



## IAPD Report

# RALPH EDWARD MARTIN

CRD# 1357741

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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

### RALPH EDWARD MARTIN (CRD# 1357741)

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 **01/02/2026**.

### CURRENT EMPLOYERS

|           | Firm   | CRD#        | Registered Since |
|-----------|--|-------------|------------------|
| <b>B</b>  | CAMBRIDGE INVESTMENT RESEARCH, INC.          | CRD# 39543  | 01/02/2015       |
| <b>IA</b> | CAMBRIDGE INVESTMENT RESEARCH ADVISORS, INC. | CRD# 134139 | 01/02/2015       |

### QUALIFICATIONS

This representative is currently registered in **1** 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      |
|-----------|--|------|----------------|-------------------------|
| <b>IA</b> | PRINCOR FINANCIAL SERVICES CORPORATION | 1137 | WASHINGTON, IL | 12/17/1998 - 01/06/2015 |
| <b>B</b>  | PRINCOR FINANCIAL SERVICES CORPORATION | 1137 | WASHINGTON, IL | 07/24/1985 - 01/06/2015 |

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     |
| Customer Dispute | 3     |
| Termination      | 1     |



## Qualifications

### REGISTRATIONS

This section provides the SRO, states and U.S. territories in which the representative is currently registered and licensed, the category of each registration, and the date on which the registration becomes effective. This section also provides, for each firm with which the representative is currently employed, the address of each location where the representative works. This individual is currently registered with **32** jurisdiction(s) and 1 SRO(s) through his or her employer(s).

### Employment 1 of 2

Firm Name: **CAMBRIDGE INVESTMENT RESEARCH, INC.**

Main Address: 1776 PLEASANT PLAIN RD.  
FAIRFIELD, IA 52556-8757

Firm ID#: 39543

|          | Regulator   | Registration                      | Status   | Date       |
|----------|-------------|-----------------------------------|----------|------------|
| <b>B</b> | FINRA       | General Securities Representative | Approved | 01/02/2015 |
| <b>B</b> | FINRA       | Invest. Co and Variable Contracts | Approved | 01/02/2015 |
| <b>B</b> | Alabama     | Agent                             | Approved | 02/27/2015 |
| <b>B</b> | Alaska      | Agent                             | Approved | 01/06/2026 |
| <b>B</b> | Arizona     | Agent                             | Approved | 01/02/2015 |
| <b>B</b> | California  | Agent                             | Approved | 01/02/2015 |
| <b>B</b> | Colorado    | Agent                             | Approved | 01/02/2015 |
| <b>B</b> | Connecticut | Agent                             | Approved | 05/04/2016 |
| <b>B</b> | Delaware    | Agent                             | Approved | 01/02/2015 |
| <b>B</b> | Florida     | Agent                             | Approved | 01/02/2015 |
| <b>B</b> | Georgia     | Agent                             | Approved | 01/02/2015 |
| <b>B</b> | Illinois    | Agent                             | Approved | 01/02/2015 |
| <b>B</b> | Indiana     | Agent                             | Approved | 01/13/2015 |



### Qualifications

| Regulator               | Registration | Status   | Date       |
|-------------------------|--------------|----------|------------|
| <b>B</b> Iowa           | Agent        | Approved | 01/02/2015 |
| <b>B</b> Kansas         | Agent        | Approved | 01/05/2026 |
| <b>B</b> Kentucky       | Agent        | Approved | 01/02/2015 |
| <b>B</b> Louisiana      | Agent        | Approved | 02/27/2015 |
| <b>B</b> Michigan       | Agent        | Approved | 01/02/2015 |
| <b>B</b> Minnesota      | Agent        | Approved | 01/12/2015 |
| <b>B</b> Mississippi    | Agent        | Approved | 01/02/2015 |
| <b>B</b> Missouri       | Agent        | Approved | 01/02/2015 |
| <b>B</b> Nebraska       | Agent        | Approved | 01/02/2015 |
| <b>B</b> Nevada         | Agent        | Approved | 01/02/2015 |
| <b>B</b> North Carolina | Agent        | Approved | 01/05/2026 |
| <b>B</b> Ohio           | Agent        | Approved | 01/02/2015 |
| <b>B</b> Oklahoma       | Agent        | Approved | 01/27/2021 |
| <b>B</b> Oregon         | Agent        | Approved | 01/22/2026 |
| <b>B</b> Pennsylvania   | Agent        | Approved | 01/02/2015 |
| <b>B</b> South Carolina | Agent        | Approved | 11/26/2019 |
| <b>B</b> Tennessee      | Agent        | Approved | 02/18/2015 |
| <b>B</b> Texas          | Agent        | Approved | 01/02/2015 |
| <b>B</b> Utah           | Agent        | Approved | 01/25/2022 |



### Qualifications

| Regulator           | Registration | Status   | Date       |
|---------------------|--------------|----------|------------|
| <b>B</b> Washington | Agent        | Approved | 01/02/2015 |
| <b>B</b> Wisconsin  | Agent        | Approved | 01/02/2015 |

### Branch Office Locations

**CAMBRIDGE INVESTMENT RESEARCH, INC.**  
 100 S MAIN ST  
 WASHINGTON, IL 61571

### Employment 2 of 2

Firm Name: **CAMBRIDGE INVESTMENT RESEARCH ADVISORS, INC.**  
 Main Address: 1776 PLEASANT PLAIN RD.  
 FAIRFIELD, IA 52556-8757  
 Firm ID#: 134139

| Regulator          | Registration                      | Status              | Date       |
|--------------------|-----------------------------------|---------------------|------------|
| <b>IA</b> Illinois | Investment Adviser Representative | Approved            | 01/02/2015 |
| <b>IA</b> Texas    | Investment Adviser Representative | Restricted Approval | 01/02/2015 |

### Branch Office Locations

**CAMBRIDGE INVESTMENT RESEARCH ADVISORS, INC.**  
 100 S MAIN ST  
 WASHINGTON, IL 61571



## 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, 3 general industry/product exams, and 2 state securities law exams.**

#### Principal/Supervisory Exams

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

No information reported.

#### General Industry/Product Exams

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

|   |          |            |
|---|----------|------------|
| <b>B</b> Securities Industry Essentials Examination (SIE)                               | SIE      | 10/01/2018 |
| <b>B</b> General Securities Representative Examination (S7)                             | Series 7 | 02/12/2003 |
| <b>B</b> Investment Company Products/Variable Contracts Representative Examination (S6) | Series 6 | 07/23/1985 |

#### State Securities Law Exams

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

|   |           |            |
|---|-----------|------------|
| <b>IA</b> Uniform Investment Adviser Law Examination (S65)    | Series 65 | 05/19/1998 |
| <b>B</b> Uniform Securities Agent State Law Examination (S63) | Series 63 | 07/18/1991 |

### PROFESSIONAL DESIGNATIONS

This section details that the representative has reported **1** professional designation(s).

#### Chartered Financial Consultant

This representative holds or did hold **1** professional designation(s) that may have been used to qualify as an Investment Advisor representative. Please check with the appropriate designation authority for verification that the designation is still in effect. The contact information for these professional designation authorities can be found on the website for the North American Securities Administrators Association at <http://www.nasaa.org>



## Registration & Employment History

### PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

|           | Registration Dates      | Firm Name                              | ID#       | Branch Location |
|-----------|-------------------------|--|-----------|-----------------|
| <b>IA</b> | 12/17/1998 - 01/06/2015 | PRINCOR FINANCIAL SERVICES CORPORATION | CRD# 1137 | WASHINGTON, IL  |
| <b>B</b>  | 07/24/1985 - 01/06/2015 | PRINCOR FINANCIAL SERVICES CORPORATION | CRD# 1137 | WASHINGTON, IL  |

### 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             |
|-------------------|--|-----------------------------------|--------------------|-------------------------------|
| 01/2015 - Present | CAMBRIDGE INVESTMENT RESEARCH ADVISORS, INC. | INVESTMENT ADVISER REPRESENTATIVE | Y                  | FAIRFIELD, IA, United States  |
| 01/2015 - Present | CAMBRIDGE INVESTMENT RESEARCH, INC.          | REGISTERED REPRESENTATIVE         | Y                  | FAIRFIELD, IA, United States  |
| 02/2001 - Present | MARTIN FINANCIAL SERVICES                    | ASSOCIATE                         | Y                  | WASHINGTON, IL, United States |

### OTHER BUSINESS ACTIVITIES

This section includes information, if any, as provided by the representative regarding other business activities the representative is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent, or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious, or fraternal and is recognized as tax exempt.

- 1) RALPH E MARTIN, 100 S MAIN STREET, WASHINGTON, IL, INDEPENDENT INSURANCE AGENT FOR VARIOUS INDEPENDENT INSURANCE COMPANIES, 01/01/15, NIR, 10 HR/WK- 10/TRADING HR.
- 2) CIRA, 1776 PLEASANT PLAIN RD, FAIRFIELD, IA, AS ADVISORY REP OF A RIA. INV REL-50/WK-30/TRADING. 01/02/15
- 3) MARTIN FINANCIAL SERIVCES, 100 S Main St, Washington IL 61571, 08/1982, Owner, DBA Name, NIR, 40 HR/MO, 40 HR/MO TRADING.



## 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     |
| Customer Dispute | 3     |
| Termination      | 1     |

### Regulatory Event

This disclosure event may include a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a federal regulator such as the Securities and Exchange Commission or the Commodities Futures Trading Commission, or a foreign financial regulatory body) for a violation of investment-related rules or regulations. This disclosure event may also include a revocation or suspension of an Investment Adviser Representative's authority to act as an attorney, accountant or federal contractor.

#### Disclosure 1 of 2

|  |  |
|--|--|
| <b>Reporting Source:</b>   | Individual   |
| <b>Regulatory Action Initiated By:</b>   | State of California Department of Insurance  |
| <b>Sanction(s) Sought:</b>   | Revocation<br>Suspension   |
| <b>Date Initiated:</b>   | 12/12/2019   |
| <b>Docket/Case Number:</b>   | PLBS 13415-A   |
| <b>Employing firm when activity occurred which led to the regulatory action:</b> | Cambridge Investment Research, Inc.  |
| <b>Product Type:</b>   | No Product   |
| <b>Allegations:</b>  | In August 2017, advisor was suspended from associating with any FINRA member firm for a period of one month due to exercising discretionary power in customer accounts without written authority. As a result of that action, the State of California Department of Insurance has issued a separate order. |
| <b>Current Status:</b>   | Final  |
| <b>Resolution:</b>   | Order  |



**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?**

No

**Resolution Date:** 12/12/2019

**Sanctions Ordered:** Suspension

**Sanction 1 of 1**

**Sanction Type:** Suspension

**Capacities Affected:** Insurance

**Duration:** 5 Days

**Start Date:** 01/20/2020

**End Date:** 01/25/2020

#### Disclosure 2 of 2

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:**

**Date Initiated:** 08/18/2017

**Docket/Case Number:** [2014042877101](#)

**Employing firm when activity occurred which led to the regulatory action:** Princor Financial Services Corporation nka Principal Securities, Inc.

**Product Type:** Other: unspecified securities

**Allegations:** Without admitting or denying the findings, Martin consented to the sanctions and to the entry of findings that over approximately a six-year period, he executed discretionary transactions for customers in "Advisory Select" accounts at his member firm in accordance with an agreed upon strategy and prior oral authorization, but without prior written authorization from those customers or approval from his firm. The findings stated that although firm policies prohibited the exercise of discretion in customer accounts, Martin was under the misunderstanding that he could exercise discretion in an Advisory Select account after discussing a trade with a customer and that discretion was permitted within the context of the Advisory Select accounts as to when the trade would be executed. However, the Advisory Select portfolio agreements stated that the accounts were non-discretionary, and that client consent was required for all securities transactions. Notifications sent to Martin regarding accounts that were "out of drift" with the selected risk models instructed Martin to assist clients with reallocating investments to meet the applicable risk model, and not to reallocate the investments without contacting the customers. Martin exercised discretion in likely all of his Advisory Select customers' accounts, purchasing and selling securities at targeted prices in order to maintain his customers' assets in balance with the risk model each customer selected. While Martin executed trades in accordance with his discussions with customers, the transactions were not always effected on the same day the discussions occurred. Martin did not have written



authorization from these customers to exercise discretion in their accounts and his firm did not approve these accounts for discretionary trading.

**Current Status:**

Final

**Resolution:**

Acceptance, Waiver & Consent(AWC)

**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?**

No

**Resolution Date:**

08/18/2017

**Sanctions Ordered:**

Civil and Administrative Penalty(ies)/Fine(s)  
Suspension

**If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?**

No

**(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?**

**(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or**



**(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?**

**Sanction 1 of 1**

**Sanction Type:** Suspension  
**Capacities Affected:** All Capacities  
**Duration:** One month  
**Start Date:** 09/18/2017  
**End Date:** 10/17/2017

**Monetary Sanction 1 of 1**

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)  
**Total Amount:** \$10,000.00  
**Portion Levied against individual:** \$10,000.00  
**Payment Plan:**  
**Is Payment Plan Current:**  
**Date Paid by individual:** 09/05/2017  
**Was any portion of penalty waived?** No

**Amount Waived:**

.....  
**Reporting Source:** Individual  
**Regulatory Action Initiated By:** FINRA  
**Sanction(s) Sought:** Civil and Administrative Penalty(ies)/Fine(s)  
Suspension  
**Date Initiated:** 08/18/2017  
**Docket/Case Number:** [2014042877101](#)



|   |   |
|---|---|
| <b>Employing firm when activity occurred which led to the regulatory action:</b>  | Princor Financial Services Corporation; Principal Securities, Inc.  |
| <b>Product Type:</b>  | Other: unspecified securities   |
| <b>Allegations:</b>   | <p>Without admitting or denying the findings, Martin consented to the sanctions and to the entry of findings that over approximately a six-year period, he executed discretionary transactions for customers in "Advisory Select" accounts at his member firm in accordance with an agreed upon strategy and prior oral authorization, but without prior written authorization from those customers or approval from his firm. The findings stated that although firm policies prohibited the exercise of discretion in customer accounts, Martin was under the misunderstanding that he could exercise discretion in an Advisory Select account after discussing a trade with a customer and that discretion was permitted within the context of the Advisory Select accounts as to when the trade would be executed. However, the Advisory Select portfolio agreements stated that the accounts were non-discretionary, and that client consent was required for all securities transactions. Notifications sent to Martin regarding accounts that were "out of drift" with the selected risk models instructed Martin to assist clients with reallocating investments to meet the applicable risk model, and not to reallocate the investments without contacting the customers. Martin exercised discretion in likely all of his Advisory Select customers' accounts, purchasing and selling securities at targeted prices in order to maintain his customers' assets in balance with the risk model each customer selected. While Martin executed trades in accordance with his discussions with customers, the transactions were not always effected on the same day the discussions occurred. Martin did not have written authorization from these customers to exercise discretion in their accounts and his firm did not approve these accounts for discretionary trading.</p> |
| <b>Current Status:</b>  | Final   |
| <b>Resolution:</b>  | Acceptance, Waiver & Consent(AWC)   |
| <b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b> | No  |
| <b>Resolution Date:</b>   | 08/18/2017  |
| <b>Sanctions Ordered:</b>   | Civil and Administrative Penalty(ies)/Fine(s)<br>Suspension   |
| <b>Sanction 1 of 1</b>  |   |
| <b>Sanction Type:</b>   | Suspension  |
| <b>Capacities Affected:</b>   | All Capacities  |
| <b>Duration:</b>  | One month   |
| <b>Start Date:</b>  | 09/18/2017  |
| <b>End Date:</b>  | 10/17/2017  |
| <b>Monetary Sanction 1 of 1</b>   |   |
| <b>Monetary Related Sanction:</b>   | Civil and Administrative Penalty(ies)/Fine(s)   |
| <b>Total Amount:</b>  | \$10,000.00   |



|   |  |
|---|--|
| <b>Portion Levied against individual:</b> | \$10,000.00  |
| <b>Payment Plan:</b>                      | Check  |
| <b>Is Payment Plan Current:</b>           | Yes  |
| <b>Date Paid by individual:</b>           | 09/01/2017   |
| <b>Was any portion of penalty waived?</b> | No   |
| <b>Amount Waived:</b>                     |  |
| <b>Broker Statement</b>                   | RR is unaware of any customer complaints related to this matter. |



## Customer Dispute

This section provides information regarding a customer dispute that was reported to the Investment Adviser Registration Depository (IARD) by the Investment Adviser Representative (IAR), an investment adviser and/or securities firm, and/or a securities regulator. The event may include a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit that contains allegations of sales practice violations against the individual.

The customer dispute may be pending or may have resulted in a civil judgment, arbitration award, monetary settlement, closure without action, withdrawal, dismissal, denial, or other outcome.

### Disclosure 1 of 3

|  |  |
|--|--|
| <b>Reporting Source:</b>   | Individual   |
| <b>Employing firm when activities occurred which led to the complaint:</b> | PRINCOR FINANCIAL SERVICES CORPORATION   |
| <b>Allegations:</b>  | CLIENT EXPRESSED DISSATISFACTION IN REGISTERED REPRESENTATIVE NOT IMPLEMENTING A NEW STRATEGY. CLIENT DID NOT SPECIFY DAMAGES. |
| <b>Product Type:</b>   | Mutual Fund  |
| <b>Alleged Damages:</b>  | \$0.00   |
| <b>Alleged Damages Amount Explanation (if amount not exact):</b>           | NO COMPENSATORY DAMAGES ALLEGED.   |
| <b>Is this an oral complaint?</b>  | No   |
| <b>Is this a written complaint?</b>  | Yes  |
| <b>Is this an arbitration/CFTC reparation or civil litigation?</b>         | No   |

### Customer Complaint Information

|  |                  |
|--|------------------|
| <b>Date Complaint Received:</b>        | 08/09/2011       |
| <b>Complaint Pending?</b>              | No               |
| <b>Status:</b>                         | Closed/No Action |
| <b>Status Date:</b>                    | 09/06/2011       |
| <b>Settlement Amount:</b>              | \$0.00           |
| <b>Individual Contribution Amount:</b> | \$0.00           |

### Disclosure 2 of 3

|  |   |
|--|---|
| <b>Reporting Source:</b>   | Individual  |
| <b>Employing firm when activities occurred which led to the complaint:</b> | PRINCOR FINANCIAL SERVICES  |
| <b>Allegations:</b>  | CLIENT ALLEGED I PROMISED A 5% CASH BONUS ON TOP OF RETURN IN CONTRACTS. THIS ALLEGED PROMISE WAS AT THE TIME OF THE APPLICATION. |
| <b>Product Type:</b>   | Annuity(ies) - Variable   |
| <b>Alleged Damages:</b>  | \$8,227.14  |

**Customer Complaint Information**

**Date Complaint Received:** 07/17/2008  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 08/18/2008  
**Settlement Amount:** \$7,081.56  
**Individual Contribution Amount:** \$0.00  
**Broker Statement** SETTLEMENT REFERRED TO E&O CARRIER

**Disclosure 3 of 3**

**Reporting Source:** Individual  
**Employing firm when activities occurred which led to the complaint:** PRINCOR FINANCIAL SERVICES CORPORATION

**Allegations:** CLIENT ALLEGES THAT FUNDS WERE NOT ALLOCATED AS THEY INTENDED IN FACT WRONG BOX WAS CHECKED ON SERVICE APP, COMPLETED BY ADMINISTRATION DEPT OF EXECUTIVE BENEFIT SERVICES (EBS). AS A RESULT, THE MONEY WAS NOT DEPOSITED INTO THE ACCOUNTS CLIENT INTENDED. THEY WERE PUT INTO MONEY MARKET AND CLIENT DID NOT READ QUARTERLY STATEMENTS. THIS IS A 457 PLAN, ADMINISTERED BY EBS. DAMAGES UNSPECIFIED.

**Product Type:** Other: LIFE INSURANCE

**Alleged Damages:** \$0.00

**Alleged Damages Amount Explanation (if amount not exact):** UNSPECIFIED DAMAGES; DETERMINATION MADE THAT AMOUNT WOULD BE GREATER THAN \$5,000

**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:** 08/04/2006  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/21/2006  
**Settlement Amount:** \$91,587.98  
**Individual Contribution Amount:** \$0.00



## Termination

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

### Disclosure 1 of 1

**Reporting Source:** Firm

**Firm Name:** PRINCOR FINANCIAL SERVICES CORPORATION

**Termination Type:** Permitted to Resign

**Termination Date:** 12/31/2014

**Allegations:** PRINCOR REQUIRES THIS ITS INVESTMENT ADVISOR REPRESENTATIVES OBTAIN CLIENT APPROVAL IN ADVANCE OF EACH PURCHASE AND SALES TRANSACTIONS. PRINCOR DETERMINED THAT MR MARTIN HAD PLACES TRADES FOR ADVISORY ACCOUNTS BASED ON INVESTMENT PARAMETERS HE HAD DISCUSSED WITH CLIENTS, BUT WITHOUT OBTAINING SPECIFIC CLIENT APPROVAL IN ADVANCE OF SPECIFIC TRANSACTIONS. MR MARTIN'S PREFERRED BUSINESS MODEL IS BETTER SUITED TO A FIRM THAT ALLOWS DISCRETIONARY TRADING.

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

**Firm Statement** TO DATE, PRINCOR HAS RECEIVED NO CUSTOMER COMPLAINTS FROM CLIENTS OF MR MARTIN'S RELATED TO THIS MATTER.

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**Reporting Source:** Individual

**Firm Name:** PRINCOR FINANCIAL SERVICES CORPORATION

**Termination Type:** Permitted to Resign

**Termination Date:** 12/31/2014

**Allegations:** PRINCOR REQUIRES THAT ITS INVESTMENT ADVISOR REPRESENTATIVES OBTAIN CLIENT APPROVAL IN ADVANCE OF EACH PURCHASE AND SALES TRANSACTIONS. PRINCOR DETERMINED THAT MR. MARTIN HAD PLACED TRADES FOR ADVISORY ACCOUNTS BASED ON INVESTMENT PARAMETERS HE HAD DISCUSSED WITH CLIENTS, BUT WITHOUT OBTAINING SPECIFIC CLIENT APPROVAL IN ADVANCE OF SPECIFIC TRANSACTIONS. MR. MARTIN'S PREFERRED BUSINESS MODEL IS BETTER SUITED TO A FIRM THAT ALLOWS DISCRETIONARY TRADING.

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

**Broker Statement** RR BEGAN CONDUCTING BUSINESS IN THE ABOVE MANNER IN 2008. HE CONTINUED CONDUCTING BUSINESS IN THIS MANNER UNTIL JULY 2014. B/D UNDERTOOK EXAMINATIONS OF RR OFFICE AT LEAST TWICE A YEAR DURING THIS PERIOD OF TIME. B/D DID NOT INDICATE THAT RR WAS IMPROPERLY TAKING DISCRETIONARY TRADING AUTHORITY IN HIS CLIENTS' ACCOUNTS. B/D FIRST MADE THIS CLAIM IN JULY 2014, DURING A COMPLIANCE MEETING. FOR THE FIRST TIME, B/D ADVISED RR THAT HE MUST HAVE A CONVERSATION WITH CLIENTS ON THE DAY OF A TRADE DISCUSSING THE SPECIFICS. B/D FURTHER ADVISED TRADING HAD TO OCCUR WITHIN 24 HOURS OF THAT. SINCE THIS TIME RR HAS FOLLOWED THIS REQUEST. B/D AND RR MUTUALLY AGREED TO TERMINATE RELATIONSHIP.



## End of Report

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