



IAPD Report

BENTLEY EDWARD BLACKMON

CRD# 2627221

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Qualifications	2 - 3
Registration and Employment History	4 - 5
Disclosure Information	6



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

BENTLEY EDWARD BLACKMON (CRD# 2627221)

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 **10/24/2022**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
IA	NAVITER WEALTH, LLC	CRD# 311508	04/07/2021

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	STEPHENS	3496	LITTLE ROCK, AR	02/01/2003 - 10/05/2020
IA	STEPHENS	3496	LITTLE ROCK, AR	02/01/2003 - 10/05/2020
IA	MORGAN STANLEY	7556	LITTLE ROCK, AR	09/15/1995 - 02/04/2003

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	1
Termination	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 **1** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **NAVITER WEALTH, LLC**
Main Address: 1 INFORMATION WAY
SUITE 400
LITTLE ROCK, AR 72202
Firm ID#: 311508

Regulator	Registration	Status	Date
IA Arkansas	Investment Adviser Representative	Approved	04/07/2021

Branch Office Locations

NAVITER WEALTH, LLC
1 INFORMATION WAY
SUITE 400
LITTLE ROCK, AR 72202



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
------	----------	------

No information reported.

General Industry/Product Exams

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

Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
Futures Managed Funds Examination (S31)	Series 31	07/27/1995
General Securities Representative Examination (S7)	Series 7	07/14/1995

State Securities Law Exams

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

Uniform Investment Adviser Law Examination (S65)	Series 65	08/10/1995
Uniform Securities Agent State Law Examination (S63)	Series 63	07/20/1995

PROFESSIONAL DESIGNATIONS

This section details that the representative has reported **2** professional designation(s).

Certified Financial Planner

Chartered Financial Analyst

This representative holds or did hold **2** 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	02/01/2003 - 10/05/2020	STEPHENS	CRD# 3496	LITTLE ROCK, AR
IA	02/01/2003 - 10/05/2020	STEPHENS	CRD# 3496	LITTLE ROCK, AR
IA	09/15/1995 - 02/04/2003	MORGAN STANLEY	CRD# 7556	LITTLE ROCK, AR
B	07/17/1995 - 02/04/2003	MORGAN STANLEY DW INC.	CRD# 7556	PURCHASE, NY

EMPLOYMENT HISTORY

Below is the representative's employment history for up to the last 10 years.

Employment Dates	Employer Name	Position	Investment Related	Employer Location
03/2021 - Present	NAVITER WEALTH, LLC	CHIEF EXECUTIVE OFFICER	Y	LITTLE ROCK, AR, United States
11/2020 - 03/2021	ONE POINT SEVEN WEALTH LLC	ADVISOR	Y	Little Rock, AR, United States
02/2003 - 09/2020	STEPHENS INC.	MANAGING DIRECTOR/ FINANCIAL CONSULTANT	Y	LITTLE ROCK, AR, 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.

- 1) BEB LIMITED PARTNERSHIP, LLLP - 10 EDGEHILL RD, LITTLE ROCK, AR - INVESTMENT RELATED - REAL ESTATE/PRIVATE EQUITY - OWNER - 0 HOURS DEVOTED TO THE BUSINESS - 7/2011
- 2) Insurance Sales; same address; Non-Investment Related; Less than 10% of time during the month.
- 3) Premier Clay Investment - Not investment related - December 2018 - Passive investor - 0 hours devoted to the other business - 0 hours devoted during securities trading hours;
- 4) Welsh Land Investors - December 2018 - Not investment related - Passive Investor - 0 hours devoted to the other business - 0 hours devoted during trading hours.
- 5) Cypress East Investors, LLC - Not investment related - 128 A Courthouse Square, Oxford, MS - December 2018 - Clay harvesting - Passive investor - 0 hours devoted to the other business - 0 hours devoted during securities trading hours;
- 6) Breakwater Investments, LLC Breakwater Investments, LLC - Not investment related - December 2018 - Passive investor - 0



Registration & Employment History



OTHER BUSINESS ACTIVITIES

hours devoted to the other business - 0 hours devoted during securities trading hours;

7) Big Creek LLC - Not investment related - December 2020 - Passive investor - 0 hours devoted to the other business - 0 hours devoted during securities trading hours;

8) Avery Trace LLC - Not investment related - Passive investor - 0 hours devoted to the other business - 0 hours devoted during securities trading hours;

9) Goldenrod Companies, LLC - 10340 North 84th St. Omaha, NE 68122 0 investment related - real estate & private equity - investment committee member - start date 12/2021 - 2 hours spent per month during securities - firm guidance, monitoring and investment input

10) 10) Alleviant, LLC - Not investment related - 11501 Huron Ln, , Little Rock, AR.72211 - mental healthcare clinics - board member - started date: 8/19/22 - 1 hours spent per month during securities trading hours - firm and operational guidance



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	1
Termination	1

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: FINRA

Sanction(s) Sought: Other: N/A

Date Initiated: 03/14/2022

Docket/Case Number: [2020068226001](#)

Employing firm when activity occurred which led to the regulatory action: Stephens

Product Type: Other: Private placement

Allegations: Without admitting or denying the findings, Blackmon consented to the sanctions and to the entry of findings that he participated in private securities transactions without providing prior written notice to his member firm. The findings stated that Blackmon introduced a customer of the firm to the issuer of a private placement offering and informed the customer that he intended to invest in the offering himself. Blackmon also participated in a telephone conference with the customer and the issuer about the offering. Blackmon coordinated a wire transfer payment from the customer's account at the firm to facilitate the customer's initial investment of \$195,000 in the offering. Later, after making an investment for himself, Blackmon disclosed his own investment in the offering to the firm. However, Blackmon did not disclose to the firm that he had also participated in the customer's investment. Subsequently, Blackmon facilitated two additional wire transfer payments from the customer's account at the firm for the customer's additional investments in the offering, totaling approximately \$250,000. Blackmon



did not receive any commissions from the sale of the securities.

Current Status:

Final

Resolution:

Acceptance, Waiver & Consent(AWC)

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:

03/14/2022

Sanctions Ordered:

Civil and Administrative Penalty(ies)/Fine(s)
Suspension

If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?

No

(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?

(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or



(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?

Sanction 1 of 1

Sanction Type: Suspension
Capacities Affected: All capacities
Duration: Three months
Start Date: 03/21/2022
End Date: 06/20/2022

Monetary Sanction 1 of 1

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)
Total Amount: \$5,000.00
Portion Levied against individual: \$5,000.00
Payment Plan: Deferred
Is Payment Plan Current:
Date Paid by individual:
Was any portion of penalty waived? No

Amount Waived:

.....

Reporting Source: Firm
Regulatory Action Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY
Sanction(s) Sought: Civil and Administrative Penalty(ies)/Fine(s)
Suspension
Date Initiated: 01/13/2021
Docket/Case Number: [2020068226001](#)



Employing firm when activity occurred which led to the regulatory action:	STEPHENS INC
Product Type:	Direct Investment-DPP & LP Interests
Allegations:	From March to August 2020, Blackmon participated in private securities transactions with an aggregate value of approximately \$450,000 without providing prior written notice to his firm, in violation of FINRA Rules 3280 and 2010.
Current Status:	Final
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/14/2022
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Suspension
If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?	No

(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?

(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or



(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?

Sanction 1 of 1

Sanction Type: Suspension
Capacities Affected: ALL CAPACITIES
Duration: 3 MONTHS
Start Date: 03/21/2022
End Date: 06/20/2022

Monetary Sanction 1 of 1

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)
Total Amount: \$5,000.00
Portion Levied against individual: \$5,000.00
Payment Plan: IMMEDIATELY UPON ASSOCIATION WITH A FINRA MEMBER
Is Payment Plan Current: Yes
Date Paid by individual:
Was any portion of penalty waived? No
Amount Waived:

.....
Reporting Source: Individual
Regulatory Action Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY
Sanction(s) Sought: Civil and Administrative Penalty(ies)/Fine(s)
Suspension
Date Initiated: 01/13/2021
Docket/Case Number: [2020068226001](#)



Employing firm when activity occurred which led to the regulatory action:	STEPHENS INC.
Product Type:	Direct Investment-DPP & LP Interests
Allegations:	From March to August 2020, Blackmon participated in private securities transactions with an aggregate value of approximately \$450,000 without providing prior written notice to his firm, in violation of FINRA Rules 3280 and 2010.
Current Status:	Final
Resolution:	Acceptance, Waiver & Consent(AWC)
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	Yes
Resolution Date:	03/14/2022
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Suspension
Sanction 1 of 1	
Sanction Type:	Suspension
Capacities Affected:	ALL CAPACITIES
Duration:	3 MONTHS
Start Date:	03/14/2022
End Date:	06/14/2022
Monetary Sanction 1 of 1	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$5,000.00
Portion Levied against individual:	\$5,000.00
Payment Plan:	IMMEDIATELY UPON ASSOCIATION WITH A FINRA MEMBER
Is Payment Plan Current:	Yes
Date Paid by individual:	
Was any portion of penalty waived?	No
Amount Waived:	
Broker Statement	At the time of the transactions at issue described in the Letter of Acceptance, Waiver, and Consent ("AWC") Matter No. 2020068226001, Mr. Bentley Blackmon was working as a registered agent at a FINRA registered brokerage firm (the "brokerage firm"). As discussed in the AWC, a customer (the "Customer") of Mr. Blackmon's former brokerage firm engaged in a private securities transaction. Mr. Blackmon had worked with this Customer for over a decade and they had developed a close professional friendship. All of the transactions and the wire transfers related to these private securities transaction were initiated with the full authorization and direction from the Customer and facilitated through his



brokerage account at Mr. Blackmon's previous brokerage firm. No funds came from any private accounts of this Customer. As such, Mr. Blackmon's previous brokerage firm had full visibility and access to the information related to the Customer's payments. Respondent initiated the transactions at the exclusive direction of and with the specific authorization of this Customer.

Additionally, the Customer was and is a sophisticated customer with a longstanding relationship with both Mr. Blackmon and the brokerage firm, as mentioned. The Customer was and is an accredited investor with a high-degree of knowledge and sophistication related to the private placement market and related securities offerings in the private placement market. The Customer had participated in numerous other private placements outside of Mr. Blackmon's previous brokerage firm and was an investor in private placement offerings for at least ten years prior to the at issue transaction.

Mr. Blackmon disclosed to the Customer that they were not offering these investments through his previous brokerage firm, and that he could not provide investment advice related to these offerings. Moreover, Mr. Blackmon was never compensated in any way for these investments.

Finally, Mr. Blackmon did in fact provide his previous brokerage firm notice of his own investment in the transaction. A brief background of the circumstances surrounding timing is important for consideration and context. The at issue transaction occurred in the spring of 2020 right at the height of the Covid-19 pandemic when Mr. Blackmon's prior brokerage firm shifted its entire workforce to remote working to attempt to best manage the quarantining related to the pandemic during those strenuous times. As such, Mr. Blackmon's former brokerage firm was forced, just like all companies and firms in this country at that time, to attempt to best manage the conversion to a remote workforce in an expedited timeframe. As such, for a brokerage firm that was still working almost exclusively in hard copy documentation for its supervision and compliance process, the changeover to electronic means took a period of adjustment. These circumstances contributed to the late notification by Mr. Blackmon of his own transaction. While Mr. Blackmon acknowledges that he did submit the notification for his own transaction late, he ultimately did submit this necessary documentation to his former brokerage firm. The reasons for the late submission relate to the pandemic and the new remote work environment at that time.



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 1

Reporting Source: Individual

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

Allegations: CUSTOMER ALLEGES REPRESENTATIVE TOLD HER SHE COULD EARN ENOUGH MONEY IN HER ACCOUNT FOR HER TO WITHDRAW \$4000 PER MONTH WITHOUT INVADING PRINCIPAL. CUSTOMER ALLEGES SHE DOES NOT REMEMBER THE ACCOUNT DOCUMENTS SHE SIGNED AND WAS NOT AWARE SHE HAD GRANTED DISCRETIONARY AUTHORITY ON HER ACCOUNTS. CUSTOMER ALLEGES THAT THERE ARE MISSTATEMENTS IN HER ACCOUNT APPLICATIONS. THE ALLEGED COMPENSATORY DAMAGE IS UNSPECIFIED.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): THE ALLEGED COMPENSATORY DAMAGE WAS UNSPECIFIED.

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: 03/21/2008

Complaint Pending? No

Status: Denied

Status Date: 09/23/2008

Settlement Amount:

Individual Contribution Amount:

Broker Statement THE CLIENT'S REPRESENTATIONS IN HER COMPLAINT WERE FALSE. THE FIRM COMMUNICATED TO THE CLIENT THAT THE CLAIM WAS UNFOUNDED AND THE MATTER WAS CONCLUDED. THE FIRM AND THE ADVISOR BELIEVE THE COMPLAINT TO BE NOT ONLY FALSE AND UNFOUNDED, BUT ALSO FRIVOLOUS.



Termination

This disclosure event involves a situation where the Investment Adviser Representative voluntarily resigned, was discharged or was permitted to resign after allegations were made that accused the Investment Adviser Representative of violating investment-related statutes, regulations, rules or industry standards of conduct; fraud or the wrongful taking of property; or failure to supervise in connection with investment-related statutes, regulations, rules or industry standards of conduct.

Disclosure 1 of 1

Reporting Source: Firm

Firm Name: Stephens Inc.

Termination Type: Discharged

Termination Date: 09/29/2020

Allegations: The Firm determined employee violated FINRA Rule 3280 and Firm policies as part of his participation in certain private securities transactions.

Product Type: Other: Private Securities Transactions

Reporting Source: Individual

Firm Name: Stephens Inc.

Termination Type: Discharged

Termination Date: 09/29/2020

Allegations: The Firm determined employee violated FINRA Rule 3280 and Firm policies as part of his participation in certain private securities transactions.

Product Type: Other: Private Securities Transactions

Broker Statement

At the time of the transactions at issue described in the Letter of Acceptance, Waiver, and Consent ("AWC") Matter No. 2020068226001, Mr. Bentley Blackmon was working as a registered agent at a FINRA registered brokerage firm (the "brokerage firm"). As discussed in the AWC, a customer (the "Customer") of Mr. Blackmon's former brokerage firm engaged in a private securities transaction. Mr. Blackmon had worked with this Customer for over a decade and they had developed a close professional friendship. All of the transactions and the wire transfers related to these private securities transaction were initiated with the full authorization and direction from the Customer and facilitated through his brokerage account at Mr. Blackmon's previous brokerage firm. No funds came from any private accounts of this Customer. As such, Mr. Blackmon's previous brokerage firm had full visibility and access to the information related to the Customers payments. Respondent initiated the transactions at the exclusive direction of and with the specific authorization of this Customer.

Additionally, the Customer was and is a sophisticated customer with a longstanding relationship with both Mr. Blackmon and the brokerage firm, as mentioned. The Customer was and is an accredited investor with a high-degree of knowledge and sophistication related to the private placement market and related securities offerings in the private placement market. The Customer had participated in numerous other private placements outside of Mr. Blackmon's previous brokerage firm and was an investor in private placement offerings for at least ten years prior to the at issue transaction.

Mr. Blackmon disclosed to the Customer that they were not offering these investments through his previous brokerage firm, and that he could not provide investment advice related to these offerings. Moreover, Mr. Blackmon was never compensated in any way for these investments.



Finally, Mr. Blackmon did in fact provide his previous brokerage firm notice of his own investment in the transaction. A brief background of the circumstances surrounding timing is important for consideration and context. The at issue transaction occurred in the spring of 2020 right at the height of the Covid-19 pandemic when Mr. Blackmon's prior brokerage firm shifted its entire workforce to remote working to attempt to best manage the quarantining related to the pandemic during those strenuous times. As such, Mr. Blackmon's former brokerage firm was forced, just like all companies and firms in this country at that time, to attempt to best manage the conversion to a remote workforce in an expedited timeframe. As such, for a brokerage firm that was still working almost exclusively in hard copy documentation for its supervision and compliance process, the changeover to electronic means took a period of adjustment. These circumstances contributed to the late notification by Mr. Blackmon of his own transaction. While Mr. Blackmon acknowledges that he did submit the notification for his own transaction late, he ultimately did submit this necessary documentation to his former brokerage firm. The reasons for the late submission relate to the pandemic and the new remote work environment at that time.



End of Report

This page is intentionally left blank.