



IAPD Report

WILLIAM DAVID CARLTON

CRD# 1215541

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Qualifications	2 - 3
Registration and Employment History	4
Disclosure Information	5



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

WILLIAM DAVID CARLTON (CRD# 1215541)

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 **04/10/2025**.

CURRENT EMPLOYERS

This individual is not currently registered as an Investment Adviser Representative.

QUALIFICATIONS

This individual is not currently registered as an Investment Adviser Representative.

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	CETERA INVESTMENT ADVISERS LLC	105644	BELLEVUE, WA	11/12/2020 - 01/17/2024
IA	FIRST ALLIED ADVISORY SERVICES, INC.	137888	BELLEVUE, WA	07/02/2012 - 11/12/2020
IA	FIRST ALLIED SECURITIES, INC.	32444	KIRKLAND, WA	12/09/2008 - 07/02/2012

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
Investigation	1
Civil Event	1
Customer Dispute	3
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 not currently registered as an Investment Adviser Representative.



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, 0 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
------	----------	------

No information reported.

General Industry/Product Exams

Exam	Category	Date
------	----------	------

No information reported.

State Securities Law Exams

Exam	Category	Date
------	----------	------

IA

Uniform Investment Adviser Law Examination (S65)

Series 65

07/11/1992



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	11/12/2020 - 01/17/2024	CETERA INVESTMENT ADVISERS LLC	CRD# 105644	BELLEVUE, WA
IA	07/02/2012 - 11/12/2020	FIRST ALLIED ADVISORY SERVICES, INC.	CRD# 137888	BELLEVUE, WA
IA	12/09/2008 - 07/02/2012	FIRST ALLIED SECURITIES, INC.	CRD# 32444	KIRKLAND, WA
IA	09/08/2006 - 12/09/2008	FIRST MONTAUK SECURITIES CORP.	CRD# 13755	ISSAQUAH, WA
IA	11/29/1999 - 12/31/2005	VERTICAL ASSET MANAGEMENT LLC	CRD# 117569	ISSAQUAH, WA
IA	11/29/1999 - 12/31/2002	VERTICAL ASSET MANAGEMENT LLC	CRD# 117569	ISSAQUAH, WA

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
09/2022 - Present	CETERA ADVISORS LLC	REGISTERED REP	Y	BELLEVUE, WA, United States
11/2020 - Present	FIRST ALLIED ADVISORY SERVICES	INVESTMENT ADVISOR REPRESENTATIVE	Y	SCHAUMBURG, IL, United States
12/2008 - 09/2022	FIRST ALLIED SECURITIES, INC.	Registered Representative	Y	SAN DIEGO, CA, United States
07/2012 - 11/2020	FIRST ALLIED ADVISORY SERVICES, INC.	MASS TRANSFER - INVESTMENT ADVISOR REPRESENTATIVE	Y	CHESTERFIELD, MO, 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.) CARLTON WEALTH MANAGEMENT, LLC;PRINCIPAL; DBA; START DATE 07/01/2013.



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
Civil Event	1
Customer Dispute	3
Investigation	1
Termination	1

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:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Relief Sought:	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines
Date Court Action Filed:	09/27/2024
Product Type:	Equity Listed (Common & Preferred Stock)
Type of Court:	Federal Court
Name of Court:	United States District Court for the Western District of Washington
Location of Court:	Seattle, WA
Docket/Case #:	2:24-CV-01542
Employing firm when activity occurred which led to the action:	First Allied Advisory Services, Inc; Cetera Investment Advisers LLC
Allegations:	Plaintiff Securities and Exchange Commission, for its Complaint against Defendant William D. Carlton alleges that Carlton, a former investment adviser, engaged in a long-running and fraudulent trade allocation scheme-commonly referred to as "cherry picking"-in which he benefitted himself to the detriment of his investment advisory clients. Carlton's scheme involved placing stock trades in his personal trading accounts and observing the daily price movements of the stocks. If the price of the stock increased during the day, Carlton often sold the shares, locking in short-term profits for himself. If the price of the stock decreased during the day,



Carlton often moved some or all of the shares to his clients' accounts, thereby avoiding short-term losses. In short, by waiting and watching the price movements of the stocks he purchased in his personal accounts before deciding whether to keep the trades for himself or allocate the trades to his clients, he was able to "cherry pick" trades that were immediately profitable for himself, to the detriment of his clients to whom he owed a fiduciary duty. Between at least January 2015 and August 2022, Carlton generated millions of dollars in ill-gotten gains through his clandestine cherry-picking scheme.

Current Status:

Pending

Limitations or Restrictions in Effect During Appeal:

n/a



Investigation

This disclosure event involves any ongoing formal investigation such as a grand jury investigation, a Securities and Exchange Commission investigation, a formal investigation by a self-regulatory organization (e.g., FINRA), or an action or procedure designated as an investigation by a state or other regulator. Subpoenas, preliminary or routine regulatory inquiries, and general requests by these regulatory bodies for information are not considered investigations and therefore are not required to be reported.

Disclosure 1 of 1

Reporting Source:	Firm
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Notice Date:	09/27/2022
Details:	Trading Practices
Is Investigation pending?	Yes



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 3

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	CETERA ADVISORS LLC
Allegations:	Claimants allege they incurred high margin balances and account losses as a result of their investment advisor's day-trading strategy. Claimants also allege misrepresentation, negligence, breach of contract, and breach of fiduciary duty.
Product Type:	Real Estate Security
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	Claimants seek an unspecified compensatory damage
Is this an oral complaint?	No
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	Seattle, WA
Docket/Case #:	25-00611
Filing date of arbitration/CFTC reparation or civil litigation:	03/25/2025

Customer Complaint Information

Date Complaint Received:	03/25/2025
Complaint Pending?	Yes
Settlement Amount:	
Individual Contribution Amount:	

Disclosure 2 of 3

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	CETERA ADVISORS LLC
Allegations:	Claimants allege they were harmed by their investment advisor's unsuitable trading strategy. Claimants generally allege breach of contract, negligent



supervision, and breach of fiduciary duty.

Product Type: Real Estate Security

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): Claimants seek an unspecified compensatory damage.

Is this an oral complaint? No

Is this a written complaint? No

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

Arbitration/Reparation forum or court name and location: Seattle, WA

Docket/Case #: 25-00338

Filing date of arbitration/CFTC reparation or civil litigation: 02/18/2025

Customer Complaint Information

Date Complaint Received: 03/19/2025

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 3 of 3

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: CETERA ADVISORS LLC

Allegations: Claimant generally alleges unsuitability, fraud, breach of contract, and breach of fiduciary duty.

Product Type: Real Estate Security

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): Claimant seeks an unspecified compensatory damage.

Is this an oral complaint? No

Is this a written complaint? No

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

Arbitration/Reparation forum or court name and location: FINRA - Seattle, WA

Docket/Case #: 25-00029



Filing date of arbitration/CFTC reparation or civil litigation: 01/06/2025

Customer Complaint Information

Date Complaint Received: 01/08/2025

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:



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:	Firm
Firm Name:	Cetera Advisors LLC
Termination Type:	Discharged
Termination Date:	12/21/2023
Allegations:	Inappropriate Trading Practices
Product Type:	Equity Listed (Common & Preferred Stock)



End of Report

This page is intentionally left blank.