User Guidance

www.adviserinfo.sec.gov

IAPD Report

Keith Wayne Patterson

CRD# 2131574

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

Keith Wayne Patterson (CRD# 2131574)

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 **04/07/2026**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	LPL FINANCIAL LLC	CRD# 6413	03/30/2026
IA	LPL FINANCIAL LLC	CRD# 6413	03/30/2026

QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **9** 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	CETERA INVESTMENT ADVISERS LLC	105644	MISSOURI CITY, TX	09/05/2025 - 04/07/2026
B	CETERA WEALTH SERVICES, LLC	13572	Sugar Land, TX	09/05/2025 - 04/07/2026
IA	AVANTAX ADVISORY SERVICES	104556	Sugar Land, TX	10/07/2020 - 09/05/2025

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
Customer Dispute	5

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

Employment 1 of 1

Firm Name: **LPL FINANCIAL LLC**

Main Address: 1055 LPL WAY
FORT MILL, SC 29715

Firm ID#: 6413

	Regulator	Registration	Status	Date
B	FINRA	General Securities Principal	Approved	03/30/2026
B	FINRA	General Securities Representative	Approved	03/30/2026
B	FINRA	Municipal Fund	Approved	03/30/2026
B	Arizona	Agent	Approved	03/30/2026
B	California	Agent	Approved	03/30/2026
B	Florida	Agent	Approved	03/30/2026
B	Georgia	Agent	Approved	03/30/2026
B	New York	Agent	Approved	03/30/2026
B	Oregon	Agent	Approved	03/30/2026
B	South Carolina	Agent	Approved	03/30/2026
B	Texas	Agent	Approved	03/30/2026
IA	Texas	Investment Adviser Representative	Approved	03/30/2026
B	Virginia	Agent	Approved	03/30/2026

Qualifications

Branch Office Locations

LPL FINANCIAL LLC
6526 Greatwood Parkway Unit C
Sugar Land, TX 77479

LPL FINANCIAL LLC
6526 GREATWOOD PARKWAY UNIT C
SUGAR LAND, TX 77479

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, 2 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams

	Exam	Category	Date
B	Municipal Fund Securities Principal Examination (S51)	Series 51	04/06/2007
B	General Securities Principal Examination (S24)	Series 24	01/13/2003

General Industry/Product Exams

	Exam	Category	Date
B	Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
B	General Securities Representative Examination (S7)	Series 7	06/12/1991

State Securities Law Exams

	Exam	Category	Date
B	Uniform Securities Agent State Law Examination (S63)	Series 63	06/20/1991

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	09/05/2025 - 04/07/2026	CETERA INVESTMENT ADVISERS LLC	CRD# 105644	MISSOURI CITY, TX
B	09/05/2025 - 04/07/2026	CETERA WEALTH SERVICES, LLC	CRD# 13572	Sugar Land, TX
IA	10/07/2020 - 09/05/2025	AVANTAX ADVISORY SERVICES	CRD# 104556	Sugar Land, TX
B	09/14/2020 - 09/05/2025	AVANTAX INVESTMENT SERVICES, INC.	CRD# 13686	Sugar Land, TX
IA	07/17/2020 - 10/09/2020	SECURITIES AMERICA ADVISORS, INC.	CRD# 110518	SUGAR LAND, TX
B	07/17/2020 - 10/09/2020	SECURITIES AMERICA, INC.	CRD# 10205	SUGARLAND, TX
IA	09/15/2020 - 09/16/2020	AVANTAX ADVISORY SERVICES	CRD# 104556	Sugar Land, TX
IA	01/05/2012 - 07/17/2020	INVESTACORP ADVISORY SERVICES INC	CRD# 109011	Sugar Land, TX
B	01/05/2012 - 07/17/2020	INVESTACORP, INC.	CRD# 7684	SUGARLAND, TX
IA	04/21/2011 - 12/31/2011	GENEOS WEALTH MANAGEMENT, INC.	CRD# 120894	SUGAR LAND, TX
B	04/13/2011 - 12/31/2011	GENEOS WEALTH MANAGEMENT, INC.	CRD# 120894	SUGAR LAND, TX
B	08/01/2006 - 04/18/2011	NEXT FINANCIAL GROUP, INC.	CRD# 46214	SUGARLAND, TX
IA	08/01/2006 - 04/18/2011	NEXT FINANCIAL GROUP, INC.	CRD# 46214	SUGARLAND, TX
IA	10/30/2002 - 07/31/2006	LINSCO/PRIVATE LEDGER CORP.	CRD# 6413	HOUSTON, TX
B	10/07/2002 - 07/31/2006	LINSCO/PRIVATE LEDGER CORP.	CRD# 6413	HOUSTON, TX
B	09/03/1999 - 10/22/2002	UBS PAINEWEBBER INC.	CRD# 8174	WEEHAWKEN, NJ

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	09/03/1999 - 10/22/2002	UBS PAINEWEBBER INC.	CRD# 8174	HOUSTON, TX
B	11/14/1994 - 09/13/1999	SALOMON SMITH BARNEY INC.	CRD# 7059	NEW YORK, NY
B	05/27/1992 - 11/22/1994	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	CRD# 7691	NEW YORK, NY
B	06/17/1991 - 05/11/1992	DEAN WITTER REYNOLDS INC.	CRD# 7556	PURCHASE, 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
03/2026 - Present	LPL Financial LLC	Registered Representative	Y	SUGAR LAND, TX, United States
04/2017 - Present	FIRST INCOME ADVISORS	INDEPENDENT CONTRACTOR	Y	SUGAR LAND, TX, United States
05/2015 - Present	KWP CAPITAL, LLC	DIRECTOR	Y	SUGAR LAND, TX, United States
09/2025 - 03/2026	CETERA INVESTMENT ADVISERS LLC	INVESTMENT ADVISOR REPRESENTATIVE	Y	SCHAUMBURG, IL, United States
09/2025 - 03/2026	CETERA WEALTH SERVICES, LLC	REGISTERED REPRESENTATIVE	Y	Sugar Land, TX, United States
05/2025 - 03/2026	Equity Indexed Products	Agent	Y	Sugar Land, TX, United States
05/2015 - 03/2026	POST OAK CAPITAL GROUP, LLC	MEMBER	Y	SUGAR LAND, TX, United States
08/2020 - 09/2025	AVANTAX ADVISORY SERVICES	INVESTMENT ADVISER REPRESENTATIVE	Y	SUGAR LAND, TX, United States
08/2020 - 09/2025	AVANTAX INSURANCE AGENCY, LLC	INSURANCE AGENT	Y	SUGAR LAND, TX, United States
08/2020 - 09/2025	AVANTAX INVESTMENT SERVICES, INC.	REGISTERED REPRESENTATIVE	Y	SUGAR LAND, TX, United States
07/2020 - 08/2020	SECURITIES AMERICA ADVISORS, INC.	IAR	Y	SUGAR LAND, TX, United States
07/2020 - 08/2020	SECURITIES AMERICA, INC.	REGISTERED REPRESENTATIVE	Y	SUGAR LAND, TX, United States

Registration & Employment History

EMPLOYMENT HISTORY

Employment Dates	Employer Name	Position	Investment Related	Employer Location
01/2012 - 07/2020	INVESTACORP ADVISORY SERVICES	REGISTERED INVESTMENT ADVISOR	Y	MIAMI, FL, United States
01/2011 - 07/2020	INVESTACORP INC	REGISTERED REPRESENTATIVE	Y	MIAMI, FL, 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. 03/2026 - KWP Capital LLC - Business Entity For Tax/Investment Purposes Only - Investment Related - 02 Hrs/Mth - 01 Hrs During Trading - Sugar Land, TX 77479 - OBA Start Date: 05/02/2022
2. 03/2026 - KWP Capital LLC - Real Estate Rental - Investment Related - 00 Hrs/Mth - 00 Hrs During Trading - Sugar Land, TX 77479 - OBA Start Date: 05/02/2022
3. 03/2026 - First Income Advisors/Simplicity Minneapolis - Non-Variable Insurance - Investment Related - 20 Hrs/Mth - 10 Hrs During Trading - Sugar Land, TX 77479 - OBA Start Date: 04/01/2017
4. 03/2026 - Patterson Capital - DBA for LPL Business (entity for LPL business) - Investment Related - 200 Hrs/Mth - 200 Hrs During Trading - At Reported Business Location(s) - 03/30/2026

Disclosure Summary

Disclosure Information

What you should know about reported disclosure events:

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

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

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

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

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

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

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

DISCLOSURE EVENT DETAILS

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

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

The following types of events are disclosed about this representative:

Type	Count
Customer Dispute	5

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 5

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Securities America, Inc.; Investacorp, Inc.
Allegations:	Claimants allege unsuitability of alternative investment which caused financial harm. The allegations include unsuitability, fraud, breach of contract, breach of fiduciary duty, negligence and violation of laws.
Product Type:	Real Estate Security
Alleged Damages:	$5,000.00
Alleged Damages Amount Explanation (if amount not exact):	No specific damage amount alleged.
Is this an oral complaint?	No
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA
Docket/Case #:	21-01624
Filing date of arbitration/CFTC reparation or civil litigation:	06/25/2021

Customer Complaint Information

Date Complaint Received:	06/25/2021
Complaint Pending?	No
Status:	Settled
Status Date:	09/20/2022
Settlement Amount:	$350,000.00
Individual Contribution Amount:	$0.00
Firm Statement	The matter was settled by the Firm in order to avoid the on-going costs and uncertainty of arbitration. The financial professional did not participate in or contribute to the settlement.

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	SECURITIES AMERICA, INC.; Investacorp, Inc.
Allegations:	Claimants alleged unsuitability of alternative investment which caused financial harm. The allegations include unsuitability, fraud, breach of contract, breach of fiduciary duty, negligence and violation of laws.
Product Type:	Real Estate Security
Alleged Damages:	$5,000.00
Alleged Damages Amount Explanation (if amount not exact):	No specific damage amount alleged.
Is this an oral complaint?	No
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA
Docket/Case #:	21-01624
Filing date of arbitration/CFTC reparation or civil litigation:	06/25/2021

Customer Complaint Information

Date Complaint Received:	08/05/2021
Complaint Pending?	No
Status:	Settled
Status Date:	10/13/2022
Settlement Amount:	$350,000.00
Individual Contribution Amount:	$0.00

Broker Statement	Client invested into a few Alternative Investments quite a few years ago for diversification and income purposes. All programs were vetted by Broker Dealer, and Broker, and were suitable at the time. Client was made aware of all risks, and signed all documents, fully aware of these. Due to the pandemic, some dividends have been cut, and some of the investment programs have temporarily shut down liquidity provisions, in order to protect all of the investors. Claim is without any merit, and will be aggressively defended. The matter was settled by the Firm in order to avoid the on-going costs of uncertainty of arbitration. The financial professional was not named in the complaint and did not participate in the settlement.

Disclosure 2 of 5

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	INVESTACORP, INC.
Allegations:	The customer alleges that the representative made unsuitable investment recommendations.
Product Type:	Annuity-Variable Direct Investment-DPP & LP Interests Equity Listed (Common & Preferred Stock)
Alleged Damages:	$0.00
Alleged Damages Amount Explanation (if amount not exact):	firm unable to determine that damage amount from the alleged conduct would be less 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:	06/07/2018
Complaint Pending?	No
Status:	Denied
Status Date:	07/06/2018
Settlement Amount:	$0.00
Individual Contribution Amount:	$0.00
Broker Statement	Representative vehemently denies the allegations and detailed multiple conversations he had with client prior to any of these investments where all aspects of the investments were explained. Client also signed multiple documents detailing the surrender charges and illiquid nature of the investment for the V/A and the non-traded REIT transactions that the customer alleges he did not understand.

Disclosure 3 of 5

Reporting Source:	Individual

Employing firm when activities occurred which led to the complaint: NEXT FINANCIAL GROUP INC

Allegations: CUSTOMER ALLEGES REPRESENTATIVE FAILED TO FOLLOW INSTRUCTIONS TO PURCHASE $80,000 IN COLE CREDIT PROPERTY TRUST II, INSTEAD ONLY INVESTING $50,000.00

Product Type: Real Estate Security

Alleged Damages: $13,000.00

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: 08/10/2010

Complaint Pending? No

Status: Denied

Status Date: 10/13/2010

Settlement Amount:

Individual Contribution Amount:

Broker Statement REPRESENTATIVE ASSERTS THAT A CONVERSATION WAS HAD WITHTHE CLIENT PERTAINING TO THE MUTUAL FUND INVESTMTNES AND DOLLAR AMOUNTS PRIOR TO THE INVESTMENTS BEING MADE. REPRESENTATIVE DENIES THE ALLEGATION

Disclosure 4 of 5

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: NEXT FINANCIAL GROUP, INC.

Allegations: CLIENT ALLEGES THAT A VARIABLE ANNUITY PURCHASED IN MAY 2007 WAS UNSUITABLE AND MISREPRESENTED.

Product Type: Annuity(ies) - Variable

Alleged Damages: $32,620.11

Customer Complaint Information

Date Complaint Received: 04/25/2008

Complaint Pending? No

Status: Denied

Status Date: 05/19/2008

Settlement Amount:

Individual Contribution Amount:

Broker Statement	ALL ALLEGATIONS MENTIONED HERE ARE WITHOUT MERIT. I DID FACT FINDING WITH THE CLIENT, UNDERSTANDING THEIR ISSUES, NEEDS, AND OBJECTIVES. I EXPLAINED THE VARIABLE ANNUITY SEVERAL TIMES INITIALLY BEFORE THE CLIENT INVESTED ANY MONEY, AND THE CLIENT SAW AND UNDERSTOOD THE BENEFITS. THE PRODUCT MATCHED THE CLIENT'S STATED OBJECTIVE, WHICH IS LONG-TERM GROWTH, CONSERVATIVE INVESTOR, AND RETIREMENT INCOME AT SOME POINT IN THE FUTURE THAT SHE WILL NOT OUTLIVE. DURING THE COURSE OF THE NEXT YEAR, AS THE MUTUAL FUNDS WENT DOWN WITH THE STOCK MARKET, I REVIEWD THE ACCOUNT WITH THE CLIENT, REASSURED HER AGAIN, AND SHE SEEMED VERY HAPPY. GIVEN THE LONG TERM TRACK RECORD OF THE INVESTMENT ALLOCATION, THE GUARANTEES THAT THE PRODUCT PROVIDES THE CLIENT, AND THE INCOME STEPS UP DURING RETIREMENT, I AM CONFIDENT THAT THIS ACCOUNT WILL SERVE HER OBJECTIVES.

Disclosure 5 of 5

Reporting Source:	Regulator
Employing firm when activities occurred which led to the complaint:	SALOMON SMITH BARNEY INC.
Allegations:	MISREPRESENTATION; OMISSION OF FACTS; BRCH OF FIDUCIARY DT; ACCOUNT RELATED-BREACH OF CONTRACT
Product Type:	
Alleged Damages:	$87,639.46

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.:	NASD - CASE #97-04736
Date Notice/Process Served:	10/01/1997
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	02/26/1999
Disposition Detail:	CASE IS CLOSED, SETTLED ** CASE SETTLED **

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	SALOMON SMITH BARNEY INC.
Allegations:	MISREPRESENTATION, BREACH OF FIDUCIARY DUTY, VIOLATION OF TEXAS SECURITIES ACT, TEXAS COMMON LAW FRAUD, VIOLATION OF TEXAS BUSINESS AND COMMERCIAL CODE, BREACH OF CONTRACT, NEGLIGENCE
Product Type:	Options
Other Product Type(s):	EQUITY-LISTED
Alleged Damages:	$87,639.46

Customer Complaint Information

Date Complaint Received:	
Complaint Pending?	No
Status:	Arbitration/Reparation
Status Date:	08/01/2006
Settlement Amount:	
Individual Contribution Amount:	

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.:	NASD; 97-04736
Date Notice/Process Served:	10/01/1997
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	02/26/1999
Monetary Compensation Amount:	$60,000.00
Individual Contribution Amount:	$30,000.00
Broker Statement	I MET THIS CLIENT AT A STOCK INVESTING SEMINAR (THAT I ATTENDED AT A REQUEST OF A CLIENT). THE SEMINAR RECOMMENDED TRADING ON MARGIN, DAY TRADING, BUYING CALLS AND PUTS (ESSENTIALLY, VERY AGGRESSIVE TRADING). I WAS YOUNGER AND LESS EXPERIENCED IN THE BUSINESS, SO I TOOK OVER THE ACCOUNT. THE CLIENT INSISTENTLY WANTED TO TRADE AGGRESSIVELY, AND WE GREW THE ACCOUNT IN A MONTHS TIME TO $110,000. BUT, SUBSEQUENTLY, THE MARKET HAD A LARGE CORRECTION. BECAUSE OF THE MARGIN (WHICH EXASCERBATED THE LOSSES), THE ACCOUNT TOOK A MAJOR HIT. THE CLIENT CALLED AND WANTED TO SELL EVERYTHING (THE EXACT DAY OF THE BOTTOM OF THE MARKET-AGAINST MY COUNSEL). HE THEN HIRED AN ATTORNEY AND SUED ME AND THE FIRM FOR THE LOSSES. (I HAVE NOT NOR WILL NOT EVER TRADE ACCOUNTS LIKE THIS AGAIN, NOR WILL I TAKE ON AGGRESSIVE TRADERS LIKE THIS. I NOW KNOW THIS IS ASKING FOR TROUBLE).

End of Report

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