



IAPD Report

KENNETH DAVID WARNICK

CRD# 1415675

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i 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

KENNETH DAVID WARNICK (CRD# 1415675)

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 **04/02/2026**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	WESTMINSTER FINANCIAL SECURITIES, INC.	CRD# 20677	06/29/2009
IA	WESTMINSTER FINANCIAL ADVISORY CORP	CRD# 110283	08/17/2015

QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **18** 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	WESTMINSTER FINANCIAL ADVISORY CORP	110283	BEAVERCREEK, OH	10/26/2009 - 04/24/2014
B	EQUITAS AMERICA, LLC	39806	MAUMEE, OH	03/06/1996 - 06/15/2009
B	MARINER FINANCIAL SERVICES, INC.	8292	LARGO, FL	03/13/1992 - 09/19/1995

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	1
Customer Dispute	2
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 **18** jurisdiction(s) and 1 SRO(s) through his or her employer(s).

Employment 1 of 2

Firm Name: **WESTMINSTER FINANCIAL ADVISORY CORP**
Main Address: 50 CHESTNUT STREET
SUITE A-400
BEAVERCREEK, OH 45440
Firm ID#: 110283

	Regulator	Registration	Status	Date
	Alabama	Investment Adviser Representative	Approved	04/02/2026
	Arizona	Investment Adviser Representative	Approved	02/20/2026
	Illinois	Investment Adviser Representative	Approved	12/05/2025
	Kentucky	Investment Adviser Representative	Approved	10/07/2022
	Maine	Investment Adviser Representative	Approved	10/11/2022
	Michigan	Investment Adviser Representative	Approved	08/17/2015
	Ohio	Investment Adviser Representative	Approved	09/28/2015
	Rhode Island	Investment Adviser Representative	Approved	09/10/2019
	Washington	Investment Adviser Representative	Approved	10/14/2019

Branch Office Locations

WESTMINSTER FINANCIAL ADVISORY CORP
50 CHESTNUT STREET
SUITE A-400
BEAVERCREEK, OH 45440

Employment 2 of 2

Firm Name: **WESTMINSTER FINANCIAL SECURITIES, INC.**



Qualifications

Main Address: 50 CHESTNUT STREET
SUITE A-200
BEAVERCREEK, OH 45440

Firm ID#: 20677

	Regulator	Registration	Status	Date
B	FINRA	Financial and Operations Principal	Approved	06/29/2009
B	FINRA	General Securities Principal	Approved	06/29/2009
B	FINRA	General Securities Representative	Approved	06/29/2009
B	FINRA	Registered Options Principal	Approved	06/29/2009
B	FINRA	Operations Professional	Approved	11/09/2011
B	FINRA	Securities Trader	Approved	01/04/2016
B	FINRA	Securities Trader Principal	Approved	02/09/2016
B	Alabama	Agent	Approved	12/27/2018
B	Arizona	Agent	Approved	11/09/2009
B	California	Agent	Approved	01/29/2020
B	Florida	Agent	Approved	08/14/2023
B	Illinois	Agent	Approved	12/02/2024
B	Kentucky	Agent	Approved	10/07/2022
B	Maine	Agent	Approved	09/29/2022
B	Michigan	Agent	Approved	10/13/2009
B	Minnesota	Agent	Approved	10/22/2009
B	North Carolina	Agent	Approved	09/03/2020



Qualifications

Regulator	Registration	Status	Date
B Ohio	Agent	Approved	10/26/2009
B Pennsylvania	Agent	Approved	06/29/2009
B Rhode Island	Agent	Approved	09/10/2019
B South Carolina	Agent	Approved	11/07/2022
B Texas	Agent	Approved	10/17/2022
B Virginia	Agent	Approved	11/15/2022
B Washington	Agent	Approved	10/14/2019
B West Virginia	Agent	Approved	06/29/2009

Branch Office Locations

FARMINGTON HILLS, MI






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 3 principal/supervisory exams, 5 general industry/product exams, and 2 state securities law exams.



Principal/Supervisory Exams

Exam	Category	Date
 Registered Options Principal Examination (S4)	Series 4	02/20/1996
 General Securities Principal Examination (S24)	Series 24	09/17/1986
 Financial and Operations Principal Examination (S27)	Series 27	10/19/1985

General Industry/Product Exams

Exam	Category	Date
 Operations Professional Examination (S99TO)	Series 99TO	01/02/2023
 Securities Trader Exam (S57TO)	Series 57TO	01/02/2023
 Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
 Limited Representative-Equity Trader Exam (S55)	Series 55	03/23/2000
 General Securities Representative Examination (S7)	Series 7	05/17/1986

State Securities Law Exams

Exam	Category	Date
 Uniform Investment Adviser Law Examination (S65)	Series 65	10/18/2007
 Uniform Securities Agent State Law Examination (S63)	Series 63	12/10/1985



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	10/26/2009 - 04/24/2014	WESTMINSTER FINANCIAL ADVISORY CORP	CRD# 110283	BEAVERCREEK, OH
B	03/06/1996 - 06/15/2009	EQUITAS AMERICA, LLC	CRD# 39806	MAUMEE, OH
B	03/13/1992 - 09/19/1995	MARINER FINANCIAL SERVICES, INC.	CRD# 8292	LARGO, FL
B	05/15/1990 - 03/16/1992	J.W. KORTH & COMPANY	CRD# 26455	LANSING, MI
B	03/06/1987 - 05/15/1990	J. W. KORTH & COMPANY	CRD# 17090	FARMINGTON HILLS, M
B	11/12/1985 - 01/28/1987	J.W. KORTH & COMPANY, INC.	CRD# 13139	

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
06/2009 - Present	WESTMINSTER FINANCIAL ADVISORY CORPORATION	INVESTMENT ADVISOR REPRESENTATIVE	Y	VANDALIA, OH, United States
06/2009 - Present	WESTMINSTER FINANCIAL SECURITIES, INC.	REGISTERED REPRESENTATIVE/P RINCIPAL	Y	VANDALIA, OH, 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.

SELF EMPLOYED - ACCOUNTING AND TAX PREP SERVICES. NON-INVESTMENT RELATED. 28851 LEAMINGTON DR, FARMINGTON HILLS, MI 48334
8 HOURS/MONTH. NO HOURS DURING 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	1
Customer Dispute	2
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 1

Reporting Source: Regulator

Regulatory Action Initiated By: FINRA

Sanction(s) Sought: Other: N/A

Date Initiated: 11/05/2013

Docket/Case Number: [2011026309501](#)

Employing firm when activity occurred which led to the regulatory action: EQUITAS AMERICA, LLC,

Product Type: No Product

Allegations: FINRA RULE 2010, NASD RULE 2110: WARNICK WAS RESPONSIBLE FOR THE REVIEW AND APPROVAL OF CUSTOMER WITHDRAWAL REQUESTS AT HIS MEMBER FIRM AND TWO CUSTOMERS HELD A JOINT ACCOUNT AT THE FIRM SERVICED BY A REGISTERED REPRESENTATIVE WHO WARNICK SUPERVISED. THE FIRM REQUIRED THAT JOINT ACCOUNT WITHDRAWAL AND TRANSFER REQUESTS BE SIGNED BY BOTH OF THE JOINT ACCOUNT OWNERS. WARNICK WAS AWARE THAT FALSIFYING OR COPYING SIGNATURES WAS PROHIBITED, YET ON SOME OCCASIONS, HE EFFECTED WITHDRAWALS REQUESTED BY ONE OF THE CUSTOMERS OF THE JOINT ACCOUNT BY TRANSPOSING, OR OTHERWISE ALTERING PREVIOUS VERSIONS OF THE OTHER CUSTOMER'S SIGNATURE ONTO THE WITHDRAWAL REQUESTS. THUS, FUNDS IN EXCESS OF \$520,000 WERE WITHDRAWN OR TRANSFERRED FROM THE JOINT ACCOUNT TO THE CUSTOMER'S BENEFIT. WARNICK DID NOT CONTACT EITHER CUSTOMER



TO CONFIRM THEY HAD APPROVED THE TRANSACTIONS. THE SECOND CUSTOMER WAS UNAWARE OF THE WITHDRAWALS FROM THE JOINT ACCOUNT AND CONSEQUENTLY WAS HARMED BY WARNICK'S ACTIONS.

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:

11/05/2013

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 2

Sanction Type: Suspension
Capacities Affected: ANY CAPACITY
Duration: NINE MONTHS
Start Date: 12/02/2013
End Date: 09/01/2014

Sanction 2 of 2

Sanction Type: Suspension
Capacities Affected: A PRINCIPAL CAPACITY
Duration: 18 MONTHS
Start Date: 12/02/2013
End Date: 06/01/2015

Monetary Sanction 1 of 1

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)
Total Amount: \$6,000.00
Portion Levied against individual: \$6,000.00
Payment Plan:
Is Payment Plan Current: Yes
Date Paid by individual: 11/26/2013
Was any portion of penalty waived? No

Amount Waived:

Regulator Statement WITHOUT ADMITTING OR DENYING THE FINDINGS, WARNICK CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, HE IS FINED \$6,000, SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN A PRINCIPAL CAPACITY FOR 18 MONTHS, AND SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY



CAPACITY FOR NINE MONTHS. THE SUSPENSIONS ARE TO RUN CONCURRENTLY. THE SUSPENSION IN A PRINCIPAL CAPACITY IS IN EFFECT FROM DECEMBER 2, 2013 THROUGH JUNE 1, 2015, AND THE SUSPENSION IN ANY CAPACITY IS IN EFFECT FROM DECEMBER 2, 2013 THROUGH SEPTEMBER 1, 2014.

FINE PAID IN FULL ON NOVEMBER 26, 2013.

Reporting Source: Individual

Regulatory Action Initiated By: FINRA

Sanction(s) Sought: Suspension
Other: NA

Date Initiated: 11/05/2013

Docket/Case Number: [2011026309501](#)

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

Product Type: No Product

Allegations: FINRA RULE 2010, NASD RULE 2110: WARNICK WAS RESPONSIBLE FOR THE REVIEW AND APPROVAL OF CUSTOMER WITHDRAWAL REQUESTS AT HIS MEMBER FIRM AND TWO CUSTOMERS HELD IN JOINT ACCOUNT AT THE FIRM SERVICED BY A REGISTERED REPRESENTATIVE THAT WARNICK SUPERVISED. THE FIRM REQUIRED THE JOINT ACCOUNT WITHDRAWAL AND TRANSFER REQUESTS BE SIGNED BY BOTH OF THE JOINT ACCOUNT OWNERS. WARNICK WAS AWARE THAT FALSIFYING OR COPYING SIGNATURES WAS PROHIBITED. YET ON SOME OCCASIONS, HE EFFECTED WITHDRAWALS REQUESTED BY ONE OF THE CUSTOMERS OF THE JOINT ACCOUNT BY TRANSPOSING OR OTHERWISE ALTERING PREVIOUS VERSIONS OF THE OTHER CUSTOMER'S SIGNATURE ONTO THE WITHDRAWAL REQUESTS. THUS, FUNDS IN EXCESS OF \$520,000.00 WERE WITHDRAWN OR TRANSFERRED FROM THE JOINT ACCOUNT TO THE WITHDRAWALS REQUEST FOR FIRST CUSTOMERS BENEFIT. WARNICK DID NOT CONTACT EITHER CUSTOMER TO CONFIRM THEY HAD APPROVED THE TRANSACTIONS. THE SECOND CUSTOMER WAS UNAWARE OF THE WITHDRAWALS FROM THE JOINT ACCOUNT AND CONSEQUENTLY WAS HARMED BY WARNICK'S ACTIONS.

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: 11/05/2013

Sanctions Ordered: Civil and Administrative Penalty(ies)/Fine(s)
Suspension

Sanction 1 of 2



Sanction Type:	Suspension
Capacities Affected:	ANY CAPACITY
Duration:	9 MONTHS
Start Date:	12/02/2013
End Date:	09/01/2014
Sanction 2 of 2	
Sanction Type:	Suspension
Capacities Affected:	PRINCIPAL CAPACITY
Duration:	18 MONTHS
Start Date:	12/02/2013
End Date:	06/01/2015
Monetary Sanction 1 of 1	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$6,000.00
Portion Levied against individual:	\$6,000.00
Payment Plan:	
Is Payment Plan Current:	
Date Paid by individual:	11/27/2013
Was any portion of penalty waived?	No
Amount Waived:	
Broker Statement	WITHOUT ADMITTING OR DENYING THE FINDINGS, WARNICK CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS.



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 2

Reporting Source: Regulator

Employing firm when activities occurred which led to the complaint: EQUITAS AMERICA, LLC

Allegations: BREACH OF FIDUCIARY DUTY, FRAUD, BREACH OF DUTY TO KNOW THE CUSTOMER, BREACH OF CONTRACT, AND NEGLIGENCE

Product Type: Other: UNSPECIFIED SECURITIES

Alleged Damages: \$1,227,142.99

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [FINRA - CASE #10-02669](#)

Date Notice/Process Served: 06/03/2010

Arbitration Pending? No

Disposition: Award

Disposition Date: 11/10/2011

Disposition Detail: WARNICK IS LIABLE FOR AND SHALL PAY TO CLAIMANT THE SUM OF \$100,000 IN COMPENSATORY DAMAGES AND INTEREST ON THE SUM PURSUANT TO MCLA 600.6013, FROM AND INCLUDING THE SERVICE DATE OF THIS AWARD THROUGH AND INCLUDING THE DATE THIS AWARD IS PAID IN FULL.

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Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: EQUITAS AMERICA, LLC

Allegations: THIS ARBITRATION ARISES FROM A FAMILY DISPUTE BETWEEN JOINT ACCOUNT HOLDERS. THE CUSTOMER'S STATEMENT OF CLAIM AGAINST THE FIRM, ITS CLEARING FIRM, AND THE REGISTRANT ALLEGES THAT THEY FACILITATED THE LIQUIDATION OF CERTAIN SECURITIES AND WITHDRAWALS, WITHOUT HIS APPROVAL, AT THE DIRECTION OF HIS DAUGHTER FROM A BROKERAGE ACCOUNT THEY HELD AS JOINT TENANTS WITH RIGHTS OF SURVIVORSHIP. WHILE DIRECTED BY THE DAUGHTER, THE CUSTOMER ALLEGES THESE TRANSACTIONS WERE NOT AUTHORIZED AND CONSTITUTED A BREACH OF FIDUCIARY DUTY, FRAUD, BREACH OF THE DUTY TO KNOW THE CUSTOMER, BREACH OF THE DUTY TO SUPERVISE, BREACH OF CONTRACT, AND NEGLIGENCE.

Product Type: No Product



Alleged Damages: \$1,000,000.00

Alleged Damages Amount Explanation (if amount not exact): THE CUSTOMER CLAIMS THAT, WITH THE FIRM'S HELP, HIS DAUGHTER WITHDREW \$520,996 FROM THEIR JOINT ACCOUNT; NONETHELESS, THE CUSTOMER SEEKS AN AWARD EXCEEDING \$1 MILLION PLUS PUNITIVE DAMAGES.

Arbitration Information

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

Docket/Case #: 10-02669

Date Notice/Process Served: 06/14/2010

Arbitration Pending? Yes

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: EQUITAS AMERICA, LLC

Allegations: THIS ARBITRATION ARISES FROM A FAMILY DISPUTE BETWEEN JOINT ACCOUNT HOLDERS. THE CUSTOMER'S STATEMENT OF CLAIM AGAINST THE FIRM, ITS CLEARING FIRM, AND THE REGISTRANT ALLEGES THAT THEY FACILITATED THE LIQUIDATION OF CERTAIN SECURITIES AND WITHDRAWALS, WITHOUT HIS APPROVAL, AT THE DIRECTION OF HIS DAUGHTER FROM A BROKERAGE ACCOUNT THEY HELD AS JOINT TENANTS WITH RIGHTS OF SURVIVORSHIP. WHILE DIRECTED BY THE DAUGHTER, THE CUSTOMER ALLEGES THESE TRANSACTIONS WERE NOT AUTHORIZED AND CONSTITUTED A BREACH OF FIDUCIARY DUTY, FRAUD, BREACH OF THE DUTY TO KNOW THE CUSTOMER, BREACH OF THE DUTY TO SUPERVISE, BREACH OF CONTRACT, AND NEGLIGENCE.

Product Type: Mutual Fund

Alleged Damages: \$1,000,000.00

Arbitration Information

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

Docket/Case #: [10-02669](#)

Date Notice/Process Served: 06/14/2010

Arbitration Pending? No

Disposition: Award to Customer

Disposition Date: 11/10/2011

Monetary Compensation Amount: \$200,000.00

Individual Contribution Amount: \$100,000.00

Disclosure 2 of 2



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: EQUITAS AMERICA, LLC

Allegations: CLIENT WON LOTTERY IN JANUARY 2001 AND OPENED ACCOUNT IN FEBRUARY 2001 WITH FIRM, PURCHASING AN ING GOLDENSELECT ESII ANNUITY FOR \$8 MILLION. WARNICK MANAGED A PORTION OF CLIENTS' INVESTMENTS FROM 2002 UNTIL OCTOBER 2008. CLAIMS UNAUTHORIZED TRADING, NEGLIGENCE, BREACH OF FIDUCIARY DUTY, AND BREACH OF CONTRACT.

Product Type: Annuity-Variable Insurance

Alleged Damages: \$5,000.00

Alleged Damages Amount Explanation (if amount not exact): WE HAVE MADE A GOOD FAITH ESTIMATE THAT THE DAMAGES WOULD BE IN EXCESS OF \$5,000.00 AS THE STATEMENT OF CLAIM DID NOT LIST AN EXACT AMOUNT AND HAS ASKED FOR DAMAGES TO COMPENSATE FOR ALL LOSSES SUFFERED, COSTS AND ATTORNEY FEES, TO RESCIND ING 5524 LIFE INSURANCE POLICY AND TO AWARD DAMAGES.

Arbitration Information

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

Docket/Case #: 09-03303

Date Notice/Process Served: 06/16/2009

Arbitration Pending? No

Disposition: Settled

Disposition Date: 12/01/2010

Monetary Compensation Amount: \$370,000.00

Individual Contribution Amount: \$0.00

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Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: EQUITAS AMERICA, LLC

Allegations: CUSTOMERS ALLEGE NEGLIGENCE, BREACH OF FIDUCIARY DUTY, FRAUD AND BREACH OF CONTRACT RELATED TO THE PURCHASE OF VARIABLE LIFE INSURANCE AND VARIABLE ANNUITY PRODUCTS.

Product Type: Annuity-Variable Insurance

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): COMPLAINT DOES NOT IDENTIFY SPECIFIC DAMAGES BUT THE FIRM HAS ASSESSED THE COMPLAINT AND BELIEVES THE ALLEGED DAMAGES TO BE IN EXCESS OF \$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: 06/15/2009

Complaint Pending? No

Status: Settled

Status Date: 12/01/2010

Settlement Amount: \$370,000.00

**Individual Contribution
Amount:** \$0.00

Arbitration Information

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

Docket/Case #: 09-03303

Date Notice/Process Served: 06/15/2009

Arbitration Pending? No

Disposition: Settled

Disposition Date: 12/01/2010

**Monetary Compensation
Amount:** \$370,000.00

**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: EQUITAS AMERICA, LLC
Termination Type: Permitted to Resign
Termination Date: 05/18/2009
Allegations: FAILURE TO SUPERVISE A REPRESENTATIVE BY FAILING TO REQUIRE SIGNATURES OF BOTH ACCOUNT HOLDERS TO AUTHORIZE THE WITHDRAWAL OF ASSETS FROM A JOINT ACCOUNT PER FIRM POLICY.
Product Type: No Product

Reporting Source: Individual
Firm Name: EQUITAS AMERICA, LLC
Termination Type: Permitted to Resign
Termination Date: 05/18/2009
Allegations: FAILURE TO SUPERVISE BY FAILING TO REQUIRE SIGNATURES OF BOTH JOINT ACCOUNT HOLDERS TO AUTHORIZE WITHDRAWAL FROM JOINT ACCOUNT PER FIRM POLICY
Product Type: No Product



End of Report

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