



## IAPD Report

# TRENT TREMAYNE HUGHES

CRD# 3226348

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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

### TRENT TREMAYNE HUGHES (CRD# 3226348)

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 **08/23/2019**.

### CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
IA	AMERIGO ASSET MANAGEMENT CORPORATION	CRD# 153607	05/02/2014

### 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
IA	BREWER INVESTMENT ADVISORS LLC	134631	CHICAGO, IL	07/07/2009 - 01/14/2010
B	BREWER FINANCIAL SERVICES, LLC	132558	PLANO, TX	01/06/2009 - 01/14/2010
B	BREWER FINANCIAL SERVICES, LLC	132558	CHICAGO, IL	05/27/2008 - 08/18/2008

For additional registration and employment history details as reported by the individual, refer to the Registration and Employment History section of the Detailed Report.

### DISCLOSURE INFORMATION

Disclosure events include certain criminal charges and convictions, formal investigations and disciplinary actions initiated by regulators, customer disputes and arbitrations, and financial disclosures such as bankruptcies and unpaid judgments or liens.

Are there events disclosed about this representative? **Yes**

The following types of events are disclosed about this representative:

Type	Count
Regulatory Event	1
Customer Dispute	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: **AMERIGO ASSET MANAGEMENT CORPORATION**  
Main Address: 4410 LIBRARY STREET  
PORT CHARLOTTE, FL 33948  
Firm ID#: 153607

Regulator	Registration	Status	Date
<b>IA</b> Texas	Investment Adviser Representative	Approved	05/02/2014

#### Branch Office Locations

**AMERIGO ASSET MANAGEMENT CORPORATION**  
17906 MARY MARGARET ST  
DALLAS, TX 75287



## 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, 1 general industry/product exam, and 3 state securities law exams.**

#### Principal/Supervisory Exams

Exam	Category	Date
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No information reported.

#### General Industry/Product Exams

Exam	Category	Date
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<b>B</b> General Securities Representative Examination (S7)	Series 7	07/06/1999
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#### State Securities Law Exams

Exam	Category	Date
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<b>IA</b> Uniform Investment Adviser Law Examination (S65)	Series 65	12/17/2013
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<b>IA</b> <b>B</b> Uniform Combined State Law Examination (S66)	Series 66	10/17/2002
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<b>B</b> Uniform Securities Agent State Law Examination (S63)	Series 63	08/19/1999
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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	07/07/2009 - 01/14/2010	BREWER INVESTMENT ADVISORS LLC	CRD# 134631	CHICAGO, IL
B	01/06/2009 - 01/14/2010	BREWER FINANCIAL SERVICES, LLC	CRD# 132558	PLANO, TX
B	05/27/2008 - 08/18/2008	BREWER FINANCIAL SERVICES, LLC	CRD# 132558	CHICAGO, IL
IA	05/27/2008 - 08/18/2008	BREWER INVESTMENT ADVISERS, LLC	CRD# 134631	CHICAGO, IL
B	03/16/2005 - 05/07/2008	AMERIPRISE FINANCIAL SERVICES, INC.	CRD# 6363	LEWISVILLE, TX
IA	03/16/2005 - 05/07/2008	AMERIPRISE FINANCIAL SERVICES, INC.	CRD# 6363	LEWISVILLE, TX
B	03/16/2005 - 07/03/2006	IDS LIFE INSURANCE COMPANY	CRD# 6321	MINNEAPOLIS, MN
IA	10/09/2002 - 02/08/2005	AMERICAN EXPRESS FINANCIAL ADVISORS, INC.	CRD# 6363	RICHARDSON, TX
B	10/08/2002 - 02/08/2005	AMERICAN EXPRESS FINANCIAL ADVISORS INC.	CRD# 6363	MINNEAPOLIS, MN
B	10/08/2002 - 02/08/2005	IDS LIFE INSURANCE COMPANY	CRD# 6321	MINNEAPOLIS, MN
B	10/15/2001 - 08/19/2002	GRAND FINANCIAL, INC.	CRD# 19571	ADDISON, TX
B	07/07/1999 - 10/08/2001	EDWARD JONES	CRD# 250	ST. LOUIS, MO

### 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
03/2014 - Present	AMERIGO ASSET MANAGEMENT	ADVISORY AGENT	Y	ADDISON, TX, United States



## Registration & Employment History



### 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. COMP EDGE-INSURANCE AGENT-STARTED 5/2010-10 TO 15 HOURS PER WEEK-HELP PROVIDE INSURANCE NEEDS.
2. GRAZENE-VP OF SALES-PHARMACUDICAL-STARTED 11/2009-5 TO 10 HRS PER WEEK-NOT AN INCOME GENERATING BUSINESS.
3. GETREAL-OWNER, MARKETING AND CONSULTING FIRM FOR YOUNG ATHLETES.



## 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

### 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

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	Other: N/A
<b>Date Initiated:</b>	04/14/2009
<b>Docket/Case Number:</b>	<a href="#">2008013391701</a>
<b>Employing firm when activity occurred which led to the regulatory action:</b>	IDS LIFE INSURANCE AND AMERIPRISE FINANCIAL SERVICES, INC
<b>Product Type:</b>	No Product
<b>Allegations:</b>	NASD RULE 2110: RESPONDENT TRENT T. HUGHES FALSIFIED 91 CASH DISTRIBUTION FORMS, TOTALING \$212,752, FOR CUSTOMERS. HUGHES FALSIFIED THE FORMS BY REUSING ORIGINAL SIGNATURE PAGES FROM PREVIOUSLY SUBMITTED FORMS, ALTERING THE DATES ON THE FORMS, ATTACHED THEM TO THE FIRST TWO PAGES OF A NEW CASH DISTRIBUTION FORM AND THEN SUBMITTED THE FALSIFIED FORMS TO HIS MEMBER FIRM FOR PROCESSING. HUGHES' MEMBER FIRM PROHIBITS ITS REGISTERED REPRESENTATIVES FROM SIGNING CUSTOMER NAMES, COPYING SIGNATURES AND/OR ALTERING DOCUMENTS UNDER ANY CIRCUMSTANCES.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Decision



**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:**

03/01/2010

**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**

<b>Sanction Type:</b>	Suspension
<b>Capacities Affected:</b>	ANY CAPACITY
<b>Duration:</b>	THREE MONTHS
<b>Start Date:</b>	03/15/2010
<b>End Date:</b>	06/14/2010

**Monetary Sanction 1 of 2**

<b>Monetary Related Sanction:</b>	Monetary Penalty other than Fines
<b>Total Amount:</b>	\$1,231.25
<b>Portion Levied against individual:</b>	\$1,231.25

**Payment Plan:**

**Is Payment Plan Current:**

**Date Paid by individual:**

<b>Was any portion of penalty waived?</b>	No
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**Amount Waived:**

**Monetary Sanction 2 of 2**

<b>Monetary Related Sanction:</b>	Civil and Administrative Penalty(ies)/Fine(s)
<b>Total Amount:</b>	\$5,000.00
<b>Portion Levied against individual:</b>	\$5,000.00

**Payment Plan:**

**Is Payment Plan Current:**

**Date Paid by individual:**

<b>Was any portion of penalty waived?</b>	No
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**Amount Waived:****Regulator Statement**

HEARING PANEL DECISION RENDERED JANUARY 12, 2010 WHEREIN HUGHES IS FINED \$5,000, ORDERED TO PAY COSTS OF \$1,231.25 AND SUSPENDED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY CAPACITY FOR THREE MONTHS FOR AFFIXING CUSTOMER SIGNATURES ON CASH DISTRIBUTION REQUESTS TO ACCOMMODATE CUSTOMERS, WITHOUT HIS FIRM'S KNOWLEDGE OR CONSENT. THE FINES AND COSTS SHALL BE DUE AND PAYABLE WHEN HUGHES RETURNS TO THE INDUSTRY. DECISION BECAME FINAL ON MARCH 1, 2010.

THE SUSPENSION IS IN EFFECT WITH THE OPENING OF BUSINESS ON MONDAY, MARCH 15, 2010, AND ENDS WITH THE CLOSE OF BUSINESS ON MONDAY, JUNE 14, 2010.

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**Reporting Source:**

Firm

**Regulatory Action Initiated By:**

FINRA

**Sanction(s) Sought:**

Monetary Penalty other than Fines  
Suspension  
Other: \$5000.00

**Date Initiated:**

01/12/2010

**Docket/Case Number:**[2008013391701](#)**Employing firm when activity occurred which led to the regulatory action:**

AMERIPRISE FINANCIAL SERVICES, INC

**Product Type:**

No Product

**Allegations:**

MR. HUGHES FALSIFIED 91 CASH DISBURSEMENT FORMS, FOR CUSTOMERS. MR. HUGHES FALSIFIED THE FORMS BY REUSING ORIGINAL SIGNATURE PAGES FROM PREVIOUSLY SUBMITTED FORMS, ALTERING THE DATES ON THE FORMS, ATTACHED THEM TO THE FIRST TWO PAGES OF A NEW CASH DISTURBING FORM AND THEN SUBMITTED THE FALSIFIED FORMS TO HIS MEMBER FIRM FOR PROCESSING.

**Current Status:**

Final

**Resolution:**

Decision

**Resolution Date:**

01/12/2010

**Sanctions Ordered:**

Monetary Penalty other than Fines  
Suspension  
Other: \$5,000.00 MONETARY FINE AND \$1,231.25 FOR ADMINISTRATIVE FEE AND COST OF HEARING TRANSCRIPTS.

**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?**

No

**(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**

No

**(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?**

No

**Sanction 1 of 1**

**Sanction Type:** Suspension

**Capacities Affected:** ALL CAPACITIES

**Duration:** 3 MONTHS

**Start Date:** 03/15/2010



**End Date:** 06/14/2010

**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:**

**Is Payment Plan Current:** Yes

**Date Paid by individual:**

**Was any portion of penalty waived?** No

**Amount Waived:**

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**Reporting Source:** Individual

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:** Other: N/A

**Date Initiated:** 04/14/2009

**Docket/Case Number:** [2008013391701](#)

**Employing firm when activity occurred which led to the regulatory action:** AMERIPRISE FINANCIAL

**Product Type:** No Product

**Allegations:** HUGHES COMPLETED CASH DISTRIBUTION FORMS AS DIRECTED BY THE CUSTOMERS, BUT USED A SIGNATURE PAGE FROM A CASH DISTRIBUTION FORM PREVIOUSLY SUBMITTED BY CUSTOMERS, ALTERED THE DATE ON THE SIGNATURE PAGE TO REFLECT THE CURRENT DATE

**Current Status:** Final

**Resolution:** Decision

**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:** 03/01/2010

**Sanctions Ordered:** Civil and Administrative Penalty(ies)/Fine(s)  
Monetary Penalty other than Fines  
Suspension

**Sanction 1 of 1**

**Sanction Type:** Suspension

**Capacities Affected:** ANY CAPACITY



<b>Duration:</b>	THREE MONTHS
<b>Start Date:</b>	03/15/2010
<b>End Date:</b>	06/14/2010
<b>Monetary Sanction 1 of 2</b>	
<b>Monetary Related Sanction:</b>	Civil and Administrative Penalty(ies)/Fine(s)
<b>Total Amount:</b>	\$5,000.00
<b>Portion Levied against individual:</b>	\$5,000.00
<b>Payment Plan:</b>	
<b>Is Payment Plan Current:</b>	Yes
<b>Date Paid by individual:</b>	
<b>Was any portion of penalty waived?</b>	No
<b>Amount Waived:</b>	
<b>Monetary Sanction 2 of 2</b>	
<b>Monetary Related Sanction:</b>	Monetary Penalty other than Fines
<b>Total Amount:</b>	\$1,231.25
<b>Portion Levied against individual:</b>	\$1,231.25
<b>Payment Plan:</b>	
<b>Is Payment Plan Current:</b>	Yes
<b>Date Paid by individual:</b>	
<b>Was any portion of penalty waived?</b>	No
<b>Amount Waived:</b>	



## 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:** Firm

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

**Allegations:** CLIENT APPEARS TO BE ALLEGING HUGHES HAD HIS AUTHORIZATION TO PURCHASE SHARES OF MCI WORLDCOM IN HIS ACCOUNT, BUT WAS NOT AWARE THE PURCHASE WAS MADE ON MARGIN. CLIENT CLAIMS, AS A RESULT OF MAKING THE PURCHASE ON MARGIN, HE HAS INCURRED \$4,500.00 IN UNNECESSARY INTEREST CHARGES. CLIENT ALSO STATES HE WAS SUBJECT TO MARGIN CALLS WHICH RESULTED IN HIM INCURRING ADDITIONAL LOSSES. CLIENT ALLEGES HE INVESTED APPROXIMATELY \$64,000 AND THE CURRENT MARKET VALUE OF THE ACCOUNT IS \$13,000.00. ALLEGED LOSSES EXCEED \$5,000.00.

**Product Type:** Equity - OTC

**Alleged Damages:** \$5,000.00

## Customer Complaint Information

**Date Complaint Received:** 04/10/2002

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 05/10/2002

**Settlement Amount:**

**Individual Contribution Amount:**

**Firm Statement** ACCORDING TO RECORDS, THE CLIENT'S ACCOUNT WAS ESTABLISHED IN 11/00 AND A LOAN WAS INITIATED IN 12/00. THERE WERE SEVERAL TRANSACTIONS EFFECTED IN THE ACCOUNT IN 2/01 (INCLUDING THE PURCHASE OF WORLDCOMM) WHICH INCREASED THE MARGIN BALANCE OF THE ACCOUNT. AT THE TIME OF THE TRANSACTIONS, THE CLIENT WOULD HAVE RECEIVED TRADE CONFIRMATIONS. IN ADDITION, HE HAS RECEIVED CUSTOMER STATEMENTS WHICH REFLECT ACCOUNT ACTIVITY (INCLUDING MARGIN ACTIVITY). ACCORDING TO HUGHES, HE REVIEWED THE ASPECTS OF THE MARGIN ACCOUNT WITH THE CLIENT AND BELIEVES THE CLIENT UNDERSTOOD



HOW THE ACCOUNT FUNCTIONED. HUGHES STATES HE DID TRY TO CONTACT THE CLIENT REGARDING MARGIN CALL BUT HAD DIFFICULTY DOING SO. EXPLAINED, ACCORDING TO THE TERMS OF THE CUSTOMER LOAN AGREEMENT, INVESTMENTS CAN BE LIQUIDATED IN ORDER TO MEET MARGIN CALLS. BASED ON OUR REVIEW, IT APPEARS THE CLIENT WAS AWARE OF THE TRANSACTIONS EFFECTED IN THE MARGIN ACCOUNT AND THE ASSOCIATED INTEREST CHARGES. CLAIM DENIED.

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**Reporting Source:** Individual

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

**Allegations:** CLIENT APPEARS TO BE ALLEGING HUGHES HAD HIS AUTHORIZATION TO PURCHASE SHARES OF MCI WORLDCOM IN HIS ACCOUNT, BUT WAS NOT AWARE THE PURCHASE WAS MADE ON MARGIN. CLIENT CLAIMS, AS A RESULT OF MAKING THE PURCHASE ON MARGIN, HE HAS INCURRED \$4,500 IN UNNECESSARY INTEREST CHARGES. CLIENT ALSO STATES HE WAS SUBJECT TO MARGIN CALLS WHICH RESULTED IN HIM INCURRING ADDITIONAL LOSSES. CLIENT ALLEGES HE INVESTED APPROXIMATELY \$64,000 AND THE CURRENT MARKET VALUE OF THE ACCOUNT IS \$13,000. ALLEGED LOSSES EXCEED \$5,000.

**Product Type:** Equity - OTC

**Alleged Damages:** \$5,000.00

### Customer Complaint Information

**Date Complaint Received:** 04/10/2002

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 05/10/2002

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement** ACCORDING TO RECORDS, THE CLIENT'S ACCOUNT WAS ESTABLISHED IN 11/00 AND A LOAN WAS INITIATED IN 12/00. THERE WERE SEVERAL TRANSACTIONS EFFECTED IN THE ACCOUNT IN 2/01 (INCLUDING THE PURCHASE OF WORLDCOM) WHICH INCREASED THE MARGIN BALANCE OF THE ACCOUNT. AT THE TIME OF THE TRANSACTIONS, THE CLIENT WOULD HAVE RECEIVED TRADE CONFIRMATIONS. IN ADDITION, HE HAS RECEIVED CUSTOMER STATEMENTS WHICH REFLECT ACCOUNT ACTIVITY (INCLUDING MARGIN ACTIVITY). ACCORDING TO HUGHES, HE REVIEWED THE ASPECTS OF THE MARGIN ACCOUNT WITH THE CLIENT AND BELIEVES THE CLIENT UNDERSTOOD HOW THE ACCOUNT FUNCTIONED. HUGHES STATES HE DID TRY TO CONTACT THE CLIENT REGARDING MARGIN CALL BUT HAD DIFFICULTY DOING SO. EXPLAINED, ACCORDING TO THE TERMS OF THE CUSTOMER LOAN AGREEMENT, INVESTMENTS CAN BE LIQUIDATED IN ORDER TO MEET MARGIN CALLS. BASED ON EDWARD JONES REVIEW, IT APPEARS THE CLIENT WAS AWARE OF THE TRANSACTIONS EFFECTED IN THE MARGIN ACCOUNT AND THE



ASSOCIATED INTEREST CHARGES. CLAIM DENIED.



## End of Report

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