



IAPD Report

TIMOTHY CHARLES MORTELLITE

CRD# 2284605

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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

TIMOTHY CHARLES MORTELLITE (CRD# 2284605)

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 **02/23/2022**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
IA	TIMOTHY CHARLES FINANCIAL, LLC	CRD# 287945	08/15/2017

QUALIFICATIONS

This representative is currently registered in **0** SRO(s) and **2** jurisdiction(s).

Is this representative currently Inactive or Suspended with any regulator? **No**

Note: Not all jurisdictions require IAR registration or may have an exemption from registration. Additional information including this individual's qualification examinations and professional designations is available in the Detailed Report.

REGISTRATION HISTORY

This representative was previously registered with the following firm(s):

	FIRM	CRD#	LOCATION	REGISTRATION DATES
IA	BROKERS FINANCIAL	139627	LYNNFIELD, MA	07/13/2009 - 08/02/2017
B	BROKERS INTERNATIONAL FINANCIAL SERVICES, LLC.	139627	LYNNFIELD, MA	07/06/2009 - 08/02/2017
IA	COMMONWEALTH FINANCIAL NETWORK	8032	LYNNFIELD, MA	02/03/2001 - 07/06/2009

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	2





Qualifications

REGISTRATIONS

This section provides the SRO, states and U.S. territories in which the representative is currently registered and licensed, the category of each registration, and the date on which the registration becomes effective. This section also provides, for each firm with which the representative is currently employed, the address of each location where the representative works. This individual is currently registered with **2** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **TIMOTHY CHARLES FINANCIAL, LLC**
Main Address: 200 BROADWAY
SUITE 206
LYNNFIELD, MA 01940
Firm ID#: 287945

	Regulator	Registration	Status	Date
	Massachusetts	Investment Adviser Representative	Approved	08/15/2017
	New Hampshire	Investment Adviser Representative	Approved	04/13/2022

Branch Office Locations

TIMOTHY CHARLES FINANCIAL, LLC
200 BROADWAY
SUITE 206
LYNNFIELD, MA 01940



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

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	08/02/2017
General Securities Representative Examination (S7)	Series 7	07/08/1998
Investment Company Products/Variable Contracts Representative Examination (S6)	Series 6	04/02/1993

State Securities Law Exams

Exam	Category	Date
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Uniform Combined State Law Examination (S66)	Series 66	01/31/2017
Uniform Securities Agent State Law Examination (S63)	Series 63	01/31/1994

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	07/13/2009 - 08/02/2017	BROKERS FINANCIAL	CRD# 139627	LYNNFIELD, MA
B	07/06/2009 - 08/02/2017	BROKERS INTERNATIONAL FINANCIAL SERVICES, LLC.	CRD# 139627	LYNNFIELD, MA
IA	02/03/2001 - 07/06/2009	COMMONWEALTH FINANCIAL NETWORK	CRD# 8032	LYNNFIELD, MA
B	01/03/2001 - 07/06/2009	COMMONWEALTH FINANCIAL NETWORK	CRD# 8032	LYNNFIELD, MA
B	01/23/1996 - 02/02/2001	1717 CAPITAL MANAGEMENT COMPANY	CRD# 4082	NEWARK, DE
B	12/12/1994 - 04/03/1995	LIBERTY SECURITIES CORPORATION	CRD# 14416	PURCHASE, NY
B	05/12/1993 - 01/13/1995	JOHN HANCOCK DISTRIBUTORS, INC.	CRD# 468	BOSTON, MA
B	05/12/1993 - 01/13/1995	JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY	CRD# 5181	BOSTON, MA

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
08/2017 - Present	Timothy Charles Financial, LLC	President and Chief Compliance Officer	Y	Lynnfield, MA, United States
07/2009 - 08/2017	BROKERS INTERNATIONAL FINANCIAL SERVICES LLC	REGISTERED REP	Y	PANORA, IA, 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.

INDEPENDENT INSURANCE AGENT;YES;200 BROADWAY STE 206 LYNNFIELD, MA 01940;FIXED INSURANCE SALES;INDEPENDENT INSURANCE AGENT;1/2006;80;80;SALES OF FIXED INSURANCE PRODUCTS



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	2

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 2

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: Brokers International Financial Services, LLC

Allegations: Owner is requesting a waiver of surrender charges. He stated agent took advantage of him during the sale of the annuities, stated he was on medication, dealing with issues with son's college, and did not provide details of product. Owner stated was only advised of 10% protection and not informed of cap rate, stated the contract was not explained and he would have never agreed to the cap rates.

Product Type: Annuity-Variable

Alleged Damages: \$26,359.00

Alleged Damages Amount Explanation (if amount not exact): Damage amount reflects surrender charge as of 7/24. Amount may be more or less since client still holds product.

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: 07/05/2018

Complaint Pending? No



Status: Settled
Status Date: 11/14/2018
Settlement Amount: \$26,044.61
Individual Contribution Amount: \$20,355.93

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Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: Brokers International Financial Services, LLC

Allegations: Owner is requesting a waiver of surrender charges. He stated agent took advantage of him during the sale of the annuities, stated he was on medication, dealing with issues with son's college, and did not provide details of product. Owner stated was only advised of 10% protection and not informed of cap rate, stated the contract was not explained and he would have never agreed to the cap rates.

Product Type: Annuity-Variable

Alleged Damages: \$26,359.00

Alleged Damages Amount Explanation (if amount not exact): Damage amount reflects surrender charge as of 7/24. Amount may be more or less since client still holds product.

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: 07/05/2018

Complaint Pending? No

Status: Settled

Status Date: 11/14/2018

Settlement Amount: \$26,044.61

Individual Contribution Amount: \$20,355.93

Broker Statement I strongly and emphatically deny any of these allegations. I met the client in 2015 while he was looking for a variable or fixed annuity, and had done extensive research on his own. He was familiar with investment products having had annuities in the past. The client decided to invest his IRA money in an annuity, as he did not foresee using the funds until he turned sixty-five. At the time, he was fifty-eight. Based on my fact finder and several meetings in my office, we agreed on a short term six-year annuity. I believe my financial recommendations were suitable and satisfied his retirement planning objectives.

During the meetings I held with the client, he did not display any signs indicating an inability to process information about the products being discussed. Nor did the client provide any information regarding college expenses for his son that might have led to a different recommendation.



The client had the annuity for two years and never mentioned he was unhappy during subsequent meetings in which we reviewed his accounts. Over the course of two years he received a quarterly statement directly from the annuity company, which detailed a complete summary of his investment returns and the current cap rates. The cap rates were also outlined in detail in the product disclosure, application, and prospectus.

Disclosure 2 of 2

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: COMMONWEALTH FINANCIAL NETWORK

Allegations: CUSTOMERS ALLEGE THAT VA WAS UNSUITABLE FOR THEM AND THAT REGISTERED REPRESENTATIVE IMPROPERLY LISTED THE STATE IN WHICH THE APPLICATION WAS EXECUTED.

Product Type: Annuity-Variable

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): NONE ALLEGED - FIRM MADE GOOD FAITH DETERMINATION THAT THE AMOUNT WOULD BE GRATER THAN \$5000.00

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: 09/03/2013

Complaint Pending? No

Status: Denied

Status Date: 09/10/2013

Settlement Amount:

Individual Contribution Amount:

Firm Statement CUSTOMERS ALLEGE THAT AT TIME OF SALE REGISTERED REPRESENTATIVE SHOULD HAVE KNOWN THAT CUSTOMERS WOULD BE APPLYING FOR MEDICAID 4 YEARS LATER. FURTHER CUSTOMERS DON'T APPEAR TO BE ELIGIBLE FOR MEDICAID.

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: COMMONWEALTH FINANCIAL NETWORK

Allegations: CUSTOMER ALLEGES FIXED ANNUITY WAS UNSUITABLE AND REGISTERED REPRESENTATIVE IMPROPERLY LISTED THE STATE IN WHICH THE APPLICATION WAS EXECUTED.



Product Type: Annuity-Fixed
Alleged Damages: \$0.00
Alleged Damages Amount Explanation (if amount not exact): NONE ALLEGED
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: 09/03/2013
Complaint Pending? No
Status: Denied
Status Date: 09/10/2013

Settlement Amount:

Individual Contribution Amount:

Broker Statement

I BELIEVE MY PRIOR BROKER-DEALER INCORRECTLY UPDATED MY U5 IN THAT THEY LISTED THE PRODUCT AS A VARIABLE ANNUITY WHEN IN FACT THE CLIENT PURCHASED AN INDEXED ANNUITY. MOREOVER, BASED ON FORM U4 AND U5 INTERPRETIVE QUESTIONS AND ANSWERS, THE TERM "SALES PRACTICE VIOLATION" DOES NOT INCLUDE ANY PRODUCTS WHICH ARE NOT SECURITIES. SINCE THE PRODUCT INVOLVED WAS NOT A SECURITY, QUESTION 7E(3)(A) OF THE U5 SHOULD NOT BE MARKED YES. MOREOVER QUESTION 14I(3)(A) OF THE U4 SHOULD NOT BE MARKED YES EITHER; HOWEVER, I AM USING THIS AS AN AVENUE TO DISPUTE 7E(3)(A) AND PROVIDE INFORMATION REGARDING THE ALLEGATIONS.

[CUSTOMER] PURCHASED A FIXED ANNUITY WITH MYSELF AND MY BUSINESS PARTNER ON 7/22/2004. MY BUSINESS PARTNER AND I DISSOLVED OUR FIRM/PARTNERSHIP IN FEBRUARY 2006. I DID NOT HAVE ANY CORRESPONDENCE WITH [CUSTOMER] SINCE AND ON OCTOBER 1, 2009 [CUSTOMER], WITH NO KNOWLEDGE OR RECOMMENDATION FROM ME, ANNUITIZED HIS ANNUITY FOR INCOME PURPOSES. IN AUGUST 2013, I WAS CONTACTED BY AN ATTORNEY HIRED BY THE [CUSTOMERS] WHO WAS TRYING TO HELP THEM QUALIFY FOR MEDICAID BENEFITS AS [CUSTOMER] WAS ENTERING A NURSING HOME. THE ATTORNEY WANTED TO CHANGE THE OWNERSHIP OF THE ANNUITY FROM [CUSTOMER] TO [SPOUSE], WHICH COULD NOT BE DONE SINCE [CUSTOMER] HAD ALREADY ANNUITIZED HIS ANNUITY. THE ATTORNEY CLAIMED THE SALE OF THE ANNUITY WAS UNSUITABLE AND RAISED CONCERNS AS TO WHICH STATE THE ANNUITY WAS SOLD AS [SPOUSE] CLAIMS THE ANNUITY WAS SIGNED IN MASSACHUSETTS INSTEAD OF MAINE. THE ANNUITY SALE WAS SUITABLE FOR [CUSTOMER] AS EVIDENCED BY HIS ACTION IN 2009 TO ANNUITIZE THE ANNUITY AND THAT HE RECEIVED PAYOUTS FOR FOUR YEARS AND NEVER CONTACTED THE INSURANCE COMPANY TO RAISE ANY CONCERNS. IN REGARDS TO WHERE THE APPLICATION WAS SIGNED, [CUSTOMER] SIGNED THE CONTRACT AT MY SECONDARY OFFICE IN PORTLAND, ME.



End of Report

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