



IAPD Report

JOHN MARTIN SCHNEIDER

CRD# 2360548

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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

JOHN MARTIN SCHNEIDER (CRD# 2360548)

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 **03/29/2022**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
IA	JMS CAPITAL GROUP WEALTH SERVICES, LLC	CRD# 281325	02/22/2016

QUALIFICATIONS

This representative is currently registered in **0** SRO(s) and **1** 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	PWA SECURITIES, INC.	145097	PITTSBURGH, PA	01/04/2008 - 09/25/2017
IA	PWA WEALTH MANAGEMENT	126927	PITTSBURGH, PA	03/19/2004 - 01/18/2017
B	BILL FEW SECURITIES, INC.	41917	PITTSBURGH, PA	09/04/1997 - 02/27/2008

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
Regulatory Event	1
Customer Dispute	5



Qualifications

REGISTRATIONS

This section provides the SRO, states and U.S. territories in which the representative is currently registered and licensed, the category of each registration, and the date on which the registration becomes effective. This section also provides, for each firm with which the representative is currently employed, the address of each location where the representative works. This individual is currently registered with **1** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **JMS CAPITAL GROUP WEALTH SERVICES, LLC**
Main Address: 417 THORN STREET
SUITE 300
SEWICKLEY, PA 15143
Firm ID#: 281325

Regulator	Registration	Status	Date
IA Pennsylvania	Investment Adviser Representative	Approved	02/22/2016

Branch Office Locations

JMS CAPITAL GROUP WEALTH SERVICES, LLC
417 THORN STREET
SUITE 300
SEWICKLEY, PA 15143



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

Principal/Supervisory Exams

Exam	Category	Date
General Securities Principal Examination (S24)	Series 24	10/26/2001

General Industry/Product Exams

Exam	Category	Date
Securities Industry Essentials Examination (SIE)	SIE	09/25/2017
General Securities Representative Examination (S7)	Series 7	08/24/1993

State Securities Law Exams

Exam	Category	Date
Uniform Investment Adviser Law Examination (S65)	Series 65	08/01/1994
Uniform Securities Agent State Law Examination (S63)	Series 63	08/27/1993

PROFESSIONAL DESIGNATIONS

This section details that the representative has reported 1 professional designation(s).

Certified Financial Planner

This representative holds or did hold 1 professional designation(s) that may have been used to qualify as an Investment Advisor representative. Please check with the appropriate designation authority for verification that the designation is still in effect. The contact information for these professional designation authorities can be found on the website for the North American Securities Administrators Association at <http://www.nasaa.org>



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	01/04/2008 - 09/25/2017	PWA SECURITIES, INC.	CRD# 145097	PITTSBURGH, PA
IA	03/19/2004 - 01/18/2017	PWA WEALTH MANAGEMENT	CRD# 126927	PITTSBURGH, PA
B	09/04/1997 - 02/27/2008	BILL FEW SECURITIES, INC.	CRD# 41917	PITTSBURGH, PA
B	08/25/1993 - 09/03/1997	WALNUT STREET SECURITIES, INC.	CRD# 15840	EL SEGUNDO, 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
08/2015 - Present	JMS CAPITAL GROUP WEALTH SERVICES, LLC	PRESIDENT/CEO	Y	PITTSBURGH, PA, United States
12/2007 - Present	PWA REAL ESTATE, LLC	OWNER/PRESIDENT	N	PITTSBURGH, PA, United States
06/2015 - 09/2017	PWA SECURITIES, INC.	CO-FOUNDER/REGISTERED REPRESENTATIVE	Y	PITTSBURGH, PA, United States
06/2015 - 01/2017	PRIVATE WEALTH ADVISORS, INC.	CO-FOUNDER/INVESTMENT ADVISOR	Y	PITTSBURGH, PA, 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.

JMS CAPITAL GROUP, LLC - INVESTMENT RELATED - 417 Thorn Street, #300 | Sewickley, PA 15143 - HOLDING COMPANY THAT IS THE SOLE OWNER OF JMS CAPITAL GROUP WEALTH SERVICES, LLC WHICH IS AN SEC REGISTERED INVESTMENT ADVISER - OWNER - START DATE 10/2/2015: 0 HOURS/MONTH, 0 HOURS DURING BUSINESS/TRADING HOURS - DUTIES: OWNER/PRESIDENT.

PWA REAL ESTATE, LLC - NOT INVESTMENT RELATED - 417 Thorn Street, #300 | Sewickley, PA 15143 - REAL ESTATE BROKERAGE - OWNER - START DATE: 12/15/2007 - 20 HOURS/MONTH, 20 HOURS DURING BUSINESS/TRADING HOURS - DUTIES: OWNER/PRESIDENT.



Registration & Employment History



OTHER BUSINESS ACTIVITIES

MSS PITTSBURGH PARTNERSHIP - NOT INVESTMENT RELATED - 417 Thorn Street, #300 | Sewickley, PA 15143 - PROPERTY OWNERSHIP - OWNER - START DATE: 1/31/2007 - 0 HOURS/MONTH, 0 HOURS DURING BUSINESS/TRADING HOURS - DUTIES: OWNER.

KGG INVESTMENTS, INC. - NOT INVESTMENT RELATED - 417 Thorn Street, #300 | Sewickley, PA 15143 - PROPERTY OWNERSHIP - OWNER - START DATE: 9/20/2007 - 0 HOURS/MONTH, 0 HOURS DURING BUSINESS/TRADING HOURS - DUTIES: OWNER.

DHARMA GROUP INVESTMENT LLC. - NOT INVESTMENT RELATED, OWNER - START DATE: 11/2018 - 0 HOURS/MONTH, 0 HOURS DURING BUSINESS/TRADING HOURS - DUTIES: OWNER.

PWA REAL ESTATE DEVELOPMENT - 417 Thorn Street, #300 | Sewickley, PA 15143 - START DATE: 03/2018 - 0 HOURS/MONTH, 0 HOURS DURING BUSINESS/TRADING HOURS - DUTIES: OWNER.

SCHNEIDER DEVELOPMENT - 417 Thorn Street, #300 | Sewickley, PA 15143 - START DATE: 03/2018 - 0 HOURS/MONTH, 0 HOURS DURING BUSINESS/TRADING HOURS - DUTIES: OWNER.

JMS STAFFING - 417 Thorn Street, #300 | Sewickley, PA 15143 - START DATE: 09/2016 - 0 HOURS/MONTH, 0 HOURS DURING BUSINESS/TRADING HOURS - DUTIES: OWNER.

PWA CONSTRUCTION CO. DBA JMS DEVELOPMENT - NOT INVESTMENT RELATED - 417 Thorn Street, #300 | Sewickley, PA 15143 - CONSTRUCTION COMPANY - OWNER - START DATE: 4/24/2014 - 5 HOURS/MONTH, 0 HOURS DURING BUSINESS/TRADING HOURS - DUTIES: OWNER.

JMS MANUFACTURING DBA RIDGWAY POWDERED METALS, INC. - NOT INVESTMENT RELATED - 6931 Ridgway-St. Marys Road, Ridgway, PA 15853 - START DATE: 02/2022 - 5 HOURS/MONTH, 0 HOURS DURING BUSINESS/TRADING HOURS - DUTIES: OWNER.

THE FOLLOWING ARE INVESTMENT RELATED REAL ESTATE PARTNERSHIPS - ALL LOCATED AT THE SAME ADDRESS: 417 Thorn Street, #300 | Sewickley, PA 15143 - FOR EACH PARTNERSHIP: 1 HOUR/MONTH, 1 HOUR DURING BUSINESS/TRADING HOURS - TITLE/DUTIES: GENERAL PARTNER

PRIVATE WEALTH ADVISORS REAL ESTATE PARTNERSHIP III, LLC - START DATE: 04/18/2008

PWA KC, INC. - START DATE: 09/17/2010

PWA CAMBRIDGE, INC. - START DATE: 3/4/2011

PWA GNCC, INC. - START DATE: 9/23/2011

PWA CEP, INC. - START DATE: 1/18/2012

PWA PHCC, INC. - START DATE: 7/13/2012

PWA FBC, LLC - START DATE: 1/24/2013

PWA RIVERVIEW, LLC - START DATE: 9/13/2013

PWA SBA, INC. - START DATE: 5/30/2014

PWA SD, INC. - START DATE: 5/30/2014

PWA 300 EAST LOMBARD GP, INC. - START DATE: 2/2/2015

ONE THORN STREET LLC - START DATE: 08/17/2017.

INDEPENDENT INSURANCE AGENT



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	5

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

Reporting Source:	Regulator
Regulatory Action Initiated By:	ALABAMA
Sanction(s) Sought:	Cease and Desist
Other Sanction(s) Sought:	CONSENT ORDER NO.CO-2007-0033
Date Initiated:	12/03/2007
Docket/Case Number:	CO-2007-0033
Employing firm when activity occurred which led to the regulatory action:	BILL FEW SECURITIES INC
Product Type:	Investment Contract(s)
Other Product Type(s):	EFFECTED TRADES TO ALABAMA RESIDENTS WITHOUT BEING REGISTERED OR EXEMPTION FROM REGISTRATION AS A DEALER OR INVESTMENT ADVISOR IN THE STATE OF ALABAMA.
Allegations:	SCHNEIDER IS NOT REGISTERED AS AN AGENT OR INVESTMENT ADVISOR REPRESENTATIVE IN THE STATE OF ALABAMA AND HAS EFFECTED SECURITIES TRANSACTIONS WITH RESIDENTS OF THE STATE OF ALABAMA.
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: 01/02/2008

Sanctions Ordered: Monetary/Fine \$1,500.00

Other Sanctions Ordered:

Sanction Details: \$1,000 ADMINISTRATIVE ASSESSMENT
\$500 PARTIAL INVESTIGATIVE REIMBURSEMENT

Regulator Statement SCHNEIDER IS NOT REGISTERED AS AN AGENT OR INVESTMENT ADVISOR REPRESENTATIVE IN THE STATE OF ALABAMA AND HAS EFFECTED SECURITIES TRANSACTIONS WITH RESIDENTS OF THE STATE OF ALABAMA. CD-2007-0033 WAS ISSUED TO BILL FEW SECURITIES INC AND JOHN M. SCHNEIDER ALONG WITH NOTICE OF RIGHT TO A HEARING MADE A PART THEREOF, ADVISING 28 DAYS TO PERFECT A HEARING OR THE ORDER SHALL BECOME FINAL. RESPONDENTS JOHN M. SCHNEIDER AND BILL FEW SECURITIES, INC SIGNED CONSENT ORDER NO.CO-2007-0033 AND PAID TO THE STATE OF ALABAMA \$1,000 ADMINISTRATIVE ASSESSMENT AND \$500.00 AS PARTIAL INVESTIGATIVE REIMBURSEMENT TO ALABAMA SECURITIES COMMISSION.

Reporting Source: Individual

Regulatory Action Initiated By: ALABAMA

Sanction(s) Sought: Cease and Desist

Other Sanction(s) Sought:

Date Initiated: 12/03/2007

Docket/Case Number: CD-2007-0033

Employing firm when activity occurred which led to the regulatory action: BILL FEW SECURITIES

Product Type: No Product

Other Product Type(s): EFFECTED TRADES TO ALABAMA RESIDENTS WITHOUT BEING REGISTERED OR EXEMPTION FROM REGISTRATION AS A DEALER OR INVESTMENT ADVISOR IN THE STATE OF ALABAMA.

Allegations: SCHNEIDER IS NOT REGISTERED AS AN AGENT OR INVESTMENT ADVISOR REPRESENTATIVE IN THE STATE OF ALABAMA AND HAS EFFECTED SECURITIES TRANSACTIONS WITH RESIDENTS OF THE STATE OF ALABAMA.

Current Status: Final

Resolution: Consent

Resolution Date: 01/02/2008

Sanctions Ordered: Monetary/Fine \$1,500.00



Other Sanctions Ordered:

Sanction Details:

PER CONSENT ORDER BROKER-DEALER (BILL FEW SECURITIES) PAID TO THE STATE OF ALABAMA \$1,000 ADMINISTRATIVE ASSESSMENT AND \$500 AS PARTIAL INVESTIGATIVE REIMBURSEMENT TO ALABAMA SECURITIES COMMISSION.

Broker Statement

JOHN M. SCHNEIDER WAS NOT REGISTERED AS AN AGENT OR INVESTMENT ADVISOR REPRESENTATIVE IN THE STATE OF ALABAMA AND EFFECTED SECURITIES TRANSACTIONS WITH RESIDENTS OF THE STATE OF ALABAMA. RESPONDENTS JOHN M. SCHNEIDER AND BILL FEW SECURITIES, INC. SIGNED CONSENT ORDER NO.CO-2007-0033. BILL FEW SECURITIES PAID TO THE STATE OF ALABAMA \$1,000 ADMINISTRATIVE ASSESSMENT AND \$500 AS PARTIAL INVESTIGATIVE REIMBURSEMENT TO ALABAMA SECURITIES COMMISSION.



Customer Dispute

This section provides information regarding a customer dispute that was reported to the Investment Adviser Registration Depository (IARD) by the Investment Adviser Representative (IAR), an investment adviser and/or securities firm, and/or a securities regulator. The event may include a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit that contains allegations of sales practice violations against the individual.

The customer dispute may be pending or may have resulted in a civil judgment, arbitration award, monetary settlement, closure without action, withdrawal, dismissal, denial, or other outcome.

Disclosure 1 of 5

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	PWA Securities
Allegations:	Claimants allege failure to supervise, unsuitability, negligence and misrepresentation. Though the allegations period was not specified by the claimants, it can be referred that the activity period was from 11-2008 to 6-2016.
Product Type:	Mutual Fund Other: ETF's
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	Claimants did not include alleged compensatory damage. However, the firm made a good faith determination that the claimant would seek damages in excess of \$5000.

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	17-02319
Date Notice/Process Served:	10/31/2017
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	09/18/2018
Monetary Compensation Amount:	\$55,000.00
Individual Contribution Amount:	\$55,000.00
Firm Statement	Without admitting or denying the allegations, the arbitration was settled.

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	PWA Securities, Inc.
Allegations:	The Statement of Claim received by the Firm on September 6, 2017, alleges unsuitable recommendations, over-concentration of accounts, and failure to supervise.
Product Type:	Mutual Fund



Other: Exchange Traded Funds
Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): No damage amount alleged.

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): FINRA

Docket/Case #: 17-02319

Date Notice/Process Served: 10/31/2017

Arbitration Pending? No

Disposition: Settled

Disposition Date: 09/18/2018

Monetary Compensation Amount: \$55,000.00

Individual Contribution Amount: \$55,000.00

Disclosure 2 of 5

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: PWA Securities

Allegations: On or around May 19, 2017, after receiving a 50% return of principal on a real estate private placement investment, which was rendered worthless by the financial crisis, customer wrote to state the firm "failed to subtract possible returns" from the reimbursement check. The firm is investigating the merit of this letter and the suitability of the investment.

Product Type: Real Estate Security

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): No damage amount 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: 06/06/2017

Complaint Pending? No

Status: Closed/No Action

Status Date: 07/07/2017

**Settlement Amount:****Individual Contribution Amount:****Broker Statement**

Customer signed subscription document as an accredited investor to purchase privately placed real estate fund.

Disclosure 3 of 5**Reporting Source:**

Individual

Employing firm when activities occurred which led to the complaint:

PWA Securities, Inc. and Private Wealth Management, Inc.

Allegations:

Customer alleged unauthorized trading, inadequate supervision, and unsuitable investment choices. Though the allegation period was not specified by the client, it can be inferred that the activity period was from June of 2010 through May of 2016.

Product Type:

Other: ETFs

Alleged Damages:

\$100,000.00

Alleged Damages Amount Explanation (if amount not exact):

Claim is for over \$100,000.00

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 #:

16-02104

Filing date of arbitration/CFTC reparation or civil litigation:

07/18/2016

Customer Complaint Information

Date Complaint Received: 07/26/2016

Complaint Pending? No

Status: Settled

Status Date: 01/26/2016

Settlement Amount: \$60,000.00

Individual Contribution Amount: \$60,000.00

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):

FINRA

Docket/Case #:

16-02104



Date Notice/Process Served: 07/29/2016
Arbitration Pending? No
Disposition: Settled
Disposition Date: 01/26/2017
Monetary Compensation Amount: \$60,000.00
Individual Contribution Amount: \$60,000.00
Broker Statement Without admitting or denying the allegations, the arbitration was settled.

Disclosure 4 of 5

Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: PWA Securities, Inc.
Allegations: Customer alleged unauthorized trading, misclassification of trades as being unsolicited, and unsuitable investment choices. Though the allegation period was not specified by the client, it can be inferred that the activity period was from 6/1/2010 through 3/17/2016.
Product Type: Mutual Fund
Other: ETFs
Alleged Damages: \$90,239.00
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: 06/22/2016
Complaint Pending? No
Status: Settled
Status Date: 09/23/2016
Settlement Amount: \$42,500.00
Individual Contribution Amount: \$42,500.00
Broker Statement Client did indeed sign an investment management agreement with the affiliate RIA so all trades were executed under discretionary authority. Due to the fact that those trades were executed under an investment advisory management agreement, the trades are neither solicited nor unsolicited, so the trade classification is immaterial. The affiliate RIA determined that the clients' portfolio was invested according to a strategy designed to reasonably meet the clients' financial goals, as the client did make money throughout their relationship with the firm.

Disclosure 5 of 5



Reporting Source: Individual

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

Allegations: THE CUSTOMER COMPLAINT ALLEGED A DECREASE IN THE VALUE OF THEIR ACCOUNT DURING THE COURSE OF THEIR 7-YEAR RELATIONSHIP WITH THE FIRM, DUE TO UNSUITABLE ASSET ALLOCATION AND THE VOLATILITY OF CERTAIN SECURITIES HELD IN THE ACCOUNT. THE ALLEGATION PERIOD WAS 06/01/2010 THROUGH 04/01/2012. THE COMPLAINT WAS RECEIVED ON 7/12/2012.

Product Type: Other: ETFS

Alleged Damages: \$200,000.00

Alleged Damages Amount Explanation (if amount not exact): THE COMPLAINT ALLEGES "FINANCIAL LOSS IN EXCESS OF \$200,000.00."

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: 07/12/2012

Complaint Pending? No

Status: Closed/No Action

Status Date: 07/31/2012

Settlement Amount:

Individual Contribution Amount:

Broker Statement PWAS AND THE REPRESENTATIVE DENIED THE ALLEGATIONS. THEY CITED THE APPROPRIATENESS OF THE ETF FUNDS AS PART OF A STRATEGY TO OFFSET THE CLIENTS' EXCESSIVE PRINCIPAL WITHDRAWALS. JOHN SCHNEIDER MET WITH THE CLIENTS MULTIPLE TIMES DURING THEIR RELATIONSHIP TO DICUSS THE NEED TO REDUCE THEIR WITHDRAWAL RATE. THE CLIENTS DECLINED TO DO SO AND THUS A MORE AGGRESSIVE STRATEGY WAS IMPLEMENTED. THE DENIAL OF THE ALLEGATIONS WAS COMMUNICATED TO THE CLIENT THROUGH A RESPONSE LETTER. THERE HAVE BEEN NO FURTHER COMMUNICATIONS FROM EITHER SIDE.



End of Report

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