



IAPD Report

MICHELE GEORGE SAVARESE

CRD# 1241811

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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

MICHELE GEORGE SAVARESE (CRD# 1241811)

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 **04/29/2026**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	CREATIVEONE SECURITIES, LLC	CRD# 152974	08/15/2018
IA	CREATIVEONE SECURITIES, LLC	CRD# 152974	08/16/2018

QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **10** 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	KESTRA ADVISORY SERVICES, LLC	283330	San Diego, CA	10/31/2016 - 08/16/2018
B	KESTRA INVESTMENT SERVICES, LLC	42046	SAN DIEGO, CA	10/31/2016 - 08/16/2018
IA	PRESIDENTIAL BROKERAGE, INC.	28784	SAN DIEGO, CA	03/03/1999 - 11/07/2016

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

DISCLOSURE INFORMATION

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

Are there events disclosed about this representative? **Yes**

The following types of events are disclosed about this representative:

Type	Count
Customer Dispute	14



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

Employment 1 of 1

Firm Name: **CREATIVEONE SECURITIES, LLC**
Main Address: 6330 SPRINT PARKWAY, SUITE 400
OVERLAND PARK, KS 66211
Firm ID#: 152974

	Regulator	Registration	Status	Date
B	FINRA	General Securities Representative	Approved	08/15/2018
B	Arizona	Agent	Approved	08/23/2018
B	California	Agent	Approved	08/16/2018
IA	California	Investment Adviser Representative	Approved	08/16/2018
B	Colorado	Agent	Approved	08/29/2018
B	Florida	Agent	Approved	08/27/2018
IA	Florida	Investment Adviser Representative	Approved	10/05/2021
B	Georgia	Agent	Approved	01/04/2019
B	Nevada	Agent	Approved	01/30/2019
B	North Carolina	Agent	Approved	08/17/2018
B	Oklahoma	Agent	Approved	03/12/2025
B	Texas	Agent	Approved	09/28/2018
IA	Texas	Investment Adviser Representative	Restricted Approval	01/02/2026



Qualifications

Regulator	Registration	Status	Date
B Washington	Agent	Approved	01/04/2019

Branch Office Locations

CREATIVEONE SECURITIES, LLC
3111 Camino Del Rio N
Ste 400
San Diego, CA 92108

CREATIVEONE SECURITIES, LLC
Wesley Chapel, FL



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
General Securities Representative Examination (S7)	Series 7	04/14/1984
Interest Rate Options Examination (S5)	Series 5	03/19/1984
National Commodity Futures Examination (S3)	Series 3	03/12/1984

State Securities Law Exams

Exam	Category	Date
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Uniform Investment Adviser Law Examination (S65)	Series 65	01/27/1999
Uniform Securities Agent State Law Examination (S63)	Series 63	03/26/1984

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	10/31/2016 - 08/16/2018	KESTRA ADVISORY SERVICES, LLC	CRD# 283330	San Diego, CA
B	10/31/2016 - 08/16/2018	KESTRA INVESTMENT SERVICES, LLC	CRD# 42046	SAN DIEGO, CA
IA	03/03/1999 - 11/07/2016	PRESIDENTIAL BROKERAGE, INC.	CRD# 28784	SAN DIEGO, CA
B	05/20/1996 - 11/07/2016	PRESIDENTIAL BROKERAGE, INC.	CRD# 28784	SAN DIEGO, CA
B	01/22/1994 - 05/14/1996	SUTRO & CO. INCORPORATED	CRD# 801	SAN FRANCISCO, CA
B	08/25/1989 - 02/01/1994	PRUDENTIAL SECURITIES INCORPORATED	CRD# 7471	NEW YORK, NY
B	06/12/1989 - 08/25/1989	THOMSON MCKINNON SECURITIES INC.	CRD# 829	NEW YORK, NY
B	05/09/1984 - 06/19/1989	DREXEL BURNHAM LAMBERT INCORPORATED	CRD# 7323	

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
10/2018 - Present	CreativeOne Securities, LLC formerly Client One Securities, LLC	Registered Representative/Invest ment Adviser Representative	Y	Overland Park, KS, United States
10/2016 - Present	AMERICA'S RETIREMENT ADVISORY GROUP	PRINCIPAL	Y	Wesley Chapel, FL, United States
10/2016 - 08/2018	KESTRA FINANCIAL, INC	REGISTERED REP/INVESTMENT ADVISOR	Y	SAN DIEGO, CA, United States
05/1996 - 10/2016	PRESIDENTIAL BROKERAGE, INC	NOT PROVIDED	Y	SAN DIEGO, CA, 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. America's Retirement Advisory Group; Investment-related: Yes; 30044 Skylark Drive, Wesley Chapel, FL 33545; Financial Services; Owner; Start date: 06/2015; 0 hrs/mo with 0 hrs/mo during trading hours; DBA.
2. Michele G. Savarese; Investment-related: Yes; 30044 Skylark Drive, Wesley Chapel, FL 33545; Fixed Insurance and annuities; Owner; Start date: 06/2003; 20 hrs/mo with 20 hrs/mo during trading hours; Sales and service.



Disclosure Summary

Disclosure Information

What you should know about reported disclosure events:

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

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

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

As mentioned in the "About IAPD" section on page 1 of this report, information contained in IAPD comes from Investment Adviser Representatives, firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the IAPD report. The different versions will be separated by a solid line with the reporting source labeled.

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

- A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" disclosure event involves allegations that have not been proven or formally adjudicated.
 - A disclosure event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" disclosure event has been concluded and its resolution is not subject to change.
- A final disclosure event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - A "settled" matter generally represents a disposition wherein the parties involved in a dispute reach an agreement to resolve the matter. Please note that Investment Adviser Representatives and firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually includes a disposition wherein no payment is made to the customer or there is no finding of wrongdoing on the part of the Investment Adviser Representative. Such matters generally involve customer disputes.

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



DISCLOSURE EVENT DETAILS

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

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

The following types of events are disclosed about this representative:

Type	Count
Customer Dispute	14

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 14

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	KESTRA INVESTMENT SERVICES, LLC
Allegations:	Claimant alleges Savarese misrepresented and recommended unsuitable illiquid securities.
Product Type:	Other: BDCs
Alleged Damages:	\$100,000.00

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	23-03427
Date Notice/Process Served:	12/22/2023
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	01/23/2026
Monetary Compensation Amount:	\$75,000.00
Individual Contribution Amount:	\$0.00



Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: KESTRA INVESTMENT SERVICES, LLC
Allegations: Breach of fiduciary duty and account negligence
Product Type: Other: Mutual Funds and other types of securities
Alleged Damages: \$100,000.00

Arbitration Information

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

Docket/Case #: 23-03427
Date Notice/Process Served: 01/03/2024
Arbitration Pending? No
Disposition: Settled
Disposition Date: 01/23/2026
Monetary Compensation Amount: \$75,000.00
Individual Contribution Amount: \$0.00

Disclosure 2 of 14

Reporting Source: Firm
Employing firm when activities occurred which led to the complaint: Forta Financial Group
Allegations: boilerplate allegations include unsuitability, common law fraud, breach of contract, negligent supervision, breach of fiduciary duty and negligence between August 2014 and June 2021
Product Type: Other: non traded REITs and BDCs
Alleged Damages: \$100,000.00
Alleged Damages Amount Explanation (if amount not exact): Damages not specified
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 #: 21-01528



Filing date of arbitration/CFTC reparation or civil litigation: 06/15/2021

Customer Complaint Information

Date Complaint Received: 06/28/2021

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: PRESIDENTIAL BROKERAGE, INC.

Allegations: Boilerplate allegations include unsuitability, common law fraud, breach of contract, negligent supervision, breach of fiduciary duty and negligence between August 2014 and June 2021

Product Type: Other: Alternative Investments

Alleged Damages: \$100,000.00

Alleged Damages Amount Explanation (if amount not exact): This is damages alleged to Presidential Brokerage n/k/a Forta Financial

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 #: 21-01528

Filing date of arbitration/CFTC reparation or civil litigation: 06/15/2021

Customer Complaint Information

Date Complaint Received: 07/28/2021

Complaint Pending? No

Status: Settled

Status Date: 12/23/2021

Settlement Amount: \$437,500.00

Individual Contribution Amount: \$0.00



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Forta Financial Group

Allegations: boilerplate allegations include negligence, negligent supervision, unsuitability and breach of contract between September 2015 and June 2021

Product Type: Other: non traded REITs and BDCs

Alleged Damages: \$95,000.00

Arbitration Information

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

Docket/Case #: 21-01555

Date Notice/Process Served: 06/28/2021

Arbitration Pending? Yes

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: Presidential Brokerage, Inc.

Allegations: Boilerplate allegations include negligence, negligent supervision, unsuitability and breach of contract between September 2015 and June 2021

Product Type: Other: Alternative Investments

Alleged Damages: \$95,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? No

Arbitration/Reparation forum or court name and location: Anticipated to be San Diego CA.

Docket/Case #: 21-01555

Filing date of arbitration/CFTC reparation or civil litigation: 06/22/2021

Customer Complaint Information

Date Complaint Received: 09/02/2020

Complaint Pending? No

Status: Settled

Status Date: 12/16/2021

Settlement Amount: \$34,000.00



Individual Contribution Amount: \$4,000.00

Arbitration Information

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

Docket/Case #: 21-01555

Date Notice/Process Served: 06/22/2021

Arbitration Pending? No

Disposition: Settled

Disposition Date: 12/16/2021

Monetary Compensation Amount: \$34,000.00

Individual Contribution Amount: \$4,000.00

Disclosure 4 of 14

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: PRESIDENTIAL BROKERAGE, INC.

Allegations: BREACH OF FIDUCIARY DUTY - CLIENT SUFFERED A DECLINE IN THE VALUE OF HER ACCOUNT FOLLOWING THE MARKET CORRECTION OF 2008 - CLAIMED THAT WE HAD A FIDUCIARY DUTY TO MAKE HER WHOLE.

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

Alleged Damages: \$62,000.00

Alleged Damages Amount Explanation (if amount not exact): ACTUAL OUT OF POCKET LOSS WAS 36000, SHE INCLUDED AN ASSET NEVER HELD AT PRESIDENTIAL

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: 01/21/2010

Complaint Pending? No

Status: Denied

Status Date: 02/11/2010

Settlement Amount:

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

CLIENT SENT IN A WRITTEN GRIEVANCE IN DECEMBER UPSET WITH POOR PERFORMANCE OF HER ACCOUNT - ASKED US TO PAY TRANSFER FEES WHICH WE AGREED TO DO. SENT IN ANOTHER LETTER ON 1/21 CONTINUING TO COMPLAIN ABOUT THE PERFORMANCE AND WHILE NOT ALLEGING ANY SALES PRACTICE VIOLATIONS STATED SHE BELIEVED WE HAD A FIDUCIARY DUTY TO MAKE HER WHOLE. IN OUR WRITTEN RESPONSE WE DOCUMENTED THE TRANSACTIONS AND PERFORMANCE OVER THE LIFE OF THE ACCOUNT TO SHOW THAT THE POOR PERFORMANCE WAS DUE ALMOST ENTIRELY TO ONE INVESTMENT DROPPING IN UNISON WITH THE MARKET IN 2008. WE HAVE CONTINUED OUR OFFER TO TRANSFER HER ACCOUNTS AT NO COST TO HER BUT HAVE NOT RECEIVED A RESPONSE.

Disclosure 5 of 14**Reporting Source:**

Individual

Employing firm when activities occurred which led to the complaint:

PRESIDENTIAL BROKERAGE, INC.

Allegations:

ALLEGATIONS WERE MISREPRESENTATION AND POOR PERFORMANCE - RELEVANT TIME FRAME 2/00 - 8/01.

Product Type:

Equity - OTC

Alleged Damages:

\$225,000.00

Customer Complaint Information**Date Complaint Received:**

07/24/2002

Complaint Pending?

No

Status:

Denied

Status Date:

08/20/2002

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

AN INVESTIGATION BY THE FIRM DETERMINED NO WRONG DOING ON THE PART OF THE REP, THAT THE CUSTOMER WAS A SOPHISTICATED INVESTOR WITH SUBSTANTIAL EXPERIENCE INCLUDING PAST EMPLOYMENT WITH A BROKER/DEALER. IN ADDITION TO HER LOSSES BEING OVERSTATED, A LARGE PORTION OF THE TRANSACTIONS WERE UNSOLICITED, AND THE CUSTOMER IGNORED REPEATED PLEAS BY BOTH THE REP AND MANAGEMENT TO MINIMIZE HER MARGIN ACTIVITY AND REDUCE HER MARGIN DEBT. AN OVERSIGHT BY THE COMPLIANCE DEPARTMENT LED TO THE LATE FILING OF THIS COMPLAINT WHICH WOULD HAVE OTHERWISE NOT BEEN DISCLOSABLE AFTER 7/24/04.

Disclosure 6 of 14**Reporting Source:**

Individual

Employing firm when activities occurred which led to the complaint:

PRESIDENTIAL BROKERAGE, INC.



Allegations: CUSTOMER ALLEGED NEGLIGENCE AND FAILURE TO USE STOPS ON VARIOUS SECURITIES BY MR. SAVARESE BETWEEN MAY 2000 AND SEPTEMBER 2001.

Product Type: Equity - OTC

Other Product Type(s): EQUITY - LISTED, UNIT INVESTMENT TRUSTS

Alleged Damages: \$162,105.00

Customer Complaint Information

Date Complaint Received: 09/10/2001

Complaint Pending? No

Status: Denied

Status Date: 10/03/2001

Settlement Amount:

Individual Contribution Amount:

Broker Statement

AN INTERNAL INQUIRY INTO THE ALLEGATIONS OF THE CUSTOMER RESULTED IN A DETERMINATION BY THE FIRM THAT MR. SAVARESE WAS NOT NEGLIGENT IN THE HANDLING OF THE CUSTOMER'S ACCOUNT. IT IS THE FIRM'S UNDERSTANDING THAT THE CUSTOMER WAS A SOPHISTICATED, EXPERIENCED INVESTOR WHO WAS SUITABLE FOR THE TYPE OF INVESTMENTS MADE IN THE ACCOUNT. THIS COMPLAINT WAS PREVIOUSLY REPORTED AS A 3070 FILING.

Disclosure 7 of 14

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: PRUDENTIAL SECURITIES INCORPORATED

Allegations: CUSTOMER ALLEGES MISREPRESENTED TRADES IN CIRCUS CIRCUS SHARES WITH DAMAGES IN EXCESS OF \$33,000.

Product Type:

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 08/08/1994

Complaint Pending? No

Status: Settled

Status Date: 10/27/1994

Settlement Amount: \$40,000.00

Individual Contribution Amount: \$0.00

Firm Statement

PSI AGREED TO PAY THE CLIENT \$40,000 IN SETTLEMENT OF HIS CLAIM WITHOUT ADMITTING OR DENYING LIABILITY. PSI DID NOT ASK THE BROKER TO CONTRIBUTE TO THE SETTLEMENT. PLEASE BE ADVISED THAT THE DRP DATED 8/10/94 REFLECTING THE ABOVE COMPLAINT WAS ERRONEOUSLY REPORTED AS



A
CUSTOMER COMPLAINT AGAINST THE FINANCIAL ADVISOR. HE WAS NOT
THE BROKER INVOLVED IN THE TRANSACTIONS COMPLAINED OF. NO
REPORTABLE ALLEGATIONS AGAINST THE FA.

Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: PRUDENTIAL SECURITIES INCORPORATED
Allegations: CUSTOMER ALLEGED MISREPRESENTED TRADES IN CIRCUS SHARES WITH DAMAGES IN EXCESS OF \$33,000.
Product Type:
Alleged Damages:

Customer Complaint Information

Date Complaint Received: 08/08/1994
Complaint Pending? No
Status: Settled
Status Date: 10/27/1994
Settlement Amount: \$40,000.00
Individual Contribution Amount: \$0.00

Broker Statement PSI AGREE TO PAY THE CUSTOMER \$40,000 IN SETTLEMENT OF HIS CLAIM WITHOUT ADMITTING OR DENYING LIABILITY. PSI DID NOT ASK MR. SAVARESE TO CONTRIBUTE TO THE SETTLEMENT. PLEASE BE ADVISED THAT THE ABOVE COMPLAINT WAS ERRONEOUSLY REPORTED BY PSI AS A CUSTOMER COMPLAINT AGAINST MR. SAVARESE. HE WAS NOT THE BROKER INVOLVED IN THE TRANSACTIONS COMPLAINED OF. THERE ARE NO REPORTABLE ALLEGATIONS AGAINST MR. SAVARESE. THIS OCCURENCE SHOULD BE REMOVED FROM MR. SAVARESE'S RECORD. THE CUSTOMER COMPLAINT DID NOT MENTION MR. SAVARESE. MR. SAVARESE HAD ABSOLUTELY NO INVOLVEMENT IN THE ALLEGED TRANSACTIONS. THE NASD HAS ACKNOWLEDGED THIS IS NOT A REPORTABLE OCCURENCE.

Disclosure 8 of 14

Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: PRESIDENTIAL BROKERAGE, INC
Allegations: CUSTOMER ALLEGED UNSUITABILITY OF INVESTMENTS IN AN ACCOUNT ADMINISTERED BY REGISTRANT AT PRESIDENTIAL BROKERAGE, INC., DAMAGES ALLEGED OF APPROXIMATELY \$29,000.
Product Type: Equity - OTC
Other Product Type(s): U.I.T.
Alleged Damages: \$29,000.00

**Customer Complaint Information****Date Complaint Received:** 11/17/1998**Complaint Pending?** No**Status:** Settled**Status Date:** 06/17/1999**Settlement Amount:** \$16,955.00**Individual Contribution Amount:** \$9,957.00

Broker Statement PRESIDENTIAL BROKERAGE, INC. AND REGISTRANT MADE A BUSINESS DECISION TO RESOLVE THIS MATTER WITHOUT RESORTING TO LITIGATION. PRESIDENTIAL BROKERAGE, INC. AND REGISTRANT PAID [CUSTOMER] \$16,955 AND [CUSTOMER] HAS RELEASED AND FOREVER DISCHARGED PRESIDENTIAL BROKERAGE, INC. AND REGISTRANT FROM ANY AND ALL LIABILITY, CLAIMS, DEMANDS, DAMAGES OR OBLIGATIONS ARISING OUT OF [CUSTOMER]'S ACCOUNT WITH PRESIDENTIAL BROKERAGE, INC. PRESIDENTIAL BROKERAGE, INC. AND REGISTRANT DENY ANY WRONGDOING IN THE HANDLING OF [CUSTOMER]'S ACCOUNT.

Disclosure 9 of 14**Reporting Source:** Firm**Employing firm when activities occurred which led to the complaint:** PSI**Allegations:** Client alleges churning of her account in 1993 resulting in a loss of \$155,739.00.**Product Type:****Alleged Damages:** \$155,739.00**Customer Complaint Information****Date Complaint Received:****Complaint Pending?** No**Status:** Arbitration/Reparation**Status Date:** 02/05/1999**Settlement Amount:****Individual Contribution Amount:****Arbitration Information****Arbitration/Reparation Claim filed with and Docket/Case No.:** UNKNOWN- CRD CONVERSION DATA ; 98-02251**Date Notice/Process Served:** 06/29/1998**Arbitration Pending?** No**Disposition:** Settled**Disposition Date:** 02/05/1999



Monetary Compensation Amount: \$123,000.00

Individual Contribution Amount:

Firm Statement PSI to pay \$123,000.00.
Not Provided

Reporting Source: Individual

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

Allegations: BREACH OF FIDUCIARY DUTY,CHURNING,LOSS OF \$155,739.

Product Type:

Alleged Damages: \$155,739.00

Customer Complaint Information

Date Complaint Received:

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 02/05/1999

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: UNKNOWN- CRD CONVERSION DATA ; 98-02251

Date Notice/Process Served: 06/29/1998

Arbitration Pending? No

Disposition: Settled

Disposition Date: 02/05/1999

Monetary Compensation Amount: \$123,000.00

Individual Contribution Amount:

Broker Statement PRUDENTIAL SECURITIES INC AGREED TO PAY COMPLAINANT \$123,000 IN FULL SETTLEMENT OF THIS MATTER. THIS REGISTRANT WAS NOT ASKED TO PARTICIPATE IN THE SETTLEMENT. ACTUAL CLIENT LOSSES IN THE ACCOUNT IN QUESTION WERE APPROXIMATELY \$40,000. AS A BUSINESS DECISION, PRUDENTIAL ELECTED TO SETTLE THIS MATTER. THE LOSSES ALLEGED IN THIS MATTER OCCURRED IN 1993.



Disclosure 10 of 14

Reporting Source: Regulator

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

Allegations: CHURNING; BRCH OF FIDUCIARY DT; ACCOUNT RELATED-NEGLIGENCE; SUITABILITY

Product Type:

Alleged Damages: \$82,790.12

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: UNKNOWN - CASE #94-03757

Date Notice/Process Served: 11/08/1994

Arbitration Pending? No

Disposition: Settled

Disposition Date: 03/23/1995

Disposition Detail: CASE CLOSED,SETTLED/OTHER ACTUAL/COMPENSATORY DAMAGES, RELIEF REQUEST IS WITHDRAWN/SETTLED/ETC, AWARD AMOUNT JOINTLY AND SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, RELIEF REQUEST IS WITHDRAWN/SETTLED/ETC, AWARD AMOUNT JOINTLY AND SEVERALLY; OTHER COSTS, RELIEF REQUEST IS WITHDRAWN/SETTLED/ETC, AWARD AMOUNT JOINTLY AND SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, RELIEF REQUEST IS WITHDRAWN/SETTLED/ETC, AWARD AMOUNT JOINTLY AND SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, RELIEF REQUEST IS WITHDRAWN/SETTLED/ETC, AWARD AMOUNT JOINTLY AND SEVERALLY; ATTORNEY'S FEES, RELIEF REQUEST IS WITHDRAWN/SETTLED/ETC, AWARD AMOUNT JOINTLY AND SEVERALLY

Reporting Source: Firm

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

Allegations: THE CUSTOMER ALLEGED UNSUITABLE, EXCESSIVE AND MISREPRESENTED STOCK PURCHASES WITH DAMAGES IN EXCESS OF \$80,000.00

Product Type:

Alleged Damages: \$82,790.12

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 Association of Securities Dealers, Inc.; 94-03757

Date Notice/Process Served: 11/08/1994

Arbitration Pending? No

Disposition: Settled

Disposition Date: 03/23/1995

Monetary Compensation Amount: \$32,000.00

Individual Contribution Amount:

Firm Statement PSI HAS SETTLED WITH CLIENT FOR \$32,000.00
Not Provided

Reporting Source: Individual

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

Allegations: CHURNING; BREACH OF FIDUCIARY DUTY; ACCOUNT RELATED NEGLIGENCE; SUITABILITY

Product Type:

Alleged Damages: \$82,790.12

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 ASSOCIATION OF SECURITIES DEALERS, INC.; 94-03757

Date Notice/Process Served: 11/08/1994

Arbitration Pending? No

Disposition: Settled



Disposition Date: 03/23/1995

Monetary Compensation Amount: \$32,000.00

Individual Contribution Amount:

Broker Statement WITHOUT ADMITTING LIABILITY, PSI SETTLED WITH CLAIMANTS FOR \$32,000 WITHOUT INFORMING AND/OR OBTAINING MR. SAVARESE'S CONSENT. PSI DID NOT SEEK CONTRIBUTION FROM MR. SAVARESE. [CUSTOMER]'S LOSSES, IF ANY, WERE ONLY A FRACTION OF THE AMOUNT OF HIS CLAIM BECAUSE HE FAILED TO ACCOUNT FOR THE FOUR STOCK SPLITS IN THE SECURITY AT ISSUE. [CUSTOMER]'S PERCEPTION OF LOSS WAS BASED ON HIS INACCURATE ACCOUNTING IN ADJUSTING FOR STOCK SPLITS. PSI SETTLED WITH [CUSTOMER] WITHOUT CONSULTING WITH MR. SAVARESE AND WITH THE ASSUMPTION PSI'S COMPUTER SYSTEM WAS ACCURATE. HOWEVER, PSI COMPUTER SYSTEM ("BROKER BOOK") DOES NOT ACCURATELY ACCOUNT FOR STOCK SPLITS, RESULTING IN AN UNFOUNDED SETTLEMENT

Disclosure 11 of 14

Reporting Source: Firm

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

Allegations: CLIENTS ALLEGED FRAUD, MISREPRESENTATION, CHURNING, SUITABILITY AND OVER CONCENTRATION REGARDING THE HANDLING OF THEIR ACCOUNT. SPECIFICALLY CLIENTS ALLEGED THE UNSUITABLE NATURE OF THEIR INVESTMENT IN BALLARD MEDICAL

Product Type:

Alleged Damages: \$300,000.00

Customer Complaint Information

Date Complaint Received: 04/18/1994

Complaint Pending? No

Status: Settled

Status Date:

Settlement Amount: \$320,000.00

Individual Contribution Amount: \$0.00

Firm Statement WITHOUT ADMITTING OR DENYING LIABILITY, PSI HAS AGREED TO PAY THE [CUSTOMERS] \$320,000. PSI DID NOT SEEK CONTRIBUTION FORM THE BROKER IN THIS MATTER. NOT PROVIDED

Reporting Source: Individual

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

Allegations: CUSTOMERS ALLEGED FRAUD, MISREPRESENTATION,



CHURNING, SUITABILITY AND OVER CONCENTRATION REGARDING HANDLING THEIR ACCOUNT. SPECIFICALLY, CUSTOMERS ALLEGED THE UNSUITABLE NATURE OF THEIR INVESTMENT IN BALLARD MEDICAL.

Product Type:

Alleged Damages: \$300,000.00

Customer Complaint Information

Date Complaint Received: 04/18/1994

Complaint Pending? No

Status: Settled

Status Date:

Settlement Amount: \$320,000.00

Individual Contribution Amount: \$0.00

Broker Statement

WITHOUT ADMITTING OR DENYING LIABILITY PSI AGREE TO PAY THE [CUSTOMERS] \$320,000.00. PSI DID NOT SEEK CONTRIBUTION FROM MR. SAVARESE. THE [CUSTOMER'S] COMPLAINT WAS COMPLETELY UNFOUNDED. THE [CUSTOMERS] ARE HIGHLY SOPHISTICATED, AGGRESSIVE INVESTORS WHO MADE MANY UNSOLICITED BUYS, INCLUDING BALLARD STOCK. ANY LOSSES THE [CUSTOMERS] HAD IN BALLARD WERE CAUSED BY THE HEALTH CARE REFORM DEBACLE. BALLARD WAS RATED A "BUY" BY PSI BEFORE, DURING AND AFTER THE STOCK'S DECLINE. PSI INADVERTENTLY ACCEPTED A MODIFIED ACCOUNT AGREEMENT DELETING THE MANDATORY ARBITRATION PROVISION. AS A RESULT, PSI SETTLED TO AVOID THE RISK OF EXPOSURE IN A COURT PROCEEDING. MR. SAVARESE DID NOT CONSENT TO AND HAD NO INPUT IN THE SETTLEMENT. THIS IS NOT THE FIRST TIME THE [CUSTOMERS] HAVE RECEIVED ALLEGED INVESTMENT LOSSES THROUGH SETTLEMENT WITH OTHER BROKERS/AGENTS.

Disclosure 12 of 14

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint:

Allegations: CLIENT ALLEGED UNSUITABILITY TO TRADING PATTERN AND CHURNING OF ACCOUNT WITH DAMAGES OF \$120,000.00.

Product Type:

Alleged Damages: \$120,000.00

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 Association of Securities Dealers, Inc.; 91-04118

Date Notice/Process Served: 12/16/1991

Arbitration Pending? No

Disposition: Settled

Disposition Date: 12/31/1992

Monetary Compensation Amount: \$92,500.00

Individual Contribution Amount: \$37,000.00

Firm Statement SETTLED WITH CLIENT FOR 92,500.00 FA IS CONTRIBUTING \$37,000.00 TO SETTLEMENT.
N/A

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint:

Allegations: CLIENT ALLEGED UNSUITABILITY OF TRADING PATTERN AND CHURNING OF ACCOUNT WITH DAMAGES OF \$120,000.00.

Product Type:

Alleged Damages: \$120,000.00

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 Association of Securities Dealers, Inc.; 91-04118

Date Notice/Process Served: 12/16/1991

Arbitration Pending? No



Disposition: Settled

Disposition Date: 12/31/1992

Monetary Compensation Amount: \$92,500.00

Individual Contribution Amount: \$37,000.00

Broker Statement SETTLED WITH CLIENT FOR \$92,500.00. FA IS CONTRIBUTING \$37,000.00 TO SETTLEMENT FA MAINTAINS THAT THE TRADING OF THIS ACCOUNT WAS CONSISTANT WITH THE ACCOUNT'S PREVIOUS TRADING ACTIVITIES. ERRONEOUS INFORMATION, WHICH THE FA RELIED ON, WAS RELEASED BY AMBASE INC. RESULTED IN A CLASS ACTION SUIT FILED ON THE PART OF THE SHAREHOLDERS. THIS ALLEGED ERRONEOUS INFORMATION RESULTED IN MOST OF THE CLIENTS LOSSES. [CUSTOMER] WILL PARTICIPATE IN ANY NEGOTIATED RECOVERY OF SAID SUIT. IT IS THE FA'S BELIEF THAT HAD IT NOT BEEN FOR AMBASE, NO COMPLAINT WOULD HAVE EVER BEEN FILED ON THE PART OF [CUSTOMER].

Disclosure 13 of 14

Reporting Source: Regulator

Employing firm when activities occurred which led to the complaint: DREXEL BURNHAM LAMBERT, INC.

Allegations: ACCOUNT RELATED - MARGIN CALLS; EXECUTIONS-FAILURE TO EXECUTE

Product Type:

Alleged Damages: \$41,000.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [UNKNOWN - CASE #88-03883](#)

Date Notice/Process Served: 01/01/1988

Arbitration Pending? No

Disposition: Other

Disposition Date: 12/14/1989

Disposition Detail: AWARD AGAINST PARTY
SAVARESE WAS JOINTLY AND SEVERALLY LIABLE FOR \$19,000.00 IN DAMAGES

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: DREXEL BURNHAM LAMBERT, INC.

Allegations: IN NOVEMBER, 1987, DREXEL BURNHAM INITIATED A COLLECTION PROCEEDING AGAINST THE [CUSTOMER]'S TO RECOVER A DEBIT BALANCE RESULTING FROM THE OCTOBER 1987 MARKET CRASH.



IN JANUARY, 1988 THE [CUSTOMERS] INITIATED A LAW SUIT AGAINST DREXEL AND MIKE SAVARESE ALLEGING UNAUTHORIZED TRADING. ALLEGED DAMAGES 40,000

Product Type:

Alleged Damages: \$41,000.00

Customer Complaint Information**Date Complaint Received:**

Complaint Pending? No

Status: Arbitration/Reparation
Litigation

Status Date: 12/14/1989

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [UNKNOWN CONVERSION; 88-03883](#)

Date Notice/Process Served: 01/01/1988

Arbitration Pending? No

Disposition: Award to Customer

Disposition Date: 12/14/1989

Monetary Compensation Amount: \$19,000.00

Individual Contribution Amount:

Civil Litigation Information

Disposition: Judgment (other than monetary)

Disposition Date:**Broker Statement**

CLINET SUED FOR 40,000 LOST DURING THE CRASH OF 1987. CLIENT MADE MARGIN PAYMENTS & THEN WAS SOLD OUT CLIENT CLAIMED UNAUTHORIZED TRADE - ARBITRATORS AWARDED 20K TO [CUSTOMER]. DREXEL FOUND ME INNOCENT OF WRONG DOING & PAID CLIENT NOT PROVIDED

Disclosure 14 of 14

Reporting Source: Individual

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

Allegations: CUSTOMER ALLEGES CHURNING AND DAMAGES IN THE SUM OF \$283,000. AS A RESULT OF THE 1987 CRASH

Product Type:



Alleged Damages: \$283,000.00

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.: Unknown Conversion

Date Notice/Process Served: 03/03/1988

Arbitration Pending? No

Disposition: Settled

Disposition Date: 06/02/1989

Monetary Compensation Amount: \$80,000.00

Individual Contribution Amount: \$0.00

Broker Statement

AWARD IN FAVOR OF CLAIMANT IN THE SUM OF \$80,000 ON 06/02/89. DREXEL DID NOT SEEK CONTRIBUTION FROM THE ACCOUNT EXECUTIVE AND DETERMINED NO CULPABILITY ON THE PART OF THE ACCOUNT EXECUTIVE. CLAIMANT WAS PAID/FUNDS AWARDED.
Not Provided



End of Report

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