



IAPD Report

WALTER ROLAND VALENZUELA

CRD# 2280224

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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

WALTER ROLAND VALENZUELA (CRD# 2280224)

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 **02/23/2026**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	KESTRA INVESTMENT SERVICES, LLC	CRD# 42046	04/29/2020
IA	KESTRA PRIVATE WEALTH SERVICES, LLC	CRD# 155193	04/29/2020

QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **7** 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
B	HILLTOP SECURITIES INC.	6220	Del Mar, CA	12/10/2008 - 05/27/2020
IA	HILLTOP SECURITIES INC.	6220	Del Mar, CA	12/10/2008 - 05/27/2020
IA	M. L. STERN & CO, LLC.	8327	SAN DIEGO, CA	04/06/2004 - 12/23/2008

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	16
Judgment/Lien	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 7 jurisdiction(s) and 1 SRO(s) through his or her employer(s).

Employment 1 of 2

Firm Name: **KESTRA INVESTMENT SERVICES, LLC**
Main Address: 5707 SOUTHWEST PARKWAY
BUILDING 2, SUITE 400
AUSTIN, TX 78735
Firm ID#: 42046

Regulator	Registration	Status	Date
B FINRA	General Securities Representative	Approved	04/29/2020
B Arizona	Agent	Approved	08/13/2020
B California	Agent	Approved	04/29/2020
B Florida	Agent	Approved	08/17/2020
B Nevada	Agent	Approved	04/29/2020
B North Carolina	Agent	Approved	02/08/2022
B Utah	Agent	Approved	05/12/2020
B Washington	Agent	Approved	04/29/2020

Branch Office Locations

NFP ADVISOR SERVICES, LLC
849 2nd STREET
ENCINITAS, CA 92024

Employment 2 of 2

Firm Name: **KESTRA PRIVATE WEALTH SERVICES, LLC**
Main Address: 5707 SOUTHWEST PARKWAY
BLDG. 2 STE 400
AUSTIN, TX 78735



Qualifications

Firm ID#: 155193

	Regulator	Registration	Status	Date
IA	California	Investment Adviser Representative	Approved	04/29/2020

Branch Office Locations

KESTRA PRIVATE WEALTH SERVICES, LLC

3570 Carmel Mountain Road
Suite 150
San Diego, CA 92130



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 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
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No information reported.

General Industry/Product Exams

Exam	Category	Date
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Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
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General Securities Representative Examination (S7)	Series 7	04/20/1993
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State Securities Law Exams

Exam	Category	Date
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Uniform Securities Agent State Law Examination (S63)	Series 63	06/01/1993
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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
B	12/10/2008 - 05/27/2020	HILLTOP SECURITIES INC.	CRD# 6220	Del Mar, CA
IA	12/10/2008 - 05/27/2020	HILLTOP SECURITIES INC.	CRD# 6220	Del Mar, CA
IA	04/06/2004 - 12/23/2008	M. L. STERN & CO, LLC.	CRD# 8327	SAN DIEGO, CA
B	04/21/1993 - 12/23/2008	M.L. STERN & CO., LLC.	CRD# 8327	SAN DIEGO, CA

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
04/2020 - Present	KESTRA INVESTMENT SERVICES, LLC	REGISTERED REPRESENTATIVE	Y	SAN DIEGO, CA, United States
04/2020 - Present	KESTRA PRIVATE WEALTH SERVICES, LLC	INVESTMENT ADVISOR REPRESENTATIVE	Y	SAN DIEGO, CA, United States
09/1992 - 04/2020	HILLTOP SECURITIES INC.	Director, Investment Banker	Y	Del Mar, CA, 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.

Business Name: Maravu HOA Investment Related: No Address: 759 Draper ave. Suite D La Jolla CA 92037 Nature of Business: Other Other/None of the Above Na Position, Title or Relationship: President Start Date: 2/13/2016 Hours per month: 0% - 10% (0 - 16 hours) Hours per month during trading hours: 0% - 10% (0 - 14 hours) Duties: Approve outside vendors.....evaluate contracts and vendors

Business Name: Walter Valenzuela Investment Related: No Address: 759 Olympus st Encinitas CA 92024 Nature of Business: Real Estate Position, Title or Relationship: Owner Start Date: 4/30/2001 Hours per month: 0% - 10% (0 - 16 hours) Hours per month during trading hours: 0% - 10% (0 - 14 hours) Duties: Management

Business Name: Tidewater Financial Investment Related: Yes Address: 3570 Carmel mountain rd. Ste.150 San Diego CA 92130 Nature of Business: Registered Rep Activities through Kestra Investment Services, LLC using a DBA name; Investment Advisory services through an independent outside RIA Position, Title or Relationship: lar Start Date: 4/29/2029 Hours per month: 91% - 100% (145 - 160 hours) Hours per month during trading hours: 91% - 100% (127 - 140 hours) Duties: Investments



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	16
Judgment/Lien	1

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 16

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	Kestra Private Wealth Services, LLC
Allegations:	Unsuitable Recommendation of high-risk municipal bonds
Product Type:	Debt-Municipal
Alleged Damages:	\$5,000.00
Alleged Damages Amount Explanation (if amount not exact):	Firm has made a good faith determination that the damages would be greater than \$5,000
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA
Docket/Case #:	24-02604
Filing date of arbitration/CFTC reparation or civil litigation:	12/10/2024

Customer Complaint Information



Date Complaint Received: 12/11/2024
Complaint Pending? No
Status: Settled
Status Date: 01/14/2026
Settlement Amount: \$160,000.00
Individual Contribution Amount: \$0.00

Disclosure 2 of 16

Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: KESTRA INVESTMENT SERVICES, LLC
Allegations: Client alleges the representative misrepresented a UIT investment. The client believes the investment was unsuitable.
Product Type: Unit Investment Trust
Alleged Damages: \$40,000.00
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: 12/19/2023
Complaint Pending? No
Status: Denied
Status Date: 01/16/2024
Settlement Amount:
Individual Contribution Amount:

Disclosure 3 of 16

Reporting Source: Firm
Employing firm when activities occurred which led to the complaint: Hilltop Securities Inc.
Allegations: Customer alleges misrepresentation by omission, was not informed that an investment in Bluerock Inc. Interval Fund was not liquid.
Product Type: Other: Interval Fund
Alleged Damages: \$15,334.00



Alleged Damages Amount Explanation (if amount not exact): This is the current value of the holding referenced in the Allegations section.

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: 06/21/2021

Complaint Pending? No

Status: Denied

Status Date: 07/19/2021

Settlement Amount:

Individual Contribution Amount:

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: HILLTOP SECURITIES INC.

Allegations: Customer alleges misrepresentation by omission, was not informed that an investment in Bluerock Inc. Interval Fund was not liquid.

Product Type: Other: Interval Fund

Alleged Damages: \$15,334.00

Alleged Damages Amount Explanation (if amount not exact): This is the current value of the holding referenced in the Allegations section.

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: 06/21/2021

Complaint Pending? No

Status: Denied

Status Date: 07/19/2021

Settlement Amount:

Individual Contribution Amount:



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Hilltop Securities Inc.

Allegations: Claimant alleges through attorney that representatives made unsuitable recommendations based on claimant allegations that only "guaranteed" municipal bonds were to be recommended.

Product Type: Debt-Municipal

Alleged Damages: \$280,000.00

Alleged Damages Amount Explanation (if amount not exact): Plus interest

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: 03/18/2021

Complaint Pending? No

Status: Closed/No Action

Status Date: 10/27/2021

Settlement Amount:

Individual Contribution Amount:

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Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: HILLTOP SECURITIES INC.

Allegations: Claimant alleges through attorney that representatives made unsuitable recommendations based on claimant allegations that only "guaranteed" municipal bonds were to be recommended.

Product Type: Debt-Municipal

Alleged Damages: \$280,000.00

Alleged Damages Amount Explanation (if amount not exact): Plus interest

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: 03/18/2021
Complaint Pending? No
Status: Closed/No Action
Status Date: 10/27/2021
Settlement Amount:
Individual Contribution Amount:

Disclosure 5 of 16

Reporting Source: Firm
Employing firm when activities occurred which led to the complaint: Hilltop Securities Inc.

Allegations: Representative did not fully disclose the risk involved with the Invesco Steelpath mutual fund and Chesapeake bond. Alleges an approximate \$90,000 loss on these positions.

Product Type: Debt-Corporate Mutual Fund

Alleged Damages: \$90,000.00

Is this an oral complaint? Yes

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? No

Customer Complaint Information

Date Complaint Received: 09/18/2020
Complaint Pending? No
Status: Settled
Status Date: 12/28/2020
Settlement Amount: \$87,000.00
Individual Contribution Amount: \$0.00

Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: Hilltop Securities Inc.

Allegations: Representative did not fully disclose the risk involved with the Invesco Steelpath mutual fund and Chesapeake bond. Alleges an approximate \$90,000 loss on these positions.

Product Type: Debt-Corporate Mutual Fund

Alleged Damages: \$90,000.00



Is this an oral complaint? Yes

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? No

Customer Complaint Information

Date Complaint Received: 09/18/2020

Complaint Pending? No

Status: Settled

Status Date: 12/28/2020

Settlement Amount: \$87,000.00

Individual Contribution Amount: \$0.00

Disclosure 6 of 16

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Hilltop Securities Inc.

Allegations: Misrepresentation and poor performance.

Product Type: Equity Listed (Common & Preferred Stock)
Mutual Fund
Real Estate Security
Other: CMOs

Alleged Damages: \$104,000.00

Alleged Damages Amount Explanation (if amount not exact): Specifically spoke of \$104,000.00 loss in mutual fund, but generally made claims for all losses in account.

Is this an oral complaint? Yes

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? No

Customer Complaint Information

Date Complaint Received: 09/17/2020

Complaint Pending? No

Status: Settled

Status Date: 01/05/2021

Settlement Amount: \$88,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Individual



Employing firm when activities occurred which led to the complaint:	Hilltop Securities Inc.
Allegations:	Misrepresentation and poor performance.
Product Type:	Equity Listed (Common & Preferred Stock) Mutual Fund Real Estate Security Other: CMOs
Alleged Damages:	\$104,000.00
Alleged Damages Amount Explanation (if amount not exact):	Specifically spoke of \$104,000.00 loss in mutual fund, but generally made claims for all losses in account.
Is this an oral complaint?	Yes
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	09/17/2020
Complaint Pending?	No
Status:	Settled
Status Date:	01/05/2021
Settlement Amount:	\$88,000.00
Individual Contribution Amount:	\$0.00

Disclosure 7 of 16

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Hilltop Securities Inc.
Allegations:	Claimants allege excessive trading, unsuitable recommendations, misrepresentation and elder abuse.
Product Type:	Debt-Corporate Unit Investment Trust
Alleged Damages:	\$250,000.00
Alleged Damages Amount Explanation (if amount not exact):	\$250,000, plus interests, costs, forum fees, rescission, attorneys' fees, disgorgement of commissions underperformance and punitive damages.
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: 05/29/2020

Complaint Pending? No

Status: Settled

Status Date: 08/27/2020

Settlement Amount: \$90,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: Hilltop Securities Inc.

Allegations: Claimants allege excessive trading, unsuitable recommendations, misrepresentation, and elder abuse.

Product Type: Debt-Corporate

Alleged Damages: \$250,000.00

Alleged Damages Amount Explanation (if amount not exact): \$250,000, plus interests, costs, forum fees, rescission, attorneys' fees, disgorgement of commissions underperformance and punitive damages.

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: 06/22/2020

Complaint Pending? No

Status: Settled

Status Date: 08/27/2020

Settlement Amount: \$90,000.00

Individual Contribution Amount: \$0.00

Disclosure 8 of 16

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Hilltop Securities INC.

Allegations: Claimant alleges unsuitable recommendations, misrepresentation, excessive trading and elder abuse.

Product Type: Debt-Corporate
Real Estate Security
Unit Investment Trust



Other: Business Development Companies, Master Limited Partnerships

Alleged Damages: \$1,000,000.00

Alleged Damages Amount Explanation (if amount not exact): No less than \$1,000,000.00 plus interests, costs, forum fees, rescission, attorneys' fees, disgorgement of commissions and underperformance damages.

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 #: 20-01444

Filing date of arbitration/CFTC reparation or civil litigation: 05/06/2020

Customer Complaint Information

Date Complaint Received: 05/07/2020

Complaint Pending? No

Status: Settled

Status Date: 08/27/2020

Settlement Amount: \$625,000.00

Individual Contribution Amount: \$0.00

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Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: Hilltop Securities, Inc.

Allegations: Claimant alleges unsuitable recommendations, misrepresentation and excessive trading.

Product Type: Debt-Corporate
Real Estate Security
Unit Investment Trust
Other: BDC, Limited Partnership

Alleged Damages: \$1,000,000.00

Alleged Damages Amount Explanation (if amount not exact): No less than \$1,000,000.00 plus interests, costs, forum fees, rescission, attorneys' fees, disgorgement of commissions and underperformance damages.

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 #: 20-01444

Filing date of arbitration/CFTC reparation or civil litigation: 05/06/2020

Customer Complaint Information

Date Complaint Received: 05/29/2020

Complaint Pending? No

Status: Settled

Status Date: 08/27/2020

Settlement Amount: \$625,000.00

Individual Contribution Amount: \$0.00

Broker Statement All investments were in line with clients stated objectives and his desire for income. There was never any misrepresentation to the client.

Disclosure 9 of 16

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: Hilltop Securities Inc.

Allegations: Customer alleges losses of \$50,000.00 and requests settlement compensation.

Product Type: Debt-Corporate
Debt-Municipal

Alleged Damages: \$50,000.00

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: 12/12/2019

Complaint Pending? No

Status: Denied

Status Date: 01/09/2020

Settlement Amount:

Individual Contribution Amount:

Disclosure 10 of 16

Reporting Source: Individual



Employing firm when activities occurred which led to the complaint:	Hilltop Securities Inc.
Allegations:	Unsuitable recommendations, misrepresentation, excessive trading.
Product Type:	Unit Investment Trust
Alleged Damages:	\$3,000,000.00
Alleged Damages Amount Explanation (if amount not exact):	This amount is a demand for payment. The actual compensatory damages specified in the written complaint are \$1,500,000.00
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:	07/23/2018
Complaint Pending?	No
Status:	Settled
Status Date:	11/01/2018
Settlement Amount:	\$100,000.00
Individual Contribution Amount:	\$0.00
Broker Statement	The Firm determined it appropriate to settle this matter to avoid the time and expense of a prolonged legal conflict.

Disclosure 11 of 16

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	Hilltop Securities Inc.
Allegations:	Customer alleges that the representatives misrepresented two UIT investments by failing to provide full disclosure regarding the fees and risks of the investments. Customer requests all losses be reimbursed.
Product Type:	Unit Investment Trust
Alleged Damages:	\$5,000.00
Alleged Damages Amount Explanation (if amount not exact):	Investments were transferred away from the Firm in October 2016. While no specific damage amount is stated in the complaint, the Firm is unable to make a good faith determination that it is less than \$5,000.00
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: 08/28/2017

Complaint Pending? No

Status: Denied

Status Date: 11/16/2017

Settlement Amount:

Individual Contribution Amount:

Disclosure 12 of 16

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: Hilltop Securities Inc.

Allegations: Claimant alleges through attorney unsuitable recommendations, unsuitable use of margin, churning, financial exploitation, elder abuse and excessive mark-up/mark-down with respect to municipal bond and UIT trades executed in the account. Also alleges that the representative failed to obtain proper breakpoint discounts for UIT purchases.

Subsequent arbitration Statement of Claim filed on November 8, 2017 alleges unsuitable investments, breach of fiduciary duty, excessive trading, misrepresentation and elder abuse.

Product Type: Debt-Municipal
Unit Investment Trust

Alleged Damages: \$9,500,000.00

Alleged Damages Amount Explanation (if amount not exact): Initial complaint filed in August 2017 alleged \$9,500,000.00 in damages. Subsequent arbitration Statement of Claim filed on November 8, 2017 does not claim specific monetary damages, but states that damages are to be determined at the arbitration hearing after discovery.

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: 08/24/2017

Complaint Pending? No

Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)

Status Date: 11/08/2017

Settlement Amount:

Individual Contribution Amount:

Arbitration Information



Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	17-03005
Date Notice/Process Served:	11/16/2017
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	05/13/2019
Monetary Compensation Amount:	\$400,000.00
Individual Contribution Amount:	\$0.00
Broker Statement	Statement of claim does not contain a specific monetary amount, but states that damages are to be determined at the arbitration hearing after discovery.
Disclosure 13 of 16	
Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	ML STERN
Allegations:	CLAIMANT ALLEGES MISREPRESENTATION, UNSUITABLE RECOMMENDATION, BREACH OF FIDUCIARY DUTY WITH RESPECT TO THE RECOMMENDATION TO INVEST IN MUNICIPAL SECURITIES.
Product Type:	Debt-Municipal
Alleged Damages:	\$59,931.00
Alleged Damages Amount Explanation (if amount not exact):	\$59,931 + LOST INCOME, PUNATIVE DAMAGES, PRE AWARD INTEREST, ATTORNEY'S AND LEGAL FEES ANY OTHER RELIEF THAT IS FAIR AND EQUITABLE.

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	13-00362
Date Notice/Process Served:	02/15/2013
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	12/09/2013
Monetary Compensation Amount:	\$32,000.00
Individual Contribution Amount:	\$0.00

Disclosure 14 of 16



Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: SOUTHWEST SECURITIES, INC.

Allegations: CLIENT ALLEGES BOND LIQUIDATIONS IN APRIL 2011 WERE UNAUTHORIZED.

Product Type: Debt-Municipal

Alleged Damages: \$133,378.47

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: 05/11/2011

Complaint Pending? No

Status: Closed/No Action

Status Date: 05/19/2011

Settlement Amount:

Individual Contribution Amount:

Broker Statement UPON FURTHER REVIEW WITH THE REP VIA TELEPHONE, THE CUSTOMER REMEMBERED AUTHORIZING THE LIQUIDATIONS. SUBSEQUENT TO THE TELEPHONE CONVERSATION, THE FIRM RECEIVED AN E-MAIL COMMUNICATION FROM THE CUSTOMER STATING THAT THE REPS EXPLANATION OF THE TRADING ACTIVITY WAS ACCEPTED. THE FIRM IS CONSIDERING THIS MATTER CLOSED.

Disclosure 15 of 16

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: SOUTHWEST SECURITIES, INC.

Allegations: CLIENT ALLEGES REPRESENTATIVE FAILED TO DISCLOSE A MATERIAL EVENT RELATED TO THE ISSUER OF MUNICIPAL BONDS. CLIENT ULTIMATELY REQUESTED PURCHASES OF 525 BONDS BE CANCELLED.

Product Type: Debt-Municipal

Alleged Damages: \$17,500.00

Alleged Damages Amount Explanation (if amount not exact): APPROXIMATE DIFFERENCE BETWEEN PURCHASE PRICE, AND VALUE OF BONDS AS SHOWN ON DECEMBER 31, 2010 STATEMENT.

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: 02/14/2011

Complaint Pending? No

Status: Closed/No Action

Status Date: 03/18/2011

Settlement Amount:

Individual Contribution
Amount:

Broker Statement

OFFER MADE TO LIQUIDATE THE BONDS AND CREDIT THE CLIENT THE DIFFERENCE BETWEEN THE PURCHASE AND SALE PRICE. THE FIRM RECEIVED NOTICE OF AN ACAT TRANSFER OF THE CLIENT'S ENTIRE ACCOUNT TO ANOTHER FIRM ON 3-18-2011. AS IT APPEARS THAT THE CLIENT ELECTED TO TRANSFER HIS ACCOUNT RATHER THAN ACCEPT THE OFFER, THE FIRM IS CONSIDERING THIS MATTER CLOSED.

Disclosure 16 of 16

Reporting Source: Individual

Employing firm when
activities occurred which led
to the complaint: M.L. STERN & CO., LLC

Allegations: NEGLIGENT MISREPRESENTATION; BREACH OF FIDUCIARY DUTY;
VIOLATION OF NASD RULES OF FAIR PRACTICE.

Product Type: Other

Other Product Type(s): CORPORATE BONDS

Alleged Damages: \$50,000.00

Customer Complaint Information

Date Complaint Received: 03/16/1999

Complaint Pending? No

Status: Arbitration/Reparation
Settled

Status Date: 02/21/2000

Settlement Amount: \$20,700.00

Individual Contribution
Amount: \$0.00

Arbitration Information

Arbitration/Reparation Claim
filed with and Docket/Case
No.: NASD; 99-01320

Date Notice/Process Served: 03/16/1999

Arbitration Pending? No

Disposition: Settled



Disposition Date: 02/21/2000

Monetary Compensation Amount: \$20,700.00

Individual Contribution Amount: \$0.00

Broker Statement

CASE PENDING THE COMPLAINT ARISES OUT OF THE PURCHASE BY CLAIMANT OF CERTAIN HIGH-YIELD CORPORATE BONDS. CLAIMANT IS ATTEMPTING TO HAVE M.L. STERN & CO., INC. AND MR. VALENZUELA GUARANTEE PERFORMANCE, WHICH IS IN VIOLATION OF THE LAW AND THE NASD RULES OF FAIR PRACTICE. M.L. STERN & CO., INC., AND MR.VALENZUELA SHALL VIGOROUSLY DEFEND THESE MERITLESS CLAIMS. CLAIMANT DISMISSED CASE WITH PREJUDICE AGAINST MR. WALTER VALENZUELA PRIOR TO SETTLEMENT. CASE WAS SETTLED FOR 20,700.00



Judgment/Lien

This disclosure event involves an unsatisfied and outstanding judgment or lien against the Investment Adviser Representative.

Disclosure 1 of 1

Reporting Source:	Individual
Judgment/Lien Holder:	State of California
Judgment/Lien Amount:	\$38,597.69
Judgment/Lien Type:	Tax
Date Filed with Court:	04/18/2024
Date Individual Learned:	04/28/2024
Type of Court:	State Court
Name of Court:	State of California Franchise Tax Board
Location of Court:	San Diego, CA
Docket/Case #:	2024-0096930
Judgment/Lien Outstanding?	Yes



End of Report

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