



IAPD Report

GILBERT ANTHONY KUTA

CRD# 1084075

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Qualifications	2 - 4
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

GILBERT ANTHONY KUTA (CRD# 1084075)

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 **03/26/2026**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	AEGIS CAPITAL CORP.	CRD# 15007	02/28/2020
IA	AEGIS CAPITAL CORP.	CRD# 15007	03/03/2020

QUALIFICATIONS

This representative is currently registered in **3** SRO(s) and **16** 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	CAPITOL SECURITIES MANAGEMENT, INC.	14169	TIMONIUM, MD	10/23/2013 - 03/02/2020
B	CAPITOL SECURITIES MANAGEMENT, INC.	14169	TIMONIUM, MD	08/31/2009 - 03/02/2020
B	RBC CAPITAL MARKETS CORPORATION	31194	HUNT VALLEY, MD	03/13/2009 - 09/08/2009

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	4
Customer Dispute	12
Termination	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 **16** jurisdiction(s) and 3 SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **AEGIS CAPITAL CORP.**
Main Address: 1345 AVENUE OF THE AMERICAS
27TH FLOOR
NEW YORK, NY 10105
Firm ID#: 15007

Regulator	Registration	Status	Date
B FINRA	General Securities Representative	Approved	02/28/2020
B NYSE Arca, Inc.	General Securities Representative	Approved	02/28/2020
B Nasdaq Stock Market	General Securities Representative	Approved	02/28/2020
B Alabama	Agent	Approved	10/21/2025
B California	Agent	Approved	10/25/2022
B Delaware	Agent	Approved	02/28/2020
B District of Columbia	Agent	Approved	02/28/2020
B Florida	Agent	Approved	02/28/2020
B Georgia	Agent	Approved	10/27/2022
B Maryland	Agent	Approved	03/02/2020
IA Maryland	Investment Adviser Representative	Approved	03/03/2020
B Nevada	Agent	Approved	03/05/2020
B North Carolina	Agent	Approved	03/05/2020



Qualifications

Regulator	Registration	Status	Date
B Ohio	Agent	Approved	02/28/2020
B Pennsylvania	Agent	Approved	03/03/2020
B South Carolina	Agent	Approved	03/02/2020
B Texas	Agent	Approved	03/27/2026
B Virginia	Agent	Approved	03/09/2020
B Washington	Agent	Approved	03/05/2020
B West Virginia	Agent	Approved	02/28/2020

Branch Office Locations

AEGIS CAPITAL CORP.
201 W. PADONIA RD.
SUITE 300
TIMONIUM, MD 21093



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 0 principal/supervisory exams, 4 general industry/product exams, and 2 state securities law exams.



Principal/Supervisory Exams

Exam	Category	Date
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No information reported.



General Industry/Product Exams

Exam	Category	Date
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 Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
 Futures Managed Funds Examination (S31)	Series 31	10/02/2003
 Foreign Currency Options Examination (S15)	Series 15	09/14/1985
 General Securities Representative Examination (S7)	Series 7	12/18/1982

State Securities Law Exams

Exam	Category	Date
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 Uniform Investment Adviser Law Examination (S65)	Series 65	10/16/2013
 Uniform Securities Agent State Law Examination (S63)	Series 63	01/07/1983

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
IA	10/23/2013 - 03/02/2020	CAPITOL SECURITIES MANAGEMENT, INC.	CRD# 14169	TIMONIUM, MD
B	08/31/2009 - 03/02/2020	CAPITOL SECURITIES MANAGEMENT, INC.	CRD# 14169	TIMONIUM, MD
B	03/13/2009 - 09/08/2009	RBC CAPITAL MARKETS CORPORATION	CRD# 31194	HUNT VALLEY, MD
B	02/17/1994 - 03/13/2009	FERRIS, BAKER WATTS, LLC	CRD# 285	HUNT VALLEY, MD
B	07/31/1993 - 01/31/1994	SMITH BARNEY SHEARSON INC.	CRD# 7059	NEW YORK, NY
B	12/19/1992 - 07/31/1993	LEHMAN BROTHERS INC.	CRD# 7506	NEW YORK, NY
B	09/01/1989 - 12/11/1992	PAINWEBBER INCORPORATED	CRD# 8174	WEEHAWKEN, NJ
B	02/13/1985 - 09/06/1989	A. G. EDWARDS & SONS, INC.	CRD# 4	ST. LOUIS, MO
B	07/17/1984 - 02/15/1985	LIDLAW ANSBACHER INCORPORATED	CRD# 1481	
B	12/22/1982 - 06/11/1984	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
02/2020 - Present	AEGIS CAPITAL CORP	REGISTERED REPRESENTATIVE	Y	TIMONIUM, MD, United States
08/2009 - 02/2020	CAPITOL SECURITIES	SENIOR VP-INVESTMENTS	Y	MCLEAN, VA, United States



Registration & Employment History

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) Name of Business: CASEY CARES FOUNDATION

Investment-related: No

Address: 7100 Columbia Gateway Dr Suite 155, Columbia, MD 21046

Nature of the other business: PROVIDES UPLIFTING PROGRAMS WITH A PERSONAL TOUCH FOR CRITICALLY ILL KIDS AND THEIR FAMILIES

Position, title, or relationship with the other business: BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, INVESTMENT COMMITTEE

Start date: 01/01/2009.

Approx number of hours/month you devote to the other business: 5-10 hours per month

Approx number of hours/month you devote to the other business during securities trading hours: 0

Describe your duties relating to the other business: BOARD DIRECTOR, Fundraising

2) Name of Business: ACC Agency, Inc

1305 Walt Whitman Road, Suite 120, Melville, NY 11747

Description of Business: Insurance general agency. Company will hold appointments and process non-investment related insurance sales

Investment Related: Yes

Web Address/Business Card: No

Job Title: Producer/Agent

Compensation: Commission unknown

Approx number of hours/month you devote to the other business: 5-10

Approx number of hours/month you devote to the other business during securities trading hours: 5-10

Start Date: 06-26-2025



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	4
Customer Dispute	12
Termination	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 4

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	
Date Initiated:	07/27/2021
Docket/Case Number:	2017052215403
Employing firm when activity occurred which led to the regulatory action:	CAPITOL SECURITIES MANAGEMENT, INC.
Product Type:	No Product
Allegations:	Without admitting or denying the findings, Kuta consented to the sanctions and to the entry of findings that he exercised discretion without written authorization in customers' accounts. The findings stated that although the customers knew that Kuta was exercising discretion in their accounts, he did not have prior written authorization to do so from any of the customers. Additionally, Kuta's member firm had not approved any of these accounts for discretionary trading.
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:

07/27/2021

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: All Capacities
Duration: 10 Business Days
Start Date: 08/16/2021
End Date: 08/27/2021

Monetary Sanction 1 of 1

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)
Total Amount: \$5,000.00
Portion Levied against individual: \$5,000.00
Payment Plan:
Is Payment Plan Current:
Date Paid by individual: 08/13/2021
Was any portion of penalty waived? No

Amount Waived:

.....
Reporting Source: Individual
Regulatory Action Initiated By: FINRA
Sanction(s) Sought:
Date Initiated: 07/27/2021
Docket/Case Number: 2017052215403
Employing firm when activity occurred which led to the regulatory action: CAPITOL SECURITIES MANAGEMENT, INC.



Product Type:	No Product
Allegations:	Without admitting or denying the findings, Kuta consented to the sanctions and to the entry of findings that he exercised discretion without written authorization in customers' accounts. The findings stated that although the customers knew that Kuta was exercising discretion in their accounts, he did not have prior written authorization to do so from any of the customers. Additionally, Kuta's member firm had not approved any of these accounts for discretionary trading.
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:	07/27/2021
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Suspension
Sanction 1 of 1	
Sanction Type:	Suspension
Capacities Affected:	All Capacities
Duration:	10 business days
Start Date:	08/16/2021
End Date:	08/27/2021
Monetary Sanction 1 of 1	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$5,000.00
Portion Levied against individual:	\$5,000.00
Payment Plan:	
Is Payment Plan Current:	
Date Paid by individual:	07/29/2021
Was any portion of penalty waived?	No
Amount Waived:	
Disclosure 2 of 4	
Reporting Source:	Regulator
Regulatory Action Initiated By:	NYSE DIVISION OF ENFORCEMENT
Sanction(s) Sought:	
Other Sanction(s) Sought:	



Date Initiated: 11/12/1993

Docket/Case Number: NYSE 95-161

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

Product Type:

Other Product Type(s):

Allegations: **OCTOBER 16, 1995** STIPULATION AND CONSENT PENALTY FILED BY NYSE DIVISION OF ENFORCEMENT AND PENDING. WITHOUT ADMITTING OR DENYING GUILT, KUTA CONSENTS TO: a. FINDINGS THAT HE: (i) ENGAGED IN CONDUCT INCONSISTENT WITH JUST AND EQUITABLE PRINCIPLES OF TRADE BY EFFECTING UNAUTHORIZED TRADES IN THE ACCOUNTS OF CUSTOMERS OF HIS MEMBER ORGANIZATION EMPLOYER; AND (ii) VIOLATED RULE 352 (c) BY SHARING IN A LOSS IN THE ACCOUNT OF A CUSTOMER OF HIS MEMBER ORGANIZATION EMPLOYER. b. THE IMPOSITION BY THE EXCHANGE OF THE PEANLTY OF A CENSURE AND A ONE MONTH SUSPENSION FROM MEMBERSHIP, ALLIED MEMBERSHIP, APPROVED PERSON STATUS, AND FROM EMPLOYMENT OR ASSOCIATION IN ANY CAPACITY WITH ANY MEMBER OR MEMBER ORGANIZATION.

Current Status: Final

Resolution: Consent

Resolution Date: 01/04/1996

Sanctions Ordered: Censure
Suspension

Other Sanctions Ordered:

Sanction Details: **DECEMBER 7, 1995**DECISION: EFFECTED UNAUTHORIZED TRADES IN THE ACCOUNTS OF CUSTOMERS AND VIOLATED EXCHANGE RULE 352(c) -- CONSENT TO CENSURE AND ONE MONTH SUSPENSION.

Regulator Statement THE DECISION IS NOW FINAL AND EFFECTIVE DECEMBER 15, 1995 CONTACT: PEGGY GERMINO 212-656-8450

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Reporting Source: Individual

Regulatory Action Initiated By: NEW YORK STOCK EXCHANGE INC

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 11/12/1993

Docket/Case Number: NYSE 95-161

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



Product Type:

Other Product Type(s):

Allegations: UNAUTHORIZED TRADING; SHARING IN A CLIENT'S LOSS.

Current Status: Final

Resolution: Consent

Resolution Date: 01/04/1996

Sanctions Ordered: Censure
Suspension

Other Sanctions Ordered:

Sanction Details: AS A MATTER OF BUSINESS ECONOMICS, AND WITHOUT ADMITTING OR DENYING GUILT, I CONSENT TO FINDING THAT I EFFECTED UNAUTHORIZED TRADES IN TWO CUSTOMERS' ACCOUNTS AND SHARED IN ANOTHER CUSTOMER'S LOSS. I ACCEPTED A PENALTY OF A CENSURE AND ONE MONTH SUSPENSION.

Broker Statement IT WAS MY POSITION THAT THE CHARGES OF UNAUTHORIZED TRADING WERE UNWARRANTED, AS THE TRADES AT ISSUE WERE THE RESULT OF MISCOMMUNICATION WITH THE TWO CLIENTS AND DID NOT RESULT IN ANY LOSS TO THE CLIENT. I SETTLED THIS MATTER BECAUSE I ACKNOWLEDGE SHARING IN A SINGLE CLIENT'S NOMINAL LOSS AND IT WAS UNECONOMIC TO CONTEST ALL CHARGES AT ISSUE.

Disclosure 3 of 4

Reporting Source: Individual

Regulatory Action Initiated By: STATE OF MARYLAND

Sanction(s) Sought: Other

Other Sanction(s) Sought: CONDITIONAL REGISTRATION

Date Initiated: 03/04/1994

Docket/Case Number: UNKNOWN

Employing firm when activity occurred which led to the regulatory action: FERRIS BAKER WATTS

Product Type: No Product

Other Product Type(s):

Allegations: THE MARYLAND DIVISION OF SECURITIES ADVISED ME THAT IT WAS NOT PREPARED APPROVE MY APPLICATION FOR AGENT REGISTRATION UNLESS FERRIS, BAKER WATTS AND I AGREED TO SPECIAL SUPERVISORY PROCEDURES.

Current Status: Final

Resolution: Consent

Resolution Date: 03/10/1994



Sanctions Ordered:

Other Sanctions Ordered:

Sanction Details:

FERRIS, BAKER WATTS AND I AGREED TO THE SPECIAL SUPERVISORY PROCEDURES AND THE SECURITIES COMMISSIONER ISSUED AN ORDER GRANTING CONDITIONAL AGENT REGISTRATION. THE PROCEDURES REQUIRE ADDED SUPERVISION AND QUARTERLY REPORTING.

Broker Statement

MR. KUTA'S CONDITIONAL REGISTRATION WITH THE STATE OF MARYLAND WAS FOR A PERIOD OF TWELVE MONTHS COMMENCING MARCH 10, 1994. ALL STIPULATIONS IN THE ORDER WERE FULFILLED AND AS OF MARCH 10, 1995, MR. KUTA'S AGENT REGISTRATION WAS NO LONGER CONSIDERED CONDITIONAL.

Disclosure 4 of 4

Reporting Source:

Regulator

Regulatory Action Initiated By:

VIRGINIA - STATE CORPORATION COMMISSION

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated:

03/21/1994

Docket/Case Number:

SEC940017

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

FERRIS BAKER WATTS, INC.

Product Type:

Other Product Type(s):

Allegations:

Not Provided

Current Status:

Final

Resolution:

Consent

Resolution Date:

03/21/1994

Sanctions Ordered:

Other Sanctions Ordered:

Sanction Details:

BASED ON MR. KUTA'S DISCIPLINARY HISTORY HE AGREED TO BE BOUND BY, AND FERRIS BAKER WATTS INCORPORATED AGREED TO IMPLEMENT, THE PROVISIONS OF A SPECIAL SUPERVISION ORDER WHICH REQUIRES THE CONSTANT MONITORING OF MR. KUTA'S ACTIVITIES FOR A PERIOD OF NO LESS THAN 12 MONTHS.

Regulator Statement

CONTACT RHEA SHELTON, CHIEF OF REGISTRATION, 804-371-9610.

Reporting Source:

Individual

Regulatory Action Initiated By:

COMMONWEALTH OF VIRGINIA



Sanction(s) Sought:	Other
Other Sanction(s) Sought:	CONDITIONAL REGISTRATION
Date Initiated:	03/21/1994
Docket/Case Number:	SEC940017
Employing firm when activity occurred which led to the regulatory action:	FERRIS BAKER WATTS, INC.
Product Type:	No Product
Other Product Type(s):	
Allegations:	AS A CONDITION OF REGISTRATION AS AN AGENT IN VIRGINIA, THE STATE CORPORATION COMMISSION REQUIRED THAT I BE BOUND BY SPECIAL SUPERVISORY PROCEDURES SET FORTH IN AN ORDER IMPOSING THOSE PROCEDURES UPON ME AND FERRIS, BAKER WATTS; THE FIRM WITH WHICH I AM ASSOCIATED.
Current Status:	Final
Resolution:	Consent
Resolution Date:	03/21/1994
Sanctions Ordered:	
Other Sanctions Ordered:	
Sanction Details:	FERRIS, BAKER WATTS AND I CONSENTED TO THE TERMS OF THE SPECIAL SUPERVISORY PROCEDURES AND THE ORDER WAS ENTERED.
Broker Statement	ON JULY 31, 1996, THE COMMONWEALTH OF VIRGINIA ISSUED A DISMISSAL ORDER PERTAINING TO HIS CONDITIONAL REGISTRATION ON THE GROUNDS THAT MR. KUTA WAS NO LONGER REGISTERED IN THE STATE OF VIRGINIA. ON FEBRUARY 13, 2002, MR. KUTA REQUESTED REGISTRATION IN THE STATE OF VIRGINIA AND WAS IMMEDIATELY APPROVED WITHOUT NEED OF CONDITIONAL REGISTRATION.



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 12

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: CAPITOL SECURITIES MANAGEMENT, INC.

Allegations: Client alleges excessive, unsuitable trading, and poor performance of equity securities in her account.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$30,000.00

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: 01/06/2025

Complaint Pending? No

Status: Settled

Status Date: 01/27/2025

Settlement Amount: \$19,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: CAPITOL SECURITIES MANAGEMENT, INC.

Allegations: Client alleges excessive, unsuitable trading, and poor performance of equity securities in her account.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$30,000.00

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: 01/06/2025

Complaint Pending? No

Status: Settled

Status Date: 01/27/2025

Settlement Amount: \$19,000.00

Individual Contribution Amount: \$0.00

Disclosure 2 of 12

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: CAPITOL SECURITIES MANAGEMENT, INC.

Allegations: Client alleges excessive, unsuitable trading and poor performance.

Product Type: No Product

Alleged Damages: \$135,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA Dispute Resolution

Docket/Case #: 24-01741

Filing date of arbitration/CFTC reparation or civil litigation: 08/13/2024

Customer Complaint Information

Date Complaint Received: 08/13/2024

Complaint Pending? No

Status: Settled

Status Date: 10/23/2024

Settlement Amount: \$100,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: CAPITOL SECURITIES MANAGEMENT, INC.

Allegations: Client alleges excessive, unsuitable trading and poor performance.

Product Type: No Product



Alleged Damages: \$135,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

**Is this an arbitration/CFTC
reparation or civil litigation?** Yes

**Arbitration/Reparation forum
or court name and location:** FINRA

Docket/Case #: 24-01741

**Filing date of
arbitration/CFTC reparation
or civil litigation:** 08/13/2024

Customer Complaint Information

Date Complaint Received: 08/13/2024

Complaint Pending? No

Status: Settled

Status Date: 10/23/2024

Settlement Amount: \$100,000.00

**Individual Contribution
Amount:** \$0.00

Disclosure 3 of 12

Reporting Source: Individual

**Employing firm when
activities occurred which led
to the complaint:** AEGIS CAPITAL CORP.

Allegations: Time Frame: 04-23-2024. Client alleges unauthorized trades in four securities.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$0.00

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: 05/12/2024

Complaint Pending? No

Status: Closed/No Action

Status Date: 05/15/2024

Settlement Amount:

**Individual Contribution
Amount:**

**Broker Statement**

I met in person with the client and her son on 4/15/24 at my office. The client's husband recently died. We discussed reallocating her portfolio to meet the income needs she said she required. Both the client and her son agreed with the suggested strategy. A few days later the client and her son said they did not agree with the adjustments made and want the portfolio to be put back the way it was. They gave me permission to make these transactions. The firm cancelled the trades. All trades were 100% authorized.

Disclosure 4 of 12**Reporting Source:**

Individual

Employing firm when activities occurred which led to the complaint:

AEGIS CAPITAL CORP.

Allegations:

Time Frame: 2021- 2023. POA alleges excessive, unsuitable trading and poor performance.

Product Type:

No Product

Alleged Damages:

\$0.00

Alleged Damages Amount Explanation (if amount not exact):

Unspecified.

Is this an oral complaint?

No

Is this a written complaint?

Yes

Is this an arbitration/CFTC reparation or civil litigation?

No

Customer Complaint Information**Date Complaint Received:**

03/12/2024

Complaint Pending?

No

Status:

Settled

Status Date:

07/11/2024

Settlement Amount:

\$45,000.00

Individual Contribution Amount:

\$0.00

Broker Statement

I deny the allegations of excessive and unsuitable trading. The poor performance was due to the covid bear market. The accounts in question performed well after the stock market recovered and ultimately the client was profitable. To avoid further expense, costs and time to litigate the dispute, I agreed to a full and final settlement.

Disclosure 5 of 12**Reporting Source:**

Individual

Employing firm when activities occurred which led to the complaint:

Capitol Securities Management Inc

Allegations:

Client believes mismanagement of her account by her Rep caused significant losses



Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$60,000.00

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: 12/27/2016

Complaint Pending? No

Status: Denied

Status Date: 06/27/2017

Settlement Amount:

Individual Contribution Amount:

Broker Statement

I respectfully deny [customer's] claims. The trading was research driven, and appropriate for her goals and objectives. All transactions were executed only after discussing the trades with [customer], and having received her explicit permission to enter them. I have detailed, specific records for each of the transactions and related conversations. [customer's] home sale had nothing to do with a decline in the value of her account. She specifically told me that she wanted to move to a smaller, more modern home since her home was dated, needed repairs, and was too big for her. [customer] talked about her friends. I am completely unaware of which friends she is referring to. The client who referred [customer] to me is still one of my current clients. Another client, a relative of [customer] has been a client of mine for over 6 years and remains my client. Since 2013 when [customer] began working with me, the only withdrawals made from any of the Capitol Securities investment accounts were to satisfy her husband's Required Minimum Distributions (due to him being over age 70 1/2). Please note that only the absolute minimum amounts were withdrawn in order to satisfy the RMD requirement, nothing more. My firm is fully behind me.

Disclosure 6 of 12

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: RBC CAPITAL MARKETS LLC FNA FERRIS BAKER WATTS

Allegations: CLAMANT ALLEGES UNSUITABLE RECOMMENDATIONS BY BROKER, IN PERIOD 2007 TO 2009.

Product Type: Mutual Fund
Unit Investment Trust

Alleged Damages: \$91,567.00

Alleged Damages Amount Explanation (if amount not exact): CLAIM AGAINST ALL PARTIES, INCLUDING CAPITOL SECURITIES MANAGEMENT.

Arbitration Information

Arbitration/CFTC reparation: FINRA



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

Docket/Case #: 14-00168
Date Notice/Process Served: 01/31/2014
Arbitration Pending? No
Disposition: Settled
Disposition Date: 06/12/2014
Monetary Compensation Amount: \$11,250.00
Individual Contribution Amount: \$0.00

Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: RBC CAPITAL MARKETS, LLC AND CAPITOL SECURITIES MANAGEMENT

Allegations: CLIENT FILED FOR ARBITRATION ON 01/14/2014. THE FIRM RECEIVED THE STATEMENT OF CLAIM ON 01/31/2014. CLIENT ALLEGED MISCONDUCT FROM THE REPRESENTATIVE SUCH AS NEGLIGENCE, EXCESSIVE COMMISSIONS, CHURNING, AND SUITABILITY. THE CLIENT REQUESTS RELIEF IN THE AMOUNT OF \$91,567 (LOSS OF PRINCIPAL: \$36,567; PROPOSED RATE OF RETURN: \$25,000; EXCESSIVE COMMISSIONS: \$30,000).

Product Type: Debt-Government
 Equity Listed (Common & Preferred Stock)
 Mutual Fund
 Unit Investment Trust

Alleged Damages: \$91,567.00

Alleged Damages Amount Explanation (if amount not exact): LOSS OF PRINCIPAL: \$36,567;
 PROPOSED RATE OF RETURN: \$25,000;
 EXCESSIVE COMMISSIONS: \$30,000

Arbitration Information

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

Docket/Case #: 14-00168
Date Notice/Process Served: 01/31/2014
Arbitration Pending? No
Disposition: Settled
Disposition Date: 06/12/2014
Monetary Compensation Amount: \$22,500.00
Individual Contribution Amount: \$0.00

Broker Statement 16. MONETARY COMPENSATION AMOUNT: TOTAL AMOUNT AWARDED TO



CLIENT WAS \$22,500.00. CAPITOL SECURITIES MANAGEMENT PAID \$11,250 AND RBC CAPITAL MARKETS PAID \$11,250. THE REPRESENTATIVE PAID \$0.00.

THE [CUSTOMER] CASE WAS SETTLED STRICTLY AS A DECISION TO CONTAIN LEGAL COSTS. IT WAS A BUSINESS DECISION. MY FILES WERE FILLED WITH CLIENT COMMUNICATIONS, VALUATIONS, AND RECOMMENDATIONS. MY FIRM, CAPITOL SECURITIES MANAGEMENT, HANDLED THE ENTIRE MATTER THROUGH THEIR REGULAR ATTORNEY. THE COSTS OF FINRA ARBITRATION HAVE ESCALATED OVER THE PAST YEARS SO THAT IT IS LESS EXPENSIVE TO BE IN FEDERAL COURT THAN IN A FINRA ARBITRATION. THE PROBLEM FOR THE INDUSTRY IS THE HIGH COST OF FINRA ARBITRATION.

Disclosure 7 of 12

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: RBC CAPITAL MARKETS CORPORATION / FERRIS BAKER, WATTS, LLC.

Allegations: CUSTOMER ALLEGES THE MATURITIES OF THE MUNICIPAL BONDS IN HIS ACCOUNT WERE INAPPROPRIATE. SPECIFIC DAMAGES UNSPECIFIED, BUT BELIEVED TO BE IN EXCESS OF \$5,000.00.

Product Type: Debt-Municipal

Alleged Damages: \$0.00

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: 04/16/2009

Complaint Pending? No

Status: Denied

Status Date: 06/17/2010

Settlement Amount:

Individual Contribution Amount:

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: RBC CAPITAL MARKETS CORPORATION/FERRIS BAKER, WATTS, LLC

Allegations: CUSTOMER ALLEGES THE MATURITIES OF THE MUNICIPAL BONDS IN HIS ACCOUNT WERE INAPPROPRIATE. SPECIFIC DAMAGES UNSPECIFIED, BUT BELIEVED TO BE IN EXCESS OF \$5000.

Product Type: Debt-Municipal

Alleged Damages: \$0.00



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: 04/16/2009

Complaint Pending? No

Status: Denied

Status Date: 06/17/2010

Settlement Amount:

Individual Contribution Amount:

Disclosure 8 of 12

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: RBC CAPITAL MARKETS CORPORATION

Allegations: IN ARBITRATION, CLIENT ALLEGE BROKER RECOMMENDED UNSUITABLE EQUITIES, AT BOTH FBW AND RBC, IN PERIOD 2006-2009.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$600,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 11-01372

Filing date of arbitration/CFTC reparation or civil litigation: 05/02/2011

Customer Complaint Information

Date Complaint Received: 05/06/2011

Complaint Pending? No

Status: Settled

Status Date: 06/29/2012

Settlement Amount: \$270,000.00

Individual Contribution Amount: \$0.00



Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: RBC CAPITAL MARKETS CORPORATION

Allegations: FORMER CUSTOMERS CLAIM THEIR ACCOUNTS WERE TRADE EXCESSIVELY OVER THE PAST FEW YEARS. REQUEST REIMBURSEMENT FOR LOSSES. ***IN ARBITRATION CLIENTS ALLEGE BROKER RECOMMENDED UNSUITABLE EQUITIES AT BOTH FBW AND RBC FROM 2006-2009.***

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$600,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 11-01372

Filing date of arbitration/CFTC reparation or civil litigation: 05/02/2011

Customer Complaint Information

Date Complaint Received: 05/06/2011

Complaint Pending? No

Status: Settled

Status Date: 06/29/2012

Settlement Amount: \$270,000.00

Individual Contribution Amount: \$0.00

Broker Statement

THE COMMENT BELOW IS DIRECTLY FROM GIL KUTA:
"I WAS NOT NAMED AS A DEFENDANT AND WAS NEVER ALLOWED TO TESTIFY.
RBC KEEPS CHANGING THE STORY, FINALLY ADMITTING THAT MY SEPARATION WAS DUE TO FIRM POLICY. I NOW WORK AT A GREAT FIRM: CAPITOL SECURITIES, 443-519-5481. WONDERFUL PEOPLE. SUCCESSFUL PRODUCERS BEING RECRUITED BY RBC SHOULD TAKE NOTE.
REGARDING [CUSTOMER], I WAS NEVER NAMED AS A DEFENDANT. ARBITRATION IS A WEIRD, SECRET PROCESS, SO I DON'T KNOW WHAT RBC FILED TO DEFEND THE CASE AGAINST THEM (THEY DID NOT SPEAK FOR ME IN ANY RESPECT, NOR REPRESENT ME). [CUSTOMER] WAS HIGHLY INTELLIGENT POLICE OFFICER WHO WAS USED TO DEALING WITH PAPERWORK AND KNEW LAW. I DON'T KNOW WHAT WENT ON IN THE CASE. ALAS, I GAVE UNIFORM ADVICE DIRECTLY AND THROUGH MY RADIO SHOW TO ALL CLIENTS DURING THE 2008 CRASH TO STAY THE COURSE. THE RECOVERY DOW FROM MARCH, 2009 INTO 2010 AND CONTINUING TODAY IN 2012 AFFIRMS MY PRIOR ADVICE.[CUSTOMER] FILED AN



ARBITRATION AGAINST RBC, NOT ME. YOU CAN'T GET THE FILE; NEITHER CAN I. IT IS NOT LIKE A COURT CASE WITH PUBLIC FILINGS. I HAD EXPERIENCED MANAGERS WHO USED TO SPECIALLY REVIEW EVERY ACCOUNT AND SECURITY I RECOMMENDED. I EVEN OFFERED TO PAY FOR A COMPLIANCE OFFICIAL TO SIT RIGHT IN MY OFFICE AND DOUBLE REVIEW EVERYTHING. PUSHED ASIDE BY RBC HOWEVER (FIRM POLICY), I HAVE NO IDEA WHY THEY SETTLED WITH [CUSTOMER]. MY LAWYER WAS TOLD OF THE HEARING AND SO I WAS EAGER TO TESTIFY (WITH MY OWN LAWYER) SHOWING CONTACT DATA, NOTES AND COMMUNICATIONS, INCLUDING OVERWHELMING EVIDENCE THAT MANAGERS HAD APPROVED [CUSTOMER'S] ACCOUNTS. RBC HAD MY RADIO TAPES. I AM NOW A DIRECT BUSINESS COMPETITOR WITH RBC, AND AM DELIGHTED TO STILL BE GETTING RBC ACCOUNTS. I WONDER IF MY FORMER COMPLIANCE DIRECTOR, OFFICE AND REGIONAL SALES MANAGERS ALSO GOT RBC AMENDMENTS ABOUT [CUSTOMER]. FIRMS CAN FILE ANYTHING ON A U-5 AGAINST A DEPARTED BROKER WHO IS NOW A DIRECT COMPETITOR. RBC DIDN'T MENTION WHY THEY SETTLED AND WHO ELSE GOT A FILE CHANGE. I CONTRIBUTED NOTHING TO THE SETTLEMENT AND WAS NOT EVEN AWARE IT WAS BEING CONDUCTED OR WHERE THE MONEY CAME FROM. HAD I BEEN NAMED AS A DEFENDANT, I WOULD HAVE REFUSED ANY SETTLEMENT AND LITIGATED THE CASE MYSELF, QUITE CONFIDENT OF FACTS. I WAS PLEASED TO OPEN YET ANOTHER ACCOUNT FROM RBC THE OTHER DAY. THIS IS A GREAT, WONDERFUL COUNTRY WHERE I CAN REBUT RBC, CHALLENGING THAT RBC SHOULD EXPLAIN PUBLICLY WHY (THE REAL PURPOSE) THEY SETTLED, WHERE THE MONEY CAME FROM AND HOW THE VARIOUS MANAGERS WERE ADDRESSED, INCLUDING PRESENTATION OF ALL CASE DOCUMENTS, JUST AS IN A REAL COURT."

Disclosure 9 of 12

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: FERRIS BAKER WATTS INC.

Allegations: CLIENTS' SON, POWER OF ATTORNEY, ALLEGES THAT INVESTMENT EXECUTIVE ENGAGED IN UNSUITABLE INVESTMENT STRATEGIES, IMPROPER USE OF DISCRETION AND GENERATED HIGH COMMISSIONS.

Product Type: Unit Investment Trust(s)

Other Product Type(s): MUTUAL FUNDS, CLOSED END FUND

Alleged Damages: \$250,000.00

Customer Complaint Information

Date Complaint Received: 11/24/2008

Complaint Pending? No

Status: Denied

Status Date: 02/24/2009

Settlement Amount:

Individual Contribution Amount:

Broker Statement MR. KUTA DENIES ALL ALLEGATIONS ASSERTED IN THE LETTER OF COMPLAINT FILED BY THE CLIENTS' ADULT SON WHO IS A FORMER INVESTMENT PROFESSIONAL, WHICH, NOTABLY HAS NOT BEEN



FOLLOWED OR PRECEDED BY ANY ARBITRATION CLAIM. ALL TRANSACTIONS WERE IN FACT SUITABLE AND ALL WERE AUTHORIZED VIA DIRECT COMMUNICATION WITH [CUSTOMER] AND OR [CUSTOMER]. [FAMILY MEMBER] HAS HAD FULL POWER OF ATTORNEY SINCE AUGUST OF 2008, WHICH HE NOTABLY MADE NO MENTION OF IN HIS LETTER OF COMPLAINT. ALL COMMISSIONS CHARGED WERE APPROPRIATE. IF GIVEN THE OPPORTUNITY I WILL VIGOROUSLY DEFEND ANY SUCH CLAIM IF EVER FILED.

Disclosure 10 of 12

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: FERRIS, BAKER WATTS, INC.

Allegations: CLIENT ALLEGES THAT THE INVESTMENT EXECUTIVE ENGAGED IN AN UNSUITABLE INVESTMENT STRATEGY. CLIENT ALSO ALLEGES THAT THE INVESTMENT EXECUTIVE IMPROPERLY USED DISCRETION AND GENERATED HIGH COMMISSIONS.

Product Type: Mutual Fund(s)

Other Product Type(s): UIT'S, PREFERRED

Alleged Damages: \$175,000.00

Customer Complaint Information

Date Complaint Received: 04/04/2007

Complaint Pending? No

Status: Settled

Status Date: 07/16/2007

Settlement Amount: \$60,000.00

Individual Contribution Amount: \$0.00

Broker Statement IN JUNE 2007, THE FIRM SETTLED THE COMPLAINT IN THE AMOUNT OF \$60,000. THE FIRM MADE THE BUSINESS DECISION TO SETTLE THE MATTER TO AVOID THE POTENTIAL RISK OF AN UNPREDICTABLE RESULT, ESPECIALLY GIVEN THAT THE CUSTOMER'S SIGNATURE WAS ALMOST CERTAINLY FORGED BY A PERSON WHO WAS EMPLOYED BY FBW AT THAT TIME. WE DISPUTED THE REMAINDER OF THE CLAIM, AND DENIED THAT THE FIRM OR THE REGISTERED REPRESENTATIVE HAD ENGAGED IN WRONGDOING IN THE HANDLING OF THE ACCOUNT, WE REACHED A COMPROMISE IN ORDER TO CONCLUDE THE MATTER, MITIGATE POTENTIAL EXPOSURE TO AN INFLATED PANEL AWARD, AVOID FURTHER COST AND EFFORT TO DEFEND THE CLAIM, AND, GENERALLY, TO PRESERVE GOODWILL.

Disclosure 11 of 12

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: FERRIS, BAKER WATTS, INC.



Allegations: CLIENT ALLEGED MISREPRESENTATION OF A MUNICIPAL BOND. THE PURCHASES OF THE BOND WERE MADE IN AUGUST 1996 AND JUNE 1998.

Product Type: Debt - Municipal

Alleged Damages: \$22,000.00

Customer Complaint Information

Date Complaint Received: 08/19/2002

Complaint Pending? No

Status: Denied

Status Date: 11/20/2002

Settlement Amount:

Individual Contribution Amount:

Disclosure 12 of 12

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint:

Allegations: CLIENT ALLEGES UNAUTHORIZED TRADING

Product Type:

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 09/25/1992

Complaint Pending? No

Status: Settled

Status Date:

Settlement Amount: \$0.00

Individual Contribution Amount:

Firm Statement TRADES IN QUESTION WERE REVERSED AT NO LOSS TO CUSTOMER OR BRANCH.
Not Provided

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint:

Allegations: CLIENT ALLEGED UNAUTHORIZED TRADING. ALLEGED DAMAGES: UNSPECIFIED.

Product Type:

Alleged Damages:



Customer Complaint Information

Date Complaint Received: 09/25/1992

Complaint Pending? No

Status: Settled

Status Date:

Settlement Amount: \$0.00

Individual Contribution Amount:

Broker Statement

TRADES IN QUESTIONS WERE REVERSED AT NO LOSS TO CUSTOMER OR BRANCH. NO UNAUTHORIZED TRADES WERE MADE. THE CLIENT AND I MISCOMMUNICATED BUT IMMEDIATELY AFTER I WAS MADE AWARE OF THE MISTAKE I COMMUNICATED WITH THE BRANCH MANAGER AND THROUGH THE BRANCH MANAGER THE TRADES IN QUESTION WERE REVERSED AT NO LOSS TO THE CLIENT OR TO THE BRANCH. IT IS INTERESTING THIS CASE WAS REPORTED CLOSED JUST A FEW DAYS AFTER MY RESIGNATION FROM PAINWEBBER EVEN THOUGH THIS SITUATION WAS CORRECTED TO THE CUSTOMER'S SATISFACTION MONTHS EARLIER.



Termination

This disclosure event involves a situation where the Investment Adviser Representative voluntarily resigned, was discharged or was permitted to resign after allegations were made that accused the Investment Adviser Representative of violating investment-related statutes, regulations, rules or industry standards of conduct; fraud or the wrongful taking of property; or failure to supervise in connection with investment-related statutes, regulations, rules or industry standards of conduct.

Disclosure 1 of 1

Reporting Source: Individual

Firm Name: SMITH BARNEY SHEARSON

Termination Type: Permitted to Resign

Termination Date: 12/29/1993

Allegations: N/A
SMITH BARNEY SHEARSON TERMINATED MY EMPLOYMENT ON DECEMBER 29, 1993, AFTER IT BECAME AWARE THAT ON DECEMBER 28, 1993, I PERSONNALLY REIMBURSED A CLIENT IN THE AMOUNT OF \$1,500 FOR LOSSES IN THE CLIENT'S ACCOUNT.

Product Type:

Other Product Types:

Broker Statement NOT PROVIDED
ON DECEMBER 28, 1993, [CUSTOMER], A CLIENT, CALLED AND INDICATED HER CONCERN THAT AN INVESTMENT (THE PURCHASE OF 500 SHARES OF PRICE REAL ESTATE INVESTMENT TRUST) HAD DECLINED IN VALUE. ON THAT DATE, I SOLD THE 500 SHARES OF PRICE AND PERSONALLY REIMBURSED HER FOR HER LOSS OF \$1,500. I WAS SEEKING TO AVOID ANY FURTHER CUSTOMER COMPLAINTS AND DID NOT APPRECIATE THAT MY ACTIONS MAY HAVE BEEN INAPPROPRIATE.



End of Report

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