



## IAPD Report

# ALLEN ROY ERNST

CRD# 3171882

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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

### ALLEN ROY ERNST (CRD# 3171882)

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 **08/17/2023**.

### CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
<b>B</b>	LPL FINANCIAL LLC	CRD# 6413	04/12/2013
<b>IA</b>	LPL FINANCIAL LLC	CRD# 6413	04/12/2013

### QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **8** 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>	EDWARD JONES	250	LAKE FOREST PARK, WA	12/01/2009 - 04/15/2013
<b>B</b>	EDWARD JONES	250	LAKE FOREST PARK, WA	11/13/2009 - 04/15/2013
<b>B</b>	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	NEW YORK, NY	01/15/1999 - 03/16/2002

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

### Employment 1 of 1

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 Representative	Approved	04/12/2013
<b>B</b>	Arizona	Agent	Approved	09/01/2023
<b>B</b>	Colorado	Agent	Approved	04/18/2017
<b>B</b>	Idaho	Agent	Approved	06/02/2014
<b>B</b>	Montana	Agent	Approved	06/06/2014
<b>B</b>	Nevada	Agent	Approved	09/14/2022
<b>B</b>	Oregon	Agent	Approved	04/12/2013
<b>B</b>	Washington	Agent	Approved	04/12/2013
<b>IA</b>	Washington	Investment Adviser Representative	Approved	04/12/2013
<b>B</b>	Wyoming	Agent	Approved	05/04/2017

### Branch Office Locations

**LPL FINANCIAL LLC**  
KINGSTON, WA



## 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, 2 general industry/product exams, and 1 state securities law exam.**

#### Principal/Supervisory Exams

Exam	Category	Date
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No information reported.

#### General Industry/Product Exams

Exam	Category	Date
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Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
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General Securities Representative Examination (S7)	Series 7	11/12/2009
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#### State Securities Law Exams

Exam	Category	Date
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Uniform Combined State Law Examination (S66)	Series 66	11/25/2009
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### 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	12/01/2009 - 04/15/2013	EDWARD JONES	CRD# 250	LAKE FOREST PARK, W
B	11/13/2009 - 04/15/2013	EDWARD JONES	CRD# 250	LAKE FOREST PARK, W
B	01/15/1999 - 03/16/2002	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
04/2013 - Present	LPL FINANCIAL, LLC	REGISTERED REPRESENTATIVE	Y	KINGSTON, WA, 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. 4/2/2013: Guide Financial Group, LLC - Investment Related - At Reported Business Location(s) - DBA for LPL Business (entity for LPL business) - Time Spent 95%.



## 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	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 1

<b>Reporting Source:</b>	Regulator
<b>Employing firm when activities occurred which led to the complaint:</b>	MERRILL LYNCH, PIERCE, FENNER & SMITH, INC.
<b>Allegations:</b>	BREACH OF CONTRACT, BREACH OF FIDUCIARY DUTY, UNSUITABILITY, FRAUD, MISREPRESENTATION, NON-DISCLOSURE, AND NEGLIGENCE.
<b>Product Type:</b>	Other
<b>Other Product Type(s):</b>	STOCKS.
<b>Alleged Damages:</b>	\$200,000.00

### Arbitration Information

<b>Arbitration/Reparation Claim filed with and Docket/Case No.:</b>	<a href="#">NASD - CASE #02-06825</a>
<b>Date Notice/Process Served:</b>	11/08/2002
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Award
<b>Disposition Date:</b>	05/24/2004
<b>Disposition Detail:</b>	RESPONDENTS ARE JOINTLY AND SEVERALLY LIABLE TO AND SHALL PAY TO CLAIMANTS THE SUM OF \$186,532.00 IN COMPENSATORY DAMAGES. IN ADDITION, RESPONDENTS ARE JOINTLY AND SEVERALLY LIABLE TO AND SHALL PAY CLAIMANTS INTEREST.



**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH, PIERCE, FENNER & SMITH, INC.

**Allegations:** CUSTOMERS ALLEGE UNSUITABLE INVESTMENTS.

**Product Type:** Equity - OTC

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

**Alleged Damages:** \$200,000.00

**Customer Complaint Information**

**Date Complaint Received:** 05/22/2002

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 11/29/2002

**Settlement Amount:** \$0.00

**Individual Contribution Amount:** \$0.00

**Arbitration Information**

**Arbitration/Reparation Claim filed with and Docket/Case No.:** [NASD ARBITRATION NO.: 02-06825](#)

**Date Notice/Process Served:** 11/29/2002

**Arbitration Pending?** No

**Disposition:** Award to Customer

**Disposition Date:** 05/24/2004

**Monetary Compensation Amount:** \$216,554.67

**Individual Contribution Amount:** \$0.00

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**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** MERRILL LYNCH, PIERCE, FENNER & SMITH, INC.

**Allegations:** THE CUSTOMER'S COMPLAINT ALLEGED UNSUITABILITY.

2/00 CLIENTS CALLED TO PARTICIPATE IN IPO. ACCOUNT OPENED WITH\$3K.

3/00 CLIENTS SOLD HOME.

4/00 CLIENTS COMPLETE FF QUESTIONNAIRE.

4/00 CLIENTS TRANSFER \$300K INTO ML.

4/00 FF REPORT PRESENTED TO CLIENTS. INFORMED THEM THAT THEY WOULD NOT BE ABLE TO ACHIEVE THEIR RETIREMENT GOALS UNDER ANY ASSET ALLOCATION GIVEN THEIR SAVINGS.

4/00 IGNORING MY ALLOCATION ADVICE, CLIENTS REQUESTED I CONSTRUCT A MODERATELY AGGRESSIVE STOCK PORTFOLIO FOR THEM.



4/00 CLIENTS WERE PRESENTED WITH PORTFOLIO OF MOSTLY BLUE-CHIP STOCKS THAT HAD BEEN PERFORMING WELL. THEY RESEARCHED THE STOCKS AND REJECTED THE OIL & GAS STOCKS ON PERSONAL GROUNDS, THEREBY INCREASING THEIR EXPOSURE TO MORE VOLATILE SECTORS.

5/00 CLIENTS BOUGHT 16 STOCKS IN THEIR ACCOUNT AFTER HAVING RESEARCHED THEM. THE CLIENTS WERE LATER CAUGHT IN A LIE DURING ARBITRATION THAT THEY HAD NOT RESEARCHED THE STOCKS.

SUMMER '00 CLIENTS BEGIN FRIVOLOUSLY SPENDING ON MARGIN WHILE I WAS AWAY ON VACATION ROUGHLY ABOUT THE SAME TIME THE MARKET BEGINS TO FALTER. THEY SOLD THEIR POORER PERFORMING STOCKS. THE CLIENTS WERE LATER CAUGHT LYING DURING ARBITRATION THAT I HAD NOT GIVEN THEM ADVICE ON HOW TO MANAGE THEIR SITUATION.

9/00 CLIENTS BUY HOUSE ON SIGNIFICANT ACREAGE USING A PORTION OF THEIR ACCOUNT ON MARGIN.

10/00 PROMPTLY REPAY MARGIN BALANCE WITH PROCEEDS FROM OUTSIDE CD THAT MATURED.

FALL '00 THROUGH SUMMER '01 ACCOUNT VALUE FALLS. CLIENTS CONTINUE TO HOLD STOCKS, AGAINST MY ADVICE. CLIENTS IRRESPONSIBLY SPEND ON MARGIN AGAIN, AGAINST MY ADVICE. CLIENTS LATER CAUGHT IN LIE DURING ARBITRATION THAT THERE WAS LITTLE CONTACT BETWEEN THEM AND I DURING THIS TIME.

FALL '01 CLIENTS BEGIN RECEIVING MARGIN CALL. I ADVISE THEM TO SELL EVERYTHING AND REALLOCATE. THEY ELECTED, AGAINST MY ADVICE, TO SELL ONLY ENOUGH TO MEET THE MARGIN CALLS.

FALL '01 I TERMINATE MY RELATIONSHIP WITH CLIENTS AND TRANSFER THEIR ACCOUNT TO ANOTHER BROKER.

SPRING '02 CLIENTS FILE COMPLAINT LETTER WITH ML AND NASD CITING UNSUITABILITY.

SUMMER '02 STILL NOT LISTENING TO ADVICE, CLIENTS RECEIVE LETTER FROM ML STATING THAT IF THEY CONTINUED TO HOLD STOCKS IN THEIR ML ACCOUNT THEY WOULD BE DOING SO AT THEIR OWN RISK.

SUMMER '02 CLIENTS EVENTUALLY SELL THE REMAINING STOCKS IN THEIR ACCOUNT.

FALL '02 NASD ISSUES LETTER OF CAUTION FINDING UNSUITABILITY.

WE WERE STUNNED THAT 1) THEY WERE AWARDED A MONETARY AMOUNT AFTER HAVING BEEN CAUGHT IN SO MANY LIES, AND 2) THEY WERE THE ONES THAT HAD REQUESTED THE STOCK PORTFOLIO IN THE FIRST PLACE.

IT IS INTERESTING TO NOTE THAT IF THEY HAD ACTUALLY FOLLOWED MY ADVICE (NOT SPENT ON MARGIN) AND ADHERED TO MY AND MERRILL'S ADVICE AND RESEARCH TO STAY-THE-COURSE OF THEIR ORIGINAL INVESTMENT, THEY WOULD HAVE EVENTUALLY RECOUPED MOST OF THEIR LOSSES, AND PERHAPS COME OUT AHEAD.

**Product Type:** Equity Listed (Common & Preferred Stock)

**Alleged Damages:** \$224,278.00

### Customer Complaint Information

**Date Complaint Received:**

**Complaint Pending?** No

**Status:** Arbitration Award/Monetary Judgment (for claimants/plaintiffs)

**Status Date:** 05/24/2004

**Settlement Amount:**



**Individual Contribution  
Amount:**

**Arbitration Information**

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

**Docket/Case #:** [02-06825](#)

**Date Notice/Process Served:** 11/08/2002

**Arbitration Pending?** No

**Disposition:** Award to Customer

**Disposition Date:** 05/24/2004

**Monetary Compensation  
Amount:** \$186,532.00

**Individual Contribution  
Amount:** \$0.00



## End of Report

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