



IAPD Report

PATRICK MICHAEL MENDENHALL

CRD# 1068809

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Qualifications	2 - 6
Registration and Employment History	8 - 9
Disclosure Information	10



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

PATRICK MICHAEL MENDENHALL (CRD# 1068809)

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 **09/28/2026**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	USCA SECURITIES LLC	CRD# 103789	04/20/2010
IA	ARAX ADVISORY PARTNERS	CRD# 133535	08/07/2026

QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **51** 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
IA	U.S. CAPITAL WEALTH ADVISORS, LLC	288199	HOUSTON, TX	06/30/2021 - 08/21/2026
IA	USCA ASSET MANAGEMENT LLC	137045	HOUSTON, TX	05/26/2016 - 08/24/2021
IA	USCA RIA LLC	152170	HOUSTON, TX	01/06/2010 - 06/30/2021

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
Customer Dispute	4



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 **51** jurisdiction(s) and 1 SRO(s) through his or her employer(s).

Employment 1 of 2

Firm Name: **ARAX ADVISORY PARTNERS**
Main Address: 10 EAST 53RD STREET
14TH FLOOR
NEW YORK, NY 10022
Firm ID#: 133535

	Regulator	Registration	Status	Date
IA	Texas	Investment Adviser Representative	Approved	08/07/2026

Branch Office Locations

ARAX ADVISORY PARTNERS
4444 Westheimer Road
Suite G500
Houston, TX 77027

Employment 2 of 2

Firm Name: **USCA SECURITIES LLC**
Main Address: 4444 WESTHEIMER
SUITE G500
HOUSTON, TX 77027
Firm ID#: 103789

	Regulator	Registration	Status	Date
B	FINRA	General Securities Representative	Approved	04/20/2010
B	FINRA	General Securities Sales Supervisor	Approved	04/21/2010
B	FINRA	General Securities Principal	Approved	04/26/2010
B	Alabama	Agent	Approved	12/08/2010
B	Alaska	Agent	Approved	05/13/2014



Qualifications

	Regulator	Registration	Status	Date
B	Arizona	Agent	Approved	10/29/2010
B	Arkansas	Agent	Approved	10/13/2010
B	California	Agent	Approved	08/25/2010
B	Colorado	Agent	Approved	10/18/2010
B	Connecticut	Agent	Approved	08/26/2010
B	Delaware	Agent	Approved	10/27/2010
B	District of Columbia	Agent	Approved	12/06/2010
B	Florida	Agent	Approved	08/26/2010
B	Georgia	Agent	Approved	01/07/2011
B	Hawaii	Agent	Approved	11/01/2010
B	Idaho	Agent	Approved	10/04/2010
B	Illinois	Agent	Approved	08/24/2010
B	Indiana	Agent	Approved	12/14/2010
B	Iowa	Agent	Approved	01/05/2011
B	Kansas	Agent	Approved	01/21/2011
B	Kentucky	Agent	Approved	05/25/2011
B	Louisiana	Agent	Approved	10/07/2010
B	Maine	Agent	Approved	03/24/2011
B	Maryland	Agent	Approved	08/25/2010



Qualifications

	Regulator	Registration	Status	Date
B	Massachusetts	Agent	Approved	09/03/2010
B	Michigan	Agent	Approved	02/04/2011
B	Minnesota	Agent	Approved	11/24/2010
B	Mississippi	Agent	Approved	10/18/2010
B	Missouri	Agent	Approved	02/04/2011
B	Montana	Agent	Approved	05/13/2014
B	Nevada	Agent	Approved	01/07/2011
B	New Hampshire	Agent	Approved	08/26/2010
B	New Jersey	Agent	Approved	08/25/2010
B	New Mexico	Agent	Approved	11/24/2010
B	New York	Agent	Approved	08/24/2010
B	North Carolina	Agent	Approved	10/07/2010
B	Ohio	Agent	Approved	12/07/2010
B	Oklahoma	Agent	Approved	10/01/2010
B	Oregon	Agent	Approved	10/12/2010
B	Pennsylvania	Agent	Approved	12/10/2010
B	Puerto Rico	Agent	Approved	11/14/2024
B	Rhode Island	Agent	Approved	08/25/2010
B	South Carolina	Agent	Approved	10/27/2010



Qualifications

Regulator	Registration	Status	Date
B South Dakota	Agent	Approved	11/24/2014
B Tennessee	Agent	Approved	08/27/2010
B Texas	Agent	Approved	04/28/2010
B Utah	Agent	Approved	10/04/2010
B Vermont	Agent	Approved	02/10/2011
B Virgin Islands	Agent	Approved	01/13/2011
B Virginia	Agent	Approved	10/04/2010
B Washington	Agent	Approved	10/01/2010
B West Virginia	Agent	Approved	10/24/2010
B Wisconsin	Agent	Approved	01/27/2011
B Wyoming	Agent	Approved	10/25/2010

Branch Office Locations

4444 Westheimer
SUITE G500
HOUSTON, TX 77027



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
	General Securities Sales Supervisor - Options Module Examination (S9)	Series 9	01/02/2023
	General Securities Sales Supervisor - General Module Examination (S10)	Series 10	01/02/2023
	General Securities Principal Examination (S24)	Series 24	04/24/2010
	General Securities Sales Supervisor Examination (Options Module & General Module) (S8)	Series 8	11/19/1990

General Industry/Product Exams

	Exam	Category	Date
	Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
	National Commodity Futures Examination (S3)	Series 3	08/22/1997
	General Securities Representative Examination (S7)	Series 7	10/16/1982

State Securities Law Exams

	Exam	Category	Date
	Uniform Investment Adviser Law Examination (S65)	Series 65	10/17/1994
	Uniform Securities Agent State Law Examination (S63)	Series 63	11/10/1982



PROFESSIONAL DESIGNATIONS

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

No information reported.

Only professional designations listed in Question 8 of the Form U4 will appear in this section if the appropriate box is checked and verified by the issuing organization at the time of the filing. Learn more about eligible designations at [IARD](#) and [NASAA](#).



Registration & Employment History

PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

	Registration Dates	Firm Name	ID#	Branch Location
IA	06/30/2021 - 08/21/2026	U.S. CAPITAL WEALTH ADVISORS, LLC	CRD# 288199	HOUSTON, TX
IA	05/26/2016 - 08/24/2021	USCA ASSET MANAGEMENT LLC	CRD# 137045	HOUSTON, TX
IA	01/06/2010 - 06/30/2021	USCA RIA LLC	CRD# 152170	HOUSTON, TX
B	08/16/1990 - 08/17/2009	UBS FINANCIAL SERVICES INC.	CRD# 8174	HOUSTON, TX
IA	08/16/1990 - 08/17/2009	UBS FINANCIAL SERVICES INC.	CRD# 8174	HOUSTON, TX
B	05/22/1989 - 08/21/1990	SMITH BARNEY, HARRIS UPHAM & CO., INCORPORATED	CRD# 7059	NEW YORK, NY
B	01/22/1986 - 05/22/1989	DREXEL BURNHAM LAMBERT INCORPORATED	CRD# 7323	
B	12/23/1983 - 01/31/1986	SHEARSON LEHMAN BROTHERS INC.	CRD# 7506	
B	01/13/1984 - 06/27/1984	LEHMAN BROTHERS KUHN LOEB INCORPORATED	CRD# 7555	
B	10/20/1982 - 12/21/1983	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	CRD# 7691	

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
06/2026 - Present	Arax Advisory Partners	Managing Partner	Y	Houston, TX, United States
10/2017 - Present	USCA ASSET MANAGEMENT LLC	CHIEF EXECUTIVE OFFICER	Y	HOUSTON, TX, United States
10/2009 - Present	U.S. CAPITAL ADVISORS, LLC	CHIEF EXECUTIVE OFFICER	Y	HOUSTON, TX, United States
10/2009 - Present	USCA SECURITIES LLC	CHIEF EXECUTIVE OFFICER	Y	HOUSTON, TX, United States
06/2021 - 06/2026	U.S. CAPITAL WEALTH ADVISORS, LLC	Managing Partner	Y	AUSTIN, TX, United States



Registration & Employment History



EMPLOYMENT HISTORY

Employment Dates	Employer Name	Position	Investment Related	Employer Location
10/2009 - 06/2021	USCA RIA LLC	CHIEF EXECUTIVE OFFICER	Y	HOUSTON, 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.

1. OSU FOUNDATION, INVESTMENT-RELATED, CORVALLIS, OR, NON-PROFIT UNIVERSITY FOUNDATION, TRUSTEE ON FOUNDATION INVESTMENT COMMITTEE BOARD, 2009, DEVOTE 2 HRS PER MONTH, DEVOTE 0 HRS PER MONTH DURING SECURITIES TRADING HRS.
2. MENDENHALL FAMILY RANCH, NON-INVESTMENT RELATED, BRENHAM, TX, 2007, DEVOTE 0 HRS DURING SECURITIES TRADING HRS, 100% OWNER OF FAMILY RANCH.
3. Mendenhall P25 LLC, Investment-related, Houston, TX, Hold private investment, Managing Member, 4/18, >1 hr/month, none during market hours
4. BC25 Partners LLC; Investment-related; Houston, TX; Limited partner; 2015; 0 hours/month; 0 hours during trading hours
5. BC25 Partners II LLC; Investment-related; Houston, TX; Limited partner; 2015; 0 hours/month; 0 hours during trading hours
6. Mendenhall TF, LLC; Investment-related; Houston, TX; Limited partner; 2014; 0 hours/month; 0 hours during market hours



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
Customer Dispute	4

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 4

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: USCA SECURITIES LLC

Allegations: Client is a family limited partnership that was managed by a sophisticated investor with decades of experience recruiting for the financial services industry, experience investing in options, stocks, private placements, and hedge funds, and a thirty-year relationship with Mr. Mendenhall. In connection with the account in question, the client indicated a net worth of over \$20 million, an aggressive risk tolerance, and a primary objective of capital appreciation. The Client complains of losses and missed opportunity related to a specific stock (and options on that stock) in a specific account. The stock was first purchased by the client over eight years ago. The manager of the family limited partnership maintained other accounts with the firm and overall had gains while at the firm. The client was actively involved in managing the stock and all transactions were discussed with the client.

Product Type: Equity Listed (Common & Preferred Stock)
Options

Alleged Damages: \$5,000,000.00

Arbitration Information

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

Docket/Case #: 24-00096

Date Notice/Process Served: 01/12/2024



Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	06/26/2025
Monetary Compensation Amount:	\$2,500,000.00
Individual Contribution Amount:	\$0.00
Broker Statement	Matter was settled solely to avoid the continued burden, inconvenience, unpredictability, and high cost of litigation. Claimants acknowledged that USCA and Pat Mendenhall deny any liability with respect to the claims set forth in the Arbitration or any other matter.

Disclosure 2 of 4

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	USCA SECURITIES LLC
Allegations:	Client is an experienced investor with an estimated net worth of over \$6.5 million who actively monitored and participated in investment decisions in his accounts. Client complains of losses and missed opportunity related to specific investments that go back five years, but overall his accounts were profitable while at USCA. One security the client complains about was initially recommended by USCA, but the client continued to make unsolicited purchases when the security's price had already started to decline. The client also makes claims related to missed opportunity in another stock that was sold as part of an agreed upon covered call strategy but later increased in price.
Product Type:	Equity Listed (Common & Preferred Stock) Options
Alleged Damages:	\$3,000,000.00
Alleged Damages Amount Explanation (if amount not exact):	Client complains of losses in equity and opportunity of approximately this amount.
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:	10/05/2023
Complaint Pending?	No
Status:	Evolved into Arbitration/CFTC reparation (the individual is a named party)
Status Date:	02/07/2024
Settlement Amount:	
Individual Contribution Amount:	

Arbitration Information



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

FINRA

Docket/Case #:

[24-00007](#)

Date Notice/Process Served:

01/09/2024

Arbitration Pending?

No

Disposition:

Award to Customer

Disposition Date:

06/03/2025

Monetary Compensation Amount:

\$2,894,668.25

Individual Contribution Amount:

\$0.00

Broker Statement

Client was serviced by another advisor who, along with the client, built a position in a specific security over four years. The panel reimbursed the client for the entire position which made up the vast majority of the award, even though the client approved and gave orders to buy. Panel also rescinded sales in two out of multiple stocks that were sold as part of orders I took and the client agreed to in order to pay off margin. Market recovered from 2022 lows and client wanted his stocks back after seeing how they performed. The rest of the client's complaints were rejected by the panel. The client's account was very profitable during the time that I was his advisor.

Disclosure 3 of 4

Reporting Source:

Individual

Employing firm when activities occurred which led to the complaint:

USCA Securities, LLC

Allegations:

Plaintiff makes various legal claims related to recommendations to purchase and hold a particular security. The specific security and activity dates are not specified.

Product Type:

Other: Not specified

Alleged Damages:

\$1,000,000.00

Alleged Damages Amount Explanation (if amount not exact):

Exact amount not specified. Per pleading, monetary relief sought exceeds \$1,000,000.

Civil Litigation Information

Type of Court:

State Court

Name of Court:

333rd Judicial District Court

Location of Court:

Harris County, TX

Docket/Case #:

2019-71563

Date Notice/Process Served:

10/01/2019

Litigation Pending?

No

Disposition:

Settled

Disposition Date:

08/10/2020



Monetary Compensation Amount: \$200,000.00

Individual Contribution Amount: \$0.00

Broker Statement Client is an experienced, sophisticated investor who overall made money in his USCA accounts, settled for less than cost of defense, and there was no contribution by Mr. Mendenhall.

Disclosure 4 of 4

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: PAINWEBBER INC.

Allegations: CLAIMANTS ALLEGE BREACH OF FIDUCIARY DUTY, NEGLIGENCE, EXCESSIVE TRADING, UNSUITABILITY, UNAUTHORIZED TRADING OF THEIR ACCOUNTS AND FAILURE TO SUPERVISE.

Product Type: Equity-OTC

Alleged Damages: \$1,446,335.00

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: 10/09/2000

Complaint Pending? No

Status: Settled

Status Date: 10/09/2000

Settlement Amount: \$0.00

Individual Contribution Amount: \$0.00

Arbitration Information

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

Docket/Case #: 00-03873

Date Notice/Process Served: 10/09/2000

Arbitration Pending? No

Disposition: Settled

Disposition Date: 09/11/2001

Monetary Compensation Amount: \$650,000.00

Individual Contribution Amount: \$0.00



Broker Statement

MATTER SETTLED IN MEDIATION ON 9/11/2001 WITH INTENT AND VERBAL AGREEMENT THAT MR. MENDENHALL BE RELEASED FROM ALL CLAIMS AS THERE WAS NO FAILURE TO SUPERVISE ON HIS PART, DUE TO EVENTS OF THAT DAY THIS WAS OVERLOOKED.



End of Report

This page is intentionally left blank.