



## IAPD Report

# C CHRISTOPHER STAFFORD

CRD# 2170589

<b><u>Section Title</u></b>	<b><u>Page(s)</u></b>
Report Summary	1 - 2
Qualifications	3 - 6
Registration and Employment History	7
Disclosure Information	8



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

### C CHRISTOPHER STAFFORD (CRD# 2170589)

The report summary provides an overview of the representative's professional background and conduct. The information contained in this report has been provided by the representative, investment adviser and/or securities firms, and/or securities regulators as part of the states' investment adviser registration and licensing process. The information contained in this report was last updated by the representative, a previous employing firm, or a securities regulator on **01/14/2026**.

### CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	ASHTON THOMAS SECURITIES, LLC	CRD# 16629	01/11/2024
IA	ASHTON THOMAS SECURITIES, LLC	CRD# 16629	01/11/2024
IA	ASHTON THOMAS PRIVATE WEALTH	CRD# 153902	01/11/2024

### QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **31** 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	RAYMOND JAMES & ASSOCIATES, INC.	705	Boston, MA	09/15/2016 - 01/29/2024
B	RAYMOND JAMES & ASSOCIATES, INC.	705	Boston, MA	09/06/2016 - 01/29/2024
B	DEUTSCHE BANK SECURITIES INC.	2525	BOSTON, MA	09/20/2005 - 09/06/2016

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	9



## Report Summary



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

### Employment 1 of 2

Firm Name: **ASHTON THOMAS SECURITIES, LLC**

Main Address: 200 CANAL VIEW BLVD.  
SUITE 204  
ROCHESTER, NY 14623

Firm ID#: 16629

	Regulator	Registration	Status	Date
<b>B</b>	FINRA	General Securities Representative	Approved	01/11/2024
<b>B</b>	California	Agent	Approved	01/11/2024
<b>IA</b>	California	Investment Adviser Representative	Approved	01/14/2026
<b>B</b>	Colorado	Agent	Approved	01/11/2024
<b>B</b>	Connecticut	Agent	Approved	01/12/2024
<b>IA</b>	Connecticut	Investment Adviser Representative	Approved	01/15/2026
<b>B</b>	Delaware	Agent	Approved	01/11/2024
<b>B</b>	District of Columbia	Agent	Approved	01/11/2024
<b>B</b>	Florida	Agent	Approved	01/11/2024
<b>B</b>	Idaho	Agent	Approved	01/22/2024
<b>B</b>	Illinois	Agent	Approved	01/11/2024
<b>B</b>	Louisiana	Agent	Approved	01/11/2024
<b>B</b>	Maine	Agent	Approved	01/11/2024



## Qualifications

	Regulator	Registration	Status	Date
B	Maryland	Agent	Approved	01/11/2024
B	Massachusetts	Agent	Approved	01/16/2024
IA	Massachusetts	Investment Adviser Representative	Approved	01/18/2024
B	Michigan	Agent	Approved	01/16/2026
B	Missouri	Agent	Approved	01/11/2024
B	Montana	Agent	Approved	09/16/2024
B	Nevada	Agent	Approved	06/16/2025
B	New Hampshire	Agent	Approved	01/11/2024
IA	New Hampshire	Investment Adviser Representative	Approved	01/16/2026
B	New Jersey	Agent	Approved	01/11/2024
IA	New Jersey	Investment Adviser Representative	Approved	01/14/2026
B	New York	Agent	Approved	01/11/2024
IA	New York	Investment Adviser Representative	Approved	01/14/2026
B	North Carolina	Agent	Approved	01/30/2024
B	Oklahoma	Agent	Approved	01/11/2024
B	Pennsylvania	Agent	Approved	01/12/2024
B	Puerto Rico	Agent	Approved	01/11/2024
B	Rhode Island	Agent	Approved	01/11/2024
B	South Carolina	Agent	Approved	01/22/2024



## Qualifications

	Regulator	Registration	Status	Date
B	South Dakota	Agent	Approved	10/02/2024
B	Texas	Agent	Approved	01/11/2024
IA	Texas	Investment Adviser Representative	Restricted Approval	01/11/2024
B	Vermont	Agent	Approved	01/11/2024
B	Virgin Islands	Agent	Approved	01/11/2024
B	Virginia	Agent	Approved	01/11/2024
B	Washington	Agent	Approved	01/11/2024

## Branch Office Locations

### ASHTON THOMAS SECURITIES, LLC

53 State Street, Suite 1301  
Boston, MA 02109

## Employment 2 of 2

Firm Name: **ASHTON THOMAS PRIVATE WEALTH**  
Main Address: 8605 EAST RAINTREE DRIVE  
SUITE 280  
SCOTTSDALE, AZ 85260  
Firm ID#: 153902

	Regulator	Registration	Status	Date
IA	Massachusetts	Investment Adviser Representative	Approved	01/18/2024
IA	Texas	Investment Adviser Representative	Restricted Approval	01/11/2024

## Branch Office Locations

### ASHTON THOMAS PRIVATE WEALTH

53 STATE STREET  
SUITE 1301  
BOSTON, MA 02109



## Qualifications



### PASSED INDUSTRY EXAMS

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

**This individual has passed 0 principal/supervisory exams, 2 general industry/product exams, and 2 state securities law exams.**

#### Principal/Supervisory Exams

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

No information reported.

#### General Industry/Product Exams

Exam	Category	Date
<b>B</b> Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
<b>B</b> General Securities Representative Examination (S7)	Series 7	10/24/1991

#### State Securities Law Exams

Exam	Category	Date
<b>IA</b> Uniform Investment Adviser Law Examination (S65)	Series 65	10/12/2005
<b>B</b> Uniform Securities Agent State Law Examination (S63)	Series 63	10/31/1991



### 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	09/15/2016 - 01/29/2024	RAYMOND JAMES & ASSOCIATES, INC.	CRD# 705	Boston, MA
B	09/06/2016 - 01/29/2024	RAYMOND JAMES & ASSOCIATES, INC.	CRD# 705	Boston, MA
B	09/20/2005 - 09/06/2016	DEUTSCHE BANK SECURITIES INC.	CRD# 2525	BOSTON, MA
IA	03/29/1996 - 09/16/2005	MERRILL LYNCH PIERCE FENNER & SMITH INC.	CRD# 7691	BOSTON, MA
B	10/25/1991 - 09/16/2005	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	CRD# 7691	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
01/2024 - Present	ASHTON THOMAS PRIVATE WEALTH, LLC	INVESTMENT ADVISOR REPRESENTATIVE	Y	BOSTON, MA, United States
01/2024 - Present	EXCEL SECURITIES & ASSOCIATES, INC.	REGISTERED REPRESENTATIVE	Y	BOSTON, MA, United States
01/2024 - Present	EXCEL SECURITIES & ASSOCIATES, INC.	INVESTMENT ADVISOR REPRESENTATIVE	Y	BOSTON, MA, United States
09/2016 - 01/2024	RAYMOND JAMES & ASSOCIATES, INC.	REGISTERED REPRESENTATIVE	Y	Boston, MA, United States
09/2005 - 09/2016	DEUTSCHE BANK SECURITIES	CLIENT ADVISOR	Y	BOSTON, MA, 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.

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
Regulatory Event	1
Customer Dispute	9

### 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

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	MASSACHUSETTS
<b>Sanction(s) Sought:</b>	Undertaking
<b>Other Sanction(s) Sought:</b>	
<b>Date Initiated:</b>	12/07/2005
<b>Docket/Case Number:</b>	R-2005-213
<b>Employing firm when activity occurred which led to the regulatory action:</b>	MERRILL LYNCH, PIERCE, ENNER & SMITH INCORPORATED
<b>Product Type:</b>	Other
<b>Other Product Type(s):</b>	EQUITIES
<b>Allegations:</b>	ON AUGUST 25, 2005, MERRILL LYNCH TERMINATED STAFFORD'S REGISTRATION AS AN AGENT IN MASSACHUSETTS, UPON LEARNING THAT STAFFORD HAD CIRCUMVENTED THE STATE REGISTRATION REQUIREMENTS OF WASHINGTON STATE. STAFFORD KNOWINGLY SERVICED THE ACCOUNTS OF A FORMER MASSACHUSETTS CLIENT WHO HAD MOVED TO WASHINGTON, A JURISDICTION WHERE STAFFORD'S REGISTRATION AS AN AGENT OF MERRILL LYNCH HAD NOT BEEN APPROVED. ON OR ABOUT SEPTEMBER 21, 2005, DBS SUBMITTED TO THE CENTRAL REGISTRATION DEPOSITORY (THE "CRD") OF THE NASD AN APPLICATION (THE "APPLICATION") FOR SECURITIES INDUSTRY REGISTRATION SEEKING REGISTRATION OF STAFFORD AS AN AGENT OF DBS IN MASSACHUSETTS. STAFFORD HAS BEEN THE SUBJECT OF EIGHT



(8) CUSTOMER COMPLAINTS ALLEGING, INTER ALIA, MAKING UNSUITABLE RECOMMENDATIONS, MAKING MISREPRESENTATIONS WITH RESPECT TO RESEARCH, OMITTING INFORMATION WITH RESPECT TO THE RISKS OF TRADING ON MARGIN AND ENGAGING IN RISKY TRADING ACTIVITIES. THE ABOVE INFORMATION REGARDING STAFFORD HAS MOVED THE DIVISION TO PLACE CONDITIONS ON HIS REGISTRATION AS AN AGENT OF DBS AND POSTPONE HIS REGISTRATION AS AN AGENT OF DBS UNTIL JANUARY 1, 2006.

**Current Status:** Final

**Resolution:** Consent

**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?** No

**Resolution Date:** 12/07/2005

**Sanctions Ordered:**

**Other Sanctions Ordered:** THE DIVISION PLACED CONDITIONS ON HIS REGISTRATION AS AN AGENT OF DBS AND POSTPONED HIS REGISTRATION AS AN AGENT OF DBS UNTIL JANUARY 1, 2006. THE DIVISION APPROVED STAFFORD'S APPLICATION FOR REGISTRATION IN MASSACHUSETTS AS AN AGENT OF DBS UPON THE CONDITIONS SET FORTH BELOW, WHICH ARE EFFECTIVE FOR TWO (2) YEARS: A) STAFFORD SHALL BE SUPERVISED, ON A HEIGHTENED BASIS; B) DBS SHALL NOT PERMIT STAFFORD TO HAVE ANY PRINCIPAL, SUPERVISORY, OR MANAGERIAL DUTIES WHILE ASSOCIATED WITH DBS; C) DBS SHALL NOT PERMIT STAFFORD TO POSSESS OR EXERCISE DISCRETION IN THE HANDLING OF MASSACHUSETTS CUSTOMER ACCOUNTS; D) ON A QUARTERLY BASIS, DBS SHALL MONITOR AND REPORT ON STAFFORD'S MASSACHUSETTS CUSTOMERS WITH RESPECT TO THE CUSTOMER'S SATISFACTION WITH STAFFORD'S SERVICES; E) SHOULD STAFFORD BECOME THE SUBJECT OF ANY WRITTEN OR ORAL CUSTOMER COMPLAINT CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT OF SECURITIES BUSINESS, DBS SHALL NOTIFY THE DIRECTOR, IN WRITING, WITHIN TEN (10) BUSINESS DAYS OF DBS'S RECEIPT OF SUCH COMPLAINT; F) SHOULD STAFFORD BECOME THE SUBJECT OF ANY REGULATORY INVESTIGATION, INTERNAL INVESTIGATION, ARBITRATION PROCEEDING, OR SECURITIES-RELATED LITIGATION CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT OF SECURITIES BUSINESS, DBS SHALL NOTIFY THE DIRECTOR, IN WRITING, WITHIN TEN (10) BUSINESS DAYS OF ITS KNOWLEDGE OF THE INVESTIGATION, PROCEEDING, OR LITIGATION; G) STAFFORD SHALL NOT PERFORM ANY PRINCIPAL, SUPERVISORY, OR MANAGERIAL DUTIES WHILE ASSOCIATED WITH DBS; H) STAFFORD SHALL NOT POSSESS OR EXERCISE DISCRETION IN THE HANDLING OF MASSACHUSETTS CUSTOMER ACCOUNTS; I) STAFFORD SHALL NOTIFY MR. WILLIAMS, OR HIS SUCCESSOR, OF THE RECEIPT OF ANY CUSTOMER COMPLAINT, ORAL OR WRITTEN, CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT AS A REGISTERED REPRESENTATIVE;

**Sanction Details:** THE DIVISION TO PLACED CONDITIONS ON HIS REGISTRATION AS AN AGENT OF DBS AND POSTPONED HIS REGISTRATION AS AN AGENT OF DBS UNTIL JANUARY 1, 2006. ; J) STAFFORD SHALL NOTIFY MR. WILLIAMS, OR HIS SUCCESSOR, OF THE INITIATION OF ANY ARBITRATION PROCEEDING, REGULATORY INVESTIGATION, OR SECURITIES-RELATED LITIGATION CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT OF



SECURITIES BUSINESS NO LATER THAN THE END OF THE FIFTH BUSINESS DAY AFTER WHICH HE IS MADE AWARE OF THE PROCEEDING, INVESTIGATION OR LITIGATION; K) STAFFORD SHALL NOTIFY MR. WILLIAMS, OR HIS SUCCESSOR, OF ANY INACCURACY IN ANY REPRESENTATION MADE TO THE DIVISION HEREIN OR THE BREACH OF ANY PROVISION OF HIS UNDERTAKINGS AND REPRESENTATIONS; AND L) TWENTY-FOUR (24) MONTHS AFTER THE ENTRY OF THE ORDER, STAFFORD SHALL SUBMIT TO DBS AND THE DIRECTOR AN AFFIDAVIT STATING THAT HE HAS FULLY COMPLIED WITH ALL CONDITIONS OF THE ORDER REFERENCED IN PART 10 OF THE UNDERTAKINGS. IN THE EVENT THAT STAFFORD CANNOT SUBMIT THE REQUIRED AFFIDAVIT, HE SHALL INSTEAD SUBMIT A STATEMENT EXPLAINING WHY THE AFFIDAVIT CANNOT BE SUBMITTED.

**Regulator Statement**

ON AUGUST 25, 2005, MERRILL LYNCH TERMINATED STAFFORD'S REGISTRATION AS AN AGENT IN MASSACHUSETTS, UPON LEARNING THAT STAFFORD HAD CIRCUMVENTED THE STATE REGISTRATION REQUIREMENTS OF WASHINGTON STATE. STAFFORD KNOWINGLY SERVICED THE ACCOUNTS OF A FORMER MASSACHUSETTS CLIENT WHO HAD MOVED TO WASHINGTON, A JURISDICTION WHERE STAFFORD'S REGISTRATION AS AN AGENT OF MERRILL LYNCH HAD NOT BEEN APPROVED. ON OR ABOUT SEPTEMBER 21, 2005, DBS SUBMITTED TO THE CENTRAL REGISTRATION DEPOSITORY (THE "CRD") OF THE NASD AN APPLICATION (THE "APPLICATION") FOR SECURITIES INDUSTRY REGISTRATION SEEKING REGISTRATION OF STAFFORD AS AN AGENT OF DBS IN MASSACHUSETTS. STAFFORD HAS BEEN THE SUBJECT OF EIGHT (8) CUSTOMER COMPLAINTS ALLEGING, INTER ALIA, MAKING UNSUITABLE RECOMMENDATIONS, MAKING MISREPRESENTATIONS WITH RESPECT TO RESEARCH, OMITTING INFORMATION WITH RESPECT TO THE RISKS OF TRADING ON MARGIN AND ENGAGING IN RISKY TRADING ACTIVITIES. THE ABOVE INFORMATION REGARDING STAFFORD HAS MOVED THE DIVISION TO PLACE CONDITIONS ON HIS REGISTRATION AS AN AGENT OF DBS AND POSTPONE HIS REGISTRATION AS AN AGENT OF DBS UNTIL JANUARY 1, 2006.

.....

<b>Reporting Source:</b>	Individual
<b>Regulatory Action Initiated By:</b>	MASSACHUSETTS
<b>Sanction(s) Sought:</b>	Undertaking
<b>Other Sanction(s) Sought:</b>	
<b>Date Initiated:</b>	12/07/2005
<b>Docket/Case Number:</b>	R-2005-213
<b>Employing firm when activity occurred which led to the regulatory action:</b>	MERRILL LYNCH, PIERCE, ENNER & SMITH INCORPORATED
<b>Product Type:</b>	Other
<b>Other Product Type(s):</b>	EQUITIES
<b>Allegations:</b>	ON AUGUST 25, 2005, MERRILL LYNCH TERMINATED STAFFORD'S REGISTRATION AS AN AGENT IN MASSACHUSETTS, UPON LEARNING THAT STAFFORD HAD CIRCUMVENTED THE STATE REGISTRATION REQUIREMENTS OF WASHINGTON STATE. STAFFORD KNOWINGLY SERVICED THE ACCOUNTS OF A FORMER MASSACHUSETTS CLIENT WHO



HAD MOVED TO WASHINGTON, A JURISDICTION WHERE STAFFORD'S REGISTRATION AS AN AGENT OF MERRILL LYNCH HAD NOT BEEN APPROVED. ON OR ABOUT SEPTEMBER 21, 2005, DBS SUBMITTED TO THE CENTRAL REGISTRATION DEPOSITORY (THE "CRD") OF THE NASD AN APPLICATION (THE "APPLICATION") FOR SECURITIES INDUSTRY REGISTRATION SEEKING REGISTRATION OF STAFFORD AS AN AGENT OF DBS IN MASSACHUSETTS. STAFFORD HAS BEEN THE SUBJECT OF EIGHT (8) CUSTOMER COMPLAINTS ALLEGING, INTER ALIA, MAKING UNSUITABLE RECOMMENDATIONS, MAKING MISREPRESENTATIONS WITH RESPECT TO RESEARCH, OMITTING INFORMATION WITH RESPECT TO THE RISKS OF TRADING ON MARGIN AND ENGAGING IN RISKY TRADING ACTIVITIES. THE ABOVE INFORMATION REGARDING STAFFORD HAS MOVED THE DIVISION TO PLACE CONDITIONS ON HIS REGISTRATION AS AN AGENT OF DBS AND POSTPONE HIS REGISTRATION AS AN AGENT OF DBS UNTIL JANUARY 1, 2006.

**Current Status:**

Final

**Resolution:**

Consent

**Resolution Date:**

12/07/2005

**Sanctions Ordered:****Other Sanctions Ordered:**

THE DIVISION PLACED CONDITIONS ON HIS REGISTRATION AS AN AGENT OF DBS AND POSTPONED HIS REGISTRATION AS AN AGENT OF DBS UNTIL JANUARY 1, 2006. THE DIVISION APPROVED STAFFORD'S APPLICATION FOR REGISTRATION IN MASSACHUSETTS AS AN AGENT OF DBS UPON THE CONDITIONS SET FORTH BELOW, WHICH ARE EFFECTIVE FOR TWO (2) YEARS: A) STAFFORD SHALL BE SUPERVISED, ON A HEIGHTENED BASIS; B) DBS SHALL NOT PERMIT STAFFORD TO HAVE ANY PRINCIPAL, SUPERVISORY, OR MANAGERIAL DUTIES WHILE ASSOCIATED WITH DBS; C) DBS SHALL NOT PERMIT STAFFORD TO POSSESS OR EXERCISE DISCRETION IN THE HANDLING OF MASSACHUSETTS CUSTOMER ACCOUNTS; D) ON A QUARTERLY BASIS, DBS SHALL MONITOR AND REPORT ON STAFFORD'S MASSACHUSETTS CUSTOMERS WITH RESPECT TO THE CUSTOMER'S SATISFACTION WITH STAFFORD'S SERVICES; E) SHOULD STAFFORD BECOME THE SUBJECT OF ANY WRITTEN OR ORAL CUSTOMER COMPLAINT CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT OF SECURITIES BUSINESS, DBS SHALL NOTIFY THE DIRECTOR, IN WRITING, WITHIN TEN (10) BUSINESS DAYS OF DBS'S RECEIPT OF SUCH COMPLAINT; F) SHOULD STAFFORD BECOME THE SUBJECT OF ANY REGULATORY INVESTIGATION, INTERNAL INVESTIGATION, ARBITRATION PROCEEDING, OR SECURITIES-RELATED LITIGATION CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT OF SECURITIES BUSINESS, DBS SHALL NOTIFY THE DIRECTOR, IN WRITING, WITHIN TEN (10) BUSINESS DAYS OF ITS KNOWLEDGE OF THE INVESTIGATION, PROCEEDING, OR LITIGATION; G) STAFFORD SHALL NOT PERFORM ANY PRINCIPAL, SUPERVISORY, OR MANAGERIAL DUTIES WHILE ASSOCIATED WITH DBS; H) STAFFORD SHALL NOT POSSESS OR EXERCISE DISCRETION IN THE HANDLING OF MASSACHUSETTS CUSTOMER ACCOUNTS; I) STAFFORD SHALL NOTIFY MR. WILLIAMS, OR HIS SUCCESSOR, OF THE RECEIPT OF ANY CUSTOMER COMPLAINT, ORAL OR WRITTEN, CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT AS A REGISTERED REPRESENTATIVE;

**Sanction Details:**

THE DIVISION TO PLACED CONDITIONS ON HIS REGISTRATION AS AN AGENT OF DBS AND POSTPONED HIS REGISTRATION AS AN AGENT OF DBS UNTIL JANUARY 1, 2006. ; J) STAFFORD SHALL NOTIFY MR. WILLIAMS, OR HIS SUCCESSOR, OF THE INITIATION OF ANY ARBITRATION PROCEEDING, REGULATORY INVESTIGATION, OR SECURITIES-RELATED





LITIGATION CONCERNING ALLEGATIONS ARISING FROM HIS CONDUCT OF SECURITIES BUSINESS NO LATER THAN THE END OF THE FIFTH BUSINESS DAY AFTER WHICH HE IS MADE AWARE OF THE PROCEEDING, INVESTIGATION OR LITIGATION; K) STAFFORD SHALL NOTIFY MR. WILLIAMS, OR HIS SUCCESSOR, OF ANY INACCURACY IN ANY REPRESENTATION MADE TO THE DIVISION HEREIN OR THE BREACH OF ANY PROVISION OF HIS UNDERTAKINGS AND REPRESENTATIONS; AND L) TWENTY-FOUR (24) MONTHS AFTER THE ENTRY OF THE ORDER, STAFFORD SHALL SUBMIT TO DBS AND THE DIRECTOR AN AFFIDAVIT STATING THAT HE HAS FULLY COMPLIED WITH ALL CONDITIONS OF THE ORDER REFERENCED IN PART 10 OF THE UNDERTAKINGS. IN THE EVENT THAT STAFFORD CANNOT SUBMIT THE REQUIRED AFFIDAVIT, HE SHALL INSTEAD SUBMIT A STATEMENT EXPLAINING WHY THE AFFIDAVIT CANNOT BE SUBMITTED.

**Broker Statement**

ON AUGUST 25, 2005, MERRILL LYNCH TERMINATED STAFFORD'S REGISTRATION AS AN AGENT IN MASSACHUSETTS, UPON LEARNING THAT STAFFORD HAD CIRCUMVENTED THE STATE REGISTRATION REQUIREMENTS OF WASHINGTON STATE. STAFFORD KNOWINGLY SERVICED THE ACCOUNTS OF A FORMER MASSACHUSETTS CLIENT WHO HAD MOVED TO WASHINGTON, A JURISDICTION WHERE STAFFORD'S REGISTRATION AS AN AGENT OF MERRILL LYNCH HAD NOT BEEN APPROVED. ON OR ABOUT SEPTEMBER 21, 2005, DBS SUBMITTED TO THE CENTRAL REGISTRATION DEPOSITORY (THE "CRD") OF THE NASD AN APPLICATION (THE "APPLICATION") FOR SECURITIES INDUSTRY REGISTRATION SEEKING REGISTRATION OF STAFFORD AS AN AGENT OF DBS IN MASSACHUSETTS. STAFFORD HAS BEEN THE SUBJECT OF EIGHT (8) CUSTOMER COMPLAINTS ALLEGING, INTER ALIA, MAKING UNSUITABLE RECOMMENDATIONS, MAKING MISREPRESENTATIONS WITH RESPECT TO RESEARCH, OMITTING INFORMATION WITH RESPECT TO THE RISKS OF TRADING ON MARGIN AND ENGAGING IN RISKY TRADING ACTIVITIES. THE ABOVE INFORMATION REGARDING STAFFORD HAS MOVED THE DIVISION TO PLACE CONDITIONS ON HIS REGISTRATION AS AN AGENT OF DBS AND POSTPONE HIS REGISTRATION AS AN AGENT OF DBS UNTIL JANUARY 1, 2006.



## 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 9

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** CLIENT ALLEGES THAT FINANCIAL ADVISOR MADE UNSUITABLE INVESTMENT RECOMMENDATIONS AND MISREPRESENTATION.

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

**Other Product Type(s):** EQUITIES  
MUNICIPAL BONDS

**Alleged Damages:** \$0.00

### Customer Complaint Information

**Date Complaint Received:** 11/07/2005

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 01/10/2006

**Settlement Amount:**

**Individual Contribution Amount:**

**Firm Statement** MERRILL LYNCH FOUND CUSTOMER'S CLAIMS TO BE WITHOUT MERIT.

.....

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** CLIENT ALLEGES THAT FINANCIAL ADVISOR MADE UNSUITABLE INVESTMENT RECOMMENDATIONS AND MISREPRESENTATION.

**Product Type:** Debt - Asset Backed

**Other Product Type(s):** EQUITIES MUNICIPAL BONDS

**Alleged Damages:** \$0.00

### Customer Complaint Information

**Date Complaint Received:** 11/07/2005

**Complaint Pending?** No

**Status:** Denied





**Status Date:** 01/10/2006

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement** MERRILL LYNCH FOUND CUSTOMER'S CLAIMS TO BE WITHOUT MERIT

**Disclosure 2 of 9**

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** CUSTOMER ALLEGES FA MADE UNAUTHORIZED TRADES.

**Product Type:** Equity - OTC

**Other Product Type(s):** EQUITY - LISTED

**Alleged Damages:** \$0.00

**Customer Complaint Information**

**Date Complaint Received:** 10/11/2005

**Complaint Pending?** No

**Status:** Closed/No Action

**Status Date:** 10/19/2005

**Settlement Amount:**

**Individual Contribution Amount:**

**Firm Statement** MERRILL LYNCH ADDRESSED THE ISSUES RAISED BY CUSTOMER AND NO FURTHER ACTION IS REQUIRED.

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** CUSTOMER ALLEGES FA MADE UNAUTHORIZED TRADES.

**Product Type:** Equity - OTC

**Alleged Damages:** \$0.00

**Customer Complaint Information**

**Date Complaint Received:** 10/11/2005

**Complaint Pending?** No

**Status:** Closed/No Action

**Status Date:** 10/19/2005

**Settlement Amount:**

**Individual Contribution**



**Amount:**

### Disclosure 3 of 9

**Reporting Source:** Individual

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

**Allegations:** CUSTOMER ALLEGES UNSUITABILITY WITH RESPECT TO THE INVESTMENTS IN HER ACCOUNTS.

**Product Type:** Equity - OTC

**Alleged Damages:** \$101,170.31

### Customer Complaint Information

**Date Complaint Received:** 09/26/2003

**Complaint Pending?** No

**Status:** Closed/No Action

**Status Date:** 05/12/2004

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement** MERRILL LYNCH HAS RESPONDED THAT THE CUSTOMER'S ALLEGATIONS LACK MERIT.

### Disclosure 4 of 9

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** CUSTOMERS ALLEGE UNSUITABLE RECOMMENDATION.

**Product Type:** Equity - OTC

**Alleged Damages:** \$1,600,000.00

### Customer Complaint Information

**Date Complaint Received:** 01/13/2003

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 03/05/2003

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NASD 03-01006



**Date Notice/Process Served:** 03/05/2003

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 06/23/2003

**Monetary Compensation Amount:** \$625,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** MATTER SETTLED TO AVOID THE COST AND UNCERTAINTY OF LITIGATION.

#### Disclosure 5 of 9

**Reporting Source:** Individual

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

**Allegations:** CLAIMANTS ALLEGE UNSUITABLE RECOMMENDATIONS IN THEIR ACCOUNTS. CLAIMANTS ALSO ALLEGE MISREPRESENTATIONS WITH RESPECT TO RESEARCH.

**Product Type:** Equity - OTC

**Alleged Damages:** \$824,000.00

#### Customer Complaint Information

**Date Complaint Received:** 07/01/2002

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 07/01/2002

**Settlement Amount:**

**Individual Contribution Amount:**

#### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** [NASD 02-03553](#)

**Date Notice/Process Served:** 07/01/2002

**Arbitration Pending?** No

**Disposition:** Award to Customer

**Disposition Date:** 09/03/2003

**Monetary Compensation Amount:** \$759,744.01

**Individual Contribution Amount:** \$0.00

**Broker Statement** ARBITRATION AWARD

**Disclosure 6 of 9**

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** CUSTOMER ALLEGES UNSUITABLE RECOMMENDATIONS.

**Product Type:** Mutual Fund(s)

**Alleged Damages:** \$200,000.00

**Customer Complaint Information**

**Date Complaint Received:** 06/29/2001

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 07/23/2002

**Settlement Amount:** \$70,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** THIS CASE WAS SETTLED TO AVOID THE TIME, EXPENSE AND UNCERTAINTY OF LITIGATION.

**Disclosure 7 of 9**

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** CUSTOMERS ALLEGE THAT THEY ARE DISSATISFIED WITH THEIR INVESTMENT EXPERIENCE OF THEIR PORTFOLIO AS THE RESULT OF HIGH VOLUME AND RISKY TRADING ACTIVITIES IN THEIR ACCOUNT. NO DAMAGES ALLEGED.

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

**Other Product Type(s):** EQUITIES-OTC

**Alleged Damages:** \$0.00

**Customer Complaint Information**

**Date Complaint Received:** 10/30/2000

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 10/31/2001

**Settlement Amount:** \$65,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** THE CUSTOMERS WERE AWARE OF AND APPROVED THE INVESTMENT STRATEGY IN THEIR ACCOUNT. THIS MATTER WAS SETTLED AS A GOOD FATIH BUSINESS DECISION IN ORDER TO AVOID THE COSTS AND



## UNCERTAINTIES OF LITIGATION.

## Disclosure 8 of 9

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** CUSTOMER ALLEGES THAT FINANCIAL CONSULTANT DID NOT INFORM HER OF THE RISKS ASSOCIATED WITH SOME OF THE POSITIONS IN HER PORTFOLIO. CUSTOMER FURTHER ALLEGES THAT FINANCIAL CONSULTANT DID NOT INFORM HER OF THE RISK OF USING MARGIN IN HER ACCOUNT.

**Product Type:** Equity-OTC

**Alleged Damages:** \$72,000.00

**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:** 10/28/1999

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 11/16/1999

**Settlement Amount:**

**Individual Contribution Amount:**

.....

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** CUSTOMER ALLEGES THAT FINANCIAL CONSULTANT DID NOT INFORM HER OF THE RISKS ASSOCIATED WITH SOME OF THE POSITIONS IN HER PORTFOLIO. CUSTOMER FURTHER ALLEGES THAT FINANCIAL CONSULTANT DID NOT INFORM HER OF THE RISK OF USING MARGIN IN HER ACCOUNT.

**Product Type:** Equity-OTC

**Alleged Damages:** \$72,000.00

**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:** 10/28/1999

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 11/16/1999

**Settlement Amount:**

**Individual Contribution Amount:**

#### Disclosure 9 of 9

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH

**Allegations:** CUSTOMERS ALLEGE MISMANAGEMENT OF THEIR ACCOUNT BY FINANCIAL CONSULTANT BASED ON DECLINING VALUE OF SHARES OF STOCK HELD IN FIRSTPLUS FINANCIAL, CENDANT CORPORATION AND ORBITAL SCIENCE.

**Product Type:** Other

**Other Product Type(s):** STOCKS

**Alleged Damages:** \$110,000.00

#### Customer Complaint Information

**Date Complaint Received:** 10/29/1998

**Complaint Pending?** No

**Status:** Withdrawn

**Status Date:** 11/17/1999

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement** THERE WAS NO SALES PRACTICE VIOLATION. FIRST PLUS, CENDANT AND ORBITAL SCIENCES WERE ALL RECOMMENDATIONS BY MERRILL LYNCH'S RESEARCH DEPARTMENT. CLAIMANT'S COMPLAINT WAS BASED ON THE POOR RESULTS OF THESE STOCKS.



## End of Report

This page is intentionally left blank.