



IAPD Report

RICHARD ALLEN BAIRD

CRD# 2266227

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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

RICHARD ALLEN BAIRD (CRD# 2266227)

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 **01/21/2025**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	LPL FINANCIAL LLC	CRD# 6413	09/08/2009
IA	LPL FINANCIAL LLC	CRD# 6413	12/09/2010

QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **15** 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	LPL FINANCIAL CORPORATION	6413	FORT MILL, SC	01/27/2010 - 01/28/2010
IA	ASSOCIATED PLANNERS INVESTMENT ADVISORY INC	104790	IRVING, TX	01/05/2004 - 10/13/2009
B	ASSOCIATED SECURITIES CORP.	12969	IRVING, TX	11/14/2003 - 09/08/2009

For additional registration and employment history details as reported by the individual, refer to the Registration and Employment History section of the Detailed Report.

DISCLOSURE INFORMATION

Disclosure events include certain criminal charges and convictions, formal investigations and disciplinary actions initiated by regulators, customer disputes and arbitrations, and financial disclosures such as bankruptcies and unpaid judgments or liens.

Are there events disclosed about this representative? **Yes**

The following types of events are disclosed about this representative:

Type	Count
Customer Dispute	8



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 **15** 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	09/08/2009
B	FINRA	General Securities Representative	Approved	09/08/2009
B	FINRA	Municipal Fund	Approved	09/08/2009
B	Alabama	Agent	Approved	09/08/2009
B	Arizona	Agent	Approved	09/08/2009
B	California	Agent	Approved	09/08/2009
B	Florida	Agent	Approved	01/13/2010
B	Georgia	Agent	Approved	09/08/2009
B	Illinois	Agent	Approved	09/08/2009
B	New Mexico	Agent	Approved	09/08/2009
B	New York	Agent	Approved	09/08/2009
B	North Carolina	Agent	Approved	09/08/2009
IA	North Carolina	Investment Adviser Representative	Approved	02/05/2024



Qualifications

Regulator	Registration	Status	Date
B Oklahoma	Agent	Approved	09/08/2009
B Pennsylvania	Agent	Approved	09/08/2009
B South Carolina	Agent	Approved	09/08/2009
B Texas	Agent	Approved	09/08/2009
IA Texas	Investment Adviser Representative	Approved	12/09/2010
B Virginia	Agent	Approved	09/08/2009
B Washington	Agent	Approved	09/08/2009

Branch Office Locations

LPL FINANCIAL LLC
1550 W. WALNUT HILL LANE #100
IRVING, TX 75038-0000





Qualifications

PASSED INDUSTRY EXAMS




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

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



Principal/Supervisory Exams

Exam	Category	Date
 Municipal Fund Securities Principal Examination (S51)	Series 51	03/27/2003
 General Securities Principal Examination (S24)	Series 24	04/15/1998

General Industry/Product Exams

Exam	Category	Date
 Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
 General Securities Representative Examination (S7)	Series 7	11/13/1996
 Investment Company Products/Variable Contracts Representative Examination (S6)	Series 6	09/23/1993

State Securities Law Exams

Exam	Category	Date
 Uniform Investment Adviser Law Examination (S65)	Series 65	11/12/1998
 Uniform Securities Agent State Law Examination (S63)	Series 63	11/27/1992

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	01/27/2010 - 01/28/2010	LPL FINANCIAL CORPORATION	CRD# 6413	FORT MILL, SC
IA	01/05/2004 - 10/13/2009	ASSOCIATED PLANNERS INVESTMENT ADVISORY INC	CRD# 104790	IRVING, TX
B	11/14/2003 - 09/08/2009	ASSOCIATED SECURITIES CORP.	CRD# 12969	IRVING, TX
IA	02/03/2004 - 12/31/2008	ASSOCIATED SECURITIES CORP.	CRD# 12969	IRVING, TX
B	10/08/1998 - 12/31/2004	BAIRD MANAGEMENT CORPORATION	CRD# 45556	IRVING, TX
IA	07/29/1998 - 12/31/2004	FSG ADVISORY SERVICES INC	CRD# 109470	IRVING, TX
B	06/15/1998 - 12/31/1998	RETIREMENT INVESTMENT GROUP	CRD# 7421	HOUSTON, TX
B	08/05/1997 - 06/04/1998	FFP SECURITIES, INC.	CRD# 16337	CHESTERFIELD, MO
B	05/20/1996 - 08/14/1997	INVESTMENT PROFESSIONALS, INC.	CRD# 30184	SAN ANTONIO, TX
B	12/14/1993 - 06/05/1996	XCU CAPITAL CORPORATION, INC.	CRD# 19899	RALEIGH, NC

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
09/2009 - Present	LPL FINANCIAL, LLC	Registered Representative	Y	IRVING, TX, United States



Registration & Employment History

OTHER BUSINESS ACTIVITIES

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

1. 12/28/2009: ONE SAFE PLACE MEDIA CORP - OTHER-FAMILY BUSINESS - ONE SAFE PLACE MEDIA CORP. HAS BEEN OWNED AND RUN BY MY FAMILY FOR 25 YEARS. ONE SAFE PLACE IS AN OFFSITE DATA STORAGE COMPANY. I AM IN CHARGE OF BUSINESS DEVELOPMENT (SALES) AND HAVE BEEN WITH THE COMPANY FOR APPROXIMATELY 10 YEARS - 20% TIME SPENT.
2. 1/27/2010: RESOURCING EDGE - OTHER-HR SERVICES - RESOURCING EDGE IS A PAYROLL / HR OUTSOURCING COMPANY. I HAVE HAD A 10 YEAR RELATIONSHIP WITH THEM WHERE I AM COMPENSATED A PORTION OF THE SALES ON CUSTOMERS THAT I REFER TO THEM THAT SIGN UP FOR THEIR PAYROLL / HR OUTSOURCING SOLUTIONS - 0% TIME SPENT.
3. 12/14/2011: THE FINANCIAL SOURCE GROUP, INC - Business Entity For Tax/Investment Purposes Only - INV REL - AT REPORTED BUSINESS LOCATION - The Financial Source Group, Inc. is a C Corp used for Payroll/HR benefits and employer of any future employees.
4. 10/27/2023 - Other - Coaching - Professional Pickleball Coach - Not Investment Related - Various pickleball courts - Start Date 11/01/2023 - 8 Hours Per Month/ 0 Hours During Trading
5. 12/05/2023 - No Business Name - Non-Inv Related - Northlake, TX - Other - Pickleball Ambassador - Started: 10/1/2023 - 4 Hrs/Mo; 0 Hr During Trading.



Disclosure Summary

Disclosure Information

What you should know about reported disclosure events:

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

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

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

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

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

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

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



DISCLOSURE EVENT DETAILS

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

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

The following types of events are disclosed about this representative:

Type	Count
Customer Dispute	8

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 8

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	FINANCIAL SOURCE GROUP, INC.
Allegations:	CLAIMANT ALLEGES THAT THE VARIABLE ANNUITIES HE PURCHASED THROUGH MR. BAIRD'S FATHER, [THIRD PARTY], IN 1999 AND 2000 WERE UNSUITABLE AND THAT THE 3RD PARTY ADVISOR CLARK CAPITAL HIRED TO MANAGE THE VA SUB ACCOUNTS DID NOT MANAGE THE SUB ACCOUNTS PRUDENTLY
Product Type:	Annuity(ies) - Variable
Alleged Damages:	\$100,000.00

Customer Complaint Information

Date Complaint Received:	01/17/2006
Complaint Pending?	No
Status:	Arbitration/Reparation
Status Date:	01/17/2006

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.:	NASD ARBITRATION CASE NO. 05-06701
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Date Notice/Process Served: 01/17/2006

Arbitration Pending? No

Disposition: Settled

Disposition Date: 01/31/2007

Monetary Compensation Amount: \$65,000.00

Individual Contribution Amount: \$0.00

Broker Statement

TO AVOID THE COST OF PROTRACTED LITIGATION, A GOOD FAITH SETTLEMENT WAS MADE AND ACCEPTED BY THE CLAIMANT WITH NO ADMISSION OF FAULT OR LIABILITY ON THE PART OF MR. RICHARD BAIRD. THE REPRESENTATIVE OF RECORD ON THIS TRANSACTION WAS [THIRD PARTY], MR. BAIRD'S FATHER, WHO IS DECEASED. MR. RICHARD BAIRD MAINTAINS THAT PROPER DISCLOSURES WERE MADE TO THE CLAIMANT AT THE TIME OF THE INVESTMENT AND THE INVESTMENT WAS SUITABLE GIVEN THE CLIENT'S NEEDS AND INVESTMENT OBJECTIVES. THE INVESTMENT WAS MADE AT THE HEIGHT OF THE UNPRECEDENTED DOWNTURN IN THE MARKET (2000-2002).

Disclosure 2 of 8

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: BAIRD MANAGEMENT CORP.

Allegations: CUSTOMER CLAIMS BREACH OF CONTRACT, NEGLIGENCE AND BREACH OF FIDUCIARY DUTY IN CONNECTION WITH HIS PURCHASE OF 3 VARIABLE ANNUITIES FROM [THIRD PARTY] (RICHARD BAIRD'S FATHER) IN 1995 AND 2000. THE CLAIM ONLY REFERENCES RICHARD BAIRD ONCE IN CONNECTION WITH CUSTOMER'S CONTACT WITH HIM IN 2001-2002 REGARDING THE PERFORMANCE OF HIS VARIABLE ANNUITY ACCOUNTS.

Product Type: Annuity(ies) - Variable

Alleged Damages: \$100,000.00

Customer Complaint Information

Date Complaint Received: 04/07/2006

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 04/07/2006

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD 06-00406

Date Notice/Process Served: 04/07/2006



Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	09/22/2006
Monetary Compensation Amount:	\$45,000.00
Individual Contribution Amount:	\$0.00
Broker Statement	I BELIEVE THERE IS NO MERIT TO THE CLAIMS AND WILL BE VIGOURSLY DEFENDING THIS MATTER. THE CLAIMS INVOLVED VARIABLE ANNUITIES SOLD BY MY FATHER WHO IS DECEASED. HIS TESTIMONY WOULD HAVE BEEN NECESSARY AND MATERIAL IN ORDER TO DEFEND THE CLAIMS AGAINST HIM AND OUR BROKER DEALER. TO AVOID THE COST OF PROTRACTED LITIGATION, THIS MATTER WAS SETTLED WITH NO ADMISSION OF LIABILITY AND THE ARBITRATION CLAIM WAS DISMISSED WITH PREJUDICE.

Disclosure 3 of 8

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	FINANCIAL SOURCE GROUP; BAIRD MANAGEMENT
Allegations:	CLAIMS THAT VARIABLE ANNUITY PURCHASED WAS UNSUITABLE; PURPORTED MISMANAGEMENT OF ANNUITY BY THIRD PARTY ADVISOR CLARK CAPITAL; NO DATES SPECIFIED IN CLAIM

Product Type:	Annuity(ies) - Variable
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Alleged Damages:	\$0.00
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Customer Complaint Information

Date Complaint Received:	05/05/2005
Complaint Pending?	No
Status:	Arbitration/Reparation
Status Date:	05/05/2005

Settlement Amount:

Individual Contribution Amount:	
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Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.:	NASD 05-01941
Date Notice/Process Served:	05/05/2005
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	12/12/2005
Monetary Compensation Amount:	\$72,000.00



Individual Contribution Amount: \$0.00

Broker Statement WE BELIEVE CLAIM IS NOT MERITORIOUS AND IT WILL BE VIGOROUSLY DEFENDED. CLAIMANTS WERE PROVIDED FULL DISCLOSURE ON INVESTMENT AND AUTHORIZED MANAGEMENT OF VARIABLE CONTRACT BY 3RD PARTY ADVISOR. THEY ARE SEEKING TO RECOUP MARKET LOSSES BY NOW CLAIMING THAT THE INVESTMENTS WERE UNSUITABLE WHEN THEY WERE APPROPRIATE GIVEN THEIR OBJECTIVES AND NEEDS. THE FINANCIAL ADVISOR ON RECORD FOR THE INVESTMENTS WAS [THIRD PARTY] WHO DIED BEFORE THE CLAIM WAS BROUGHT.HIS TESTIMONY WOULD HAVE BEEN MATERIAL EVIDENCE NECESSARY TO DEFEND THE CLAIM. TO AVOID THE COST OF PROTRACTED LITIGATION, THE MATTER WAS SETTLED WITH NO ADMISSION OF LIABILITY ON THE PART OF MR. RICHARD BAIRD (HIS SON). THE ARBITRATION CLAIM WAS DIMISSED WITH PREJUDICE.

Disclosure 4 of 8

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: BAIRD MANAGEMENT

Allegations: CLAIMS VARIABLE ANNUITY PURCHASED IN 1999 THROUGH BROKER WAS UNSUIATBLE

Product Type: Annuity(ies) - Variable

Alleged Damages: \$30,000.00

Customer Complaint Information

Date Complaint Received: 01/15/2005

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 5 of 8

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: BAIRD MANAGEMENT CORPORATION

Allegations: ALLEGATIONS THAT VARIABLE ANNUITY AND MUTUAL FUNDS PURCHASED FOR EHR ACCOUNT BETWEEN 1998 AND 2001 WERE UNSUITABLE.

Product Type: Annuity(ies) - Variable

Other Product Type(s): MUTUAL FUNDS

Alleged Damages: \$163,354.63

Customer Complaint Information

Date Complaint Received: 10/05/2004

Complaint Pending? No



Status: Arbitration/Reparation
Status Date: 10/05/2004

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD-CASE NUMBER 04-06766

Date Notice/Process Served: 09/28/2004

Arbitration Pending? No

Disposition: Settled

Disposition Date: 01/20/2006

Monetary Compensation Amount: \$64,000.00

Individual Contribution Amount: \$0.00

Broker Statement

I BELIEVE THERE IS NO MERIT TO THE CLAIMS AND IT WILL BE VIGOURSLY DEFENDING THIS MATTER. THE CLAIMS INVOLVED VARIABLE ANNUITIES SOLD BY MY FATHER WHO IS NOW DECEASED. HE PASSED AWAY BEFORE THIS CLAIM WAS FILED. HIS TESTIMONY WOULD HAVE BEEN NECESSARY AND MATERIAL IN ORDER TO DEFEND THE CLAIMS AGAINST HIM AND OUR BROKER DEALER. TO AVOID THE COST OF PROTRACTED LITIGATION, THIS MATTER WAS SETTLED WITH NO ADMISSION OF LIABILITY ON MY PART OR THAT OF OUR BROKER DEALER AND THE ARBITRATION CLAIM WAS DISMISSED WITH PREJUDICE.

Disclosure 6 of 8

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: BAIRD MANAGEMENT CORP

Allegations: CUSTOMER CLAIMS THAT THE PURCHASE OF A VARIABLE ANNUITY IN OR ABOUT 2001 WAS UNSUITABLE. ALLEGATIONS OF COMMON LAW FRAUD - MISREPRESENTATIONS AND OMISSIONS; VIOLATIONS OF STATE AND FEDERAL SECURITIES LAWS; VIOLATIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT; NEGLIGENCE, INCLUDING RESPONDENT'S FAILURE TO SUPERVISE; BREACH OF CONTRACT; AND BREACH OF FIDUCIARY DUTY

Product Type: Annuity(ies) - Variable

Other Product Type(s): THIRD PARTY INVESTMENT ADVISOR.

Alleged Damages: \$244,770.00

Customer Complaint Information

Date Complaint Received: 03/01/2004

Complaint Pending? No

Status: Arbitration/Reparation



Status Date: 03/03/2004

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD DISPUTE RESOLUTION CASE NUMBER 04-00136

Date Notice/Process Served: 03/01/2004

Arbitration Pending? No

Disposition: Settled

Disposition Date: 01/20/2005

Monetary Compensation Amount: \$156,500.00

Individual Contribution Amount: \$0.00

Broker Statement

CUSTOMER BECAME A CLIENT OF OURS APPROXIMATELY MIDYEAR 2000. HER PROFILE WAS THAT OF AN EQUITY INVESTOR. SHE HELD A VERY PORTION OF HER NET WORTH IN MERCK COMMON STOCK AND THE REST IN EQUITY MUTUAL FUNDS AND EQUITY POSITIONED VARIABLE ANNUITY SUB ACCOUNTS. A THIRD PARTY INVESTMENT ADVISOR, CLARK CAPITAL MANAGEMENT GROUP, LARGELY MANAGED HER NON-MERCK INVESTMENTS. CLARK CAPITAL MANAGEMENT GROUP IS AN INSTITUTIONAL MONEY MANAGER BASED OUT OF PHILADELPHIA, PA. WE FEEL THAT PROPER DISCLOSURE WAS MADE TO CUSTOMER ON ALL OF HER INVESTMENTS. CUSTOMER'S ACCOUNTS LOST VALUE DURING THE THREE-YEAR BEAR MARKET AND SHE IS SEEKING TO REGAIN HER MARKET LOSSES THROUGH ARBITRATION.

Disclosure 7 of 8

Reporting Source: Regulator

Employing firm when activities occurred which led to the complaint: BAIRD MANAGEMENT CORPORATION

Allegations: COMMON LAW FRAUD-MISREPRESENTATIONS AND OMISSIONS

Product Type: Other

Other Product Type(s): UNSPECIFIED SECURITIES, VARIABLE ANNUITIES

Alleged Damages: \$400,000.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [NASD - CASE #03-05374](#)

Date Notice/Process Served: 07/22/2003

Arbitration Pending? No

Disposition: Award



Disposition Date: 09/15/2004
Disposition Detail: RESPONDENT IS JOINTLY AND SEVERALLY LIABLE FOR \$300,000.00 IN COMPENSATORY DAMAGES

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Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: BAIRD MANAGEMENT CORPORATION
Allegations: ALLEGATIONS OF MISREPRESENTATION AND OMISSION OF MATERIAL FACTS; JUST AND EQUITABLE PRINCIPLES OF TRADE; CUSTOMER SUITABILITY; FAILURE TO SUPERVISE; BREACH OF CONTRACT AND BREACH OF FIDUCIARY DUTY
Product Type: Annuity(ies) - Variable
Alleged Damages: \$400,000.00

Customer Complaint Information

Date Complaint Received: 07/01/2002
Complaint Pending? No
Status: Arbitration/Reparation
Status Date: 08/22/2003
Settlement Amount:
Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: THIS MATTER WAS SUBMITTED ON JULY 28, 2003 TO NASD DISPUTE RESOLUTION - CASE NUMBER 03-05374
Date Notice/Process Served: 07/28/2003
Arbitration Pending? No
Disposition: Award to Customer
Disposition Date: 09/15/2004
Monetary Compensation Amount: \$300,000.00
Individual Contribution Amount: \$0.00

Disclosure 8 of 8

Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: BAIRD MANAGEMENT CORPORATION
Allegations: CLAIMANT CLAIMS ECONOMIC LOSS IN THE AMOUNT OF \$20,000. HE CLAIMS INVESTMENT WAS INAPPROPRIATE IN LIGHT OF HIS FINANCIAL CIRCUMSTANCES AND NEEDS.



Product Type: Other
Other Product Type(s): PREFERRED STOCK IN A PRIVATE COMPANY
Alleged Damages: \$20,000.00

Customer Complaint Information

Date Complaint Received: 11/13/2002
Complaint Pending? No
Status: Arbitration/Reparation
Status Date: 04/23/2003
Settlement Amount: \$20,000.00
Individual Contribution Amount: \$0.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD DISPUTE RESOLUTION CASE NUMBER 02-07050
Date Notice/Process Served: 11/27/2002
Arbitration Pending? No
Disposition: Settled
Disposition Date: 04/23/2003
Monetary Compensation Amount: \$20,000.00
Individual Contribution Amount:

Broker Statement SETTLED PRIOR TO ARBITRATION HEARING/AWARD, WITHOUT ANY ADMISSIONS OF LIABILITY. PREFERRED STOCK REPURCHASED FROM CUSTOMER AT THE ORIGINAL PRICE.



End of Report

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