



## IAPD Report

# MICHAEL WILLIAM KOZEMCHAK

CRD# 2717038

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.



## IAPD Information About Representatives

IAPD offers information on all current-and many former representatives. Investors are strongly encouraged to use IAPD to check the background of representatives before deciding to conduct, or continue to conduct, business with them.

### What is included in a IAPD report?

IAPD reports for individual representatives include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards.

It is important to note that the information contained in an IAPD report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the representative, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

### Where did this information come from?

The information contained in IAPD comes from the Investment Adviser Registration Depository (IARD) and FINRA's Central Registration Depository, or CRD, (see more on CRD below) and is a combination of:

- information the states require representatives and firms to submit as part of the registration and licensing process, and
- information that state regulators report regarding disciplinary actions or allegations against representatives.

### How current is this information?

Generally, representatives are required to update their professional and disciplinary information in IARD within 30 days.

### Need help interpreting this report?

For help understanding how to read this report, please consult NASAA's IAPD Tips page <http://www.nasaa.org/IAPD/IARReports.cfm>

### What if I want to check the background of an Individual Broker or Brokerage Firm?

To check the background of an Individual Broker or Brokerage firm, you can search for the firm or individual in IAPD. If your search is successful, click on the link provided to view the available licensing and registration information in FINRA's BrokerCheck website.

### Are there other resources I can use to check the background of investment professionals?

It is recommended that you learn as much as possible about an individual representative or Investment Adviser firm before deciding to work with them. Your state securities regulator can help you research individuals and certain firms doing business in your state. The contact information for state securities regulators can be found on the website of the North American Securities Administrators Association <http://www.nasaa.org>



## Report Summary

### MICHAEL WILLIAM KOZEMCHAK (CRD# 2717038)

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 **12/24/2024**.

### CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
<b>IA</b>	IIC	CRD# 168705	09/10/2013
<b>B</b>	LPL FINANCIAL LLC	CRD# 6413	11/22/2013

### QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **19** 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>IA</b>	LPL FINANCIAL LLC	6413	BLOOMFIELD HILLS, MI	03/31/2021 - 04/19/2021
<b>IA</b>	LPL FINANCIAL LLC	6413	BLOOMFIELD HILLS, MI	11/22/2013 - 03/31/2015
<b>IA</b>	CANTELLA & CO., INC.	13905	BLOOMFIELD HILLS, MI	06/07/2004 - 11/25/2013

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	5
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 **19** jurisdiction(s) and 1 SRO(s) through his or her employer(s).

### Employment 1 of 2

Firm Name: **LPL FINANCIAL LLC**  
Main Address: 1055 LPL WAY  
FORT MILL, SC 29715  
Firm ID#: 6413

	Regulator	Registration	Status	Date
<b>B</b>	FINRA	General Securities Principal	Approved	11/22/2013
<b>B</b>	FINRA	General Securities Representative	Approved	11/22/2013
<b>B</b>	Arizona	Agent	Approved	01/11/2021
<b>B</b>	California	Agent	Approved	11/25/2013
<b>B</b>	Connecticut	Agent	Approved	06/13/2019
<b>B</b>	Delaware	Agent	Approved	11/22/2013
<b>B</b>	Idaho	Agent	Approved	01/12/2021
<b>B</b>	Illinois	Agent	Approved	01/05/2021
<b>B</b>	Louisiana	Agent	Approved	11/22/2013
<b>B</b>	Michigan	Agent	Approved	11/22/2013
<b>B</b>	Minnesota	Agent	Approved	11/22/2013
<b>B</b>	Nebraska	Agent	Approved	03/22/2022
<b>B</b>	Nevada	Agent	Approved	11/22/2013



### Qualifications

Regulator	Registration	Status	Date
<b>B</b> New York	Agent	Approved	01/07/2021
<b>B</b> North Carolina	Agent	Approved	03/21/2022
<b>B</b> Pennsylvania	Agent	Approved	11/25/2013
<b>B</b> Rhode Island	Agent	Approved	03/25/2022
<b>B</b> Texas	Agent	Approved	11/14/2014
<b>B</b> Utah	Agent	Approved	05/04/2021
<b>B</b> Virginia	Agent	Approved	11/22/2013
<b>B</b> Washington	Agent	Approved	05/04/2021

### Branch Office Locations

**LPL FINANCIAL LLC**  
 7 WEST SQUARE LAKE ROAD  
 BLOOMFIELD HILLS, MI 48302

**LPL FINANCIAL LLC**  
 LAKE ANGELUS, MI

### Employment 2 of 2

Firm Name: **IIC**  
 Main Address: 7 WEST SQUARE LAKE ROAD  
 BLOOMFIELD HILLS, MI 48302  
 Firm ID#: 168705

Regulator	Registration	Status	Date
<b>IA</b> Louisiana	Investment Adviser Representative	Approved	09/16/2013
<b>IA</b> Michigan	Investment Adviser Representative	Approved	09/10/2013
<b>IA</b> Texas	Investment Adviser Representative	Restricted Approval	09/16/2013

### Branch Office Locations

**IIC**



## Qualifications

7 WEST SQUARE LAKE ROAD  
BLOOMFIELD HILLS, MI 48302




## 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	03/08/2004

#### General Industry/Product Exams

Exam	Category	Date
 Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
 General Securities Representative Examination (S7)	Series 7	04/10/1996

#### State Securities Law Exams

Exam	Category	Date
 Uniform Investment Adviser Law Examination (S65)	Series 65	05/30/1996
 Uniform Securities Agent State Law Examination (S63)	Series 63	05/01/1996

### 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	03/31/2021 - 04/19/2021	LPL FINANCIAL LLC	CRD# 6413	BLOOMFIELD HILLS, MI
IA	11/22/2013 - 03/31/2015	LPL FINANCIAL LLC	CRD# 6413	BLOOMFIELD HILLS, MI
IA	06/07/2004 - 11/25/2013	CANTELLA & CO., INC.	CRD# 13905	BLOOMFIELD HILLS, MI
B	10/28/2003 - 11/25/2013	CANTELLA & CO., INC.	CRD# 13905	BLOOMFIELD HILLS, MI
IA	08/20/2001 - 10/15/2003	WACHOVIA SECURITIES, LLC	CRD# 19616	BIRMINGHAM, MI
B	07/05/2001 - 10/15/2003	WACHOVIA SECURITIES, LLC	CRD# 19616	ST. LOUIS, MO
B	06/05/1997 - 07/06/2001	PRUDENTIAL SECURITIES INCORPORATED	CRD# 7471	NEW YORK, NY
B	06/04/1996 - 05/13/1997	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	CRD# 7691	NEW YORK, 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
11/2013 - Present	LPL FINANCIAL LLC	REGISTERED REPRESENTATIVE	Y	BLOOMFIELD HILLS, MI, United States
08/2013 - Present	IIC (INSTITUTIONAL INVESTMENT CONSULTING)	INVESTMENT ADVISER REPRESENTATIVE	Y	BLOOMFIELD HILLS, MI, 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.

- 09/19/2019 - Institutional Investment Consulting (IIC) - Investment related - At reported business location(s) - Registered Investment Advisor - start date:09/13/2019 - 160 hrs/mo - 6 hrs during trading - IAR - I provide financial planning and consulting services through Institutional Investment Consulting, an independent investment advisor firm. I started this business activity in 09/2019. I expect to spend approximately 160 hours per month on this activity. Please see the advisory firm's Form ADV for more



## Registration & Employment History



### OTHER BUSINESS ACTIVITIES

information about its address, the nature of its business, its owners, and its services at <http://www.adviserinfo.sec.gov/IAPD>. The advisory firm is separate from and independent of LPL Financial.

2. 12/17/2020 - Trade Supply - <http://www.trades-supply-company.com/> - Investment Related - At Reported Business Location(s) - Other-Business Owner - Started 10/2003 - 1 Hour Per Month During Securities Trading - Company acquires and re-sells (on occasions) specialty building related supplies to builders and installers including: Molding, Lighting, Hardware, Fireplace inserts & Hearth Products, Patio Furniture, Cabinetry, Carved Stone Fireplaces, Tile, home audio systems. Categorized as a building supply company.
3. 04/19/2022 - Crump Insurance - Investment Related - Non-Variable Insurance - Start Date - 04/20/2022 - 1 Hours Per Month/1 Hours During Securities Trading.
4. 11/28/2023 - Institutional Investment Counsel INC DBA Institutional Investment Consulting - Inv Related - At Reported Business Location(s) - Registered Investment Advisor DBA - IAR/Owner - Started 9/13/2019 - 160 Hrs/Mo; 6 Hrs During Trading.



## Disclosure Summary

### Disclosure Information

#### What you should know about reported disclosure events:

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

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

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

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

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

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

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



## DISCLOSURE EVENT DETAILS

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

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

The following types of events are disclosed about this representative:

Type	Count
Customer Dispute	5
Termination	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 5

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** PSI

**Allegations:** CLIENT ALLEGED THAT MANAGED PORTFOLIO WAS INCONSISTENT WITH HER INVESTMNET PARAMETERS.

**Product Type:** Other

**Other Product Type(s):** EQIUTIES

**Alleged Damages:** \$52,169.00

### Customer Complaint Information

**Date Complaint Received:** 02/23/2001

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 04/04/2003

**Settlement Amount:** \$11,000.00

**Individual Contribution Amount:** \$0.00

**Reporting Source:** Individual



**Employing firm when activities occurred which led to the complaint:**

PSI

**Allegations:**

CLIENT ALLEGED THAT MANAGED PORTFOLIO WAS INCONSISTENT WITH HER INVESTMENT PARAMETERS.

**Product Type:**

Other

**Other Product Type(s):**

EQUITIES

**Alleged Damages:**

\$52,169.00

### **Customer Complaint Information**

**Date Complaint Received:**

02/23/2001

**Complaint Pending?**

No

**Status:**

Settled

**Status Date:**

04/04/2003

**Settlement Amount:**

\$11,000.00

**Individual Contribution Amount:**

\$0.00

**Broker Statement**

BROKER DID NOT DIRECTLY MAKE ANY INVESTMENTS FOR THIS CUSTOMER OR ANY CUSTOMERS. BROKER DID NOT CONTRIBUTE TO ANY, AND INDEED ADAMANTLY OPPOSED SETTLEMENT WITH THIS CUSTOMER AND THE OTHERS, WHICH OCCURRED AT PRUDENTIAL'S SOLE DISCRETION TO SAVE THE COST OF LEGAL FEES ASSOCIATED WITH THE CONTINUANCE OF THE MATTER.

### **Disclosure 2 of 5**

**Reporting Source:**

Firm

**Employing firm when activities occurred which led to the complaint:**

PRUDENTIAL SECURITIES INC.

**Allegations:**

ALLEGED UNSUITABLE AND EXCESSIVE INVESTMENT TRANSACTIONS

**Product Type:**

Other

**Other Product Type(s):**

EQUITY

**Alleged Damages:**

\$600,000.00

### **Customer Complaint Information**

**Date Complaint Received:**

05/29/2002

**Complaint Pending?**

No

**Status:**

Arbitration/Reparation

**Status Date:**

03/31/2002

**Settlement Amount:**

**Individual Contribution Amount:**

### **Arbitration Information**



**Arbitration/Reparation Claim filed with and Docket/Case No.:** NASD 2002-010252

**Date Notice/Process Served:** 05/29/2002

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 03/31/2003

**Monetary Compensation Amount:** \$97,000.00

**Individual Contribution Amount:** \$0.00

**Reporting Source:** Individual

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

**Allegations:** ALLEGED UNSUITABLE AND EXCESSIVE INVESTEMTN TRANSACTIONS

**Product Type:** Other

**Other Product Type(s):** EQUITY

**Alleged Damages:** \$600,000.00

**Customer Complaint Information**

**Date Complaint Received:** 05/29/2002

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 03/31/2002

**Settlement Amount:**

**Individual Contribution Amount:**

**Arbitration Information**

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NASD 2002-010252

**Date Notice/Process Served:** 05/29/2002

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 03/31/2003

**Monetary Compensation Amount:** \$97,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** BROKER DID NOT DIRECTLY MAKE ANY INVESTMENTS FOR THIS CUSTOMER OR ANY CUSTOMERS. BROKER DID NOT CONTRIBUTE TO ANY, AND INDEED ADAMANTLY OPPOSED SETTLEMENT WITH THIS CUSTOMER



AND THE OTHERS, WHICH OCCURRED AT PRUDENTIAL'S SOLE DISCRETION TO SAVE THE COST OF LEGAL FEES ASSOCIATED WITH THE CONTINUANCE OF THE MATTER.

**Disclosure 3 of 5**

**Reporting Source:** Firm

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

**Allegations:** ALLEGED UNSUITABLE AND EXCESSIVE INVESTMENT TRANSACTIONS.

**Product Type:** Other

**Other Product Type(s):** EQUITY

**Alleged Damages:** \$600,000.00

**Customer Complaint Information**

**Date Complaint Received:** 05/29/2002

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 05/29/2002

**Settlement Amount:**

**Individual Contribution Amount:**

**Arbitration Information**

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NYSE CASE #2002-010252

**Date Notice/Process Served:** 05/29/2002

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 12/19/2002

**Monetary Compensation Amount:** \$225,000.00

**Individual Contribution Amount:** \$0.00

**Reporting Source:** Individual

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

**Allegations:** ALLEGED UNSUITABLE AND EXCESSIVE INVESTMENT TRANSACTIONS.

**Product Type:** Other

**Other Product Type(s):** EQUITY

**Alleged Damages:** \$600,000.00

**Customer Complaint Information**

**Date Complaint Received:** 05/29/2002  
**Complaint Pending?** No  
**Status:** Arbitration/Reparation  
**Status Date:** 05/29/2002

**Settlement Amount:**

**Individual Contribution Amount:**

**Arbitration Information**

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NYSE CASE #2002-010252

**Date Notice/Process Served:** 05/29/2002

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 12/19/2002

**Monetary Compensation Amount:** \$225,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement**

THE DIVISION OF ENFORCEMENT OF THE NEW YORK STOCK EXCHANGE INVESTIGATED THIS MERITLESS CLAIM AND THE OTHERS APPEARING ON MY CRD AND DETERMINED TO TAKE NO ACTION BECAUSE NO WRONGDOING OCCURRED. THESE CUSTOMERS LOST MONEY IN THE STOCK MARKET AS A RESULT OF THE INVESTMENTS DECISIONS OF WELL-RESPECTED AND HIGHLY EXPERIENCED INVESTMENT MANAGEMENT COMPANIES, WHICH INVESTED IN LARGE CAP COMPANIES. BROKER DID NOT DIRECTLY MAKE ANY INVESTMENTS FOR THIS CUSTOMERS OR ANY CUSTOMERS. BROKER DID NOT CONTRIBUTE TO AND, INDEED, OPPOSED SETTLEMENT WITH THIS CUSTOMER AND THE OTHERS, WHICH OCCURRED AT PRUDENTIAL'S SOLE DISCRETION TO SAVE THE COST OF LEGAL FEES ASSOCIATED WITH THE CONTINUANCE OF THE MATTER.

**Disclosure 4 of 5**

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** PSI

**Allegations:** ALLEGED UNSUITABLE INVESTMENT RECOMMENDATIONS

**Product Type:** Other

**Other Product Type(s):** STOCKS

**Alleged Damages:** \$1,800,000.00

**Customer Complaint Information**

**Date Complaint Received:** 10/15/2001



**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 05/05/2002  
**Settlement Amount:** \$850,000.00  
**Individual Contribution Amount:** \$0.00

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**Reporting Source:** Individual  
**Employing firm when activities occurred which led to the complaint:** PRUDENTIAL SECURITIES INC.  
**Allegations:** ALLEGED UNSUITABLE INVESTMENT RECOMMENDATIONS  
**Product Type:** Other  
**Other Product Type(s):** STOCKS  
**Alleged Damages:** \$1,800,000.00

### Customer Complaint Information

**Date Complaint Received:** 10/15/2001  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 05/05/2002  
**Settlement Amount:** \$850,000.00  
**Individual Contribution Amount:** \$0.00

**Broker Statement** I AND MY COUNSEL HAVE SPOKEN WITH THE CLIENT AND IN BOTH INSTANCES SHE INSISTED THAT SHE NEVER COMPLAINED OF ANY WRONGDOING ON MY PART. HER ORAL COMPLAINT WAS WITH THE MONEY MANAGERS WHO WERE ASSIGNED TO HER ACCOUNT AND THE INVESTMENTS MADE BY THEM. I HAD NO CONTROL OVER THEIR INVESTMENTS DECISIONS. HOWEVER, SINCE THEY WERE ASSOCIATED WITH PRUDENTIAL SECURITIES, THE FIRM APPARENTLY FELT IT APPROPRIATE TO RESOLVE HER ORAL COMPLAINT DIRECTLY, WITHOUT ANY INVOLVEMENT FROM ME. I WAS NOT ASKED TO CONTRIBUTE TO THE SETTLEMENT BECAUSE I PLAYED NO PART IN THE COMPLAINED-OF TRANSACTIONS.

### Disclosure 5 of 5

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** PRUDENTIAL SECURITIES INCORPORATED  
**Allegations:** CLIENTS REQUESTED AN NASD MEDIATION SEEKING RESOLUTION OF THE CLIENTS' ALLEGATIONS THAT THE FIRM AND FA FILED TO PROPERLY DIVERSIFY THEIR ACCOUNT HOLDINGS OR RESPOND TO THEIR CONCERNS



**Product Type:** Other  
**Other Product Type(s):** EQUITIES  
**Alleged Damages:** \$210,000.00

**Customer Complaint Information**

**Date Complaint Received:** 02/22/2001  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 10/23/2001  
**Settlement Amount:** \$40,000.00  
**Individual Contribution Amount:** \$0.00

**Reporting Source:** Individual  
**Employing firm when activities occurred which led to the complaint:** PSI INCORP

**Allegations:** CLIENTS ALLEGE THAT THEIR FINANCIAL ADVISOR "MISREPRESENTED HIMSELF AND HIS MISSION." CLIENTS FURTHER ALLEGE "LACK OF DIVERSIFICATION AND AGGRESSIVENESS." DAMAGES NOT SPECIFIED BUT BELIEVED TO EXCEED \$5,000.00.

**Product Type:** Other  
**Other Product Type(s):** MANAGED ACCOUNT  
**Alleged Damages:**

**Customer Complaint Information**

**Date Complaint Received:** 02/22/2001  
**Complaint Pending?** No  
**Status:** Denied  
Settled  
**Status Date:** 10/23/2001  
**Settlement Amount:** \$40,000.00  
**Individual Contribution Amount:** \$0.00

**Broker Statement** BROKER DENIES ANY RESPONSIBILITY FOR THE LOSSES WHICH THE BROKER MAINTAINS WERE MARKET RELATED, CONSISTENT WITH INDEXES, AND OCCURRED IN CONNECTION WITH THIRD PARTY MONEY MANAGER AND UNSOLICITED TRADES. BROKER DID NOT CONTRIBUTE TO, AND OPPOSED THE SETTLEMENT, WHICH OCCURRED AT PRUDENTIAL'S DECRETION TO SAVE THE COST OF LEGAL FEES ASSOCIATED WITH CONTINUANCE OF THE MATTER. PRUDENTIAL PREVIOUSLY DENIED THIS CLAIM IN FEBRUARY 2001, AND DEEMED IT BASELESS.



## 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

<b>Reporting Source:</b>	Individual
<b>Firm Name:</b>	PRUDENTIAL SECURITIES INCORPORATED
<b>Termination Type:</b>	Permitted to Resign
<b>Termination Date:</b>	06/12/2001
<b>Allegations:</b>	PERMITTED TO RESIGN FOLLOWING ORAL ALLEGATION BY A CLIENT THAT BROKER WAS INVOLVED IN CLIENT'S FILING AN INACCURATE LOAN APPLICATION.
<b>Product Type:</b>	Other
<b>Other Product Types:</b>	LOAN APPLICATION
<b>Broker Statement</b>	THESE ALLEGATIONS WERE IN REALTION TO AN INACCURATE FILING OF A LOAN APPLICATION WHICH OCCURED AT AN FDIC INSURED BANK.



## End of Report

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