User Guidance

www.adviserinfo.sec.gov

IAPD Report

JAMES RAY COTTO

CRD# 1663495

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

JAMES RAY COTTO (CRD# 1663495)

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 **06/04/2026**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	MORGAN STANLEY	CRD# 149777	06/01/2009
IA	MORGAN STANLEY	CRD# 149777	05/14/2020

QUALIFICATIONS

This representative is currently registered in **4** SRO(s) and **53** 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	MORGAN STANLEY SMITH BARNEY LLC	149777	Nantucket, MA	06/01/2009 - 06/09/2009
IA	MORGAN STANLEY & CO. INCORPORATED	8209	PURCHASE, NY	04/07/2009 - 06/01/2009
B	MORGAN STANLEY & CO. INCORPORATED	8209	PURCHASE, NY	04/01/2009 - 06/01/2009

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
Criminal	1
Customer Dispute	6

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 **53** jurisdiction(s) and 4 SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **MORGAN STANLEY**

Main Address: 2000 WESTCHESTER AVENUE
PURCHASE, NY 10577-2530

Firm ID#: 149777

	Regulator	Registration	Status	Date
B	FINRA	General Securities Representative	Approved	06/01/2009
B	NYSE American LLC	General Securities Representative	Approved	06/17/2011
B	Nasdaq Stock Market	General Securities Representative	Approved	06/01/2009
B	New York Stock Exchange	General Securities Representative	Approved	06/01/2009
B	Alabama	Agent	Approved	06/01/2009
B	Alaska	Agent	Approved	01/22/2021
B	Arizona	Agent	Approved	07/09/2009
B	Arkansas	Agent	Approved	11/30/2011
B	California	Agent	Approved	06/01/2009
B	Colorado	Agent	Approved	06/01/2009
B	Connecticut	Agent	Approved	06/01/2009
B	Delaware	Agent	Approved	06/01/2009
B	District of Columbia	Agent	Approved	06/01/2009

Qualifications

	Regulator	Registration	Status	Date
B	Florida	Agent	Approved	06/01/2009
B	Georgia	Agent	Approved	06/01/2009
B	Hawaii	Agent	Approved	05/19/2025
B	Idaho	Agent	Approved	12/08/2021
B	Illinois	Agent	Approved	06/01/2009
B	Indiana	Agent	Approved	08/01/2014
B	Iowa	Agent	Approved	06/01/2009
B	Kansas	Agent	Approved	03/07/2025
B	Kentucky	Agent	Approved	06/01/2009
B	Louisiana	Agent	Approved	06/01/2009
B	Maine	Agent	Approved	06/01/2009
B	Maryland	Agent	Approved	06/01/2009
B	Massachusetts	Agent	Approved	06/01/2009
B	Michigan	Agent	Approved	06/01/2009
B	Minnesota	Agent	Approved	03/06/2012
B	Mississippi	Agent	Approved	03/28/2025
B	Missouri	Agent	Approved	10/17/2014
B	Montana	Agent	Approved	03/10/2025
B	Nebraska	Agent	Approved	08/01/2014

Qualifications

	Regulator	Registration	Status	Date
B	Nevada	Agent	Approved	06/01/2009
B	New Hampshire	Agent	Approved	07/16/2021
B	New Jersey	Agent	Approved	06/01/2009
B	New Mexico	Agent	Approved	11/04/2015
B	New York	Agent	Approved	06/01/2009
IA	New York	Investment Adviser Representative	Approved	10/12/2021
B	North Carolina	Agent	Approved	06/01/2009
B	North Dakota	Agent	Approved	03/10/2025
B	Ohio	Agent	Approved	06/01/2009
B	Oklahoma	Agent	Approved	02/21/2014
B	Oregon	Agent	Approved	06/07/2016
B	Pennsylvania	Agent	Approved	06/01/2009
B	Puerto Rico	Agent	Approved	01/11/2018
B	Rhode Island	Agent	Approved	06/01/2009
B	South Carolina	Agent	Approved	08/15/2014
B	South Dakota	Agent	Approved	03/07/2025
B	Tennessee	Agent	Approved	05/20/2020
B	Texas	Agent	Approved	06/01/2009
IA	Texas	Investment Adviser Representative	Restricted	05/14/2020

Qualifications

	Regulator	Registration	Status	Date
			Approval	
B	Utah	Agent	Approved	03/30/2022
B	Vermont	Agent	Approved	06/01/2009
B	Virgin Islands	Agent	Approved	03/12/2025
B	Virginia	Agent	Approved	06/01/2009
B	Washington	Agent	Approved	01/22/2021
B	West Virginia	Agent	Approved	08/07/2014
B	Wisconsin	Agent	Approved	03/11/2025
B	Wyoming	Agent	Approved	01/24/2023

Branch Office Locations

MORGAN STANLEY
2000 Westchester Avenue
1NC
Purchase, NY 10577

MORGAN STANLEY
Nantucket, MA

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

Principal/Supervisory Exams

	Exam	Category	Date
B	General Securities Sales Supervisor - General Module Examination (S10)	Series 10	07/23/2003
B	General Securities Sales Supervisor - Options Module Examination (S9)	Series 9	06/23/2003

General Industry/Product Exams

	Exam	Category	Date
B	Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
B	Futures Managed Funds Examination (S31)	Series 31	01/14/2004
B	General Securities Representative Examination (S7)	Series 7	05/16/1987

State Securities Law Exams

	Exam	Category	Date
IA B	Uniform Combined State Law Examination (S66)	Series 66	10/11/2021
IA	Uniform Investment Adviser Law Examination (S65)	Series 65	10/08/2003
B	Uniform Securities Agent State Law Examination (S63)	Series 63	06/03/1987

PROFESSIONAL DESIGNATIONS

This section details that the representative has reported **0** professional designation(s).

No information reported.

Only professional designations listed in Question 8 of the Form U4 will appear in this section if the appropriate box is checked and verified by the issuing organization at the time of the filing. Learn more about eligible designations at IARD and NASAA.

Registration & Employment History

PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

	Registration Dates	Firm Name	ID#	Branch Location
IA	06/01/2009 - 06/09/2009	MORGAN STANLEY SMITH BARNEY LLC	CRD# 149777	Nantucket, MA
IA	04/07/2009 - 06/01/2009	MORGAN STANLEY & CO. INCORPORATED	CRD# 8209	PURCHASE, NY
B	04/01/2009 - 06/01/2009	MORGAN STANLEY & CO. INCORPORATED	CRD# 8209	PURCHASE, NY
IA	10/09/2003 - 04/01/2009	WACHOVIA SECURITIES, LLC	CRD# 19616	MT KISCO, NY
B	04/12/2001 - 04/01/2009	WACHOVIA SECURITIES, LLC	CRD# 19616	MT KISCO, NY
B	11/05/1991 - 05/11/2001	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	CRD# 7691	NEW YORK, NY
B	02/01/1988 - 10/01/1991	FIRST ALBANY CORPORATION	CRD# 298	NEW YORK, NY
B	12/21/1987 - 01/26/1988	MOSELEY SECURITIES CORPORATION	CRD# 7908	
B	11/06/1987 - 11/25/1987	HYM FINANCIAL, INC.	CRD# 16983	
B	06/18/1987 - 10/21/1987	THE STUART-JAMES COMPANY, INC.	CRD# 11691	

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	MORGAN STANLEY PRIVATE BANK, NATIONAL ASSOCIATION	FINANCIAL ADVISOR	Y	NEW YORK, NY, United States
06/2009 - Present	MORGAN STANLEY SMITH BARNEY	FA, ICA	Y	PURCHASE, NY, United States

Registration & Employment History

OTHER BUSINESS ACTIVITIES

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

No information reported.

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
Criminal	1
Customer Dispute	6

Criminal

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

Disclosure 1 of 1

Reporting Source:	Individual
Court Details:	STATE OF NEW JERSEY FILE # 13952, INDICTMENT # I-0268-9-83
Charge Date:	09/01/1983
Charge Details:	I WAS ARRESTED AND CHARGED WITH POSSESSION OF A CONTROLLED DANGEROUS SUBSTANCE , THAT IS, MARIJUANA, AN AMOUNT IN EXCESS OF 25 GRAMS, A FELONY CHARGE.
Felony?	
Current Status:	Final
Status Date:	03/03/1986
Disposition Details:	ON NOV. 30, 1983 IT WAS ORDERED THAT ALL PROCEEDINGS IN THIS MATTER BE SUSPENDED AND THAT I BE PLACED UNDER SUPERVISOR TREATMENT FOR 12 MONTHS. IT WAS FURTHER ORDERED THAT UPON SATISFACTORY FULFILLMENT OF THE TERMS AND CONDITIONS OF THE SUPERVISOR TREATMENT THE COURT SHALL DISCHARGE AND DISMISS THE PROCEEDINGS AGAINST ME. ON MARCH 3, 1986 THE COURT DISMISSED THE CHARGE.
Broker Statement	IN SEPTEMBER 1983 I WAS STOPPED ON HIGHWAY 78 IN NEW JERSEY FOR SPEEDING. WHILE THE OFFICER WAS ISSUING A SUMMONS A SMALL AMOUNT OF MARIJUANA WAS DISCOVERED. I WAS PLACED UNDER ARREST, THEN RELEASED ON MY OWN RECOGNIZANCE. IN NOVEMBER 1983, I PLED GUILTY TO THE CHARGE. DUE TO THE FACT I HAD NO PREVIOUS CRIMINAL RECORD, I WAS PLACED ON PROBATION FOR 1 YEAR. UPON COMPLETION THE CHARGE WAS DISMISSED. I COMPLETED MY PROBATION INCOMPLIANCE WITH THE JUDGE'S ORDER.

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 6

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	WELLS FARGO ADVISORS, LLC
Allegations:	CLIENT ALLEGES FA CHANGED ADDRESS INFORMATION AND TRANSFERRED FUNDS FROM ACCOUNT WITHOUT AUTHORIZATION. (05/09/2008)
Product Type:	No Product
Alleged Damages:	$39,586.58
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:	09/21/2012
Complaint Pending?	No
Status:	Denied
Status Date:	10/16/2012
Settlement Amount:	
Individual Contribution Amount:	
Firm Statement	FIRM DETERMINED CLIENT'S CLAIM IS WITHOUT MERIT AS ACCOUNT ACTIVITY INDICATES FUNDS WERE DEPOSITED TO ACCOUNT AND SPENT DOWN BY CLIENT/ACCOUNTHOLDER.

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	WELLS FARGO ADVISORS, LLC
Allegations:	CLIENT ALLEGES FA CHANGED ADDRESS INFORMATION AND TRANSFERRED FUNDS FROM ACCOUNT WITHOUT AUTHORIZATION. (05/09/2008)
Product Type:	No Product
Alleged Damages:	$39,586.58
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: 09/21/2012

Complaint Pending? No

Status: Denied

Status Date: 10/16/2012

Settlement Amount:

Individual Contribution Amount:

Broker Statement FIRM DETERMINED CLIENT'S CLAIM IS WITHOUT MERIT AS ACCOUNT ACTIVITY INDICATES FUNDS WERE DEPOSITED TO ACCOUNT AND SPENT DOWN BY CLIENT/ACCOUNTHOLDER

Disclosure 2 of 6

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: WELLS FARGO ADVISORS, LLC, SUCCESSOR IN INTEREST TO WACHOVIA SECURITIES, LLC

Allegations: ATTORNEY FOR CLIENT ALLEGES INVESTMENT WAS INAPPROPRIATE AND COULD ONLY HAVE BEEN PURSUED TO GENERATE UNMERITED AND UNDESERVED COMMISSIONS. ALLEGES DAMAGES, NOT SPECIFIED, BELIEVED TO EXCEED $5,000. (12/08/2006) ***LITIGATION ALLEGATIONS: PLAINTIFFS, RESIDENTS OF NEW YORK, ALLEGE BETWEEN 2005 - 2008 FA'S EXECUTED UNAUTHORIZED TRADES, ENGAGED IN TRADING ON MARGIN WITHOUT AUTHORITY AND TRADED IN UNSUITABLE INVESTMENTS. CLAIMANTS ARE REQUESTING DAMAGES IN AN AMOUNT GREATER THAN $13,500,000.00. ***ARBITRATION ALLEGATIONS: CLAIMANTS ALLEGE OVER A THREE YEAR PERIOD BEGINNING IN 2005 THEIR FAS RECOMMENDED UNSUITABLE INVESTMENTS, TRADED WITHOUT THEIR KNOWLEDGE AND UTILIZED ALTERED DOCUMENTS REGARDING CLAIMANTS' ACCOUNTS. CLAIMANTS SEEK DAMAGES IN EXCESS OF $25,000,000.

Product Type: Other: STRUCTURED PRODUCTS

Alleged Damages: $0.00

Alleged Damages Amount Explanation (if amount not exact): CLAIMANTS SEEK DAMAGES IN EXCESS OF $25,000,000.

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

Docket/Case #:	11-04681
Filing date of arbitration/CFTC reparation or civil litigation:	12/20/2011

Customer Complaint Information

Date Complaint Received:	12/28/2011
Complaint Pending?	No
Status:	Settled
Status Date:	05/28/2013
Settlement Amount:	$12,000,000.00
Individual Contribution Amount:	$0.00

Civil Litigation Information

Type of Court:	State Court
Name of Court:	THE SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF WESTCHESTER, COMMERCIAL DIVISION
Location of Court:	WESTCHESTER COUNTY, NEW YORK
Docket/Case #:	30217/09
Date Notice/Process Served:	01/06/2010
Litigation Pending?	No
Disposition:	Dismissed
Disposition Date:	01/06/2011
Firm Statement	AFTER DEFENDANTS RESPONDED BY DENYING ALL ALLEGATIONS, PLAINTIFFS DISMISSED ALL CLAIMS WITHOUT PREJUDICE IN THE SUPREME COURT OF THE STATE OF NEW YORK. ARBITRATION SERVED.**WITHOUT ADMITTING ANY LIABILITY AND TO AVOID THE EXPENSE AND UNCERTAINTY OF PROTRACTED LITIGATION, THE FIRM SETTLED THE MATTER FOR $12,000,000.00.

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	WACHOVIA SECURITIES, LLC
Allegations:	PLAINTIFFS ALLEGE, INTER ALIA, THAT BETWEEN 2005 AND 2008 THE FA EXECUTED UNAUTHORIZED AND UNSUITABLE TRADES, AND MADE MISPREPRESENTATIONS TO THE PLAINTIFFS. PRIOR MATTER WAS DISMISSED IN THE SUPREME COURT OF THE STATE OF NEW YORK.
Product Type:	Other: HEDGE FUNDS
Alleged Damages:	$10,000,000.00
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
Docket/Case #:	11-04681
Filing date of arbitration/CFTC reparation or civil litigation:	12/15/2011

Customer Complaint Information

Date Complaint Received:	12/28/2011
Complaint Pending?	No
Status:	Settled
Status Date:	05/28/2013
Settlement Amount:	$12,000,000.00
Individual Contribution Amount:	$0.00

Civil Litigation Information

Type of Court:	State Court
Name of Court:	THE SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF WESTCHESTER, COMMERCIAL DIVISION
Location of Court:	WESTCHESTER COUNTY, NEW YORK
Docket/Case #:	30217/09
Date Notice/Process Served:	01/06/2010
Litigation Pending?	No
Disposition:	Other: EVOLVED INTO AN ARBITRATION
Disposition Date:	12/28/2011
Broker Statement	AFTER DEFENDANTS RESPONDED BY DENYING ALL ALLEGATIONS, PLAINTIFFS DISMISSED ALL CLAIMS WITHOUT PREJUDICE IN THE SUPREME COURT OF THE STATE OF NEW YORK. ARBITRATION SERVED.**WITHOUT ADMITTING ANY LIABILITY AND TO AVOID THE EXPENSE AND UNCERTAINTY OF PROTRACTED LITIGATION, THE FIRM SETTLED THE MATTER FOR $12,000,000.00.

Disclosure 3 of 6

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	MERRILL LYNCH, PIERCE, FENNER & SMITH INC.
Allegations:	CUSTOMER ALLEGES FA FAILED TO FOLLOW SPECIFIC INSTRUCTIONS TO LIQUIDATE ACCOUNTS BEFORE THE COMBINED TOTAL DROPPED BELOW $150,000.
Product Type:	Equity - OTC
Alleged Damages:	$210,353.00

Customer Complaint Information

Date Complaint Received: 12/23/2003

Complaint Pending? No

Status: Closed/No Action

Status Date: 02/02/2004

Settlement Amount:

Individual Contribution Amount:

Firm Statement MERRILL LYNCH FOUND MR. TOSCANO'S CLAIMS TO BE WITHOUT MERIT.

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: MERRILL LYNCH, PIERCE, FENNER & SMITH INC.

Allegations: CUSTOMER ALLEGES FA FAILED TO FOLLOW SPECIFIC INSTRUCTIONS TO LIQUIDATE ACCOUNTS BEFORE THE COMBINED TOTAL DROPPED BELOW $150,000

Product Type: Equity - OTC

Alleged Damages: $210,353.00

Customer Complaint Information

Date Complaint Received: 12/23/2003

Complaint Pending? No

Status: Denied

Status Date: 02/02/2004

Settlement Amount:

Individual Contribution Amount:

Broker Statement MERRILL LYNCH IS INVESTIGATING THE ALLEGATIONS SET FORTH IN THE CUSTOMER'S COMPLAINT.

Disclosure 4 of 6

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: WACHOVIA SECURITIES, LLC.

Allegations: CONNECTICUT CLIENT ALLEGES THAT HER FINANCIAL ADVISOR, MR. JAMES COTTO, PLACED UNAUTHORIZED MUTUAL FUND TRADES IN HER ACCOUNT IN DECEMBER OF 2001 AND JANUARY 2002. IN ADDITION, CLIENT ALLEGES THAT A MARGIN ACCOUNT WAS OPENED WITHOUT HER AUTHORIZATION. NO SPECIFIC DAMAGES ARE CLAIMED, HOWEVER, THEY ARE REASONABLY ESTIMATED AT $9,314 AS OF OCTOBER 2, 2003.

Product Type: Mutual Fund(s)

Alleged Damages: $9,314.00

Customer Complaint Information

Date Complaint Received: 09/30/2003

Complaint Pending? No

Status: Settled

Status Date: 11/19/2003

Settlement Amount: $3,500.00

Individual Contribution Amount: $0.00

Broker Statement SETTLED IN THE INTEREST OF CLIENT RELATIONS AND TO AVOID COSTLY AND TIME CONSUMING FORMAL PROCEEDINGS, WITHOUT ADMITTING LIABILITY, IN THE AMOUNT OF $3,500.

Disclosure 5 of 6

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: MERRILL LYNCH, PIERCE, FENNER & SMITH INC.

Allegations: CUSTOMER ALLEGES THAT ACCOUNT DOCUMENTS WERE FORGED "WITH THE HELP OF" MR. COTTO.

Product Type: No Product

Alleged Damages: $209,000.00

Customer Complaint Information

Date Complaint Received: 06/11/2001

Complaint Pending? No

Status: Closed/No Action

Status Date: 02/06/2007

Settlement Amount:

Individual Contribution Amount:

Firm Statement THERE IS NO MERIT TO THIS CLAIM. MR. COTTO DID NOT FORGE OR "HELP" WITH AN ALLEGED FORGERY OF ANY DOCUMENTS CUSTOMER DOES NOT WANT TO ACCEPT RESPONSIBILITY FOR THE ACTS OF ITS AGENT, THE CHAIRMAN OF THE BOARD AND CEO, WHO WAS AN AUTHORIZED PRINCIPAL TO CONTROL ITS MERRILL LYNCH ACCOUNT. CUSTOMER WAS TIMELY GIVEN NOTICE OF THE WITHDRAWALS IN ISSUE AND RAISED NO COMPLAINTS. CUSTOMER NEVER DISPUTED THE EXISTENCE OF IT MERRILL LYNCH ACCOUNT.

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: MERRILL LYNCH, PIERCE, FENNER & SMITH INC.

Allegations:	CUSTOMER ALLEGES THAT ACCOUNT DOCUMENTS WERE FORGED "WITH THE HELP OF" MR. COTTO.
Product Type:	No Product
Alleged Damages:	$209,000.00

Customer Complaint Information

Date Complaint Received:	06/11/2001
Complaint Pending?	Yes
Settlement Amount:	
Individual Contribution Amount:	
Broker Statement	THERE IS NO MERIT TO THIS CLAIM. MR. COTTO DID NOT FORGE OR "HELP" WITH AN ALLEGED FORGERY OF ANY DOCUMENTS CUSTOMER DOES NOT WANT TO ACCEPT RESPONSIBILITY FOR THE ACTS OF ITS AGENT, THE CHAIRMAN OF THE BOARD AND CEO, WHO WAS AN AUTHORIZED PRINCIPAL TO CONTROL ITS MERRILL LYNCH ACCOUNT. CUSTOMER WAS TIMELY GIVEN NOTICE OF THE WITHDRAWALS IN ISSUE AND RAISED NO COMPLAINTS. CUSTOMER NEVER DISPUTED THE EXISTENCE OF IT MERRILL LYNCH ACCOUNT.

Disclosure 6 of 6

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	MERRILL LYNCH
Allegations:	VAGUE COMPLAINT THAT FINANCIAL CONSULTANT DID NOT TELL THE CUSTOMER TO SELL CERTAIN SECURITIES IN HIS ACCOUNT. CUSTOMER CLAIMS $100,000 IN UNSPECIFIED COMPENSATORY DAMAGES.
Product Type:	Other
Other Product Type(s):	STOCK
Alleged Damages:	$100,000.00

Customer Complaint Information

Date Complaint Received:	01/06/1998
Complaint Pending?	No
Status:	Closed/No Action
Status Date:	08/03/1999
Settlement Amount:	$0.00
Individual Contribution Amount:	$0.00

End of Report

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