



IAPD Report

STEPHEN MAYNARD ALINIKOFF

CRD# 1022014

| <u>Section Title</u> | <u>Page(s)</u> |
|-------------------------------------|-----------------------|
| Report Summary | 1 |
| Qualifications | 2 - 3 |
| Registration and Employment History | 5 - 6 |
| Disclosure Information | 7 |



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.



IAPD Information About Representatives

IAPD offers information on all current-and many former representatives. Investors are strongly encouraged to use IAPD to check the background of representatives before deciding to conduct, or continue to conduct, business with them.

What is included in a IAPD report?

IAPD reports for individual representatives include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards.

It is important to note that the information contained in an IAPD 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 representative, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

Where did this information come from?

The information contained in IAPD comes from the Investment Adviser Registration Depository (IARD) and FINRA's Central Registration Depository, or CRD, (see more on CRD below) and is a combination of:

- information the states require representatives and firms to submit as part of the registration and licensing process, and
- information that state regulators report regarding disciplinary actions or allegations against representatives.

How current is this information?

Generally, representatives are required to update their professional and disciplinary information in IARD within 30 days.

Need help interpreting this report?

For help understanding how to read this report, please consult NASAA's IAPD Tips page <http://www.nasaa.org/IAPD/IARReports.cfm>

What if I want to check the background of an Individual Broker or Brokerage Firm?

To check the background of an Individual Broker or Brokerage firm, you can search for the firm or individual in IAPD. If your search is successful, click on the link provided to view the available licensing and registration information in FINRA's BrokerCheck website.

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

It is recommended that you learn as much as possible about an individual representative or Investment Adviser firm before deciding to work with them. Your state securities regulator can help you research individuals and certain firms doing business in your state. The contact information for state securities regulators can be found on the website of the North American Securities Administrators Association <http://www.nasaa.org>



Report Summary

STEPHEN MAYNARD ALINIKOFF (CRD# 1022014)

The report summary provides an overview of the representative's professional background and conduct. The information contained in this report has been provided by the representative, investment adviser and/or securities firms, and/or securities regulators as part of the states' investment adviser registration and licensing process. The information contained in this report was last updated by the representative, a previous employing firm, or a securities regulator on **03/21/2023**.

CURRENT EMPLOYERS

| | Firm | CRD# | Registered Since |
|----|-------------------------|-------------|------------------|
| IA | CAPITAL MARKETS IQ, LLC | CRD# 134921 | 11/17/2017 |

QUALIFICATIONS

This representative is currently registered in **0** SRO(s) and **1** jurisdiction(s).

Is this representative currently Inactive or Suspended with any regulator? **No**

Note: Not all jurisdictions require IAR registration or may have an exemption from registration.

Additional information including this individual's qualification examinations and professional designations is available in the Detailed Report.

REGISTRATION HISTORY

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

| | FIRM | CRD# | LOCATION | REGISTRATION DATES |
|----|-----------------------------------|--------|------------------|-------------------------|
| B | PROSPERA FINANCIAL SERVICES, INC. | 10740 | WILKES-BARRE, PA | 04/28/2009 - 11/17/2017 |
| IA | PROSPERA FINANCIAL SERVICES, INC. | 10740 | WILKES-BARRE, PA | 04/28/2009 - 11/17/2017 |
| IA | SPC | 110692 | WILKES BARRE, PA | 05/09/2005 - 04/27/2009 |

For additional registration and employment history details as reported by the individual, refer to the Registration and Employment History section of the Detailed Report.

DISCLOSURE INFORMATION

Disclosure events include certain criminal charges and convictions, formal investigations and disciplinary actions initiated by regulators, customer disputes and arbitrations, and financial disclosures such as bankruptcies and unpaid judgments or liens.

Are there events disclosed about this representative?

Yes

The following types of events are disclosed about this representative:

| Type | Count |
|------------------|-------|
| Regulatory Event | 2 |
| Civil Event | 1 |
| Customer Dispute | 1 |



Qualifications

REGISTRATIONS

This section provides the SRO, states and U.S. territories in which the representative is currently registered and licensed, the category of each registration, and the date on which the registration becomes effective. This section also provides, for each firm with which the representative is currently employed, the address of each location where the representative works.

This individual is currently registered with **1** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

Employment 1 of 1

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

Main Address: ARLINGTON, TX

Firm ID#: 134921

| | Regulator | Registration | Status | Date |
|----|--------------|-----------------------------------|----------|------------|
| IA | Pennsylvania | Investment Adviser Representative | Approved | 11/17/2017 |

Branch Office Locations

CAPITAL MARKETS IQ, LLC

Wilkes Barre, PA







Qualifications

PASSED INDUSTRY EXAMS




This section includes all industry exams that the representative has passed. Under limited circumstances, a representative may attain registration after receiving an exam waiver based on a combination of exams the representative has passed and qualifying work experience. Likewise a new exam requirement may be grandfathered based on a representative's specific qualifying work experience. Exam waivers and grandfathering are not included below.

This individual has passed 4 principal/supervisory exams, 3 general industry/product exams, and 2 state securities law exams.




Principal/Supervisory Exams

| | Exam | Category | Date |
|---|--|-----------|------------|
|  | Registered Options Principal Examination (S4) | Series 4 | 04/18/1991 |
|  | Introducing Broker/Dealer Financial Operations Principal Examination (S28) | Series 28 | 02/01/1990 |
|  | Municipal Securities Principal Examination (S53) | Series 53 | 04/04/1989 |
|  | General Securities Principal Examination (S24) | Series 24 | 05/13/1988 |

General Industry/Product Exams

| | Exam | Category | Date |
|---|--|----------|------------|
|  | Securities Industry Essentials Examination (SIE) | SIE | 11/17/2017 |
|  | General Securities Representative Examination (S7) | Series 7 | 10/20/1984 |
|  | Investment Company Products/Variable Contracts Representative Examination (S6) | Series 6 | 12/08/1981 |

State Securities Law Exams

| | Exam | Category | Date |
|--|--|-----------|------------|
|  |  Uniform Combined State Law Examination (S66) | Series 66 | 11/08/2001 |
| |  Uniform Securities Agent State Law Examination (S63) | Series 63 | 10/13/1983 |



PROFESSIONAL DESIGNATIONS

This section details that the representative has reported **0** professional designation(s).

No information reported.



Registration & Employment History

PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

| | Registration Dates | Firm Name | ID# | Branch Location |
|----|-------------------------|---|-------------|------------------|
| B | 04/28/2009 - 11/17/2017 | PROSPERA FINANCIAL SERVICES, INC. | CRD# 10740 | WILKES-BARRE, PA |
| IA | 04/28/2009 - 11/17/2017 | PROSPERA FINANCIAL SERVICES, INC. | CRD# 10740 | WILKES-BARRE, PA |
| IA | 05/09/2005 - 04/27/2009 | SPC | CRD# 110692 | WILKES BARRE, PA |
| B | 04/14/2005 - 04/27/2009 | SAMMONS SECURITIES COMPANY, LLC | CRD# 115368 | WILKES BARRE, PA |
| IA | 04/06/2004 - 04/20/2005 | FIRST SECURITY ASSET MANAGEMENT | CRD# 24035 | KINGSTON, PA |
| B | 03/09/2005 - 04/14/2005 | AMERICAN CAPITAL PARTNERS, LLC | CRD# 119249 | HAUPPAUGE, NY |
| B | 05/26/1989 - 03/22/2005 | FIRST SECURITY INVESTMENTS, INC. | CRD# 24035 | KINGSTON, PA |
| IA | 01/01/2002 - 03/22/2004 | FIRST SECURITY ASSET MANAGEMENT | CRD# 24035 | KINGSTON, PA |
| B | 06/21/1993 - 09/26/2000 | MONY SECURITIES CORPORATION | CRD# 4386 | NEW YORK, NY |
| B | 10/27/1988 - 06/10/1989 | JOSEPHTHAL & CO., INCORPORATED | CRD# 475 | |
| B | 03/16/1988 - 11/03/1988 | H. BECK, INC. | CRD# 1763 | |
| B | 10/26/1984 - 03/26/1988 | A. F. BEST SECURITIES, INC. | CRD# 14335 | |
| B | 06/03/1982 - 11/23/1984 | MONY SECURITIES CORP. | CRD# 4386 | |
| B | 12/18/1981 - 11/23/1984 | THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK | CRD# 2873 | |



Registration & Employment History

EMPLOYMENT HISTORY

Below is the representative's employment history for up to the last 10 years.

| Employment Dates | Employer Name | Position | Investment Related | Employer Location |
|-------------------|-----------------------------------|-------------------------------|--------------------|-------------------------------|
| 11/2017 - Present | Capital Markets IQ, LLC | IAR REGISTERED REPRESENTATIVE | Y | Wilmington, DE, United States |
| 04/2009 - 11/2017 | PROSPERA FINANCIAL SERVICES, INC. | REGISTERED REP | Y | DALLAS, TX, United States |

OTHER BUSINESS ACTIVITIES

This section includes information, if any, as provided by the representative regarding other business activities the representative 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.

No information reported.



Disclosure Summary

Disclosure Information

What you should know about reported disclosure events:

(1) Certain thresholds must be met before an event is reported to IARD, for example:

- A law enforcement agency must file formal charges before an Investment Adviser Representative is required to report a particular criminal event.;
- A customer dispute must involve allegations that an Investment Adviser Representative engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.

(2) Disclosure events in IAPD reports come from different sources:

As mentioned in the "About IAPD" section on page 1 of this report, information contained in IAPD comes from Investment Adviser Representatives, 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 IAPD report. The different versions will be separated by a solid line with the reporting source labeled.

(3) There are different statuses and dispositions for disclosure events:

- A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" disclosure event involves allegations that have not been proven or formally adjudicated.
 - A disclosure event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" disclosure event has been concluded and its resolution is not subject to change.
- A final disclosure 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 represents a disposition wherein the parties involved in a dispute reach an agreement to resolve the matter. Please note that Investment Adviser Representatives and firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually includes a disposition wherein no payment is made to the customer or there is no finding of wrongdoing on the part of the Investment Adviser Representative. Such matters generally involve customer disputes.

(4) You may wish to contact the Investment Adviser Representatives to obtain further information regarding any of the disclosure events contained in this IAPD report.



DISCLOSURE EVENT DETAILS

When evaluating this information, please keep in mind that some items may involve pending actions or allegations that may be contested and have not been resolved or proven. The event may, in the end, be withdrawn, dismissed, resolved in favor of the Investment Adviser Representative, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to the Investment Adviser Registration Depository. Some of the specific data fields contained in the report may be blank if the information was not provided.

The following types of events are disclosed about this representative:

| Type | Count |
|------------------|-------|
| Regulatory Event | 2 |
| Civil Event | 1 |
| Customer Dispute | 1 |

Regulatory Event

This disclosure event may include a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a federal regulator such as the Securities and Exchange Commission or the Commodities Futures Trading Commission, or a foreign financial regulatory body) for a violation of investment-related rules or regulations. This disclosure event may also include a revocation or suspension of an Investment Adviser Representative's authority to act as an attorney, accountant or federal contractor.

Disclosure 1 of 2

Reporting Source: Regulator

Regulatory Action Initiated By: NASD

Sanction(s) Sought:

Date Initiated: 05/03/2005

Docket/Case Number: [C9A050022](#)

Employing firm when activity occurred which led to the regulatory action: FIRST SECURITY INVESTMENTS, INC.

Product Type:

Allegations: NASD RULES 3110, 2110 - RESPONDENT, ACTING ON BEHALF OF HIS MEMBER FIRM, AFTER RISKLESS PRINCIPAL TRANSACTIONS, FAILED TO ENSURE THAT HIS MEMBER FIRM DISCLOSED THE AMOUNT OF ITS MARKUP/DOWNS ON THE CONFIRMATION THAT IT SENT TO ITS PUBLIC CUSTOMERS.

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: 05/03/2005

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

Regulator Statement WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, FIRM IS CENSURED AND FINED \$35,000. FINES PAID ON 05/21/2009.

.....

Reporting Source: Individual

Regulatory Action Initiated By: NASD

Sanction(s) Sought: Other

Other Sanction(s) Sought: AWC \$35,000 FINE AND CENSURE

Date Initiated: 04/01/2005

Docket/Case Number: N/A

Employing firm when activity occurred which led to the regulatory action: FIRST SEURITY INVESTMENTS

Product Type: Equity - OTC

Other Product Type(s):

Allegations: FAILURE TO DISCLOSE MARKUPS/MARKDOWNS

Current Status: Final

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 04/01/2005

Sanctions Ordered: Censure
Monetary/Fine \$35,000.00

Other Sanctions Ordered:

Sanction Details: \$35,000 JOINT AND SEVERAL AGAINST ME AND THE FIRM. PAYMENT ARRANGEMENTS PENDING WITH NASD.

Disclosure 2 of 2

Reporting Source: Regulator

Regulatory Action Initiated By: NEW JERSEY BUREAU OF SECURITIES

Sanction(s) Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s) Sought: MONETARY PENALTY



Date Initiated: 12/04/2003

Docket/Case Number: 1999-131

Employing firm when activity occurred which led to the regulatory action: FIRST SECURITIES INVESTMENT, INC

Product Type: Equity - OTC

Other Product Type(s):

Allegations: FIRM LET FOUR REPS TRADE FOR 3 WEEK PERIOD WHILE THEY WERE NOT REGISTERED IN NEW JERSEY.

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: 11/16/2005

Sanctions Ordered: Monetary/Fine \$55,000.00

Other Sanctions Ordered:

Sanction Details: ALINIKOFF FAILED TO REASONABLY SUPERVISE 4 AGENTS AS TO EACH OFFER AND SALE OF SECURITIES INTO, FROM AND WITHIN NEW JERSEY WHILE THEY WERE EMPLOYED BY FIRST SECURITY, BUT NOT REGISTERED AS AGENTS.

.....

Reporting Source: Individual

Regulatory Action Initiated By: STATE OF NJ BUREAU OF SECURITIES

Sanction(s) Sought:

Date Initiated: 12/04/2003

Docket/Case Number: NONE

Employing firm when activity occurred which led to the regulatory action: FIRST SECURITY INVESTMENTS, INC.

Product Type: Equity-OTC

Allegations: FAILURE TO SUPERVISE BY PUTTING A PROCEDURE IN PLACE TO ALLOW CLIENTS TO EXECUTES TRADES WHILE RESIDING IN THE STATE OF NJ WHILE THEIR BROKERS WERE TRANSFERRING TO FSI FROM ANOTHER FIRM AND NOT YET RELICENSED IN NJ.
NJ ALLEGES 4 REPS UNDER STEVE ALINIKOFF'S SUPERVISION AFFECTED TRANSACTIONS WHILE UNREGISTERED IN THE STATE OF NJ.

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? | Yes |
| Resolution Date: | 11/16/2005 |
| Sanctions Ordered: | Civil and Administrative Penalty(ies)/Fine(s) |
| Monetary Sanction 1 of 1 | |
| Monetary Related Sanction: | Civil and Administrative Penalty(ies)/Fine(s) |
| Total Amount: | \$55,500.00 |
| Portion Levied against individual: | \$31,500.00 |
| Payment Plan: | |
| Is Payment Plan Current: | No |
| Date Paid by individual: | 09/29/2010 |
| Was any portion of penalty waived? | No |
| Amount Waived: | |
| Broker Statement | The State of NJ Bureau of Securities filed an administrative order against me, FSI, and four registered reps at FSI for activity in 1997. The state alleged that I failed to supervise reps moving from other firms to FSI by allowing them to do business in NJ before they were registered. I vigorously disagreed with this allegation. I did supervise the registered reps at FSI and there was a procedure in place to allow clients to execute transactions while their registered reps transferred from a prior firm to FSI |



Civil Event

This disclosure event involves an injunction issued by a foreign or domestic court in connection with investment-related activity, a finding by a domestic or foreign court of a violation of any investment-related statute or regulation, or an action dismissed by a domestic or foreign court pursuant to a settlement agreement.

Disclosure 1 of 1

| | |
|---|---|
| Reporting Source: | Regulator |
| Initiated By: | NEW JERSEY BUREAU OF SECURITIES |
| Relief Sought: | Civil and Administrative Penalty(ies)/Fine(s) |
| Date Court Action Filed: | 09/29/2010 |
| Date Notice/Process Served: | 09/29/2010 |
| Product Type: | No Product |
| Type of Court: | State Court |
| Name of Court: | SUPERIOR COURT OF NEW JERSEY; LAW DIVISION |
| Location of Court: | ESSEX COUNTY, NJ |
| Docket/Case #: | ESX-L-395-10 |
| Employing firm when activity occurred which led to the action: | FIRST SECURITY INVESTMENTS,INC. (CRD# 24035) |
| Allegations: | ALINIKOFF IS THE SUBJECT OF FINAL DECISION AND CONSENT ORDER OF ASSESSMENT OF CIVIL MONETARY PENALTIES ("ORDER") ENTERED ON NOVEMBER 16, 2005 (AMENDED JULY 20, 2006 AS TO ANOTHER PARTY NAMED IN THE ORDER). THE ORDER ASSESSED A CIVIL MONETARY PENALTY AGAINST THE DEFENDANT JOINTLY AND SEVERALLY, IN THE AMOUNT OF \$55,500, PURSUANT TO N.J.S.A. 49:3-56(H), N.J.S.A. 49:3-58(A) (2) (XI) , AND N.J.S.A. 49:3-70.1. THE DEFENDANT HAS ONLY PAID THE BUREAU \$31,500 OF THE ENTIRE CIVIL MONETARY ASSESSMENT. THUS, \$24,000 REMAINS DUE AND OWING FROM THE DEFENDANT. |
| Current Status: | Final |
| Resolution: | Consent |
| Resolution Date: | 09/29/2010 |
| Sanctions Ordered or Relief Granted: | Civil and Administrative Penalty(ies)/Fine(s) Other: THE DEFENDANT IS DIRECTED TO PAY THE REMAINING SUM OF \$24,000 AS MANDATED IN THE ORDER. THE CLERK OF THE SUPERIOR COURT OF NEW JERSEY SHALL RECORD THE ORDER ASSESSING A PENALTY OF \$55,500 AGAINST THE DEFENDANT ON THE JUDGMENT DOCKET OF THE COURT, AND REFLECT THE PAYMENT OF \$31,500 ALREADY MADE BY THE DEFENDANT. |

Monetary Sanction 1 of 1

| | |
|------------------------------------|---------------|
| Monetary Sanction: | Monetary Fine |
| Total Amount: | \$55,000.00 |
| Portion against individual: | 55000 |
| Date Paid: | 09/29/2010 |
| Portion Waived: | No |

**Amount Waived:**
.....

Reporting Source: Individual

Initiated By: NEW JERSEY BUREAU OF SECURITIES

Relief Sought: Civil and Administrative Penalty(ies)/Fine(s)

Date Court Action Filed: 09/29/2010

Date Notice/Process Served: 09/29/2010

Product Type: No Product

Type of Court: State Court

Name of Court: SUPERIOR COURT OF NEW JERSEY; LAW DIVISION

Location of Court: ESSEX COUNTY, NJ

Docket/Case #: ESX-L-395-10

Employing firm when activity occurred which led to the action: FIRST SECURITY INVESTMENTS,INC. (CRD# 24035)

Allegations: ALINIKOFF IS THE SUBJECT OF FINAL DECISION AND CONSENT ORDER OF ASSESSMENT OF CIVIL MONETARY PENALTIES ("ORDER") ENTERED ON NOVEMBER 16, 2005 (AMENDED JULY 20, 2006 AS TO ANOTHER PARTY NAMED IN THE ORDER). THE ORDER ASSESSED A CIVIL MONETARY PENALTY AGAINST THE DEFENDANT JOINTLY AND SEVERALLY, IN THE AMOUNT OF \$55,500, PURSUANT TO N.J.S.A. 49:3-56(H), N.J.S.A. 49:3-58(A) (2) (XI) , AND N.J.S.A. 49:3-70.1. THE DEFENDANT HAS ONLY PAID THE BUREAU \$31,500 OF THE ENTIRE CIVIL MONETARY ASSESSMENT. THUS, \$24,000 REMAINS DUE AND OWING FROM THE DEFENDANT.

Current Status: Final

Resolution: Consent

Resolution Date: 09/29/2010

Sanctions Ordered or Relief Granted: Civil and Administrative Penalty(ies)/Fine(s)
Other: THE DEFENDANT IS DIRECTED TO PAY THE REMAINING SUM OF \$24,000 AS MANDATED IN THE ORDER. THE CLERK OF THE SUPERIOR COURT OF NEW JERSEY SHALL RECORD THE ORDER ASSESSING A PENALTY OF \$55,500 AGAINST THE DEFENDANT ON THE JUDGMENT DOCKET OF THE COURT, AND REFLECT THE PAYMENT OF \$31,500 ALREADY MADE BY THE DEFENDANT.

Monetary Sanction 1 of 1

Monetary Sanction: Monetary Fine

Total Amount: \$55,000.00

Portion against individual: 55000

Date Paid: 09/29/2010

Portion Waived: No

Amount Waived:

Broker Statement This matter is the civil case that followed the regulatory action disclosed under



14D(1)(b) & (d) below. The State of NJ Bureau of Securities filed this case to enforce collection of the remaining portion the monetary fine ordered in 2005 in the related regulatory matter. As stated below, I vigorously disagreed with the state's conclusion in the regulatory matter. I have paid a substantial portion of the fine assessed but the other four registered reps involved in the matter have paid zero. The state seeks to hold me jointly liable.



Customer Dispute

This section provides information regarding a customer dispute that was reported to the Investment Adviser Registration Depository (IARD) by the Investment Adviser Representative (IAR), an investment adviser and/or securities firm, and/or a securities regulator. The event may include a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit that contains allegations of sales practice violations against the individual.

The customer dispute may be pending or may have resulted in a civil judgment, arbitration award, monetary settlement, closure without action, withdrawal, dismissal, denial, or other outcome.

Disclosure 1 of 1

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: FIRST SECURITY INVESTMENTS, INC.

Allegations: AUGUST 1999 THE FIRM FIRST SECURITRY FAILED TO SUPERVISE REPRESENTATIVES BY ALLOWING EXCESSIVE AND UNSUITABLE TRADING AND UNSUITABLE USE OF MARGINS.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$180,000.00

Customer Complaint Information

Date Complaint Received: 05/08/2006

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 05/09/2006

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD-DR ARBITRATION NUMBER 06-00591

Date Notice/Process Served: 05/09/2006

Arbitration Pending? No

Disposition: Settled

Disposition Date: 02/05/2008

Monetary Compensation Amount: \$7,500.00

Individual Contribution Amount: \$5,000.00



End of Report

This page is intentionally left blank.