



IAPD Report

NICHOLAS RICHARD CLADIS

CRD# 47182

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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

NICHOLAS RICHARD CLADIS (CRD# 47182)

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 **06/21/2022**.

CURRENT EMPLOYERS

Firm	CRD#	Registered Since
IA CLADIS INVESTMENT ADVISORY LLC	CRD# 153873	05/18/2010

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 CAPSTONE WEALTH MANAGEMENT	130128	BILLINGS, MT	02/06/2007 - 05/19/2010
IA UBS FINANCIAL SERVICES INC.	8174	BILLINGS, MT	10/14/1994 - 11/08/2006
B UBS FINANCIAL SERVICES INC.	8174	BILLINGS, MT	01/31/1980 - 11/08/2006

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	6
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 **1** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **CLADIS INVESTMENT ADVISORY LLC**
Main Address: 180 S. 32ND ST. WEST
SUITE 1
BILLINGS, MT 59102
Firm ID#: 153873

Regulator	Registration	Status	Date
IA Montana	Investment Adviser Representative	Approved	05/18/2010

Branch Office Locations

CLADIS INVESTMENT ADVISORY LLC
180 S. 32nd Street West
Suite 1
Billings, MT 59102






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



Principal/Supervisory Exams

Exam	Category	Date
 Registered Options Principal Examination (S4)	Series 4	10/10/1980
 Registered Principal Examination (S40)	Series 40	03/08/1977
 NYSE Branch Manager Examination (S12)	Series 12	10/28/1976

General Industry/Product Exams

Exam	Category	Date
 Interest Rate Options Examination (S5)	Series 5	10/26/1981
 AMEX Put and Call Exam (PC)	PC	09/02/1977
 Registered Representative Examination (S1)	Series 1	10/16/1973

State Securities Law Exams

Exam	Category	Date
 Uniform Investment Adviser Law Examination (S65)	Series 65	10/01/1994
 Uniform Securities Agent State Law Examination (S63)	Series 63	06/06/1987

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	02/06/2007 - 05/19/2010	CAPSTONE WEALTH MANAGEMENT	CRD# 130128	BILLINGS, MT
IA	10/14/1994 - 11/08/2006	UBS FINANCIAL SERVICES INC.	CRD# 8174	BILLINGS, MT
B	01/31/1980 - 11/08/2006	UBS FINANCIAL SERVICES INC.	CRD# 8174	BILLINGS, MT
B	06/22/1976 - 01/31/1980	PAINE, WEBBER, JACKSON & CURTIS INCORPORATED	CRD# 640	
B	10/19/1973 - 06/22/1976	PIPER, JAFFRAY & HOPWOOD INCORPORATED	CRD# 665	

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
05/2010 - Present	CLADIS INVESTMENT ADVISORY LLC	OWNER & INVESTMENT ADVISER REPRESENTATIVE	Y	BILLINGS, MT, 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.

No information reported.



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	6
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 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	STATE AUDITOR'S OFFICE STATE OF MONTANA
Sanction(s) Sought:	Restitution
Date Initiated:	12/04/2006
Docket/Case Number:	10-16-06-241 I
URL for Regulatory Action:	
Employing firm when activity occurred which led to the regulatory action:	UBS FINANCIAL SERVICES
Product Type:	Equity Listed (Common & Preferred Stock)
Allegations:	UNETHICAL AND FRAUDULENT SALES PRACTICES OF LENDING MONEY TO CLIENTS, BORROWING MONEY FROM CLIENTS, SHARING IN PROFITS AND LOSSES IN CLIENTS' ACCOUNTS, PAYING CLIENT MARGIN CALLS; FRAUD; FAILING TO COMPLY WITH A CONDITION IMPOSED BY THE MONTANA SECURITIES COMMISSIONER.
Current Status:	Final
Resolution:	Consent



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:

12/08/2006

Sanctions Ordered:

Other: PSYCHOLOGICAL EVALUATION, RESTITUTION, COMPLETION OF A COLLEGE BUSINESS ETHICS COURSE, HEIGHTENED SUPERVISION

Reporting Source:

Individual

Regulatory Action Initiated By:

STATE AUDITOR'S OFFICE STATE OF MONTANA

Sanction(s) Sought:

Restitution

Date Initiated:

12/04/2006

Docket/Case Number:

10-16-06-241 I

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

UBS FINANCIAL SERVICES

Product Type:

Equity Listed (Common & Preferred Stock)

Allegations:

UNETHICAL AND FRAUDULENT SALES PRACTICES OF LENDING MONEY TO CLIENTS, BORROWING MONEY FROM CLIENTS, SHARING IN PROFITS AND LOSSES IN CLIENTS' ACCOUNTS, PAYING CLIENT MARGIN CALLS; FRAUD; FAILING TO COMPLY WITH A CONDITION IMPOSED BY THE MONTANA SECURITIES COMMISSIONER

Current Status:

Final

Resolution:

Consent

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:

12/08/2006

Sanctions Ordered:

Other: Mr. Cladis' U4 and this DRP were updated to accurately reflect this matter was resolved with a consent agreement in which Mr. Cladis agreed to a psychological evaluation, pay restitution of \$544,000, completion of a college business ethics course, and heightened supervision for 2 years. No "order" or "final order" was issued and no sanctions were "ordered" against Mr. Cladis.

Broker Statement

Mr. Cladis' U4 and this DRP were updated to accurately reflect this matter was resolved with a consent agreement in which Mr. Cladis agreed to a psychological evaluation, pay restitution of \$544,000, completion of a college business ethics course, and heightened supervision for 2 years. No "order" or "final order" was issued and no sanctions were "ordered" against Mr. Cladis. Immediately upon executing the agreement Mr. Cladis paid the restitution. Within 2 months of executing the agreement Mr. Cladis satisfied additional requirements and his registration as an investment adviser representative was approved by the State of



Montana, Commissioner of Securities and Insurance with Capstone Wealth Management, Inc. on February 7, 2007.



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 6

Reporting Source: Firm

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

Allegations: CLIENT VERBALLY ALLEGED THAT FINANCIAL ADVISOR MADE TRADES IN HER ACCOUNT INVOLVING WORLDCOM AND MONTANA POWER WITHOUT HER AUTHORIZATION. TIME PERIOD UNSPECIFIED.

Product Type: Equity - OTC

Other Product Type(s): EQUITY LISTED

Alleged Damages: \$40,000.00

Customer Complaint Information

Date Complaint Received: 06/12/2007

Complaint Pending? No

Status: Settled

Status Date: 07/05/2007

Settlement Amount: \$40,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Individual

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

Allegations: CLIENT VERBALLY ALLEGED THAT FINANCIAL ADVISOR MADE TRADES IN HER ACCOUNT INVOLVING WORLDCOM AND MONTANA POWER WITHOUT HER AUTHORIZATION. TIME PERIOD UNSPECIFIED.

Product Type: Equity-OTC
Equity Listed (Common & Preferred Stock)

Alleged Damages: \$40,000.00

Is this an oral complaint? Yes

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? No

Customer Complaint Information

Date Complaint Received: 06/12/2007



Complaint Pending? No
Status: Settled
Status Date: 07/05/2007
Settlement Amount: \$40,000.00
Individual Contribution Amount: \$0.00

Disclosure 2 of 6

Reporting Source: Firm
Employing firm when activities occurred which led to the complaint: UBS FINANCIAL SERVICES INC.
Allegations: CLIENT ALLEGES THAT FINANCIAL ADVISOR "DECIDED ON PURCHASES AND SALES AND MADE THEM WITHOUT MY WRITTEN AUTHORIZATION." ALLEGED DAMAGES ESTIMATED TO BE IN EXCESS OF \$5,000.
Product Type: Other
Other Product Type(s): UNSPECIFIED
Alleged Damages: \$0.00

Customer Complaint Information

Date Complaint Received: 01/17/2007
Complaint Pending? No
Status: Denied
Status Date: 03/02/2007
Settlement Amount: \$0.00
Individual Contribution Amount: \$0.00
Firm Statement CLIENT SUBSEQUENTLY WITHDREW HER CLAIM

Disclosure 3 of 6

Reporting Source: Firm
Employing firm when activities occurred which led to the complaint: UBS FINANCIAL SERVICES INC.
Allegations: CLAIMANT ALLEGES BREACH OF FIDUCIARY DUTY, NEGLIGENCE, MISREPRESENTATION, FRAUD, OVER-CONCENTRATION IN TECHNOLOGY STOCKS AND UNAUTHORIZED TRADES IN CONNECTION WITH HIS UBS ACCOUNTS FROM 2000 THROUGH 2006.
Product Type: Equity - OTC
Alleged Damages: \$226,987.00

Customer Complaint Information

Date Complaint Received: 02/02/2007



Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 03/13/2007

Settlement Amount: \$0.00

Individual Contribution Amount: \$0.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD; CASE# 07-01323

Date Notice/Process Served: 05/02/2007

Arbitration Pending? No

Disposition: Settled

Disposition Date: 05/28/2007

Monetary Compensation Amount: \$40,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Individual

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

Allegations: CLAIMANT ALLEGES BREACH OF FIDUCIARY DUTY, NEGLIGENCE, MISREPRESENTATION, FRAUD, OVERCONCENTRATION IN TECHNOLOGY STOCKS AND UNAUTHORIZED TRADES IN CONNECTION WITH HIS UBS ACCOUNTS FROM 2000 THROUGH 2006.

Product Type: Equity-OTC

Alleged Damages: \$226,987.00

Customer Complaint Information

Date Complaint Received: 02/02/2007

Complaint Pending? No

Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)

Status Date: 03/13/2007

Settlement Amount: \$0.00

Individual Contribution Amount: \$0.00

Arbitration Information

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

Docket/Case #: 07-01323



Date Notice/Process Served: 05/02/2007

Arbitration Pending? No

Disposition: Settled

Disposition Date: 05/28/2007

Monetary Compensation Amount: \$40,000.00

Individual Contribution Amount: \$0.00

Disclosure 4 of 6

Reporting Source: Firm

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

Allegations: CLIENT ALLEGES THAT I FEEL THAT FINANCIAL ADVISORS'S ACTIONS (INVESTING IN TOUCH AMERICA) WERE "UNWISE" AND "UNSUITABLE FOR ME" AT "MY AGE" AND MY "FINANCIAL SITUATION." TIME FRAME: 2000 - 2003.

Product Type: Equity - OTC

Alleged Damages: \$33,000.00

Customer Complaint Information

Date Complaint Received: 10/23/2006

Complaint Pending? No

Status: Settled

Status Date: 12/13/2006

Settlement Amount: \$33,500.00

Individual Contribution Amount: \$0.00

Reporting Source: Individual

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

Allegations: CLIENT ALLEGES THAT I FEEL THAT FINANCIAL ADVISORS ACTIONS (INVESTING IN TOUCH AMERICA) WERE "UNWISE" AND "UNSUITABLE FOR ME" AT "MY AGE" AND MY FINANCIAL SITUATION AND TIME FRAME WAS 2000-2003.

Product Type: Equity - OTC

Alleged Damages: \$33,000.00

Customer Complaint Information

Date Complaint Received: 10/23/2006

Complaint Pending? No

Status: Settled



Status Date: 12/13/2006

Settlement Amount: \$33,500.00

Individual Contribution Amount: \$0.00

Disclosure 5 of 6

Reporting Source: Individual

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

Allegations: CLAIMANTS ALLEGED BREACH OF FIDUCIARY DUTY, SUITABILITY, MISREPRESENTATION, FRAUD, NEGLIGENCE AND FAILURE TO EXECUTE ORDERS IN CONNECTION WITH THE SECURITIES PURCHASED IN THEIR UBS ACCOUNTS.

Product Type: Equity-OTC

Alleged Damages: \$200,000.00

Customer Complaint Information

Date Complaint Received: 10/21/2002

Complaint Pending? No

Status: Evolved into Arbitration/CFTC reparation (the individual is a named party)

Status Date: 02/06/2003

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

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

Docket/Case #: 03-09191

Date Notice/Process Served: 01/06/2004

Arbitration Pending? No

Disposition: Settled

Disposition Date: 08/06/2004

Monetary Compensation Amount: \$41,865.00

Individual Contribution Amount: \$0.00

Disclosure 6 of 6

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: UBS PAINWEBBER INC.



Allegations: CLIENT ALLEGES THAT FA USED DISCRETION IN A PROFIT-SHARING PLAN ACCOUNT WITHOUT PROPER PAPERWORK. ADDITIONALLY CLIENT ALLEGES THAT INVESTMENTS MADE BY FA WERE UNSUITABLE AND NEGLIGENTLY MISREPRESENTED. TIME PERIOD SPECIFIED AS JANUARY 1999 - DECEMBER 2000.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$550,000.00

Customer Complaint Information

Date Complaint Received: 04/03/2001

Complaint Pending? No

Status: Settled

Status Date: 08/28/2001

Settlement Amount: \$75,000.00

Individual Contribution Amount: \$0.00



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:	Individual
Firm Name:	UBS FINANCIAL SERVICES INC.
Termination Type:	Discharged
Termination Date:	10/10/2006
Allegations:	ON OCTOBER 10, 2006, MR. CLADIS'S EMPLOYMENT WAS TERMINATED AFTER THE FIRM DETERMINED THAT HE HAD VIOLATED FIRM POLICY BY USING PERSONAL FUNDS TO COVER MARGIN CALLS IN CLIENT'S ACCOUNTS, AND THAT HE HAD MADE MISREPRESENTATIONS TO THE FIRM DURING THE COURSE OF AN INTERNAL REVIEW.
Product Type:	Equity - OTC
Other Product Types:	



End of Report

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