



IAPD Report

JOHN KACHEONG LEE

CRD# 2948622

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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 KACHEONG LEE (CRD# 2948622)

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 **10/03/2025**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	INDEPENDENT FINANCIAL GROUP, LLC	CRD# 7717	10/28/2005
IA	INDEPENDENT FINANCIAL GROUP, LLC	CRD# 7717	10/31/2005

QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **3** 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	NATIONAL PLANNING CORPORATION ("NPC OF AMERICA" IN FL & NY)	29604	SAN FRANCISCO, CA	12/13/2000 - 11/02/2005
B	NATIONAL PLANNING CORPORATION	29604	SAN FRANCISCO, CA	12/01/2000 - 11/02/2005
B	H.D. VEST INVESTMENT SECURITIES, INC.	13686	DALLAS, TX	01/15/1998 - 12/15/2000

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	10



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 3 jurisdiction(s) and 1 SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **INDEPENDENT FINANCIAL GROUP, LLC**
Main Address: 12671 HIGH BLUFF DR
SUITE 200
SAN DIEGO, CA 92130
Firm ID#: 7717

Regulator	Registration	Status	Date
B FINRA	General Securities Principal	Approved	10/28/2005
B FINRA	General Securities Representative	Approved	10/28/2005
B FINRA	Invest. Co and Variable Contracts	Approved	10/28/2005
B FINRA	Municipal Fund	Approved	10/28/2005
B California	Agent	Approved	10/28/2005
IA California	Investment Adviser Representative	Approved	10/31/2005
B Nevada	Agent	Approved	10/28/2005
B Texas	Agent	Approved	07/30/2007

Branch Office Locations

INDEPENDENT FINANCIAL GROUP, LLC
4305 HACIENDA DR.
STE. 360
PLEASANTON, CA 94588





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



Principal/Supervisory Exams

	Exam	Category	Date
	Municipal Fund Securities Principal Examination (S51)	Series 51	02/24/2003
	General Securities Principal Examination (S24)	Series 24	02/21/2001

General Industry/Product Exams

	Exam	Category	Date
	Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
	General Securities Representative Examination (S7)	Series 7	10/04/2000
	Investment Company Products/Variable Contracts Representative Examination (S6)	Series 6	01/14/1998

State Securities Law Exams

	Exam	Category	Date
	Uniform Investment Adviser Law Examination (S65)	Series 65	12/27/1999
	Uniform Securities Agent State Law Examination (S63)	Series 63	02/05/1998

PROFESSIONAL DESIGNATIONS

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

Certified Financial Planner

Personal Financial Specialist

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
IA	12/13/2000 - 11/02/2005	NATIONAL PLANNING CORPORATION ("NPC OF AMERICA" IN FL & NY)	CRD# 29604	SAN FRANCISCO, CA
B	12/01/2000 - 11/02/2005	NATIONAL PLANNING CORPORATION	CRD# 29604	SAN FRANCISCO, CA
B	01/15/1998 - 12/15/2000	H.D. VEST INVESTMENT SECURITIES, INC.	CRD# 13686	DALLAS, TX

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
10/2005 - Present	INDEPENDENT FINANCIAL GROUP, LLC	REGISTERED REPRESENTATIVE	Y	SAN DIEGO, CA, United States

OTHER BUSINESS ACTIVITIES

This section includes information, if any, as provided by the representative regarding other business activities the representative is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent, or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious, or fraternal and is recognized as tax exempt.

(1) LEE NG & ASSOCIATES

POSITION: Officer/Director NATURE: DBA Name for Marketing Purposes Only INVESTMENT RELATED: Yes NUMBER OF HOURS: 160 SECURITIES TRADING HOURS: 80 START DATE: 01/01/2017 ADDRESS: 4305 Hacienda Dr., Ste. 360, Pleasanton CA 94588, United States DESCRIPTION: OWNER/OFFICER OF "LEE NG & ASSOCIATES" ACTING AS A DBA FOR SERVICES OFFERED

(2) JOHN KA-CHEONG LEE

POSITION: Agent/Representative NATURE: Insurance outside of IFG INVESTMENT RELATED: Yes NUMBER OF HOURS: 20 SECURITIES TRADING HOURS: 20 START DATE: 01/01/2000 ADDRESS: 4305 Hacienda Dr., Ste. 360, Pleasanton CA 94588, United States DESCRIPTION: INSURANCE AGENT OFFERING VARIOUS TYPES OF INSURANCE PRODUCTS

(3) NSV HOLDINGS CORPORATION

POSITION: Officer/Director NATURE: Other: INVESTMENT RELATED: Yes NUMBER OF HOURS: 1 SECURITIES TRADING HOURS: 1 START DATE: 01/01/2023 ADDRESS: 9 Mills Canyon Ct, Burlingame CA 94010, United States DESCRIPTION: Secretary/Treasurer.



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	10

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 10

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	INDEPENDENT FINANCIAL GROUP, LLC
Allegations:	(1)UNSUITABLE INVESTMENTS (2) MISREPRESENTATION (3) NEGLIGENCE (4) BREACH OF FIDUCIARY DUTY IN CONNECTION WITH REIT INVESTMENTS
Product Type:	Other: Non-Trade Reit ARC Hospitality Trust
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	Claim unspecified, believe to be \$5,000 or more
Is this an oral complaint?	No
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA
Docket/Case #:	25-01962
Filing date of arbitration/CFTC reparation or civil litigation:	09/22/2025



Customer Complaint Information

Date Complaint Received: 09/22/2025

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 2 of 10

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: INDEPENDENT FINANCIAL GROUP, LLC

Allegations: UNSUITABLE INVESTMENTS, FRAUD, NEGLIGENCE, BREACH OF FIDUCIARY DUTY; BREACH OF CONTRACT IN CONNECTION WITH TENANT IN COMMON AND DIRECT INVESTMENT PURCHASED IN 2007.

Product Type: Direct Investment-DPP & LP Interests
Other: TENANT IN COMMON

Alleged Damages: \$925,463.28

Arbitration Information

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

Docket/Case #: 14-02674

Date Notice/Process Served: 10/15/2014

Arbitration Pending? No

Disposition: Settled

Disposition Date: 11/10/2015

Monetary Compensation Amount: \$562,500.00

Individual Contribution Amount: \$0.00

Broker Statement without admitting or denying the allegations set forth in the claim, the parties settled the matter to avoid further time and resources spent.

Disclosure 3 of 10

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: INDEPENDENT FINANCIAL GROUP, LLC

Allegations: (1) UNSUITABLE INVESTMENTS (2) MISREPRESENTATION (3) NEGLIGENCE (4) BREACH OF FIDUCIARY DUTY IN CONNECTION WITH DPP INVESTMENTS PURCHASED IN 2006-2007.

Product Type: Direct Investment-DPP & LP Interests

Alleged Damages: \$398,010.00



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: 02/18/2013

Complaint Pending? No

Status: Settled

Status Date: 07/31/2013

Settlement Amount: \$70,500.00

Individual Contribution
Amount: \$0.00

Broker Statement

CLIENT WAS AT THE TIME OF PURCHASE AND REMAIN EXPERIENCED AND SOPHISTICATED INVESTOR. INVESTMENTS WERE SUITABLE AND REPRESENTED IN ACCORDANCE WITH FIRMS POLICIES AND PROCEDURES. CLIENT SIGNED ALL REQUIRED DOCUMENTATION AND ADDITIONAL FORMS ACKNOWLEDGING POTENTIAL RISKS AND REWARDS ASSOCIATED WITH INVESTMENTS. FIRM AND REGISTRANT DEFEND THE TRANSACTIONS. WITHOUT ADMITTING ANY LIABILITY AND TO AVOID COSTS AND DELAYS, THE PARTIES SETTLED THE MATTER FOR \$70,500. THE REGISTRANT DID NOT CONTRIBUTE TO THE SETTLEMENT.

Disclosure 4 of 10

Reporting Source: Individual

Employing firm when
activities occurred which led
to the complaint: INDEPENDENT FINANCIAL GROUP LLC

Allegations: MISREPRESENTATION, OMISSIONS, UNSUITABLE INVESTMENT, BREACH OF FIDUCIARY DUTY IN CONNECTION WITH A DPP INVESTMENT PURCHASED IN 2008.

Product Type: Direct Investment-DPP & LP Interests

Alleged Damages: \$281,132.00

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: 09/18/2012

Complaint Pending? No

Status: Settled

Status Date: 12/31/2012

Settlement Amount: \$70,000.00



Individual Contribution Amount:	\$0.00
Broker Statement	CLIENT WAS AT THE TIME OF PURCHASE AND REMAINS AN EXPERIENCED AND SOPHISTICATED INVESTOR. INVESTMENT WAS SUITABLE AND REPRESENTED IN ACCORDANCE WITH FIRMS POLICIES AND PROCEDURES. CLIENT SIGNED ALL REQUIRED DOCUMENTATION AND ACKNOWLEDGED THAT RISKS ASSOCIATED WITH INVESTMENT WERE UNDERSTOOD AND ACCEPTED. WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE PARTIES SETTLED THE MATTER TO AVOID FURTHER TIME AND COSTS. REGISTRANT DID NOT CONTRIBUTE TO SETTLEMENT.
Disclosure 5 of 10	
Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	INDEPENDENT FINANCIAL GROUP LLC
Allegations:	CLAIM ALLEGED: (1) VIOLATIONS OF STATE AND FEDERAL SECURITIES LAWS (2) NEGLIGENCE (3) UNSUITABLE INVESTMENT (4) BREACH OF CONTRACT (5) BREACH OF FIDUCIARY DUTY
Product Type:	Direct Investment-DPP & LP Interests
Alleged Damages:	\$200,000.00
Alleged Damages Amount Explanation (if amount not exact):	MULTIPLE CLAIMANTS ARE LISTED IN THE STATEMENT OF CLAIM. AMOUNT ABOVE IS ATTRIBUTED TO THE CLIENT'S INVESTMENT WITH REGISTRANT ONLY.
Is this an oral complaint?	No
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA ARBITRATION
Docket/Case #:	12-02372
Filing date of arbitration/CFTC reparation or civil litigation:	06/25/2012
Customer Complaint Information	
Date Complaint Received:	08/13/2012
Complaint Pending?	No
Status:	Settled
Status Date:	07/17/2013
Settlement Amount:	\$51,500.00
Individual Contribution Amount:	\$0.00
Broker Statement	RECOMMENDATION WAS SUITABLE IN CONSIDERATION OF THE CLIENTS' INVESTMENT OBJECTIVES, TAX SITUATION AND EXPERIENCE INVESTING IN REAL ESTATE. FIRM AND REGISTRANT DENY ALL ALLEGATIONS AND



WILL DEFEND THE TRANSACTION. WITHOUT ADMITTING OR DENYING THE ALLEGATIONS SET FORTH IN THE CLAIM, THIS MATTER WAS RESOLVED BY IFG. REGISTERED REPRESENTATIVE DID NOT CONTRIBUTE TO THE SETTLEMENT WHICH WAS ENTERED INTO BY THE FIRM IN ORDER TO AVOID THE COSTS ASSOCIATED WITH ARBITRATING THE MATTER.

Disclosure 6 of 10

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	INDEPENDENT FINANCIAL GROUP LLC
Allegations:	STATEMENT OF CLAIM ALLEGED BREACH OF CONTRACT; BREACH OF FIDUCIARY DUTY; MISREPRESENTATION; FAILURE TO SUPERVISE; VIOLATIONS OF SECURITIES LAWS IN CONNECTION WITH A DPP INVESTMENT, VARIABLE ANNUITY INVESTMENT AND INSURANCE INVESTMENT PURCHASED FROM 2005 TO 2008.
Product Type:	Annuity-Variable Direct Investment-DPP & LP Interests Insurance
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	DAMAGES WERE UNSPECIFIED ACCORDING TO PROOF. FIRM MADE REASONABLE DETERMINATION THAT THE DAMAGES WOULD BE MORE THAN 5000
Arbitration Information	
Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA ARBITRATION
Docket/Case #:	12-00855
Date Notice/Process Served:	03/16/2012
Arbitration Pending?	No
Disposition:	Settled
Disposition Date:	03/19/2013
Monetary Compensation Amount:	\$280,000.00
Individual Contribution Amount:	\$0.00
Broker Statement	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS IN THE STATEMENT OF CLAIM, THE PARTIES SETTLED THE MATTER TO AVOID FURTHER TIME AND EXPENSE. REGISTRANT DID NOT CONTRIBUTE TO AWARD.

Disclosure 7 of 10

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	INDEPENDENT FINANCIAL GROUP, LLC
Allegations:	STATEMENT OF CLAIM ALLEGED VIOLATIONS OF FEDERAL & STATE



SECURITIES LAWS, FRAUD, NEGLIGENCE, UNSUITABILITY AND BREACH OF FIDUCIARY DUTY IN CONNECTION WITH A TIC INVESTMENT PURCHASED IN 2006.

Product Type: Other: TENANT IN COMMON (TIC)

Alleged Damages: \$552,000.00

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA ARBITRATION

Docket/Case #: 11-04780

Filing date of arbitration/CFTC reparation or civil litigation: 12/19/2011

Customer Complaint Information

Date Complaint Received: 02/16/2012

Complaint Pending? No

Status: Settled

Status Date: 07/17/2013

Settlement Amount: \$224,000.00

Individual Contribution Amount: \$0.00

Broker Statement

CLAIMANTS WERE SOPHISTICATED AND EXPERIENCED REAL ESTATE INVESTORS. THEY PURCHASED THE TIC IN QUESTION IN ORDER TO FACILITATE A 1031 EXCHANGE AND WERE PROVIDED ALL FACTS INCLUDING RISKS V REWARDS OF THE INVESTMENT. REGISTRANT AND BROKER-DEALER DENY ALL ALLEGATIONS AND WILL DEFEND THE TRANSACTION. ON 7/17/31, WITHOUT ADMITTING TO ANY LIABILITY, THE PARTIES SETTLED THE MATTER FOR \$224,000. REGISTRANT DID NOT CONTRIBUTE TO SETTLEMENT.

Disclosure 8 of 10

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: INDEPENDENT FINANCIAL GROUP LLC

Allegations: STATEMENT OF CLAIM ALLEGES VIOLATIONS OF FEDERAL AND STATE SECURITIES LAWS, BREACH OF CONTRACT, BREACH OF FIDUCIARY DUTY, NEGLIGENCE IN CONNECTION WITH 2 DPPS INVESTMENTS PURCHASED IN 2007 & 2008.

Product Type: Direct Investment-DPP & LP Interests

Alleged Damages: \$296,000.00

Alleged Damages Amount Explanation (if amount not): MULTIPLE CLAIMANTS ARE LISTED ON THE STATEMENT OF CLAIM. POTENTIAL DAMAGES ATTRIBUTED TO THIS FILING IS EQUAL TO THE



exact): INITIAL INVESTMENTS- APPROXIMATELY \$296,000.

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA ARBITRATION

Docket/Case #: 11-04818

Filing date of arbitration/CFTC reparation or civil litigation: 12/21/2011

Customer Complaint Information

Date Complaint Received: 02/07/2012

Complaint Pending? No

Status: Settled

Status Date: 07/17/2013

Settlement Amount: \$82,500.00

Individual Contribution Amount: \$0.00

Broker Statement CLAIMANTS WERE PROVIDED WITH ALL FACTS REGARDING THE INVESTMENTS INCLUDING RISKS/REWARDS. THE INVESTMENTS WERE SUITABLE GIVEN THE THEIR RISK PARAMETERS AND INVESTMENT OBJECTIVES. ANY POTENTIAL LOSSES WERE ATTRIBUTED TO REAL ESTATE AND CAPITAL MARKET MELTDOWN THAT AROSE AFTER THE INVESTMENTS WERE PURCHASED. FIRM AND REGISTRANT WILL DEFEND THE TRANSACTIONS. ON 7/17/13, WITHPUT ADMITTING TO ANY LIABILITY, THE PARTIES SETTLED THE MATTER FOR \$82,500. REGISTRANT DID NOT CONTRIBUTE TO SETTLEMENT.

Disclosure 9 of 10

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: INDEPENDENT FINANCIAL GROUP, LLC

Allegations: ALLEGATIONS INCLUDED MISREPRESENTATION, BREACH OF CONTRACT, BREACH OF FIDUCIARY DUTY AND FRAUD IN CONNECTION WITH CLAIMANTS' PURCHASE OF DPP INVESTMENT IN 2008.

Product Type: Direct Investment-DPP & LP Interests

Alleged Damages: \$801,088.37

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 ARBITRATION

Docket/Case #: 11-02540

Filing date of arbitration/CFTC reparation or civil litigation: 06/22/2011

Customer Complaint Information

Date Complaint Received: 07/07/2011

Complaint Pending? No

Status: Settled

Status Date: 11/07/2012

Settlement Amount: \$180,000.00

Individual Contribution Amount: \$0.00

Broker Statement

EACH CLAIMANT WAS AN EDUCATED ACCREDITED INVESTOR WITH EXPERIENCE IN US REAL ESTATE MARKETS. THE INVESTMENT WAS SUITABLE FOR THEIR NEEDS AND THEY WERE PROVIDED WITH RISK AND REWARD INFORMATION IN DETAIL. BROKER DEALER AND REGISTRANT SPENT CONSIDERABLE TIME CONDUCTING DUE DILIGENCE ON THE OFFERING WITH REGISTRANT EVENTUALLY INVESTING HIS OWN MONEY. THE MARKET COLAPSE IN 2008 AND 2009 CAUSED THE PROGRAM'S INVESTMENT VALUE TO DECREASE ALONG WITH THE REST OF THE CAPITAL MARKETS HOWEVER, IN AN EFFORT TO FACE THESE CHALLENGES, THE PROGRAM HAS RECENTLY COMPLETED A RESTRUCTURING. REGISTRANT AND FIRM HAVE COMMUNICATED THE PROGRAM'S SITUATION TO ALL INVESTORS AND WILL VIGOROUSLY DEFEND THE TRANSACTIONS. WITHOUT ADMITTING OR DENYING THE ALLEGATIONS IN THE CLAIM, THE PARTIES SETTLED THE MATTER TO AVOID FURTHER TIME SPENT AND EXPENSE. REGISTRANT DID NOT CONTRIBUTE TO SETTLEMENT.

Disclosure 10 of 10

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: NATIONAL PLANNING CORPORATION

Allegations: CLAIMANT ALLEGES INVESTMENT IN VARIABLE ANNUITY WAS UNSUITABLE AND REPRESENTATIVE MISREPRESENTED TERMS OF INVESTMENT.

Product Type: Annuity(ies) - Variable

Alleged Damages: \$6,250.53

Customer Complaint Information

Date Complaint Received: 01/05/2009

Complaint Pending? No

Status: Denied

Status Date: 04/21/2009



Settlement Amount:

Individual Contribution Amount:

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Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: NATIONAL PLANNING CORPORATION

Allegations: CLAIMANT ALLEGES INVESTMENT IN VARIABLE ANNUITY WAS UNSUITABLE.

Product Type: Annuity(ies) - Variable

Alleged Damages: \$6,200.00

Customer Complaint Information

Date Complaint Received: 01/10/2009

Complaint Pending? No

Status: Denied

Status Date: 04/21/2009

Settlement Amount:

Individual Contribution Amount:

Broker Statement BROKER-DEALER AND JACKSON NATIONAL LIFE CONDUCTED AN INVESTIGATION OF THE ALLEGATIONS AND DENIED THE CLAIM ON 4/21/2009.



End of Report

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