



IAPD Report

JAMES RANDY SMITH

CRD# 719534

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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

JAMES RANDY SMITH (CRD# 719534)

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 **11/07/2021**.

CURRENT EMPLOYERS

| | Firm | CRD# | Registered Since |
|-----------|-----------------------------------|------------|------------------|
| B | PROSPERA FINANCIAL SERVICES, INC. | CRD# 10740 | 03/29/2019 |
| IA | PROSPERA FINANCIAL SERVICES, INC. | CRD# 10740 | 03/29/2019 |

QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **5** 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 | UBS FINANCIAL SERVICES INC. | 8174 | HOUSTON, TX | 02/06/2009 - 04/03/2019 |
| IA | UBS FINANCIAL SERVICES INC. | 8174 | HOUSTON, TX | 02/06/2009 - 04/03/2019 |
| B | CITIGROUP GLOBAL MARKETS INC. | 7059 | HOUSTON, TX | 07/31/1993 - 02/26/2009 |

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 | 6 |



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

Employment 1 of 1

Firm Name: **PROSPERA FINANCIAL SERVICES, INC.**
Main Address: 5429 LBJ FREEWAY
SUITE 750
DALLAS, TX 75240
Firm ID#: 10740

| Regulator | Registration | Status | Date |
|--------------------|-----------------------------------|----------|------------|
| B FINRA | General Securities Representative | Approved | 03/29/2019 |
| B Florida | Agent | Approved | 03/29/2019 |
| B Georgia | Agent | Approved | 03/29/2019 |
| B Indiana | Agent | Approved | 04/04/2019 |
| B Louisiana | Agent | Approved | 03/29/2019 |
| B Texas | Agent | Approved | 03/29/2019 |
| IA Texas | Investment Adviser Representative | Approved | 03/29/2019 |

Branch Office Locations

PROSPERA FINANCIAL SERVICES, INC.
5429 LBJ FREEWAY
SUITE 750
DALLAS, TX 75240

PROSPERA FINANCIAL SERVICES, INC.
Houston, TX



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

Principal/Supervisory Exams

| Exam | Category | Date |
|------|----------|------|
|------|----------|------|

No information reported.

General Industry/Product Exams

| Exam | Category | Date |
|------|----------|------|
|------|----------|------|

| | | |
|--|-----------|------------|
| Securities Industry Essentials Examination (SIE) | SIE | 10/01/2018 |
| Futures Managed Funds Examination (S31) | Series 31 | 05/03/2006 |
| General Securities Representative Examination (S7) | Series 7 | 11/15/1980 |

State Securities Law Exams

| Exam | Category | Date |
|------|----------|------|
|------|----------|------|

| | | |
|--|-----------|------------|
| Uniform Investment Adviser Law Examination (S65) | Series 65 | 04/30/2009 |
| Uniform Securities Agent State Law Examination (S63) | Series 63 | 11/25/1980 |

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 |
|----|-------------------------|--|-----------|-----------------|
| B | 02/06/2009 - 04/03/2019 | UBS FINANCIAL SERVICES INC. | CRD# 8174 | HOUSTON, TX |
| IA | 02/06/2009 - 04/03/2019 | UBS FINANCIAL SERVICES INC. | CRD# 8174 | HOUSTON, TX |
| B | 07/31/1993 - 02/26/2009 | CITIGROUP GLOBAL MARKETS INC. | CRD# 7059 | HOUSTON, TX |
| IA | 07/31/1993 - 02/26/2009 | CITIGROUP GLOBAL MARKETS INC. | CRD# 7059 | HOUSTON, TX |
| B | 01/13/1988 - 07/31/1993 | LEHMAN BROTHERS INC. | CRD# 7506 | NEW YORK, NY |
| B | 01/13/1984 - 01/01/1988 | OPPENHEIMER & CO., INC. | CRD# 630 | |
| B | 02/07/1983 - 02/03/1984 | ESSEX COMPANY | CRD# 7598 | |
| B | 11/25/1980 - 01/17/1983 | UNDERWOOD, NEUHAUS & CO., INCORPORATED | CRD# 839 | |

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 |
|-------------------|----------------------------------|-------------------------|--------------------|----------------------------|
| 03/2019 - Present | Prospera Financial Services Inc. | Register Representative | Y | Dallas, TX, United States |
| 02/2009 - 03/2019 | UBS FINANCIAL SERVICES INC | FA | Y | HOUSTON, TX, 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.

Mr. Smith is an Insurance agent Fixed Insurance Business, located at 8919 Cardwell Lane, Houston TX 77055. Insurance Business spending 1-9% of his weekly time during market hours. Comp represents 1-9% of his annual income.

Mr. Smith is a Trustee for Newman Living Trust Located at 8919 Cardwell Lane Houston, Tx. 77055. This business is not investment related. Spending 1-9% of the time conducting this business weekly none during market hours. Compensations is 1-9% of his annual income.



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 | 6 |

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: | Individual |
| Employing firm when activities occurred which led to the complaint: | CITIGROUP GLOBAL MARKETS INC. |
| Allegations: | ALLEGED FC MADE MORE MONEY FROM "B" SHARES THAN CLIENT; ALSO COMPLAINED RE LACK OF ALTERNATIVE ADVICE 04/97-12/04. DAMAGES UNSPECIFIED. |
| Product Type: | Mutual Fund(s) |

Alleged Damages:

Customer Complaint Information

| | |
|--|------------|
| Date Complaint Received: | 07/12/2005 |
| Complaint Pending? | No |
| Status: | Settled |
| Status Date: | 12/08/2005 |
| Settlement Amount: | \$3,500.00 |
| Individual Contribution Amount: | \$1,750.00 |

Disclosure 2 of 6

| | |
|--------------------------|------------|
| Reporting Source: | Individual |
|--------------------------|------------|



Employing firm when activities occurred which led to the complaint: CITIGROUP GLOBAL MARKETS INC.

Allegations: CLIENT ALLEGED ANNUITY WAS MISREPRESENTED - JANUARY 2000. DAMAGES UNSPECIFIED.

Product Type: Annuity(ies) - Variable

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 10/08/2004

Complaint Pending? No

Status: Denied

Status Date: 12/27/2004

Settlement Amount:

Individual Contribution Amount:

Disclosure 3 of 6

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: CITIGROUP GLOBAL MARKETS INCORPORATED

Allegations: CLAIMANT ALLEGES CHURNING AND BREACH OF FIDUCIARY DUTY. THE TIME PERIOD APPEARS TO BE FROM 5/99 THROUGH 10/01.

Product Type: Mutual Fund(s)

Other Product Type(s): EQUITY LISTED

Alleged Damages: \$198,496.36

Customer Complaint Information

Date Complaint Received: 08/01/2003

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 08/01/2003

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD 03-05494

Date Notice/Process Served: 08/01/2003

Arbitration Pending? No

Disposition: Settled



Disposition Date: 01/27/2005
Monetary Compensation Amount: \$24,999.00
Individual Contribution Amount: \$0.00
Broker Statement FC WAS DISMISSED AS PART OF SETTLEMENT. FC NOT REQUIRED TO CONTRIBUTE TO SETTLEMENT AMOUNT. FIRM SETTLED FOR NOMINAL SUM FOR BUSINESS REASONS.

Disclosure 4 of 6

Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: SALOMON SMITH BARNEY INC.
Allegations: CLIENT ALLEGES SHE WAS GUARANTEED RETURNS.
ALLEGED DAMAGES - UNSPECIFIED
Product Type: Mutual Fund(s)
Alleged Damages:

Customer Complaint Information

Date Complaint Received: 01/30/2002
Complaint Pending? No
Status: Denied
Status Date: 05/30/2002
Settlement Amount:
Individual Contribution Amount:
Broker Statement DINA VENERO IS HANDLING THIS MATTER.

Disclosure 5 of 6

Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: SMITH BARNEY INC.
Allegations: ATTORNEY ALLEGED THAT THE MUTUAL FUNDS PURCHASED IN THE CLIENTS' ACCOUNTS WERE MISREPRESENTED, NOT IN ACCORDANCE WITH THEIR INSTRUCTIONS AND UNSUITABLE AMOUNT CLAIMED \$41,958 SMITH BARNEY
Product Type:
Alleged Damages: \$41,958.00

Customer Complaint Information

Date Complaint Received: 02/19/1999



Complaint Pending? No
Status: Denied
Status Date: 04/14/1999
Settlement Amount:
Individual Contribution Amount:
Broker Statement THE CLIENT'S CLAIM WAS DENIED
THERE WERE NO OPTIONS OR COMMODITIES INVOLVED.
NOT PROVIDED

Disclosure 6 of 6

Reporting Source: Firm
Employing firm when activities occurred which led to the complaint: OPPENHEIMER & CO.
Allegations:
Product Type:
Alleged Damages: \$95,000.00

Customer Complaint Information

Date Complaint Received:
Complaint Pending? No
Status: Arbitration/Reparation
Status Date: 12/01/1988
Settlement Amount:
Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD; 871512
Date Notice/Process Served: 07/01/1987
Arbitration Pending? No
Disposition: Settled
Disposition Date: 12/01/1988
Monetary Compensation Amount: \$46,000.00
Individual Contribution Amount: \$0.00
Firm Statement IN JULY 1987 [CUSTOMER] INSTITUTED AN ARBITRATION WITH THE NASD AGAINST OPPENHEIMER AND JAMES R. SMITH ALLEGING THAT THEY WERE UNINFORMED ABOUT THE MARKET RISK INVOLVED IN THEIR TRANSACTIONS IN KAISER STEEL PFD, A STOCK WHICH THEY PURCHASED IN MARCH 1984 AND JANUARY 1986. THE [CUSTOMER] ALLEGE A MARKET



LOSS OF APPROXIMATELY \$95,000.00. OPPENHEIMER AND SMITH HAVE DENIED ANY LIABILITY IN THE MATTER. THE ARBITRATION COMPLAINT WAS SETTLED IN DECEMBER OF 1988, FOR \$46,000.00. THE [CUSTOMER] ALLEGED THAT THE RECOMMENDATION THAT THEY PURCHASE KAISER STEEL PREFERRED A WAS NOT A SUITABLE RECOMMENDATION AND RESULTED IN LOSSES TO THEM OF \$95,000.00. **SMITH WAS NOT ASKED TO CONTRIBUTE TO THE SETTLEMENT.**

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: OPPENHEIMER & CO.

Allegations: CLAIMANTS CLAIMED THAT RESPONDENTS RECOMMENDED AND SOLD TO CLAIMANTS THE SECURITIES (9000 SHS KAISER STEEL \$1.04 PFD STOCK) WITH KNOWLEDGE THAT THE SECURITIES WERE NOT SUITABLE IN LIGHT OF CLAIMANTS INVESTMENT OBJECTIVES FINANCIAL SITUATION AND NEEDS AND THAT RESPONDENTS MADE MATERIAL OMISSIONS AND FALSE REPRESENTATIONS BY FAILING TO DISCLOSE THE SPECULATIVE NATURE OF THE STOCK.

Product Type:

Alleged Damages: \$95,000.00

Customer Complaint Information

Date Complaint Received:

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 12/01/1988

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD; 871512

Date Notice/Process Served: 07/01/1987

Arbitration Pending? No

Disposition: Settled

Disposition Date: 12/01/1988

Monetary Compensation Amount: \$46,000.00

Individual Contribution Amount: \$0.00

Broker Statement PAYMENT OF \$46,000 TO KIMBROUGHS BY OPPENHEIMER & CO (FC NOT HELD LIABLE AND DID NOT PARTICIPATE IN SETTLEMENT.) NOT PROVIDED



End of Report

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