



IAPD Report

JOSHUA DAVID STAMM

CRD# 4557338

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



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

Please contact FINRA with any concerns.



IAPD Information About Representatives

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

What is included in a IAPD report?

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

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

Where did this information come from?

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

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

How current is this information?

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

Need help interpreting this report?

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

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

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

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

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



Report Summary

JOSHUA DAVID STAMM (CRD# 4557338)

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 **11/10/2025**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
IA	LEGACY WEALTH MANAGEMENT GROUP, INC.	CRD# 322235	08/16/2022

QUALIFICATIONS

This representative is currently registered in **0** 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	CAITLIN JOHN	154494	Lynchburg, VA	03/13/2017 - 08/16/2022
IA	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	LYNCHBURG, VA	03/28/2008 - 12/31/2016
B	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	LYNCHBURG, VA	03/28/2008 - 07/25/2016

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	2
Customer Dispute	1
Termination	1



Qualifications

REGISTRATIONS

This section provides the SRO, states and U.S. territories in which the representative is currently registered and licensed, the category of each registration, and the date on which the registration becomes effective. This section also provides, for each firm with which the representative is currently employed, the address of each location where the representative works. This individual is currently registered with **3** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **LEGACY WEALTH MANAGEMENT GROUP, INC.**
Main Address: 1971 ENGLISH TAVERN ROAD
LYNCHBURG, VA 24501
Firm ID#: 322235

	Regulator	Registration	Status	Date
IA	North Carolina	Investment Adviser Representative	Approved	11/12/2025
IA	Texas	Investment Adviser Representative	Restricted Approval	11/12/2025
IA	Virginia	Investment Adviser Representative	Approved	08/16/2022

Branch Office Locations

LEGACY WEALTH MANAGEMENT GROUP, INC.
1971 ENGLISH TAVERN ROAD
LYNCHBURG, VA 24501





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
 General Securities Sales Supervisor - General Module Examination (S10)	Series 10	01/05/2006
 General Securities Sales Supervisor - Options Module Examination (S9)	Series 9	01/03/2006

General Industry/Product Exams

Exam	Category	Date
 Securities Industry Essentials Examination (SIE)	SIE	07/25/2016
 National Commodity Futures Examination (S3)	Series 3	12/01/2005
 General Securities Representative Examination (S7)	Series 7	08/26/2002

State Securities Law Exams

Exam	Category	Date
  Uniform Combined State Law Examination (S66)	Series 66	01/18/2005
 Uniform Securities Agent State Law Examination (S63)	Series 63	08/28/2002

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	03/13/2017 - 08/16/2022	CAITLIN JOHN	CRD# 154494	Lynchburg, VA
IA	03/28/2008 - 12/31/2016	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	CRD# 7691	LYNCHBURG, VA
B	03/28/2008 - 07/25/2016	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	CRD# 7691	LYNCHBURG, VA
IA	01/19/2005 - 04/14/2008	UBS FINANCIAL SERVICES INC.	CRD# 8174	LYNCHBURG, VA
B	11/05/2004 - 04/14/2008	UBS FINANCIAL SERVICES INC.	CRD# 8174	LYNCHBURG, VA
B	08/27/2002 - 11/08/2004	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
08/2022 - Present	LEGACY WEALTH MANAGEMENT GROUP, INC.	PRESIDENT / INVESTMENT ADVISOR	Y	LYNCHBURG, VA, United States
07/2017 - Present	LEGACY AUDITORIUM, LLC	CO-OWNER	N	LYNCHBURG, VA, United States
07/2016 - Present	OLD DOMINION INSURANCE PARTNERS, LLC	PRINCIPAL / INSURANCE AGENT	N	Lynchburg, VA, United States
02/2017 - 08/2022	CAITLIN JOHN, LLC	INVESTMENT ADVISOR REPRESENTATIVE	Y	Brighton, MI, United States
03/2008 - 06/2016	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED : 7691	FINANCIAL ADVISOR	Y	ROANOKE, VA, 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.

Insurance sales; investment-related; Lynchburg, VA; Insurance agent; start date: 01/2022; approximately 20 hrs/mo during trading



Registration & Employment History



OTHER BUSINESS ACTIVITIES

hours; sales of various insurance products.

Old Dominion Insurance Partners, non-investment related business dealing with P&C Insurance and Medicare Supplements. It is located at 1971 English Tavern Road, Suite B, Lynchburg, VA 24501 and was established in July of 2016. Mr. Stamm devotes approximately 120 hours per month to this business. The same amount of time is devoted during securities trading hours.

Joshua Stamm is a co-owner of Legacy Auditorium, LLC which maintain books and records pertaining to the rental of Legacy Private Wealth Management's auditorium by outside organizations. This business is not investment related and was started in July of 2017. It is located at 1971 English Tavern Road, Lynchburg, VA 24501. This activity takes approximately 1-5% of time spent per week during trading hours.



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	2
Customer Dispute	1
Termination	1

Regulatory Event

This disclosure event may include a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a federal regulator such as the Securities and Exchange Commission or the Commodities Futures Trading Commission, or a foreign financial regulatory body) for a violation of investment-related rules or regulations. This disclosure event may also include a revocation or suspension of an Investment Adviser Representative's authority to act as an attorney, accountant or federal contractor.

Disclosure 1 of 2

Reporting Source: Regulator

Regulatory Action Initiated By: FINRA

Sanction(s) Sought:

Date Initiated: 05/14/2018

Docket/Case Number: 2016050765201

Employing firm when activity occurred which led to the regulatory action: Merrill Lynch, Pierce, Fenner & Smith, Inc.

Product Type: Promissory Note

Allegations: Without admitting or denying the findings, Stamm consented to the sanctions and to the entry of findings that while associated with his member firm, he participated in two undisclosed private securities transactions in which a firm customer and the company that customer owned purchased a total of \$500,000 in promissory notes. The findings stated that Stamm introduced the owner of an ammunition manufacturing company (the Ammunition Company) to one of his customers who was also involved in the manufacturing business (the Customer). The Customer, through the manufacturing company owned by the Customer, purchased a \$300,000 promissory note issued by the Ammunition Company. Although Stamm did not receive any compensation as a result of the transaction, he participated in the purchase by reviewing the promissory note, making corrections to it, obtaining a signature on the note, delivering a check for the investment to the issuer, and providing the executed note to the Customer. The findings also stated that the Customer also purchased a \$200,000 promissory note issued by the Ammunition



Company. Again, although Stamm did not receive any compensation as a result of the transaction, he participated in the purchase by delivering a check for the investment to the issuer and providing the executed note to the Customer. Stamm did not provide any notice to his firm regarding the foregoing transactions prior to his participation in them.

Current Status: Final

Resolution: Acceptance, Waiver & Consent(AWC)

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Resolution Date: 05/14/2018

Sanctions Ordered: Civil and Administrative Penalty(ies)/Fine(s)
Suspension

If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise? No

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



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

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

Sanction 1 of 1

Sanction Type:	Suspension
Capacities Affected:	All capacities
Duration:	six months
Start Date:	05/21/2018
End Date:	11/20/2018

Monetary Sanction 1 of 1

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

**Amount Waived:**
.....

Reporting Source: Firm
Regulatory Action Initiated By: Financial Industry Regulatory Authority
Sanction(s) Sought: Civil and Administrative Penalty(ies)/Fine(s)
Suspension
Date Initiated: 05/14/2018
Docket/Case Number: 2016050765201
Employing firm when activity occurred which led to the regulatory action: Merrill Lynch, Pierce, Fenner & Smith Incorporated

Product Type: Promissory Note

Allegations: Without admitting or denying the findings, Stamm consented to the sanctions and to the entry of findings that while associated with his member firm, he participated in two undisclosed private securities transactions in which a firm customer and the company that customer owned purchased a total of \$500,000 in promissory notes. The findings stated that Stamm introduced the owner of an ammunition manufacturing company (the Ammunition Company) to one of his customers who was also involved in the manufacturing business (the Customer). The Customer, through the manufacturing company owned by the Customer, purchased a \$300,000 promissory note issued by the Ammunition Company. Although Stamm did not receive any compensation as a result of the transaction, he participated in the purchase by reviewing the promissory note, making corrections to it, obtaining a signature on the note, delivering a check for the investment to the issuer, and providing the executed note to the Customer. The findings also stated that the Customer also purchased a \$200,000 promissory note issued by the Ammunition Company. Again, although Stamm did not receive any compensation as a result of the transaction, he participated in the purchase by delivering a check for the investment to the issuer and providing the executed note to the Customer. Stamm did not provide any notice to his firm regarding the foregoing transactions prior to his participation in them.

Current Status: Final
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 05/14/2018
Sanctions Ordered: Civil and Administrative Penalty(ies)/Fine(s)
Suspension
If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise? No



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

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

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

Sanction 1 of 1

Sanction Type:	Suspension
Capacities Affected:	All Capacities
Duration:	6 months
Start Date:	05/21/2018



End Date: 11/20/2018

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:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Disclosure 2 of 2

Reporting Source: Regulator

Regulatory Action Initiated By: Virginia State Corporation Commission

Sanction(s) Sought: Civil and Administrative Penalty(ies)/Fine(s)
Monetary Penalty other than Fines
Prohibition

Date Initiated: 01/11/2017

Docket/Case Number: SEC-2016-00053

URL for Regulatory Action: <http://www.scc.virginia.gov/docketsearch#/caseDetails/136459>

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

Product Type: Promissory Note

Allegations: The Division alleges Mr. Stamm failed to gain approval from his employing firm prior to engaging in a securities activity and which the sales activity was not recorded on the books and records of the broker dealer Mr. Stamm formerly represented.

Current Status: Final

Resolution: Settled

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: 01/11/2017

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



Other: May not act in a supervisory role for four (4) years following entry of order (2)Heightened Supervision.

Monetary Sanction 1 of 2

Monetary Related Sanction: Monetary Penalty other than Fines

Total Amount: \$2,000.00

Portion Levied against individual: \$2,000.00

Payment Plan:

Is Payment Plan Current: Yes

Date Paid by individual: 01/03/2017

Was any portion of penalty waived? No

Amount Waived:

Monetary Sanction 2 of 2

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)

Total Amount: \$10,000.00

Portion Levied against individual: \$10,000.00

Payment Plan:

Is Payment Plan Current: Yes

Date Paid by individual: 01/03/2017

Was any portion of penalty waived? No

Amount Waived:

Regulator Statement

Based on the investigation, the Division alleged Stamm assisted a client in the drafting and administration of promissory notes being issued by the client's private company. The notes were not registered nor exempt from registration. The Division identified at least one investor who received instructions from Stamm's former broker-dealer branch office. The Division alleged Stamm (1)failed to gain approval from Merrill Lynch prior to engaging in the above securities activity and (2) such sales activity was not recorded on the books and records of the broker-dealer Stamm formerly represented. The Defendant was ordered to pay \$10,000 penalty, \$2,000 in costs of investigation, must not act as a supervisory for four(4) years, and must be placed on a heightened supervision plan upon being employed with a new firm.

Reporting Source: Firm

Regulatory Action Initiated By: Virginia State Corporation Commission

Sanction(s) Sought: Civil and Administrative Penalty(ies)/Fine(s)
Monetary Penalty other than Fines
Prohibition

Date Initiated: 01/11/2017

Docket/Case Number: SEC-2016-00053; URL:



<http://www.scc.virginia.gov/docketsearch#/caseDetails/136459>

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

Merrill Lynch, Pierce, Fenner & Smith Incorporated

Product Type:

Promissory Note

Allegations:

The Division alleges Mr. Stamm failed to gain approval from his employing firm prior to engaging in a securities activity and which the sales activity was not recorded on the books and records of the broker dealer Mr. Stamm former represented.

Current Status:

Final

Resolution:

Settled

Resolution Date:

01/11/2017

Sanctions Ordered:

Civil and Administrative Penalty(ies)/Fine(s)
Monetary Penalty other than Fines
Prohibition

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?

Monetary Sanction 1 of 2

Monetary Related Sanction: Monetary Penalty other than Fines

Total Amount: \$2,000.00

Portion Levied against individual: \$2,000.00

Payment Plan:

Is Payment Plan Current: Yes

Date Paid by individual: 01/03/2017

Was any portion of penalty waived? No

Amount Waived:

Monetary Sanction 2 of 2

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)

Total Amount: \$10,000.00

Portion Levied against individual: \$10,000.00

**Payment Plan:**

Is Payment Plan Current: Yes
Date Paid by individual: 01/03/2017
Was any portion of penalty waived? No

Amount Waived:**Firm Statement**

Based on the investigation, the Division alleged Stamm assisted a client in the drafting and administration of promissory notes being issued by the client's private company. The notes were not registered nor exempt from registration. The Division identified at least one investor who received instructions from Stamm's former broker-dealer branch office. The Division alleged Stamm (1) failed to gain approval from Merrill Lynch prior to engaging in the above securities activity and (2) such sales activity was not recorded on the books and records of the broker-dealer Stamm formerly represented. The Defendant was ordered to pay \$10,000 penalty, \$2,000 in costs of investigation, must not act as a supervisory for four(4) years, and must be placed on a heightened supervision plan upon being employed with a new firm.

Reporting Source: Individual
Regulatory Action Initiated By: Virginia State Corporation Commission
Sanction(s) Sought: Civil and Administrative Penalty(ies)/Fine(s)
Monetary Penalty other than Fines
Date Initiated: 12/16/2016
Docket/Case Number: SEC-2016-00053
Employing firm when activity occurred which led to the regulatory action: Merrill Lynch

Product Type: Promissory Note

Allegations: The Retail Franchising ("Division") alleges that the Defendant violated 21 VAC 5-20-280 B (2) of the Commission's Rules governing Broker-Dealers, Broker-Dealer Agents and Agents of the Issuer, 21 VAC 5-20-10 et seq. ("Rules"), by (i) failing to gain approval from Merrill Lynch prior to engaging in securities activity; and (ii) for the sales activity that was not recorded on the books and records of the broker-dealer the Defendant formerly represented. The Division identified at least one individual who invested in the Fund who was provided wire instructions by the Defendant's office, specifically regarding his purchase of the unregistered securities in Expansion.

Based on the investigation, the Division alleges the Defendant violated Rule 21 VAC 5-20-280 B (2) by effecting any securities transaction not recorded on the regular books or records of the broker-dealer which the agent represents, unless the transaction is authorized in writing by the broker-dealer prior to execution of the transaction.

Current Status: Final
Resolution: Settled



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:	01/11/2017
Sanctions Ordered:	Civil and Administrative Penalty(ies)/Fine(s) Monetary Penalty other than Fines Other: (1)The Defendant will be placed on a heightened supervision plan upon employment with a new broker-dealer and prior to registration with the Division. (2)The Defendant will not act in a supervisory role in the securities industry for a period of four (4) years from the date of entry of this Order. (3)The Defendant will not violate the Act in the future.
Monetary Sanction 1 of 2	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$2,000.00
Portion Levied against individual:	\$2,000.00
Payment Plan:	Immediate payment - Paid in full
Is Payment Plan Current:	Yes
Date Paid by individual:	12/16/2016
Was any portion of penalty waived?	No
Amount Waived:	
Monetary Sanction 2 of 2	
Monetary Related Sanction:	Monetary Penalty other than Fines
Total Amount:	\$10,000.00
Portion Levied against individual:	\$10,000.00
Payment Plan:	Immediate payment - Paid in full
Is Payment Plan Current:	Yes
Date Paid by individual:	12/16/2016
Was any portion of penalty waived?	No
Amount Waived:	



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: UBS FINANCIAL SERVICES INC.

Allegations: CLIENT ALLEGES THAT HE WAS TOLD THAT THE SECURITIES INVESTED IN HIS ACCOUNT [AUCTION RATE SECURITIES] WERE CD LIKE FUNDS THAT WOULD RETURN A GUARANTEED 7% MONTHLY. CLIENT FURTHER STATES HE WAS TOLD THAT THESE ARS WERE COMPLETELY SAFE AND THAT I COULD WITHDRAW THE MONEY OUT ANYTIME DURING A 28 DAY PERIOD. TIME FRAME: 2008. DAMAGES ESTIMATED TO BE IN EXCESS OF \$5,000.

Product Type: Other: AUCTION RATE SECURITIES

Alleged Damages: \$5,000.00

Alleged Damages Amount Explanation (if amount not exact): DAMAGES ESTIMATED TO BE IN EXCESS OF \$5,000.

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: 04/08/2008

Complaint Pending? No

Status: Closed/No Action

Status Date: 06/04/2008

Settlement Amount:

Individual Contribution Amount:

Firm Statement THE COMPLAINT AROSE BECAUSE OF UNPRECEDENTED MARKET EVENTS THAT CAUSED THE BREAKDOWN OF LIQUIDITY IN THE MARKET FOR AUCTION RATE SECURITIES.

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: UBS FINANCIAL SERVICES, INC.

Allegations: CLIENT ALLEGES THAT HE WAS TOLD THAT THE SECURITIES INVESTED IN



HIS ACCOUNT (AUCTION RATE SECURITIES) WERE CD LIKE FUNDS THAT WOULD RETURN A GUARANTEED 7% MONTHLY. CLIENT FURTHER STATES HE WAS TOLD THAT THESE ARS WERE COMPLETELY SAFE AND THAT I COULD WITHDRAW THE MONEY OUT ANYTIME DURING A 28 DAY PERIOD. TIME FRAME 2008. DAMAGES EXTIMATED TO BE IN EXCESS OF \$5000.00

Product Type:

Other: AUCTION RATE SECURITIES

Alleged Damages:

\$5,000.00

Alleged Damages Amount Explanation (if amount not exact):

DAMAGES ESTIMATED TO BE IN EXCESS OF \$5,000.

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:**

04/08/2008

Complaint Pending?

No

Status:

Closed/No Action

Status Date:

06/04/2008

Settlement Amount:**Individual Contribution Amount:****Broker Statement**

THIS COMPLAINT AROSE BECAUSE OF UNPRECEDENTED MARKET EVENTS THAT CAUSED THE BREAKDOWN OF LIQUIDITY IN THE MARKET FOR AUCTION RATE SECURITIES.



Termination

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

Disclosure 1 of 1

Reporting Source: Firm

Firm Name: Merrill Lynch, Pierce, Fenner & Smith Incorporated

Termination Type: Discharged

Termination Date: 06/29/2016

Allegations: Conduct including selling away, assisting a client in making credit arrangements outside the Firm and sending written correspondence without management review.

Product Type: Direct Investment-DPP & LP Interests

Reporting Source: Individual

Firm Name: Merrill Lynch

Termination Type: Discharged

Termination Date: 06/29/2016

Allegations: The Retail Franchising ("Division") alleges that the Defendant violated 21 VAC 5-20-280 B (2) of the Commission's Rules governing Broker-Dealers, Broker/Dealer Agents and Agents of the Issuer, 21 VAC 5-20-10 et seq. ("Rules"), by (i) failing to gain approval from Merrill Lynch prior to engaging in securities activity; and (ii) for the sales activity that was not recorded on the books and records of the broker-dealer the Defendant formerly represented. The Division identified at least one individual who invested in the Fund who was provided wire instructions by the Defendant's office, specifically regarding his purchase of the unregistered securities in Expansion.

Based on the investigation, the Division alleges the Defendant violated Rule 21 VAC 5-20-280 B (2) by effecting any securities transaction not recorded on the regular books or records of the broker-dealer which the agent represents, unless the transaction is authorized in writing by the broker-dealer prior to execution of the transaction

Product Type: Promissory Note



End of Report

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