:</b>        | 11/20/2019   |
| <b>Complaint Pending?</b>              | No           |
| <b>Status:</b>                         | Settled      |
| <b>Status Date:</b>                    | 06/16/2020   |
| <b>Settlement Amount:</b>              | \$165,000.00 |
| <b>Individual Contribution Amount:</b> | \$0.00       |

### Disclosure 2 of 5

|                          |      |
|--------------------------|------|
| <b>Reporting Source:</b> | Firm |
|--------------------------|------|



**Employing firm when activities occurred which led to the complaint:** McNally financial Services Corporation

**Allegations:** Claimant alleges failure to disclose extent of risk, unauthorized trading, recommending unsuitable investments, breach of fiduciary duty, failure to supervise, churning, breach of contract and elder abuse.

**Product Type:** Equity-OTC  
Options

**Alleged Damages:** \$491,861.68

**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 #:** 18-02354

**Filing date of arbitration/CFTC reparation or civil litigation:** 07/09/2018

### Customer Complaint Information

**Date Complaint Received:** 07/16/2018

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/06/2019

**Settlement Amount:** \$300,000.00

**Individual Contribution Amount:** \$137,253.99

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**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** McNally Financial Services Corporation

**Allegations:** Claimant alleges failure to disclose extent of risk, unauthorized trading,



recommending unsuitable investments breach of fiduciary duty, failure to supervise, churning, breach of contract and elder abuse.

**Product Type:** Equity-OTC  
Options

**Alleged Damages:** \$491,861.68

**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 #:** 18-02354

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 07/09/2018

### Customer Complaint Information

**Date Complaint Received:** 07/16/2018

**Complaint Pending?** Yes

**Settlement Amount:**

**Individual Contribution  
Amount:**

### Disclosure 3 of 5

**Reporting Source:** Broker

**Employing firm when  
activities occurred which led  
to the complaint:** ROUND HILL SECURITIES, INC.

**Allegations:** FAILURE TO SUPERVISE; ABUSE OF AN ELDER; BREACH OF FIDUCIARY DUTY; BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING; FRAUD, MISREPRESENTATION AND NEGLIGENT MISREPRESENTATION; VIOLATION OF STATE SECURITIES LAWS; NASD RULES OF FAIR PRACTICE AND NYSE RULES

**Product Type:** Other

**Alleged Damages:** \$165,000.00





## Customer Complaint Information

**Date Complaint Received:** 05/11/1999  
**Complaint Pending?** No  
**Status:** Arbitration/Reparation  
**Status Date:** 07/07/2000  
**Settlement Amount:**

**Individual Contribution Amount:**

## Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NASD 99-03226  
**Date Notice/Process Served:** 07/13/1999  
**Arbitration Pending?** No  
**Disposition:** Settled  
**Disposition Date:** 07/07/2000  
**Monetary Compensation Amount:** \$19,445.00  
**Individual Contribution Amount:** \$0.00  
**Broker Statement** SETTLED THRU MEDIATION SETTLEMENT INCLUDED \$19,445.0 IN CASH AND THE REPURCHASE OF SAIGENE SHARES FROM CUSTOMER FOR \$50,000.00

## Disclosure 4 of 5

**Reporting Source:** Firm

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

**Allegations:** UNSUITABLE TRANSACTIONS. ALLEGED AMOUNT \$12,000.00

**Product Type:**



**Alleged Damages:** \$12,000.00

### Customer Complaint Information

**Date Complaint Received:** 07/19/1993

**Complaint Pending?** No

**Status:** Settled

**Status Date:**

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

**Individual Contribution Amount:** \$5,000.00

**Firm Statement** SETTLEMENT OF \$12,000.00. NAKAMURA PAID \$5,000 AND FIRM PAID \$7,000.  
Not Provided

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** FIRST AFFILIATED

**Allegations:** UNSUITABLE TRANSACTIONS. ALLEGED AMOUNT \$12,000.00.

**Product Type:** Equity - OTC

**Alleged Damages:** \$12,000.00

### Customer Complaint Information

**Date Complaint Received:** 07/19/1993

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 09/19/1994

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

**Individual Contribution Amount:** \$5,000.00

**Broker Statement** SETTLEMENT OF \$12,000.00. NAKAMURA PAID \$5,000 AND FIRM PAID \$7,000.



INVESTMENT RECOMMENDATIONS WERE BASED ON INFORMATION SUPPLIED BY THE CLIENT. THESE INCLUDED TAX INFORMATION AND A STATEMENT OF ASSETS AND LIABILITIES. THE CLIENT LATER CLAIMED THAT THE INFORMATION WAS INCORRECT.

#### Disclosure 5 of 5

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** EXECUTIVE FINANCIAL SERVICE, INC.

**Allegations:** VBN CORPORATION ALLEGED THAT EXECUTIVE FINANCIAL SERVICE, INC. GUARANTEED THEM A RATE OF RETURN OF 20% A YEAR. VBN CORPORATION WANTED SOMETHING IN WRITING FROM EXECUTIVE FINANCIAL SERVICES WHICH WOULD GUARANTEE THIS RETURN. EXECUTIVE FINANCIAL SERVICES REFUSED TO GUARANTEE THIS RETURN. INSTEAD, EXECUTIVE FINANCIAL SERVICES INVESTED VBN CORPORATION'S FUNDS GOVERNMENT BONDS, YIELDING 12%. THEREFORE, VBN SUED FOR THE DIFFERENCE BETWEEN 12% & 20%.

**Product Type:**

**Alleged Damages:**

#### Customer Complaint Information

**Date Complaint Received:**

**Complaint Pending?** No

**Status:** Litigation

**Status Date:**

**Settlement Amount:**

**Individual Contribution Amount:**

#### Civil Litigation Information

**Court Details:** C85-3267 TEH

**Date Notice/Process Served:** 05/08/1985



**Litigation Pending?** No  
**Disposition:** Settled  
**Disposition Date:** 03/18/1986  
**Monetary Compensation Amount:** \$33,000.00  
**Individual Contribution Amount:**

**Broker Statement**

THIS CASE WAS SETTLED ON MARCH 18, 1986 FOR \$33,000.00. THE CASE WAS DISMISSED. EXECUTIVE FINANCIAL SERVICES, INC. NOR ANY OF IT'S EMPLOYEES EVER GUARANTEED VBN CORPORATION ANY KIND OF RATE OF RETURN. SINCE VBN CORPORATION WANTED A GUARANTEE, EXECUTIVE FINANCIAL SERVICES PLACED THE FUNDS IN ZERO COUPON GOVERNMENT BONDS YIELDING 12%. NOT BEING SATISFIED WITH THEIR YIELD, VBN CORPORATION SUED, HOPING TO GAIN A HIGHER YIELD BY WAY OF THE LEGAL SYSTEM. LEGAL COUNCIL ADVISED THAT A SETTLEMENT OUTSIDE OF COURT WOULD SAVE TIME AND MONEY.



## 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:** Firm

**Employing firm when activities occurred which led to the complaint:** ROUND HILL SECURITIES, INC

**Allegations:** OVER CHARGED IN COMMISSION FOR VARIOUS MUTUAL FUND TRANSACTIONS FROM 5/97 TO 8/00. UNSPECIFIED AMOUNT OF DAMAGE.

**Product Type:** Mutual Fund(s)

**Alleged Damages:**

### Customer Complaint Information

**Date Complaint Received:** 11/07/2001

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 11/30/2001

**Settlement Amount:**

**Individual Contribution Amount:**

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** ROUND HILL SECURITIES, INC.

**Allegations:** OVER CHARGED IN COMMISSION FOR VARIOUS MUTUAL FUND TRANSACTIONS FROM 5/97 TO 8/00. UNSPECIFIED AMOUNT OF DAMAGE.

**Product Type:** Mutual Fund(s)

**Alleged Damages:**

### Customer Complaint Information



**Date Complaint Received:** 11/07/2001  
**Complaint Pending?** No  
**Status:** Denied  
**Status Date:** 11/30/2001  
**Settlement Amount:**  
**Individual Contribution Amount:**

## End of Report



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