



IAPD Report

GUY GREGORY CLEMENTE

CRD# 1222597

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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

GUY GREGORY CLEMENTE (CRD# 1222597)

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 **02/13/2026**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	AEGIS CAPITAL CORP.	CRD# 15007	12/21/2023
IA	AEGIS CAPITAL CORP.	CRD# 15007	12/22/2023

QUALIFICATIONS

This representative is currently registered in **3** SRO(s) and **32** 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	ANDREW GARRETT, INC.	29931	NEW YORK, NY	01/04/2013 - 01/03/2024
B	ANDREW GARRETT INC.	29931	NEW YORK, NY	02/27/2007 - 01/02/2024
B	S.W. BACH & COMPANY	43522	NEW YORK, NY	02/21/2003 - 02/28/2007

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
Criminal	1
Customer Dispute	10
Termination	2



Report Summary

Financial

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 **32** 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
	FINRA	General Securities Principal	Approved	12/21/2023
	FINRA	General Securities Representative	Approved	12/21/2023
	FINRA	Investment Banking Principal	Approved	12/21/2023
	FINRA	Investment Banking Representative	Approved	12/21/2023
	NYSE Arca, Inc.	General Securities Principal	Approved	12/21/2023
	NYSE Arca, Inc.	General Securities Representative	Approved	12/21/2023
	Nasdaq Stock Market	General Securities Principal	Approved	12/21/2023
	Nasdaq Stock Market	General Securities Representative	Approved	12/21/2023
	Alabama	Agent	Approved	03/12/2025
	Arizona	Agent	Approved	02/15/2024
	Arkansas	Agent	Approved	02/08/2024
	California	Agent	Approved	12/22/2023
	Connecticut	Agent	Approved	03/05/2024



Qualifications

	Regulator	Registration	Status	Date
B	Florida	Agent	Approved	03/07/2024
B	Georgia	Agent	Approved	07/18/2024
B	Idaho	Agent	Approved	12/26/2023
B	Illinois	Agent	Approved	02/26/2024
B	Indiana	Agent	Approved	01/23/2024
B	Iowa	Agent	Approved	01/09/2025
B	Kansas	Agent	Approved	01/17/2025
B	Louisiana	Agent	Approved	08/28/2024
B	Michigan	Agent	Approved	10/09/2024
B	Minnesota	Agent	Approved	04/03/2024
B	Nevada	Agent	Approved	04/07/2025
B	New Mexico	Agent	Approved	04/03/2024
B	New York	Agent	Approved	01/17/2024
B	North Carolina	Agent	Approved	02/13/2024
B	North Dakota	Agent	Approved	12/21/2023
B	Oklahoma	Agent	Approved	07/12/2024
B	Pennsylvania	Agent	Approved	04/10/2024
B	South Carolina	Agent	Approved	01/22/2024
B	South Dakota	Agent	Approved	01/23/2024



Qualifications

	Regulator	Registration	Status	Date
B	Tennessee	Agent	Approved	04/29/2025
B	Texas	Agent	Approved	01/02/2024
IA	Texas	Investment Adviser Representative	Restricted Approval	12/22/2023
B	Utah	Agent	Approved	04/28/2025
B	Virginia	Agent	Approved	02/27/2024
B	Washington	Agent	Approved	05/15/2024
B	West Virginia	Agent	Approved	08/05/2024
B	Wisconsin	Agent	Approved	10/14/2024
B	Wyoming	Agent	Approved	03/13/2025

Branch Office Locations

AEGIS CAPITAL CORP.
WHITESTONE, NY



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 1 principal/supervisory exam, 4 general industry/product exams, and 3 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
B General Securities Principal Examination (S24)	Series 24	08/31/2002

General Industry/Product Exams

Exam	Category	Date
B Investment Banking Registered Representative Examination (S79TO)	Series 79TO	01/02/2023
B Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
B National Commodity Futures Examination (S3)	Series 3	10/25/1985
B General Securities Representative Examination (S7)	Series 7	01/21/1984

State Securities Law Exams

Exam	Category	Date
IA B Uniform Combined State Law Examination (S66)	Series 66	11/23/2012
IA Uniform Investment Adviser Law Examination (S65)	Series 65	08/09/2008
B Uniform Securities Agent State Law Examination (S63)	Series 63	01/13/1984



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	01/04/2013 - 01/03/2024	ANDREW GARRETT, INC.	CRD# 29931	NEW YORK, NY
B	02/27/2007 - 01/02/2024	ANDREW GARRETT INC.	CRD# 29931	NEW YORK, NY
B	02/21/2003 - 02/28/2007	S.W. BACH & COMPANY	CRD# 43522	NEW YORK, NY
B	05/24/1999 - 02/24/2003	THE THORNWATER COMPANY, L.P.	CRD# 36195	NEW YORK, NY
B	07/24/1997 - 05/12/1999	M.S. FARRELL & COMPANY, INC.	CRD# 24232	SYOSSET, NY
B	12/10/1996 - 06/18/1997	SANDS BROTHERS & CO., LTD.	CRD# 26816	NEW YORK, NY
B	01/23/1996 - 01/13/1997	THE J.B. SUTTON GROUP, INC.	CRD# 16191	MELVILLE, NY
B	06/01/1995 - 01/16/1996	COMMONWEALTH ASSOCIATES	CRD# 20833	NEW YORK, NY
B	07/31/1993 - 06/12/1995	SMITH BARNEY INC.	CRD# 7059	NEW YORK, NY
B	07/03/1984 - 07/31/1993	LEHMAN BROTHERS INC.	CRD# 7506	NEW YORK, NY
B	01/25/1984 - 06/29/1984	RAUSCHER PIERCE REFSNES, INC.	CRD# 6663	

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
12/2023 - Present	Aegis Capital Corp	Registered Representative	Y	New York, NY, United States
02/2007 - 12/2023	ANDREW GARRETT, INC.	INVESTMENT BANKER	Y	NEW YORK, NY, 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.

Clemente Capital Management LLC ("CCMLLC") 2020 Parsons Blvd. FL 1 Whitestone, NY 11357; Investment Related; Managing member, entity established for tax and investment purposes; Start date: 06/23/2005; 2 hours per month devoted to business; 0 hours during securities trading 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
Regulatory Event	2
Criminal	1
Customer Dispute	10
Termination	2
Financial	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:	MASSACHUSETTS
Sanction(s) Sought:	Other
Other Sanction(s) Sought:	CONDITIONAL REGISTRATION
Date Initiated:	07/30/2002
Docket/Case Number:	R-02-55
Employing firm when activity occurred which led to the regulatory action:	THE THORNWATER COMPANY, L.L.C
Product Type:	No Product
Other Product Type(s):	
Allegations:	CLEMENTE HAS BEEN THE SUBJECT OF MORE THAN (10) CUSTOMER COMPLAINTS ALLEGING, INTER ALIA, MISREPRESENTATION, EXCESSIVE TRADING, ACCOUNT-RELATED FAILURE TO SUPERVISE, FAILURE TO FOLLOW INSTRUCTIONS, CHURNING, UNAUTHORIZED TRADING AND MAKING UNSUITABLE RECOMMENDATIONS WHILE EMPLOYED AT VARIOUS BROKER-DEALERS SINCE 1984. THE ALLEGATIONS AGAINST CLEMENTE RESULTED IN THE PLACEMENT OF CONDITIONS ON HIS REGISTRATION AS AN AGENT OF TTC.



Current Status:	Final
Resolution:	Consent
Resolution Date:	08/05/2002
Sanctions Ordered:	
Other Sanctions Ordered:	THE DIVISION APPROVED CLEMENTE'S APPLICATION FOR REGISTRATION IN MASSACHUSETTS AS AN AGENT OF TTC UPON THE CONDITIONS SET FORTH BELOW, WHICH ARE EFFECTIVE FOR TWO YEARS: A) CLEMENTE SHALL BE SUPERVISED, ON A HEIGHTENED BASIS; B) TTC SHALL NOT PERMIT CLEMENTE TO HAVE ANY PRINCIPAL, SUPERVISORY, OR MANAGERIAL DUTIES WHILE ASSOCIATED WITH TTC OTHER THAN THOSE DUTIES PERFORMED IN HIS CURRENT POSITION AS THE SYNDICATE MANAGER OF TTC; C) TTC SHALL NOT PERMIT CLEMENTE TO POSSESS OR EXERCISE DISCRETION IN THE HANDLING OF MASSACHUSETTS CUSTOMER ACCOUNTS; D) ON A QUARTERLY BASIS, TTC SHALL MONITOR AND REPORT ON CLEMENTE'S MASSACHUSETTS CUSTOMERS WITH RESPECT TO THE CUSTOMER'S SATISFACTION WITH HIS SERVICES; E) SHOULD CLEMENTE BECOME THE SUBJECT OF ANY WRITTEN OR ORAL CUSTOMER COMPLAINT CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT OF SECURITIES BUSINESS, TTC SHALL NOTIFY THE DIRECTOR, IN WRITING, WITHIN TEN (10) BUSINESS DAYS OF TTC'S RECEIPT OF SUCH COMPLAINT; F) SHOULD CLEMENTE BECOME THE SUBJECT OF ANY REGULATORY INVESTIGATION, INTERNAL INVESTIGATION, ARBITRATION PROCEEDING, OR SECURITIES-RELATED LITIGATION CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT OF SECURITIES BUSINESS, TTC SHALL NOTIFY THE DIRECTOR, IN WRITING, WITHIN TEN (10) BUSINESS DAYS OF THE INVESTIGATION, PROCEEDING, OR LITIGATION; G) CLEMENTE SHALL NOT PERFORM ANY PRINCIPAL, SUPERVISORY, OR MANAGERIAL DUTIES WHILE ASSOCIATED WITH TTC OTHER THAN THOSE DUTIES PERFORMED IN HIS CURRENT POSITION AS THE SYNDICATE MANAGER OF TTC;
Sanction Details:	; H) CLEMENTE SHALL NOT POSSESS OR EXERCISE DISCRETION IN THE HANDLING OF MASSACHUSETTS CUSTOMER ACCOUNTS; I) CLEMENTE SHALL NOTIFY MR. GRABOWSKI OF THE RECEIPT OF ANY CUSTOMER COMPLAINT, ORAL OR WRITTEN, CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT AS A REGISTERED REPRESENTATIVE, OR ANY ARBITRATION PROCEEDING, REGULATORY INVESTIGATION, OR SECURITIES-RELATED LITIGATION CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT OF SECURITIES BUSINESS; J) CLEMENTE SHALL NOTIFY MR. GRABOWSKI OF ANY INACCURACY IN ANY REPRESENTATION MADE TO THE DIVISION HEREIN OR THE BREACH OF ANY PROVISION OF HIS UNDERTAKINGS AND REPRESENTATIONS; K) TWENTY-FOUR (24) MONTHS AFTER THE ENTRY OF THE ORDER, CLEMENTE SHALL SUBMIT TO TTC AND THE DIRECTOR AN AFFIDAVIT STATING THAT HE HAS FULLY COMPLIED WITH ALL CONDITIONS OF PART 9 OF THE ORDER.
Regulator Statement	THE DIVISION APPROVED CLEMENTE'S APPLICATION FOR REGISTRATION IN MASSACHUSETTS AS AN AGENT OF TTC UPON THE CONDITIONS SET FORTH BELOW, WHICH ARE EFFECTIVE FOR TWO YEARS: A) CLEMENTE SHALL BE SUPERVISED, ON A HEIGHTENED BASIS; B) TTC SHALL NOT PERMIT CLEMENTE TO HAVE ANY PRINCIPAL, SUPERVISORY, OR MANAGERIAL DUTIES WHILE ASSOCIATED WITH TTC OTHER THAN THOSE DUTIES PERFORMED IN HIS CURRENT POSITION AS THE SYNDICATE MANAGER OF TTC; C) TTC SHALL NOT PERMIT CLEMENTE TO POSSESS OR EXERCISE DISCRETION IN THE HANDLING OF MASSACHUSETTS CUSTOMER ACCOUNTS; D) ON A QUARTERLY BASIS, TTC SHALL MONITOR AND REPORT ON CLEMENTE'S MASSACHUSETTS CUSTOMERS WITH



RESPECT TO THE CUSTOMER'S SATISFACTION WITH HIS SERVICES; E) SHOULD CLEMENTE BECOME THE SUBJECT OF ANY WRITTEN OR ORAL CUSTOMER COMPLAINT CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT OF SECURITIES BUSINESS, TTC SHALL NOTIFY THE DIRECTOR, IN WRITING, WITHIN TEN (10) BUSINESS DAYS OF TTC'S RECEIPT OF SUCH COMPLAINT; F) SHOULD CLEMENTE BECOME THE SUBJECT OF ANY REGULATORY INVESTIGATION, INTERNAL INVESTIGATION, ARBITRATION PROCEEDING, OR SECURITIES-RELATED LITIGATION CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT OF SECURITIES BUSINESS, TTC SHALL NOTIFY THE DIRECTOR, IN WRITING, WITHIN TEN (10) BUSINESS DAYS OF THE INVESTIGATION, PROCEEDING, OR LITIGATION; G) CLEMENTE SHALL NOT PERFORM ANY PRINCIPAL, SUPERVISORY, OR MANAGERIAL DUTIES WHILE ASSOCIATED WITH TTC OTHER THAN THOSE DUTIES PERFORMED IN HIS CURRENT POSITION AS THE SYNDICATE MANAGER OF TTC;

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Reporting Source:	Individual
Regulatory Action Initiated By:	MASSACHUSETTES
Sanction(s) Sought:	Other
Other Sanction(s) Sought:	CONDITIONAL REGISTRATION
Date Initiated:	07/30/2002
Docket/Case Number:	R-02-55
Employing firm when activity occurred which led to the regulatory action:	THE THORNWATER COMPANY L.P.
Product Type:	No Product
Other Product Type(s):	
Allegations:	MR. CLEMENTE APPLIED FOR REGISTRATION IN THE STATE OF MASS. THE STATE OF MASS. AFTER REVIEWING MR. CLEMENTE'S PRIOR DISCLOSURES IN THE CRD SYSTEM, REQUIRED THAT HE AND THE THORNWATER COMPANY L.P. ENTER INTO A TWO YEAR SUPERVISORY AGREEMENT WITH THE STATE. THIS AGREEMENT PLACES ADDITIONAL DUTIES AND OBLIGATIONS ON MR. CLEMENTE AND THE FIRM IN REGARDS TO THE SUPERVISION OF MR. CLEMENTE'S SALES ACTIVITIES. THIS SUPERVISORY AGREEMENT WAS REQUIRED AS A CONDITION TO THE STATE OF MASSACHUSETTS REGISTERING MR. CLEMENTE.
Current Status:	Final
Resolution:	Consent
Resolution Date:	08/05/2002
Sanctions Ordered:	
Other Sanctions Ordered:	
Sanction Details:	THE STATE OF MASSACHUSETTS REQUIRED MR. CLEMENTE AND THE THORNWATER COMPANY L.P. TO ENTER INTO A TWO YEAR SUPERVISORY AGREEMENT WITH THE STATE IN REGARDS TO THE SUPERVISION OF MR. CLEMENTE'S SALES ACTIVITIES AT THE FIRM. THIS AGREEMENT TERMINATES ON AUGUST 5, 2004.

**Broker Statement**

THE STATE OF MASSACHUSETTS REQUIRED MR. CLEMENTE AND THE THORNWATER COMPANY L.P. TO ENTER INTO A TWO YEAR SUPERVISORY AGREEMENT WITH THE STATE IN REGARDS TO THE SUPERVISION OF MR. CLEMENTE'S SALES ACTIVITIES AT THE FIRM. THIS AGREEMENT TERMINATES ON AUGUST 5, 2004.

Disclosure 2 of 2**Reporting Source:**

Regulator

Regulatory Action Initiated By:

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Sanction(s) Sought:**Other Sanction(s) Sought:****Date Initiated:**

04/03/1997

Docket/Case Number:

C05960072

Employing firm when activity occurred which led to the regulatory action:**Product Type:****Other Product Type(s):****Allegations:****Current Status:**

Final

Resolution:

Acceptance, Waiver & Consent(AWC)

Resolution Date:

04/03/1997

Sanctions Ordered:

Censure
Monetary/Fine \$10,000.00
Suspension

Other Sanctions Ordered:**Sanction Details:****Regulator Statement**

ON APRIL 3, 1997, DISTRICT NO. 5 NOTIFIED GUY G. CLEMENTE THAT THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. C05960072 WAS ACCEPTED; THEREFORE, RESPONDENT CLEMENTE IS CENSURED, FINED \$10,000 AND SUSPENDED FROM ASSOCIATION WITH ANY NASD MEMBER IN ANY CAPACITY FOR ONE WEEK - (NASD RULES 2110 AND 2330(f) - RESPONDENT CLEMENTE SHARED IN CERTAIN LOSSES OF A PUBLIC CUSTOMER AFTER THOSE LOSSES HAD BEEN INCURRED IN THE ACCOUNT WHEN HE REMITTED TO THE CUSTOMER PAYMENT TOTALING \$414,130).

THE SUSPENSION WILL COMMENCE WITH THE OPENING OF BUSINESS JUNE 16, 1997 AND WILL CONCLUDE JUNE 20, 1997.

12-30-98, \$10,000 FULLY PAID AS OF 8/10/98, INVOICE #97-05-266



Reporting Source:	Individual
Regulatory Action Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS REGULATION
Sanction(s) Sought:	Suspension
Other Sanction(s) Sought:	\$10,000 FINE AND ONE WEEK SUSPENSION
Date Initiated:	07/21/1995
Docket/Case Number:	C05960072
Employing firm when activity occurred which led to the regulatory action:	SMITH BARNEY
Product Type:	Other
Other Product Type(s):	NO PRODUCT
Allegations:	VIOLATION OF NASD CONDUCT RULES 2110 AND 2330(F)
Current Status:	Final
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	04/03/1997
Sanctions Ordered:	Censure Monetary/Fine \$10,000.00 Suspension
Other Sanctions Ordered:	
Sanction Details:	A CENSURE, A MONETARY FINE IN THE AMOUNT OF \$10,000 AND A ONE-WEEK SUSPENSION FROM ASSOCIATION WITH ANY MEMBER OF THE ASSOCIATION IN ANY CAPACITY.
Broker Statement	SEE DISCLOSURE IN ITEM #6 ON U-5 TERMINATION FROM SMITH BARNEY



Criminal

This disclosure event involves a criminal charge against the Investment Adviser Representative that has resulted in a dismissal, plea, acquittal or conviction. The criminal matter may relate to any felony or certain misdemeanor offenses (e.g., bribery, perjury, forgery, counterfeiting, extortion, fraud, wrongful taking of property).

Disclosure 1 of 1

Reporting Source:	Individual
Formal Charges were brought in:	State Court
Name of Court:	CRIMINAL COURT COUNTY OF QUEENS
Location of Court:	125-01 QUEENS BLVD, KEW GRDENS NY 11415
Docket/Case #:	CR-022332-21QN
Charge Date:	10/29/2021
Charge(s) 1 of 1	
Formal Charge(s)/Description:	CRIMINAL POSSESSION OF A FIREARM PL 2651B01 E FELONY
No of Counts:	2
Felony or Misdemeanor:	Felony
Plea for each charge:	NOT GUILTY, NOT GUILTY
Disposition of charge:	Amended
Date of Amended Charge:	06/03/2022
Charge was Amended or reduced to:	reduced to misdeanor criminal pos of firearm fine \$250.00
Amended No of Counts:	1
Amended Charge:	Misdemeanor
Amended Plea:	guilty
Disposition of Amended Charge:	Dismissed
Current Status:	Final
Status Date:	06/03/2022
Disposition Date:	07/01/2022
Sentence/Penalty:	guilty of misdemeanor criminal possession of firearm fined \$250.00
Broker Statement	on 06/23/2022 The Supreme Court of the United States struck down some NY State's gun laws as unconstitutional



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 10

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	ANDREW GARRETT INC.
Allegations:	Breach of Fiduciary Duty, Suitability, Fair Dealing, Excessive Trading, Failure to Supervise, Breach of Contract
Product Type:	Equity-OTC Equity Listed (Common & Preferred Stock)
Alleged Damages:	\$750,000.00
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:	FINRAS
Docket/Case #:	2400071
Filing date of arbitration/CFTC reparation or civil litigation:	01/10/2024

Customer Complaint Information

Date Complaint Received:	01/18/2024
Complaint Pending?	No
Status:	Settled
Status Date:	02/06/2025
Settlement Amount:	\$250,000.00
Individual Contribution Amount:	\$250,000.00
Firm Statement	Prior to the Claimant filing the claim, \$388,849.17 was reversed in the client's account. Subsequently Claimant filed the claim and it was settled for \$250,000.

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Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	ANDREW GARRETT INC.
Allegations:	Breach of Fiduciary Duty, Suitability, Fair Dealing, Excessive Trading, Failure to



Product Type: Supervise, Breach of Contract
Equity-OTC
Equity Listed (Common & Preferred Stock)

Alleged Damages: \$750,000.00

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; New York, NY

Docket/Case #: 24-00071

Filing date of arbitration/CFTC reparation or civil litigation: 01/10/2024

Customer Complaint Information

Date Complaint Received: 06/11/2024

Complaint Pending? No

Status: Settled

Status Date: 02/06/2025

Settlement Amount: \$250,000.00

Individual Contribution Amount: \$250,000.00

Broker Statement I categorically deny any wrongdoing in such customer's account.

The customer in question was my podiatrist. In the course of treating me he expressed an interest in my market research and a desire to invest with me. He expressly stated that he desired to engage in speculative and risk investments in order to maximize his potential gains. After he opened an account at the Firm, I shared with him the securities that I researched and analyzed.

The customer selected a portfolio from among the securities that I researched. I did not exercise discretionary trading authority over the customer's account. The customer requested margin after fully investing his available cash in order to continue growing his holdings. He incurred losses primarily because he insisted on selling margined securities prematurely at market lows against my advice.

Disclosure 2 of 10

Reporting Source: Regulator

Employing firm when activities occurred which led to the complaint: THE THORNWATER COMPANY, L.P

Allegations: COMMON LAW FRAUD; NEGLIGENCE; BREACH OF FIDUCIARY DUTY; MISREPRESENTATIONS/NON-DISCLOSURES; OMISSION OF FACTS; SUITABILITY AND UNAUTHORIZED TRADING.

Product Type: Other: COMPANIES STOCKS



Alleged Damages: \$67,738.96

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [NASD - CASE #00-04269](#)

Date Notice/Process Served: 09/27/2000

Arbitration Pending? No

Disposition: Award

Disposition Date: 10/27/2003

Disposition Detail: AFTER CONSIDERING THE PLEADINGS, THE TESTIMONY, AND THE EVIDENCE PRESENTED AT THE HEARING, THE PANEL HAS DECIDED IN FULL AND FINAL RESOLUTION OF THE ISSUES SUBMITTED FOR DETERMINATION AS FOLLOWS:
RESPONDENT GUY G. CLEMENTE IS JOINTLY AND SEVERALLY LIABLE FOR AND SHALL PAY TO CLAIMANTS THE SUM OF \$92,697.40 AS COMPENSATORY DAMAGES, WHICH SUM INCLUDES AN AWARD OF INTEREST ON THE COMPANY'S TRADES AS OF MARCH 17, 2000 AND THE COMPANY'S TRADES AS OF MARCH 24, 2000 AT THE RATE OF 10% PER ANNUM.

RESPONDENT GUY G. CLEMENTE IS JOINTLY AND SEVERALLY LIABLE FOR AND SHALL PAY TO CLAIMANTS FOR POST-AWARD INTEREST FROM SEPTEMBER 30, 2003 THROUGH AND INCLUDING THE DATE AND IS PAID IN FULL AT THE RATE OF 10% PER ANNUM.

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: THE THORNWATER COMPANY L.P.

Allegations: BREACH OF FIDUCIARY DUTY; FRAUD; MISREPRESENTATION; UNAUTHORIZED TRADING; UNSUITABLE INVESTMENT RECOMMENDATIONS; ACCOUNT RELATED FAILURE TO SUPERVISE AND NEGLIGENT HIRING.

Product Type: Equity - OTC

Alleged Damages: \$67,733.51

Customer Complaint Information

Date Complaint Received: 05/10/2000

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 10/09/2000

Settlement Amount:

Individual Contribution Amount:

Arbitration Information



Arbitration/Reparation Claim filed with and Docket/Case No.: NASDR CASE # 00-04269

Date Notice/Process Served: 10/09/2000

Arbitration Pending? Yes

Firm Statement CLAIMANTS ALLEGE TWO UNAUTHORIZED TRANSACTIONS AS WELL AS UNAUTHORIZED USE OF MARGIN. SINCE JULY 1997, MR. CLEMENTE'S STANDARD BUSINESS PRACTICE INCLUDES THE PRACTICE OF HAVING HIS SALES ASSISTANT CONFIRM ALL TRANSACTIONS IN HIS CUSTOMER ACCOUNTS (BOTH BUYS AND SELLS) WITH THE CUSTOMER. THE THORNWATER COMPANY HAS A SIGNED MARGIN ACCOUNT AGREEMENT ON FILE FOR THE [CUSTOMER]. IN ADDITION, CLAIMANT MAINTAINED A MARGIN ACCOUNT WITH MR. CLEMENTE AT A PRIOR BROKER-DEALER. WITH RESPECT TO SUITABILITY, CLAIMANTS' INITIAL INVESTMENT WAS APPROXIMATELY \$10,000 IN THE SPRING OF 1996. CLAIMANTS' ACCOUNT HAD A NET LIQUIDATING EQUITY VALUE OF APPROXIMATELY \$48,000 WHEN THEY TRANSFERRED THEIR ACCOUNT FROM THORNWATER TO MERRILL LYNCH IN AUGUST 2000. MR. CLEMENTE CLAIMS THAT MR. [CUSTOMER]SPECIFICALLY APPROVED AND AUTHORIZED ALL TRANSACTIONS IN THIS ACCOUNT PRIOR TO EXECUTION. ON 12/17/2002, RESPONDENTS ATTENDED A HEARING AND MADE A MOTION TO HAVE PLAINTIFF'S COUNSEL DISMISSED FOR CONFLICT OF INTEREST. THE HEARING WAS ADJOURNED UNTIL THE CHAIRMAN RULED ON THE MOTION. CLAIMANTS COUNSEL SUBSEQUENTLY RESIGNED PRIOR TO THE CHAIRMAN'S DECISION. THIS MATTER IS STILL PENDING. A NEW HEARING DATE HAS NOT BEEN SET.

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Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: THE THORNWATER CO LP

Allegations: BREACH OF FIDUCIARY DUTY; FRAUD; MISREPRESENTATION; UNAUTHORIZED TRADING; UNSUITABLE INVESTMENT RECOMMENDATIONS; ACCOUNT RELATED FAILURE TO SUPERVISE AND NEGLIGENT HIRING.

Product Type: Equity - OTC

Alleged Damages: \$67,733.51

Customer Complaint Information

Date Complaint Received: 05/10/2000

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 10/09/2000

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

**Arbitration/Reparation Claim
filed with and Docket/Case
No.:**[NASDR CASE NUMBER 00-04269](#)**Date Notice/Process Served:** 10/09/2000**Arbitration Pending?** No**Disposition:** Award to Customer**Disposition Date:** 10/27/2003**Monetary Compensation
Amount:** \$96,697.40**Individual Contribution
Amount:****Broker Statement**

CLAIMANTS ALLEGE TWO UNAUTHORIZED TRANSACTIONS AS WELL AS UNAUTHORIZED USE OF MARGIN. SINCE JULY 1997, MR. CLEMENTE'S STANDARD BUSINESS PRACTICE INCLUDES THE PRACTICE OF HAVING HIS SALES ASSISTANT CONFIRM ALL TRANSACTIONS IN HIS CUSTOMER ACCOUNTS (BOTH BUYS AND SELLS) WITH THE CUSTOMER. THE THORNWATER COMPANY HAS A SIGNED MARGIN ACCOUNT AGREEMENT ON FILE FOR THE [CUSTOMERS]. IN ADDITION, CLAIMANT MAINTAINED A MARGIN ACCOUNT WITH MR. CLEMENTE AT A PRIOR BROKER-DEALER. WITH RESPECT TO SUITABILITY, CLAIMANTS' INITIAL INVESTMENT WAS APPROXIMATELY \$10,000 IN THE SPRING OF 1996. CLAIMANTS' ACCOUNT HAD A NET LIQUIDATING EQUITY VALUE OF APPROXIMATELY \$48,000 WHEN THEY TRANSFERRED THEIR ACCOUNT FROM THORNWATER TO MERRILL LYNCH IN AUGUST 2000. [CUSTOMER] SPECIFICALLY APPROVED AND AUTHORIZED ALL TRANSACTIONS IN THIS ACCOUNT PRIOR TO EXECUTION. ARBITRATION AWARD TO CUSTOMER FOR THE AMOUNT OF \$96,697.40 JOINTLY AND SEVERALLY

Disclosure 3 of 10**Reporting Source:** Regulator**Employing firm when
activities occurred which led
to the complaint:** M.S. FARRELL & CO., INC.**Allegations:** COMMON LAW FRAUD, BREACH OF FIDUCIARY DUTIES, NEGLIGENCE**Product Type:** Equity Listed (Common & Preferred Stock)**Alleged Damages:** \$206,885.00**Arbitration Information****Arbitration/Reparation Claim
filed with and Docket/Case
No.:**[NASD - CASE #98-01804](#)**Date Notice/Process Served:** 05/18/1998**Arbitration Pending?** No**Disposition:** Denied**Disposition Date:** 02/15/2000**Disposition Detail:** THE CLAIMS FILED BY CLAIMANTS AGAINST RESPONDENT CLEMENTE ARE DENIED IN THEIR ENTIRETY AND DISMISSED WITH PREJUDICE BY ARBITRATION PANEL.



Reporting Source: Individual

Employing firm when activities occurred which led to the complaint:

Allegations: ALLEGED UNAUTHORIZED AND EXCESSIVE TRADING, FAILURE TO FOLLOW INSTRUCTIONS, FRAUD AND NEGLIGENCE, AS WELL AS MAKING FALSE AND MISLEADING STATEMENTS, BREACH OF FIDUCIARY DUTY AND, ON THE PART OF THE FIRM, FAILURE TO SUPERVISE.

Product Type:

Alleged Damages:

Customer Complaint Information

Date Complaint Received:

Complaint Pending? No

Status: Arbitration/Reparation

Status Date:

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: National Assoc. of Securities Dealers; 98-01804

Date Notice/Process Served: 06/03/1998

Arbitration Pending? Yes

Broker Statement N/A
ALLEGATIONS ARE COMPLETELY MERITLESS AND WITHOUT FOUNDATION, AS VIRTUALLY ALL TRADES WERE RE-CONFIRMED BY THE CLIENT AS EXPRESSLY AUTHORIZED AND PROPERLY EXECUTED/EFFECTED.
IN ADDITION, BOTH CLAIMANTS: 1) HAVE FOLLOWED THE BROKER THROUGH AT LEAST TWO (2) BROKER/DEALERS; HAVE ACTIVELY ENGAGED
IN NUMEROUS TRADING OF HIGHLY VOLATILE AND SPECULATIVE SECURITIES WITH THE BROKER SINCE MID-1996 WITHOUT ANY SALES PRACTICE COMPLAINTS; HAVE MORE THAN SUFFICIENT FINANCIAL RESOURCES/INVESTMENT EXPERIENCE TO KNOWINGLY BEAR THE RISKS INVOLVED; ARE EXTREMELY SOPHISTICATED, AS AT LEAST ONE CLAIMANT KEEPS TRACK OF HIS INVESTMENTS; AND KNOWS OTHER CLIENTS WHO HAVE COMPLAINED.

Disclosure 4 of 10

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint:

Allegations: ALLEGED UNAUTHORIZED TRADING. ALLEGED



COMPENSATORY DAMAGES CLAIMED FOR APPROXIMATELY \$20,660

Product Type:

Alleged Damages: \$20,660.00

Customer Complaint Information

Date Complaint Received: 12/12/1997

Complaint Pending? No

Status: Closed/No Action

Status Date:

Settlement Amount:

Individual Contribution Amount:

Broker Statement

N/A

ALLEGATIONS ARE COMPLETELY MERITLESS AND WITHOUT FOUNDATION, AS VIRTUALLY ALL TRADES WERE RE-CONFIRMED BY THE CLIENT AS EXPRESSLY AUTHORIZED AND PROPERLY EXECUTED/EFFECTED. IN ADDITION, CLIENT HAS FOLLOWED THE BROKER THROUGH TWO (2) BROKER/DEALERS; ACTIVELY ENGAGED IN NUMEROUS TRADING OF HIGHLY VOLATILE AND SPECULATIVE SECURITIES WITH BROKER SINCE MID 1996 WITHOUT A SINGLE COMPLAINT; HAS MORE THAN SUFFICIENT FINANCIAL RESOURCES, INVESTMENT EXPERIENCE TO KNOWINGLY BEAR THE RISKS INVOLVED; IS EXTREMELY AND KNOWS OTHER CLIENT WHO HAVE COMPLAINED.

Disclosure 5 of 10

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint:

Allegations:

ALLEGED UNAUTHORIZED TRADING IN UNSPECIFIED NUMBER OF SECURITIES AND FAULRE TO FOLLOW TRADING INSTRUCTIONS, INCLUDING INSTRUCTIONS TO SELL AND ENTER AND EXECUTE CERTAIN STOP LOSS ORDERS. ALLEGED COMPENSATORY DAMAGES CLAIMED FOR LIFE THE SECURITIES ALLEGEDLY TRADED WITHOUT AUTHORIZATION, ARE NOT IDENTIFIED BUT ARE BELIEVED TO BE IN EXCESS OF \$10,000.

Product Type:

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 12/12/1997

Complaint Pending? No

Status: Closed/No Action

Status Date:

Settlement Amount:

**Individual Contribution
Amount:****Broker Statement**

N/A

ALLEGATIONS ARE COMPLETELY MERITLESS AND WITHOUT FOUNDATION, AS VIRTUALLY ALL TRADES WERE RE-CONFIRMED BY THE CLIENT AS EXPRESSLY AUTHORIZED AND PROPERLY EXECUTED/EFFECTED.

IN ADDITION, CLIENT HAS FOLLOWED THE BROKER THROUGH THREE (3) BROKER/DEALERS; ACTIVELY ENGAGED IN NUMEROUS TRADING OF HIGHLY

VOLATILE AND SPECULATIVE SECURITIES WITH BROKER SINCE MID-1995 WITHOUT A SINGLE COMPLAINT; HAS MORE THAN SUFFICIENT FINANCIAL RESOURCES AND INVESTMENT EXPERIENCE TO KNOWINGLY BEAR RISKS INVOLVED; AND IS EXTREMELY SOPHISTICATED AS HE HAS ADMITTED TRACKING HIS INVESTMENTS AND TRADING HIGHLY RISKY FUTURES CONTRACTS.

Disclosure 6 of 10**Reporting Source:**

Regulator

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

COMMONWEALTH ASSOCIATES

Allegations:

ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT
RELATED-NEGLIGENCE; MISREPRESENTATION; OMISSION OF FACTS

Product Type:**Alleged Damages:**

\$178,345.89

Arbitration Information**Arbitration/Reparation Claim
filed with and Docket/Case
No.:**[NASD - CASE #97-01462](#)**Date Notice/Process Served:**

04/25/1997

Arbitration Pending?

No

Disposition:

Other

Disposition Date:

05/21/1998

Disposition Detail:

AWARD AGAINST PARTY
ACTUAL/COMPENSATORY DAMAGES, RELIEF HAS
BEEN AWARDED (PARTIAL OR FULL), AWARD AMOUNT \$40,000.00;

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Reporting Source:

Firm

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

COMMONWEALTH ASSOCIATES

Allegations:

ALLEGED UNSUITABLE, EXCESSIVE AND
UNAUTHORIZED TRADING, MISREPRESENTATIONS/ OMISSIONS, BREACH
OF
FIDUCIARY DUTY AND CONTRACT AND FAILURE TO SUPERVISE. ALLEGED
COMPENSATORY DAMAGES OF \$178,345.89 PLUS \$250,000 IN PUNITIVE
DAMAGES AND INTEREST

**Product Type:****Alleged Damages:** \$178,345.89**Customer Complaint Information****Date Complaint Received:****Complaint Pending?** No**Status:** Arbitration/Reparation**Status Date:****Settlement Amount:****Individual Contribution Amount:****Arbitration Information****Arbitration/Reparation Claim filed with and Docket/Case No.:** [National Assoc. of Securities Dealers; 97-01462](#)**Date Notice/Process Served:** 04/25/1997**Arbitration Pending?** No**Disposition:** Award to Customer**Disposition Date:** 05/21/1998**Monetary Compensation Amount:** \$40,000.00**Individual Contribution Amount:** \$40,000.00**Firm Statement** N/A
Not Provided**Reporting Source:** Individual**Employing firm when activities occurred which led to the complaint:** COMMONWEALTH ASSOCIATES**Allegations:** UNAUTHORIZED TRADING, CHURNING, RECOMMENDATION OF UNSUITABLE INVESTMENTS; FRAUD; MISREPRESENTATION; BREACH OF FIDUCIARY DUTY; BREACH OF CONTRACT AND ACCOUNT RELATED FAILURE TO SUPERVISE.**Product Type:** Equity - OTC**Other Product Type(s):** EQUITY -LISTED**Alleged Damages:** \$178,345.89**Customer Complaint Information****Date Complaint Received:** 12/10/1996**Complaint Pending?** No**Status:** Arbitration/Reparation**Status Date:** 04/25/1997

**Settlement Amount:****Individual Contribution
Amount:****Arbitration Information****Arbitration/Reparation Claim
filed with and Docket/Case
No.:** [NASD 97-01462](#)**Date Notice/Process Served:** 04/25/1997**Arbitration Pending?** No**Disposition:** Award to Customer**Disposition Date:** 05/21/1998**Monetary Compensation
Amount:** \$40,000.00**Individual Contribution
Amount:** \$40,000.00**Broker Statement**
ALL TRANSACTIONS WERE SPECIFICALLY AUTHORIZED AND APPROVED
BY [CUSTOMER] PRIOR TO EXECUTION. [CUSTOMER] WAS AWARE OF THE
NATURE AND RISK OF ALL TRANSACTIONS IN HIS ACCOUNT.
[CUSTOMER'S] INVESTMENT OBJECTIVES ALLOWED FOR ALL
TRANSACTIONS.**Disclosure 7 of 10****Reporting Source:** Regulator**Employing firm when
activities occurred which led
to the complaint:** COMMONWEALTH ASSOCIATES**Allegations:** UNAUTHORIZED TRADING; MISREPRESENTATION; SUITABILITY;**Product Type:** Other**Other Product Type(s):** UNSPECIFIED TYPE OF SECURITIES**Alleged Damages:** \$110,000.00**Arbitration Information****Arbitration/Reparation Claim
filed with and Docket/Case
No.:** [NASD - CASE #96-01067](#)**Date Notice/Process Served:** 03/06/1996**Arbitration Pending?** No**Disposition:** Award**Disposition Date:** 02/26/1997**Disposition Detail:** RESPONDENT IS JOINTLY AND SEVERALLY LIABLE FOR AND SHALL PAY TO
CLAIMANT THE SUM OF \$32,400.**Reporting Source:** Firm



Employing firm when activities occurred which led to the complaint: COMMONWEALTH ASSOCIATES

Allegations: ALLEGED UNAUTHORIZED TRANSACTIONS (DAMAGES UNSPECIFIED BUT EXCEED \$10,000.00)

Product Type:

Alleged Damages: \$110,000.00

Customer Complaint Information

Date Complaint Received:

Complaint Pending? No

Status: Arbitration/Reparation

Status Date:

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [National Assoc. of Securities Dealers; 96-01067](#)

Date Notice/Process Served: 03/22/1996

Arbitration Pending? No

Disposition: Award to Customer

Disposition Date: 02/26/1997

Monetary Compensation Amount: \$32,400.00

Individual Contribution Amount: \$0.00

Firm Statement PENDING
GUY CLEMENTE MAINTAINS THAT ALL TRANSACTIONS WERE AUTHORIZED AND DENIES THE CUSTOMER'S ALLEGATIONS. IN ADDITION, CUSTOMER PREVIOUSLY WAS CONTACTED BY THE COMPLIANCE OFFICER AND CUSTOMER REPRESENTED THAT SHE WAS AWARE OF AND ACKNOWLEDGED ALL ACTIVITY IN HER ACCOUNT. MR. CLEMENTE WILL VIGOROUSLY DEFEND HIS ACTIONS WITH RESPECT TO THE CUSTOMER'S ACCOUNT AND WILL DENY ANY WRONGDOING.

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: COMMONWEALTH ASSOCIATES

Allegations: UNAUTHORIZED TRADING; UNSUITABLE INVESTMENT RECOMMENDATIONS; FRAUD; BREACH OF FIDUCIARY DUTY AND ACCOUNT RELATED FAILURE TO SUPERVISE.



Product Type: Equity - OTC
Other Product Type(s): EQUITY - LISTED
Alleged Damages: \$110,000.00

Customer Complaint Information

Date Complaint Received: 12/11/1995
Complaint Pending? No
Status: Arbitration/Reparation
Status Date: 02/26/1997

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [NASD 96-01067](#)

Date Notice/Process Served: 03/22/1996
Arbitration Pending? No
Disposition: Award to Customer
Disposition Date: 02/26/1997
Monetary Compensation Amount: \$32,400.00
Individual Contribution Amount: \$0.00

Broker Statement THE ARBITRATION PANEL DISMISSED WITH PREJUDICE CLAIMANT'S ALLEGATIONS OF FRAUD, FAILURE TO SUPERVISE, UNSUITABLE SECURITIES TRANSACTIONS AND BREACH OF FIDUCIARY DUTY. [CUSTOMER] SPECIFICALLY APPROVED ALL TRANSACTIONS IN HER ACCOUNT PRIOR TO EXECUTION. [CUSTOMER] WAS FULLY AWARE AT ALL TIMES OF THE NATURE AND RISK OF SECURITY TRANSACTIONS IN HER ACCOUNT. [CUSTOMER'S] INVESTMENT OBJECTIVES ALLOWED FOR SPECULATION. ADDITIONALLY [CUSTOMER] SPOKE WITH COMPLIANCE PERSONNEL OF THE FIRM REGARDING MR. CLEMENTE'S HANDLING OF HER ACCOUNT (I.E. [CUSTOMER'S] ACCOUNT WAS AN ACTIVE TRADING ACCOUNT). AT NO TIME DID [CUSTOMER] MAKE ANY ALLEGATION OF UNAUTHORIZED TRADING, UNAUTHORIZED USE OF MARGIN OR THE RECOMMENDATION OF UNSUITABLE INVESTMENTS.

Disclosure 8 of 10

Reporting Source: Regulator
Employing firm when activities occurred which led to the complaint: COMMONWEALTH ASSOCIATES
Allegations: SUITABILITY; ACCOUNT RELATED-OTHER
Product Type:
Alleged Damages: \$71,000.00

**Arbitration Information****Arbitration/Reparation Claim
filed with and Docket/Case
No.:**[NASD - CASE #95-06093](#)**Date Notice/Process Served:** 02/05/1996**Arbitration Pending?** No**Disposition:** Other**Disposition Date:** 07/14/1997**Disposition Detail:** AWARD AGAINST PARTY
ACTUAL/COMPENSATORY DAMAGES, RELIEF HAS
BEEN AWARDED (PARTIAL OR FULL), AWARD AMOUNT \$25,000.00 JOINTLY
AND SEVERALLY; ATTORNEY'S FEES, RELIEF REQUEST HAS BEEN DENIED
IN FULL; OTHER MONETARY RELIEF, RELIEF REQUEST HAS BEEN DENIED
IN FULL**Reporting Source:** Firm**Employing firm when
activities occurred which led
to the complaint:** COMMONWEALTH ASSOCIATES**Allegations:** CUSTOMER ALLEGES INVESTMENTS WERE UNSUITABLE
ALLEGED LOSSES \$71,000.00000.00**Product Type:****Alleged Damages:** \$71,000.00**Customer Complaint Information****Date Complaint Received:****Complaint Pending?** No**Status:** Arbitration/Reparation**Status Date:****Settlement Amount:****Individual Contribution
Amount:****Arbitration Information****Arbitration/Reparation Claim
filed with and Docket/Case
No.:**[National Assoc. of Securities Dealers; 95-06093](#)**Date Notice/Process Served:** 02/05/1996**Arbitration Pending?** No**Disposition:** Award to Customer**Disposition Date:** 07/14/1997**Monetary Compensation
Amount:** \$25,000.00**Individual Contribution
Amount:** \$0.00

**Amount:**

Firm Statement PENDING
CONTACT:IRV TRAGER (212)297-5789

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Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: COMMONWEALTH ASSOCIATES
Allegations: UNSUITABILITY AND ONE UNAUTHORIZED TRADE
Product Type: Equity - OTC
Alleged Damages: \$71,000.00

Customer Complaint Information

Date Complaint Received: 11/03/1995
Complaint Pending? No
Status: Arbitration/Reparation
Status Date: 07/14/1997
Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [NASD 95-06093](#)

Date Notice/Process Served: 02/05/1996
Arbitration Pending? No
Disposition: Award to Customer
Disposition Date: 07/14/1997
Monetary Compensation Amount: \$25,000.00
Individual Contribution Amount: \$0.00

Broker Statement ALL SECURITY TRANSACTIONS IN MR. FAULKNER'S ACCOUNT WERE SPECIFICALLY APPROVED AND AUTHORIZED PRIOR TO EXECUTION. MR. FAULKNER WAS FULLY AWARE OF THE NATURE AND RISK OF ALL TRANSACTIONS IN HIS ACCOUNT. ADDITIONALLY, MR. FAULKNER'S INVESTMENT OBJECTIVES ALLOWED FOR ALL TRANSACTIONS. DURING THE HEARING, MR. FAULKNER STATED THAT THE ALLEGED UNAUTHORIZED TRADE IN HIS STATEMENT OF CLAIM WAS INACCURATE AND IN FACT AUTHORIZED.

Disclosure 9 of 10

Reporting Source: Firm

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

Allegations: THE CUSTOMER SUBMITTED A LETTER REQUESTING THAT ALL UNAUTHORIZED TRANSACTIONS BE REVERSED. DAMAGES WERE UNSPECIFIED.

Product Type:

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 10/09/1995

Complaint Pending? No

Status: Settled

Status Date: 12/27/1995

Settlement Amount:

Individual Contribution Amount:

Firm Statement

GUY CLEMENTE AT ALL TIMES MAINTAINED THAT HE DISCUSSED ALL TRADES WITH THE CUSTOMER BEFORE THEY WERE EFFECTED AND THAT THE TRANSACTIONS IN ISSUE WERE AUTHORIZED BY THE CUSTOMER. NOTE THAT THE CUSTOMER WROTE A SECOND LETTER TO RESCIND AND RETRACT HIS INITIAL COMPLAINT, STATING THAT AFTER CONSIDERING THE MATTER, HE REALIZED THAT HE DID IN FACT HAVE CONVERSATIONS AND DISCUSSIONS WITH MR. CLEMENTE ABOUT THE STOCKS IN ISSUE. THE RETRACTION EVIDENCES THAT THE CUSTOMER RECOGNIZED THE TRANSACTIONS WERE NOT UNAUTHORIZED. NEVERTHELESS, MR. CLEMENTE, IN AN ATTEMPT TO RECTIFY THE SITUATION AND PRESERVE THE BUSINESS RELATIONSHIP WITH THE CUSTOMER, OFFERED TO ASSUME RESPONSIBILITY FOR THE LOSSES INCURRED IN THE CUSTOMER'S ACCOUNT.

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: COMMONWEALTH ASSOCIATES

Allegations: CUSTOMER, SUBMITTED A LETTER REQUESTING THAT ALL UNAUTHORIZED TRADES BE REVERSED.

Product Type: Equity - OTC

Other Product Type(s): EQUITY - LISTED

Alleged Damages: \$15,000.00

Customer Complaint Information

Date Complaint Received: 10/09/1995

Complaint Pending? No



Status: Settled

Status Date: 12/27/1995

Settlement Amount: \$15,000.00

Individual Contribution Amount: \$15,000.00

Broker Statement [CUSTOMER] APPROVED ALL SECURITY TRANSACTIONS IN HIS ACCOUNT PRIOR TO EXECUTION. [CUSTOMER] WROTE A SECOND LETTER TO RESCIND AND RETRACT HIS INITIAL COMPLAINT, STATING THAT AFTER CONSIDERING THE MATTER, HE REALIZED THAT HE DID IN FACT HAVE CONVERSATIONS AND DISCUSSIONS WITH ME ABOUT THE STOCKS AT ISSUE. THE RETRACTION EVIDENCES THAT [THIRD PARTY] RECOGNIZED THE TRANSACTIONS WERE NOT UNAUTHORIZED.

Disclosure 10 of 10

Reporting Source: Regulator

Employing firm when activities occurred which led to the complaint:

Allegations: MISREPRESENTATION; UNAUTHORIZED TRADING; ACCOUNT RELATED - FAILURE TO SUPERVISE; BRCH OF FIDUCIARY DT

Product Type:

Alleged Damages: \$103,130.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [NASD - CASE #96-05220](#)

Date Notice/Process Served: 12/18/1996

Arbitration Pending? No

Disposition: Other

Disposition Date: 05/28/1998

Disposition Detail: AWARD AGAINST PARTY
ACTUAL/COMPENSATORY DAMAGES, RELIEF HAS BEEN AWARDED (PARTIAL OR FULL), AWARD AMOUNT \$75,000.00 JOINTLY AND SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, RELIEF HAS BEEN AWARDED (PARTIAL OR FULL), AWARD AMOUNT \$45,000.00

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Reporting Source: Firm

Employing firm when activities occurred which led to the complaint:

Allegations: MISREPRESENTATION (FRAUD), FAILURE TO FOLLOW INSTRUCTIONS AND UNAUTHORIZED TRADING. ALLEGED DAMAGES - UNSPECIFIED.

Product Type:

Alleged Damages: \$103,130.00

**Customer Complaint Information****Date Complaint Received:****Complaint Pending?** No**Status:** Arbitration/Reparation**Status Date:****Settlement Amount:****Individual Contribution Amount:****Arbitration Information****Arbitration/Reparation Claim filed with and Docket/Case No.:** [National Assoc. of Securities Dealers; 96-05220](#)**Date Notice/Process Served:** 12/18/1996**Arbitration Pending?** No**Disposition:** Award to Customer**Disposition Date:** 05/28/1998**Monetary Compensation Amount:** \$165,000.00**Individual Contribution Amount:** \$45,000.00**Firm Statement** SETTLED FOR \$26,000 - MR. CLEMENTE DID NOT CONTRIBUTE TO THE SETTLEMENT.
CONTACT PERSON - JOHN P. BEVILACQUA 212 816-7279**Reporting Source:** Individual**Employing firm when activities occurred which led to the complaint:** COMMONWEALTH ASSOCIATES**Allegations:** FRAUD; MISPRESENTATION; FAILURE TO FOLLOW INSTRUCTIONS; UNAUTHORIZED TRADING; BREACH OF FIDUCIARY DUTY; BREACH OF CONTRACT; NEGLIGENCE AND ACCOUNT RELATED FAILURE TO SUPERVISE.**Product Type:** Equity - OTC**Alleged Damages:** \$103,130.00**Customer Complaint Information****Date Complaint Received:** 01/16/1996**Complaint Pending?** No**Status:** Arbitration/Reparation**Status Date:** 05/28/1998**Settlement Amount:****Individual Contribution Amount:**

**Arbitration Information****Arbitration/Reparation Claim
filed with and Docket/Case
No.:**[NASD 96-05220](#)**Date Notice/Process Served:** 12/18/1996**Arbitration Pending?** No**Disposition:** Award to Customer**Disposition Date:** 05/28/1998**Monetary Compensation
Amount:** \$165,000.00**Individual Contribution
Amount:** \$45,000.00**Broker Statement**

[CUSTOMER'S] ACTUAL LOSSES WERE APPROXIMATELY \$100,000, HOWEVER, HE WAS AWARDED \$165,000 BY THE ARBITRATION PANEL. RESPONDENTS VIGOROUSLY CONTESTED THIS ARBITRATION. PRIOR TO THE HEARING, RESPONDENTS DISCOVERED THAT THE CLAIMANT'S LAW FIRM PREVIOUSLY EMPLOYED THE CHAIRWOMAN OF THE ARBITRATION PANEL. RESPONDENTS IMMEDIATELY MADE MOTIONS FOR THE CHAIRWOMAN TO RECUSE HERSELF FROM THE PANEL. WHILE RESPONDENTS WERE AWAITING A DECISION ON THEIR MOTION TO RECUSE, THE CHAIRWOMAN WAS CONSIDERING A MOTION TO COMPEL SUBMITTED BY THE CLAIMANT. ULTIMATELY, THE CHAIRWOMAN'S RULING ON THE CLAIMANT'S MOTION TO COMPEL ALLOWED FOR THE PRODUCTION OF DOCUMENTS, WHICH WERE HIGHLY PREJUDICIAL TO THE RESPONDENTS' CASE. AFTER RULING ON THE CLAIMANT'S MOTION TO COMPEL, THE CHAIRWOMAN RESIGNED FROM THE PANEL. IT IS MY BELIEF THAT THE CHAIRWOMAN WAS SO DISTRAUGHT WITH HER REMOVAL FROM THE PANEL THAT SHE PREJUDICED THE REMAINING PANEL MEMBERS. AT THE HEARING, [CUSTOMER] WAS ALLOWED TO MAKE A CLAIM FOR ADDITIONAL DAMAGES OF LOST PROFITS (I.E. IN THAT HE WOULD HAVE HAD ADDITIONAL MONEY TO PUT INTO A REAL ESTATE INVESTMENT, HAD HE NOT LOST IT IN THE STOCK MARKET.) THIS CLAIM WAS NEVER MENTIONED IN THE CLAIMANT'S ORIGINAL STATEMENT OF CLAIM. RESPONDENTS FELT SO AGGRIEVED BY THE DECISION OF THIS ARBITRATION PANEL THAT THEY APPEALED TO THE CIRCUIT COURT. RESPONDENTS LOST THE APPEAL. IT WAS THE OPINION OF MY ATTORNEY THAT THE CLAIMANT'S CASE WOULD HAVE NEVER HELD UP IN A COURT OF LAW (I.E. IN THAT DOCUMENTS ALLOWED INTO EVIDENCE IN A COURT CASE MUST BE SUPPORTED BY THE RULES OF EVIDENTIARY PROCEDURE). [CUSTOMER] GAVE FULL AUTHORIZATION AND APPROVAL FOR EVERY TRANSACTION IN HIS ACCOUNT. [CUSTOMER] WAS INFORMED THAT STOP LOSS ORDERS WERE INAPPLICABLE WITH RESPECT TO THE STOCKS IN HIS ACCOUNT.



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 2

Reporting Source: Firm

Firm Name: Andrew Garrett, Inc.

Termination Type: Permitted to Resign

Termination Date: 12/21/2023

Allegations: Individual was subject of an investment-related, consumer-initiated complaint. the complaint prompted an internal review, which was ongoing on 12/21/2023, when individual submitted resignation. Internal review concluded that individual violated firm policies.

Product Type: Equity-OTC
Equity Listed (Common & Preferred Stock)

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Reporting Source: Individual

Firm Name: ANDREW GARRETT INC.

Termination Type: Permitted to Resign

Termination Date: 12/21/2023

Allegations: Individual was subject of an investment-related, consumer-initiated complaint. the complaint prompted an internal review, which was ongoing on 12/21/2023, when individual submitted resignation. Internal review concluded that individual violated firm policies.

Product Type: Equity-OTC
Equity Listed (Common & Preferred Stock)

Broker Statement I voluntarily resigned from the firm on 12/21/23 to pursue another opportunity. Neither at the time of, nor prior to, nor at any time after my resignation, was I told that I was under any internal review. I have never to this day been informed by the firm that any such internal review concluded that I violated any firm policies, or what firm policies I had violated, or how I had violated any such firm policies. The consumer-initiated complaint referred to by the firm is now the arbitration.

Disclosure 2 of 2

Reporting Source: Individual

Firm Name: SALOMON SMITH BARNEY INC.

Termination Type: Discharged

Termination Date: 05/01/1995

Allegations: "MR. CLEMENTE ADMITTED HE SIGNED A \$195,000 PROMISSORY NOTE AND GAVE THE SAME CUSTOMER PERSONAL CHECKS TOTALING \$75,000 FOR AN UNAPPROVED OUTSIDE BUSINESS ACTIVITY IN VIOLATION OF FIRM POLICY, WHICH WAS DISCOVERED IN THE COURSE OF INVESTIGATING A VERBAL CUSTOMER COMPLAINT ALLEGING UNAUTHORIZED TRADING. MR. CLEMENTE FAILED TO COOPERATE WITH



THE ATTORNEY HANDLING THE INVESTIGATION IN THAT HE REFUSED TO GIVE THEM COPIES OF THE PROMISSORY NOTE OR THE CHECKS".

Product Type:

No Product

Other Product Types:**Broker Statement**

ON ADVICE OF SB COUNSEL, I SETTLED WITH THIS CUSTOMER. THIS WAS DONE WITH THE FIRM'S KNOWLEDGE AND CONSENT IN 91. WHEN THE SAME CUSTOMER MADE A VERBAL COMPLAINT IN 5/95 TO THE BM, MANAGEMENT OF SB DEVELOPED AMNESIA WITH REGARD TO THEIR PRIOR SETTLEMENT INSTRUCTIONS. THERE WAS NEVER ANY OUTSIDE BUSINESS INVESTMENT WITH THIS CUSTOMER. THE CHECKS AND PROMISSORY NOTE WERE DUE TO THE PRIVATE SETTLEMENT. NASD DO # 5 INVESTIGATED THIS MATTER IN 7/95. ON 4/3/97 I SIGNED AN AWC FOR VIOLATING NASD RULES 2110 AND 2330F. THE NASD DID NOT FIND ANY EVIDENCE TO SUPPORT THE ALLEGATIONS OF OUTSIDE BUSINESS INVESTMENT OR UNAUTHORIZED TRADING. FURTHERMORE THE CUSTOMER NEVER PUT ANY OF HIS ALLEGATIONS IN WRITING, NOR DID HE FILE FOR ARBITRATION. I BELIEVE THAT ANOTHER REASON THAT SB ADVISED ME TO ENTER A PRIVATE SETTLEMENT WAS TO ATTEMPT TO PROTECT THE BM AS HE HAD A PRIOR AWC (FOR FAILURE TO SUPERVISE). WITH REGARD TO SB'S ALLEGATION THAT I FAILED TO COOPERATE WITH THEIR INTERNAL INVESTIGATION, I WAS ADVISED BY COUNSEL NOT TO ANSWER SOME OF THEIR QUESTIONS. I FELT UNCOMFORTABLE WITH THIS ADVICE AND CHANGED COUNSEL THE NEXT DAY. MY NEW ATTORNEY WROTE A LETTER TO SB THE NEXT DAY INFORMING THEM THAT MY PREVIOUS ATTORNEY WAS NOT A SECURITIES LAWYER (HE WAS A PERSONAL FRIEND) AND AS SUCH WAS NOT AWARE OF THE RAMIFICATIONS OF ADVISING A REP NOT TO COOPERATE WITH A FIRM'S INTERNAL INVESTIGATION. HE WENT ON TO STATE THAT I WAS READY, WILLING AND ABLE TO COOPERATE WITH THEIR INVESTIGATION. AT THE SAME TIME I TENDERED MY RESIGNATION TO THE FIRM. 6 WKS AFTER MY RESIGNATION I RECEIVED SB'S U-5 TERMINATION. I LATER DISCOVERED (IN DOCUMENTS THAT WERE PRODUCED IN ANOTHER CUSTOMER ARBITRATION BY SB) NASD DO #5 WANTED TO FINE AND SUSPEND MY FORMER BRANCH MANAGER FOR HIS CONDUCT IN THIS MATTER. HOWEVER, SB ULTIMATELY PERSUADED THE NASD TO SANCTION THE FIRM INSTEAD.



Financial

This disclosure event involves a final bankruptcy, compromise with one or more creditors, or Securities Investor Protection Corporation liquidation that occurred within the last 10 years and that involved the Investment Adviser Representative or an organization/investment adviser that the Investment Adviser Representative controlled that occurred within the last 10 years.

Disclosure 1 of 1

Reporting Source:	Individual
Action Type:	Bankruptcy
Bankruptcy:	Chapter 7
Action Date:	03/10/2025
Organization Investment-Related?	
Type of Court:	Federal Court
Name of Court:	United States Bankruptcy Court
Location of Court:	Brooklyn, New York
Docket/Case #:	1:2025bk41150
Action Pending?	No
Disposition:	Discharged
Disposition Date:	08/21/2025



End of Report

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