IAPD Report

Kenneth Mathieson

CRD# 1730324

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 Mathieson (CRD# 1730324)

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 **07/17/2026**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
IA	ARAX ADVISORY PARTNERS	CRD# 133535	07/13/2026

QUALIFICATIONS

This representative is currently registered in **0** SRO(s) and **2** 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	U.S. CAPITAL WEALTH ADVISORS, LLC	288199	New York, NY	01/13/2025 - 07/17/2026
IA	LAIDLAW WEALTH MANAGEMENT LLC	150040	NEW YORK, NY	01/11/2018 - 01/07/2025
B	LAIDLAW & COMPANY (UK) LTD.	119037	NEW YORK, NY	02/06/2017 - 01/07/2025

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	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 **2** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **ARAX ADVISORY PARTNERS**

Main Address: 10 EAST 53RD STREET
14TH FLOOR
NEW YORK, NY 10022

Firm ID#: 133535

	Regulator	Registration	Status	Date
IA	New Jersey	Investment Adviser Representative	Approved	07/14/2026
IA	New York	Investment Adviser Representative	Approved	07/14/2026

Branch Office Locations

ARAX ADVISORY PARTNERS
521 Fifth Avenue
12th Floor
New York, NY 10175

Qualifications

PASSED INDUSTRY EXAMS

This section includes all industry exams that the representative has passed. Under limited circumstances, a representative may attain registration after receiving an exam waiver based on a combination of exams the representative has passed and qualifying work experience. Likewise a new exam requirement may be grandfathered based on a representative's specific qualifying work experience. Exam waivers and grandfathering are not included below.

This individual has passed 1 principal/supervisory exam, 3 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

	Exam	Category	Date
B	General Securities Sales Supervisor Examination (Options Module & General Module) (S8)	Series 8	02/16/1999

General Industry/Product Exams

	Exam	Category	Date
B	Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
B	National Commodity Futures Examination (S3)	Series 3	11/03/2003
B	General Securities Representative Examination (S7)	Series 7	09/19/1987

State Securities Law Exams

	Exam	Category	Date
IA	Uniform Investment Adviser Law Examination (S65)	Series 65	01/23/2025
B	Uniform Securities Agent State Law Examination (S63)	Series 63	10/23/1987

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	01/13/2025 - 07/17/2026	U.S. CAPITAL WEALTH ADVISORS, LLC	CRD# 288199	New York, NY
IA	01/11/2018 - 01/07/2025	LAIDLAW WEALTH MANAGEMENT LLC	CRD# 150040	NEW YORK, NY
B	02/06/2017 - 01/07/2025	LAIDLAW & COMPANY (UK) LTD.	CRD# 119037	NEW YORK, NY
B	06/06/2014 - 03/02/2017	RAYMOND JAMES FINANCIAL SERVICES, INC.	CRD# 6694	NEW YORK, NY
IA	05/17/2016 - 02/16/2017	STEWARD PARTNERS INVESTMENT ADVISORY, LLC	CRD# 283004	NEW YORK, NY
IA	10/02/2014 - 12/08/2016	RAYMOND JAMES FINANCIAL SERVICES ADVISORS, INC	CRD# 149018	NEW YORK, NY
B	06/01/2009 - 04/09/2014	MORGAN STANLEY	CRD# 149777	NEW YORK, NY
B	11/16/1999 - 06/01/2009	CITIGROUP GLOBAL MARKETS INC.	CRD# 7059	NEW YORK, NY
B	09/22/1987 - 11/10/1999	PRUDENTIAL SECURITIES INCORPORATED	CRD# 7471	NEW YORK, NY

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
06/2026 - Present	Arax Advisory Partners, LLC	Financial Advisor	Y	New York, NY, United States
01/2025 - 06/2026	U.S. Capital Wealth Advisors	Financial Advisor and Managing Director	Y	Austin, TX, United States
02/2017 - 12/2024	LAIDLAW COMPANY	REGISTERED REPRESENTATIVE	Y	fifth floor, NY, United States
02/2017 - 12/2024	Laidlaw Wealth Management	Portfolio Manager	Y	New York, NY, United States
01/2016 - 01/2017	STEWARD PARTNERS INVESTMENT ADVISORY, LLC	INVESTMENT ADVISER REPRESENTATIVE	Y	NEW YORK, NY, United States

Registration & Employment History

EMPLOYMENT HISTORY

Employment Dates	Employer Name	Position	Investment Related	Employer Location
06/2014 - 01/2017	RAYMOND JAMES FINANCIAL SERVICES ADVISORS INC.	INVESTMENT ADVISER REP	Y	NEW YORK, NY, United States
06/2014 - 01/2017	RAYMOND JAMES FINANCIAL SERVICES,INC	FINANCIAL ADVISOR	Y	NEW YORK, NE, United States
06/2014 - 01/2017	STEWARD PARTNERS GLOBAL ADVISORY, LLC	AGENT/FINANCIAL ADVISOR	N	NEW YORK, NY, 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.

Real estate, renting out my home for income. Started in September 2023, 2 hours per month, none during securities hours.

Disclosure Summary

Disclosure Information

What you should know about reported disclosure events:

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

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

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

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

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

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

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

DISCLOSURE EVENT DETAILS

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

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

The following types of events are disclosed about this representative:

Type	Count
Regulatory Event	1
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 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	03/03/2016
Docket/Case Number:	2014040876001
Employing firm when activity occurred which led to the regulatory action:	Morgan Stanley Smith Barney, LLC
Product Type:	Other: company stock
Allegations:	Mathieson was named a respondent in a FINRA complaint alleging that he participated in private securities transactions by investing $96,550 in a company's stock for himself and his children without providing written notice to, and receiving prior approval from, his member firm. The complaint alleges that Mathieson also participated in the sale of shares in the company stock to other investors without providing written notice of, or receiving written permission for, his participation in the purchase and sale of the company's securities. The complaint also alleges that Mathieson engaged in an unapproved outside business activity by participating in the management of the company, helping manage the company's relations with investors and advising the company's Board of Directors and Chief Executive Officer on a broad range of business and strategic matters. Mathieson did not provide prior written notice to the firm or obtain its approval to engage in such activities. The complaint further alleges that Mathieson continued to participate in the business of the company after his request to do so was denied by the firm and

	he was instructed to discontinue providing service to it. In addition, the complaint alleges that Mathieson also provided false certifications in a compliance questionnaire regarding his outside business activities and securities transactions.
Current Status:	Final
Action Appealed To:	SRO
Date Appeal filed:	01/10/2017
Appeal Limitation Details:	
Resolution:	Decision
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:	04/23/2018
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Monetary Penalty other than Fines 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:	Six months
Start Date:	05/21/2018
End Date:	11/21/2018

Monetary Sanction 1 of 2

Monetary Related Sanction:	Monetary Penalty other than Fines
Total Amount:	$8,619.22
Portion Levied against individual:	$8,619.22
Payment Plan:	costs
Is Payment Plan Current:	
Date Paid by individual:	07/13/2018
Was any portion of penalty waived?	No

Amount Waived:	
Monetary Sanction 2 of 2	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	$50,000.00
Portion Levied against individual:	$50,000.00
Payment Plan:	
Is Payment Plan Current:	
Date Paid by individual:	07/13/2018
Was any portion of penalty waived?	No
Amount Waived:	
Regulator Statement	Extended Hearing Panel decision rendered December 16, 2016 wherein Mathieson was fined $50,000 and suspended from association with any FINRA member in any capacity for one year. Mathieson was ordered to pay costs in the amount of $8,619.22. The sanctions were based on findings that Mathieson participated in private securities transactions and engaged in outside business activities without prior written notice to, and permission from, his member firm. The findings stated that Mathieson participated in the private securities transactions by investing $96,000 in a company's stock for himself and his children. Mathieson did not give his firm prior written notice of these additional investments, despite agreeing to do so at the time of his initial investment. After Mathieson disclosed his initial private securities investment he made multiple subsequent purchases of the company's stock without new disclosure. Mathieson also participated in private placements of the company's securities, as well as its reverse merger transaction. The findings also stated that Mathieson failed to provide the requisite written notice of his outside business related activities to his firm prior to commencing his activities. Mathieson sought approval only after working with the outside business for several months, and after his request for permission to join the outside business' board was denied, Mathieson disregarded his firm's directive to discontinue all related outside activities and continued working with the outside business for more than a year thereafter. In fact, on a subsequent compliance report, Mathieson falsely stated that he had no outside business activities. On January 10, 2017 the decision was appealed to the NAC and the sanctions are not in effect pending review. NAC decision rendered March 19, 2018. The sanctions were based on findings that Mathieson participated in private securities transactions and engaged in outside business activities without prior written notice to, and permission from, his member firm. The findings stated that after Mathieson disclosed his initial private securities investment, he made multiple subsequent purchases of the company's stock without new disclosure. Mathieson also participated in private placements of the company's securities, as well as its reverse merger transaction. Mathieson also failed to provide the requisite written notice of his outside business-related activities with the company to his firm prior to commencing his activities. Mathieson sought approval only after working with the company for several months, and after his request for permission to join the company's board was denied, Mathieson disregarded his firm's directive to discontinue all company-related activities and continued working with the company for more than a year thereafter. The findings also stated that on a subsequent compliance report, Mathieson falsely stated that he had no outside business activities. Mathieson was eventually confronted by his firm about his role with the company. Shortly thereafter, Mathieson was suspended

and then terminated from the firm.
The decision became final April 23, 2018. Fines paid in full on July 13, 2018.

Reporting Source:	Individual
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	03/03/2016
Docket/Case Number:	2014040876001
Employing firm when activity occurred which led to the regulatory action:	Morgan Stanley Smith Barney, LLC
Product Type:	Other: COMPANY STOCK
Allegations:	Mathieson was named a respondent in a FINRA complaint alleging that he participated in private securities transactions by investing $96,550 in a company's stock for himself and his children without providing written notice to, and receiving prior approval from, his member firm. The complaint alleges that Mathieson also participated in the sale of shares in the company stock to other investors without providing written notice of, or receiving written permission for, his participation in the purchase and sale of the company's securities. The complaint also alleges that Mathieson engaged in an unapproved outside business activity by participating in the management of the company, helping manage the company's relations with investors and advising the company's Board of Directors and Chief Executive Officer on a broad range of business and strategic matters. Mathieson did not provide prior written notice to the firm or obtain its approval to engage in such activities. The complaint further alleges that Mathieson continued to participate in the business of the company after his request to do so was denied by the firm and he was instructed to discontinue providing service to it. In addition, the complaint alleges that Mathieson also provided false certifications in a compliance questionnaire regarding his outside business activities and securities transactions.
Current Status:	Final
Action Appealed To:	SRO
Date Appeal filed:	01/10/2017
Appeal Limitation Details:	
Resolution:	Decision
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:	01/10/2017
Sanctions Ordered:	Monetary Penalty other than Fines Suspension
Sanction 1 of 1	
Sanction Type:	Suspension

Capacities Affected:	All Capacities
Duration:	6 months
Start Date:	05/21/2018
End Date:	11/21/2018
Monetary Sanction 1 of 1	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	$50,000.00
Portion Levied against individual:	$50,000.00
Payment Plan:	
Is Payment Plan Current:	
Date Paid by individual:	
Was any portion of penalty waived?	No
Amount Waived:	
Broker Statement	Extended Hearing Panel decision rendered December 16, 2016 wherein Mathieson was fined $50,000 and suspended from association with any FINRA member in any capacity for one year. Mathieson was ordered to pay costs in the amount of $8,619.22. The sanctions were based on findings that Mathieson participated in private securities transactions and engaged in outside business activities without prior written notice to, and permission from, his member firm. The findings stated that Mathieson participated in the private securities transactions by investing $96,000 in a company's stock for himself and his children. Mathieson did not give his firm prior written notice of these additional investments, despite agreeing to do so at the time of his initial investment. After Mathieson disclosed his initial private securities investment he made multiple subsequent purchases of the company's stock without new disclosure. Mathieson also participated in private placements of the company's securities, as well as its reverse merger transaction. The findings also stated that Mathieson failed to provide the requisite written notice of his outside business related activities to his firm prior to commencing his activities. Mathieson sought approval only after working with the outside business for several months, and after his request for permission to join the outside business' board was denied, Mathieson disregarded his firm's directive to discontinue all related outside activities and continued working with the outside business for more than a year thereafter. In fact, on a subsequent compliance report, Mathieson falsely stated that he had no outside business activities. On January 10, 2017 the decision was appealed to the NAC and the sanctions are not in effect pending review. NAC decision rendered March 19, 2018 wherein Mathieson was fined $50,000, suspended from association with any FINRA member in all capacities for six months, and ordered to pay $8,619.22 in hearing costs. The NAC affirmed the Extended Hearing Panel's findings of violation and the $50,000 fine, but reduced his suspension from one year to six months. The sanctions were based on findings that Mathieson participated in private securities transactions and engaged in outside business activities without prior written notice to, and permission from, his member firm. The findings stated that after Mathieson disclosed his initial private securities investment, he made multiple subsequent purchases of the company's stock without new disclosure. Mathieson also participated in private placements of the company's securities, as well as its reverse merger transaction. Mathieson also failed to provide the requisite written notice of his outside business-related activities with the company to his firm prior to

commencing his activities. Mathieson sought approval only after working with the company for several months, and after his request for permission to join the company's board was denied, Mathieson disregarded his firm's directive to discontinue all company-related activities and continued working with the company for more than a year thereafter. The findings also stated that on a subsequent compliance report, Mathieson falsely stated that he had no outside business activities. Mathieson was eventually confronted by his firm about his role with the company. Shortly thereafter, Mathieson was suspended and then terminated from the firm. If no further action is taken the decision will become final April 23, 2018. The suspensions would be in effect from May 21, 2018, through November 20, 2018.

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

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	SALOMON SMITH BARNEY
Allegations:	MISREPRESENTATION, FALSELY AND FRAUDULENTLY INDUCED CALIMANTS TO HOLD ON TO POSITIONS THEY WOULD HAVE OTHERWISE HAVE SOLD, BREACH OF FIDUCIARY DUTY, AND FAILURE TO SUPERVISE.
Product Type:	Equity - OTC
Alleged Damages:	$270,000.00

Customer Complaint Information

Date Complaint Received:	01/31/2002
Complaint Pending?	No
Status:	Arbitration/Reparation
Status Date:	01/31/2002
Settlement Amount:	
Individual Contribution Amount:	

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.:	NYSE 2002-09777
Date Notice/Process Served:	01/31/2002
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	02/13/2004
Monetary Compensation Amount:	$7,500.00
Individual Contribution Amount:	$0.00
Broker Statement	THE CASE WAS SETTLED FOR NUISANCE VALUE AND RESPONDENTS CONTINUE TO DENY ANY LIABILITY TO CLAIMANTS WHATSOEVER.

Disclosure 2 of 3

Reporting Source:	Individual

Employing firm when activities occurred which led to the complaint:	PRUDENTIAL SECURITIES INCORPORATED
Allegations:	PRUDENTIAL SECURITIES ALLEGE THAT CUSTOMERS OF THE FIRM, JOSPEH TERRITO AND NIDD LTD, FAILED TO PAY DEBIT BALANCE OWED TO PRUDENTIAL . THE DEBIT BALANCE AROSE AFTER THE CUSTOMERS FAILED TO SATISFY A MARGIN CALL. RESPONDENT ALLEGED THAT FINANCIAL ADVISORS FAILED TO FOLLOW INSTRUCTIONS.
Product Type:	Equity - OTC
Alleged Damages:	$1,266,509.00

Customer Complaint Information

Date Complaint Received:	05/14/1998
Complaint Pending?	No
Status:	Arbitration/Reparation
Status Date:	07/08/1999
Settlement Amount:	
Individual Contribution Amount:	

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.:	NYSE #1998-007005
Date Notice/Process Served:	05/14/1998
Arbitration Pending?	No
Disposition:	Decision for Applicant
Disposition Date:	07/08/1999
Monetary Compensation Amount:	$0.00
Individual Contribution Amount:	
Broker Statement	PSI AWARDED $93,000.00. THERE WAS NO AWARD ON THE COUNTERCLAIM.

Disclosure 3 of 3

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	PRUDENTIAL SECURITIES INCORPORATED
Allegations:	CUSTOMER, THROUGH HER ATTORNEY ALLEGED THAT ERIK & KENNETH MATHIESON "WERE INVOLVED IN ILLEGAL ACTIVITIES INVOLVING CUSTOMER'S ACCOUNT. THESE ACTIVITIES INCLUDED UNAUTHORIZED TRADING." DAMAGES WERE UNALLEGED, BUT ARE BELIEVED TO BE $9,800.00.
Product Type:	

Alleged Damages:	$9,800.00

Customer Complaint Information

Date Complaint Received:	03/24/1998
Complaint Pending?	No
Status:	Denied
Status Date:	
Settlement Amount:	
Individual Contribution Amount:	
Broker Statement	CLAIM DENIED ALL TRADES EXECUTED IN CUSTOMER'S ACCOUNT WERE AUTHORIZED BY HER AFTER DISCUSSION OR WERE UNSOLICITED. ONLY 5 OF 24 TRADES WERE SOLICITED. FOR THE REMAINDER, CUSTOMER USED HER OWN RESEARCH OR THE ADVICE OF DR. TERRITO TO MAKE INVESTMENTS INCLUDINBGV DR. TERRITO'S FAVORITE STOCK, OXHP.

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:	MORGAN STANLEY SMITH BARNEY
Termination Type:	Discharged
Termination Date:	03/10/2014
Allegations:	CONCERNS REGARDING EMPLOYEE'S UNAPPROVED INVOLVEMENT IN AN OUTSIDE COMPANY, INCLUDING COMMUNICATIONS WITH THE COMPANY'S MANAGEMENT AND BOARD OF DIRECTORS, PROVIDING SUPPORT RELATED TO COMPANY TRANSACTIONS, AND PURCHASES OF COMPANY STOCK.
Product Type:	Equity-OTC

Reporting Source:	Individual
Firm Name:	MORGAN STANLEY SMITH BARNEY
Termination Type:	Discharged
Termination Date:	03/10/2014
Allegations:	CONCERNS REGARDING EMPLOYEE'S UNAPPROVED INVOLVEMENT IN AN OUTSIDE COMPANY, INCLUDING COMMUNICATIONS WITH THE COMPANY'S MANAGEMENT AND BOARD OF DIRECTORS, PROVIDING SUPPORT RELATED TO COMPANY TRANSACTIONS, AND PURCHASES OF COMPANY STOCK.
Product Type:	Equity-OTC

End of Report

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