

BrokerCheck Report

LPL FINANCIAL CORPORATION

CRD# 6413

Report #26898-93762, data current as of Wednesday, September 16, 2009.

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Firm Profile	2 - 13
Firm History	14
Firm Operations	15 - 29
Disclosure of Arbitration Awards, Disciplinary, Financial, and Regulatory Events	30 - 127
About this BrokerCheck Report	128

Dear Investor:

FINRA has generated the following BrokerCheck report for **LPL FINANCIAL CORPORATION**. The information contained within this report has been provided by a FINRA member firm(s) and securities regulators as part of the securities industry's registration and licensing process and represents the most current information reported to the Central Registration Depository (CRD®) system.

FINRA regulates the securities markets for the ultimate benefit and protection of the investor. FINRA believes the general public should have access to information that will help them determine whether to conduct, or continue to conduct, business with a FINRA member firm or any of the member's associated persons. To that end, FINRA has adopted a public disclosure policy to make certain types of information available to you. Examples of information FINRA provides include: actions by regulators, investment-related civil suits, customer disputes that contain allegations of sales practice violations against brokers, all felony charges and convictions, misdemeanor charges and convictions relating to securities violations, and financial events such as bankruptcies, compromises with creditors, judgments, and liens.

When evaluating this report, please keep in mind that it may include items that involve pending actions or allegations that may be contested and have not been resolved or proven. Such items may, in the end, be withdrawn or dismissed, or resolved in favor of the firm or broker, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

The information in this report is not the only resource you should consult. FINRA recommends that you learn as much as possible about the individual broker or brokerage firm from other sources, such as professional references, local consumer and

investment groups, or friends and family members who already have established investment business relationships.

FINRA BrokerCheck is governed by federal law, Securities and Exchange Commission (SEC) regulations and FINRA rules approved by the SEC. State disclosure programs are governed by state law, and may provide additional information on brokers and firms licensed by the state. Therefore, you should also consider requesting information from your state securities regulator. Refer to www.nasaa.org for a complete list of state securities regulators.

Thank you for using FINRA BrokerCheck.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. [For more information about FINRA, visit www.finra.org.](http://www.finra.org)

LPL FINANCIAL CORPORATION

CRD# 6413

SEC# 8-17668

Main Office Location

ONE BEACON STREET
22ND FLOOR
BOSTON, MA 02108-3106
Regulated by FINRA Boston Office

Mailing Address

ONE BEACON STREET
22ND FLOOR
BOSTON, MA 02108-3106

Business Telephone Number

617-423-3644

This firm is a brokerage firm and an investment adviser firm. For more information about investment adviser firms, visit the SEC's Investment Adviser Public Disclosure website at:

<http://www.adviserinfo.sec.gov>

Report Summary for this Firm

The report summary provides an overview of the firm's background. The firm and securities regulators have provided the information contained in this report as part of the securities industry registration and licensing process. More detailed information for this firm can be found in the firm's report. Select "View Full PDF Report" to view more detailed information about this firm. The information contained in this report was last updated by the firm via Uniform Application for Broker-Dealer Registration (Form BD), the Uniform Request for Broker-Dealer Withdrawal (Form BDW), or a securities regulator via a Uniform Disciplinary Action Reporting Form (Form U6) on 09/08/2009.

Firm Profile

This firm is classified as a corporation.

This firm was formed in California on 05/07/1973.

Its fiscal year ends in December.

Firm History

Information relating to the firm's history such as Other Business Names, Other Business, and Successions (e.g., mergers or acquisitions) can be found in the firm's full report.

Firm Operations**This firm is registered with:**

- the SEC
- 3 Self-Regulatory Organizations
- 53 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 17 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm does not have referral or financial arrangements with other brokers or dealers.

**Disclosure of Arbitration Awards, Disciplinary, Financial, and Regulatory Events**

This section includes details regarding disclosure events reported by or about this firm to CRD as part of the securities industry registration and licensing process. Examples of such disclosure events include certain disciplinary actions initiated by regulators, certain criminal charges and/or convictions, financial disclosures such as bankruptcies, and summary information regarding arbitration awards involving securities and commodities disputes between public customers and the firm.

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

The following types of disclosures were reported:

Regulatory Event

Arbitration

Bond



Firm Profile

This firm is classified as a corporation.

This firm was formed in California on 05/07/1973.

Its fiscal year ends in December.

Firm Names and Locations

This section includes details that were reported to CRD, regarding the firm's full legal name, business and mailing addresses, the firm's "Doing Business As" name (DBA) (if different from the full legal name), and any other name by which the firm conducts business and where such name is used.

LPL FINANCIAL CORPORATION

Doing business as LPL FINANCIAL CORPORATION

CRD# 6413

SEC# 8-17668

Main Office Location

ONE BEACON STREET
22ND FLOOR
BOSTON, MA 02108-3106

Regulated by FINRA Boston Office

Mailing Address

ONE BEACON STREET
22ND FLOOR
BOSTON, MA 02108-3106

Business Telephone Number

617-423-3644

Other Names of this Firm

Name	Where is it used
LPL	AK, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NJ, NM, NV, NY, OH, OK, OR, PA, PR, RI, SC, SD, TN,

LPL FINANCIAL SERVICES

TX, UT, VA, VT, WA,
WI, WV, WY

AK, AL, AR, AZ, CA,
CO, CT, DC, DE, FL,
GA, HI, IA, ID, IL, IN,
KS, KY, LA, MA, MD,
ME, MI, MN, MO,
MS, MT, NC, ND,
NE, NH, NJ, NM, NV,
NY, OH, OK, OR, PA,
PR, RI, SC, SD, TN,
TX, UT, VA, VT, WA,
WI, WV, WY



Firm Profile

This section provides information relating to all Direct Owners and Executive Officers as reported by the firm in CRD.

Direct Owners and Executive Officers

Legal Name & CRD# (if any):	LPL HOLDINGS, INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	PARENT COMPANY
Position Start Date	04/1989
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	ABOOD, DENISE MAROON 4763124
Is this a domestic or foreign entity or an individual?	Individual
Position	MANAGING DIRECTOR
Position Start Date	01/2008
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	ARNOLD, DAN HOGAN JR 2557410
Is this a domestic or foreign entity or an individual?	Individual
Position	MANAGING DIRECTOR
Position Start Date	08/2007

Firm Profile



Direct Owners and Executive Officers (continued)

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): BROWN, STEPHANIE LEIGH
1973369

Is this a domestic or foreign entity or an individual? Individual

Position GENERAL COUNSEL, MANAGING DIRECTOR

Position Start Date 12/1989

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): CASADY, MARK STEPHEN
2313239

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF EXECUTIVE OFFICER, CHAIRMAN OF THE BOARD

Position Start Date 12/2005

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): DWYER, WILLIAM EDWARD III

Firm Profile**Direct Owners and Executive Officers (continued)**

1274680

Is this a domestic or foreign entity or an individual? Individual

Position MANAGING DIRECTOR

Position Start Date 01/2004

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): EATON, JONATHAN GALEN
1433091

Is this a domestic or foreign entity or an individual? Individual

Position MANAGING DIRECTOR

Position Start Date 01/2008

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): FEENEY, CHRISTOPHER
3256593

Is this a domestic or foreign entity or an individual? Individual

Position MANAGING DIRECTOR, CHIEF INFORMATION OFFICER

Position Start Date 01/2008

Percentage of Ownership Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): HELLIKER, MARK ROBERT
3149815

Is this a domestic or foreign entity or an individual? Individual

Position MANAGING DIRECTOR

Position Start Date 08/2008

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): MOORE, ROBERT
2445455

Is this a domestic or foreign entity or an individual? Individual

Position MANAGING DIRECTOR, FINANCE, CHIEF FINANCIAL OFFICER

Position Start Date 03/2009

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): STEARNS, ESTHER MARION
1088948

Firm Profile**Direct Owners and Executive Officers (continued)**

Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF OPERATING OFFICER, PRESIDENT
Position Start Date	03/2009
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	TUORTO, JOSEPH PAUL 1006249
Is this a domestic or foreign entity or an individual?	Individual
Position	MANAGING DIRECTOR, COMPLIANCE
Position Start Date	01/2005
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	VALENZUELA, ABDIEL A 1986132
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF COMPLIANCE OFFICER - ADVISORY
Position Start Date	05/2009
Percentage of Ownership	Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): VANNOY-PINEDA, KATHLEEN DENISE
1347526

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF COMPLIANCE OFFICER-BROKERAGE

Position Start Date 05/2009

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): WHITE, GEORGE BURTON
3057759

Is this a domestic or foreign entity or an individual? Individual

Position MANAGING DIRECTOR, HEAD OF RESEARCH

Position Start Date 11/2007

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No



Firm Profile

This section provides information relating to Indirect Owners, if any, as reported by the firm in CRD.

Indirect Owners

Legal Name & CRD# (if any):	LPL INVESTMENT HOLDINGS INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	LPL HOLDINGS, INC.
Relationship to Direct Owner	PRINCIPAL STOCKHOLDER
Relationship Established	12/2005
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	BONDERMAN, DAVID NMI
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	TPG ADVISORS IV, INC.
Relationship to Direct Owner	STOCKHOLDER
Relationship Established	12/2005
Percentage of Ownership	50% but less than 75%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	COULTER, JAMES GEORGE
Is this a domestic or foreign entity or an individual?	Individual



Firm Profile

Indirect Owners (continued)

Company through which indirect ownership is established TPG ADVISORS IV, INC.

Relationship to Direct Owner STOCKHOLDER

Relationship Established 12/2005

Percentage of Ownership 50% but less than 75%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): HELLMAN & FRIEDMAN CAPITAL PARTNERS V, L.P.

Is this a domestic or foreign entity or an individual? Domestic Entity

Company through which indirect ownership is established LPL INVESTMENT HOLDINGS, INC

Relationship to Direct Owner STOCKHOLDER

Relationship Established 12/2005

Percentage of Ownership 25% but less than 50%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): TPG PARTNERS IV, L.P.

Is this a domestic or foreign entity or an individual? Domestic Entity

Company through which indirect ownership is established LPL INVESTMENT HOLDINGS, INC.

Relationship to Direct Owner STOCKHOLDER

Relationship Established 12/2005

Firm Profile



Indirect Owners (continued)

Percentage of Ownership 25% but less than 50%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): HELLMAN & FRIEDMAN INVESTORS V, LLC.

Is this a domestic or foreign entity or an individual? Domestic Entity

Company through which indirect ownership is established HELLMAN & FRIEDMAN CAPITAL PARTNERS V, LP

Relationship to Direct Owner GENERAL PARTNER

Relationship Established 12/2005

Percentage of Ownership Other General Partners

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): TPG ADVISORS IV, INC.

Is this a domestic or foreign entity or an individual? Domestic Entity

Company through which indirect ownership is established TPG GENPAR IV, L.P.

Relationship to Direct Owner GENERAL PARTNER

Relationship Established 12/2005

Percentage of Ownership Other General Partners

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Firm Profile
Indirect Owners (continued)
 company?

Legal Name & CRD# (if any):	TPG GENPAR IV, L.P.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	TPG PARTNERS IV, L.P.
Relationship to Direct Owner	GENERAL PARTNER
Relationship Established	12/2005
Percentage of Ownership	Other General Partners
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Firm History

This section provides information relating to successions (e.g., mergers or acquisitions), if any, as reported by the firm in CRD.



No information reported.



Firm Operations

Registrations

This section provides information about the regulators (e.g., U.S. Securities and Exchange Commission (SEC), self-regulatory organizations, states and U.S. territories) in which the firm is currently registered and licensed, and the date the registration became effective, as well as certain information about the firm's SEC registration.

This firm is currently registered with the SEC, 3 SROs and 53 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	08/10/1973

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: Yes

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	02/16/1973
Chicago Stock Exchange	Approved	06/29/2006
NASDAQ Stock Market	Approved	07/12/2006



Firm Operations

Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	01/11/1983
Alaska	Approved	08/11/1983
Arizona	Approved	11/03/1978
Arkansas	Approved	03/07/1983
California	Approved	09/28/1973
Colorado	Approved	02/01/1983
Connecticut	Approved	06/09/1983
Delaware	Approved	10/06/1981
District of Columbia	Approved	10/10/1981
Florida	Approved	04/27/1983
Georgia	Approved	09/22/1981
Hawaii	Approved	02/24/1986
Idaho	Approved	06/24/1980
Illinois	Approved	07/15/1980
Indiana	Approved	10/21/1981
Iowa	Approved	07/14/1983
Kansas	Approved	04/08/1982
Kentucky	Approved	07/16/1982
Louisiana	Approved	04/20/1983
Maine	Approved	02/14/1984
Maryland	Approved	10/03/1981
Massachusetts	Approved	07/31/1981
Michigan	Approved	02/03/1983
Minnesota	Approved	07/15/1982
Mississippi	Approved	01/13/1983
Missouri	Approved	07/18/1983
Montana	Approved	04/20/1983
Nebraska	Approved	09/21/1982
Nevada	Approved	07/18/1983
New Hampshire	Approved	02/02/1983
New Jersey	Approved	07/14/1983
New Mexico	Approved	10/07/1981
New York	Approved	06/10/1983

U.S. States & Territories	Status	Date Effective
North Carolina	Approved	07/15/1982
North Dakota	Approved	10/17/1983
Ohio	Approved	07/16/1982
Oklahoma	Approved	07/17/1982
Oregon	Approved	10/24/1981
Pennsylvania	Approved	11/06/1980
Puerto Rico	Approved	10/26/1994
Rhode Island	Approved	04/13/1983
South Carolina	Approved	10/28/1981
South Dakota	Approved	07/15/1982
Tennessee	Approved	08/17/1981
Texas	Approved	07/25/1983
Utah	Approved	04/21/1983
Vermont	Approved	02/13/1984
Virgin Islands	Approved	04/01/2005
Virginia	Approved	10/01/1981
Washington	Approved	05/05/1983
West Virginia	Approved	03/16/1983
Wisconsin	Approved	03/04/1982
Wyoming	Approved	02/24/1982



Firm Operations

Types of Business

This section provides the types of business and any other business or other non-securities business the firm is engaged in or is expected to be engaged in as reported by the firm in CRD.

This firm currently conducts 17 types of businesses.

Types of Business

Exchange member engaged in exchange commission business other than floor activities
Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Underwriter or selling group participant (corporate securities other than mutual funds)
Mutual fund retailer
U S. government securities broker
Municipal securities broker
Broker or dealer selling variable life insurance or annuities
Solicitor of time deposits in a financial institution
Broker or dealer selling oil and gas interests
Put and call broker or dealer or option writer
Investment advisory services
Broker or dealer selling tax shelters or limited partnerships in primary distributions
Trading securities for own account
Private placements of securities
Broker or dealer involved in a networking, kiosk or similar arrangement with a: bank, savings bank or association, or credit union
Other

Other Types of Business

This firm does affect transactions in commodities, commodity futures, or commodity options.

This firm does engage in other non-securities business.

Non-Securities Business Description: 13B LPL FINANCIAL CORPORATION, IS A GENERAL AGENT FOR LIFE AND DISABILITY INSURANCE.
LPL FINANCIAL CORPORATION, TRANSACTS BUSINESS AS AN INTRODUCING BROKER, TRADING ON A FULLY-DISCLOSED BASIS FOR ITS CUSTOMERS IN COMMODITIES, COMMODITY FUTURES AND COMMODITY OPTIONS THROUGH ADM INVESTOR SERVICES, 1610A BOARD OF TRADING BLDG., 141 WEST JACKSON BLVD., CHICAGO, IL

60604.

Firm Operations



Clearing Arrangements

This firm does hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does not refer or introduce customers to other brokers and dealers.

Firm Operations

Industry Arrangements



This firm does not have books or records maintained by a third party.

This firm does not have accounts, funds, or securities maintained by a third party.

This firm does not have customer accounts, funds, or securities maintained by a third party.

Control Persons/Financing

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.



Firm Operations

Organization Affiliates

This section provides any information on control relationships the firm has with other firms in the securities, investment advisory, or banking business as reported by the firm in CRD.

This firm is, directly or indirectly:

- in control of
 - controlled by
 - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

TPG CAPITAL BD, LLC is under common control with the firm.

CRD #:	143876
Business Address:	301 COMMERCE STREET, SUITE 3300 FORT WORTH, TX 76102
Effective Date:	03/21/2007
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG CAPITAL, LLP is under common control with the firm.

Business Address:	5-7 CARLTON GARDENS LONDON SW1Y 5AD, UK
Effective Date:	03/21/2007
Foreign Entity:	Yes
Country:	UK
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY

Firm Operations**Organization Affiliates (continued)**

AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG GROWTH CAPITAL (ASIA) LIMITED is under common control with the firm.

Business Address: 57/F, SUITE 5704-13
TWO INTERNATIONAL FINANCE CENTRE, 8 FINANCE STREET
CENTRAL, HONG KONG

Effective Date: 03/21/2007

Foreign Entity: Yes

Country: HONG KONG

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

SCA DEVELOPMENT, INC. is under common control with the firm.

CRD #: 35451

Business Address: ONE HEALTHSOUTH PARKWAY
BIRMINGHAM, AL 35243

Effective Date: 06/30/2007

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG CAPITAL - INDIA PRIVATE, LTD. is under common control with the firm.

Business Address: 153 MAKER CHAMBER VI
NARIMAN POINT
MUMBAI, INDIA 400021

Firm Operations**Organization Affiliates (continued)**

Effective Date: 03/21/2007
Foreign Entity: Yes
Country: INDIA
Securities Activities: Yes
Investment Advisory Activities: Yes
Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG GROWTH, LLC is under common control with the firm.

Business Address: 301 COMMERCE STREET
 SUITE 3300
 FORT WORTH, TX 76102
Effective Date: 03/21/2007
Foreign Entity: No
Country:
Securities Activities: Yes
Investment Advisory Activities: Yes
Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG INDIA, LLC is under common control with the firm.

Business Address: 301 COMMERCE STREET
 FORT WORTH, TX 76102
Effective Date: 03/21/2007
Foreign Entity: No
Country:
Securities Activities: Yes
Investment Advisory Activities: Yes
Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY

Firm Operations**Organization Affiliates (continued)**

AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG CAPITAL (S) PTE LTD. is under common control with the firm.

Business Address: 1 GEORGE STREET
SINGAPORE, SINGAPORE 049145

Effective Date: 03/21/2007

Foreign Entity: Yes

Country: SINGAPORE

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG CAPITAL - LUXEMBOURG, S.A.R.L. is under common control with the firm.

Business Address: 5 RUE EUGENE RUPPERT
LUXEMBOURG, LUXEMBOURG L-2453

Effective Date: 03/21/2007

Foreign Entity: Yes

Country: LUXEMBOURG

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG CAPITAL - JAPAN, LTD is under common control with the firm.

Business Address: 2-5-1. ATAGO
MINATO-KU
TOKYO, JAPAN 105-6236

Effective Date: 03/21/2007

Foreign Entity: Yes

Firm Operations**Organization Affiliates (continued)**

Country: JAPAN

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG CAPITAL, LIMITED is under common control with the firm.

Business Address: 8 FINANCE STREET
CENTRAL, HONG KONG

Effective Date: 03/21/2007

Foreign Entity: Yes

Country: HONG KONG

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG CAPITAL - NEW YORK, INC. is under common control with the firm.

Business Address: 301 COMMERCE STREET
FORT WORTH, TX 76102

Effective Date: 03/21/2007

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

Firm Operations**Organization Affiliates (continued)****TPG CAPTIAL (AUSTRALIA) PTY LTD. is under common control with the firm.**

Business Address: 120 COLLINS STREET
MELBOURNE, VICTORIA, AUSTRALIA 3000

Effective Date: 03/21/2007

Foreign Entity: Yes

Country: AUSTRALIA

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG GROWTH - CHINA LIMITED is under common control with the firm.

Business Address: 57/F, SUITE 5704-13
TWO INTERNATIONAL FINANCE CENTER, 8 FINANCE STREET
CENTRAL, HONG KONG

Effective Date: 03/21/2007

Foreign Entity: Yes

Country: HONG KONG

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

TPG CAPITAL, L.P. is under common control with the firm.

Business Address: 301 COMMERCE STREET
FORT WORTH, TX 76102

Effective Date: 03/07/2007

Foreign Entity: No

Country:

Securities Activities: Yes

Firm Operations**Organization Affiliates (continued)**

Investment Advisory Activities: Yes

Description: MESSRS. BONDERMAN AND COULTER INDIRECTLY CONTROL THIS ENTITY AND CONTROL A PRIVATE EQUITY FUND THAT INDIRECTLY CONTROLS APPLICANT.

ASSOCIATED PLANNERS INVESTMENT ADVISORY INC is under common control with the firm.

CRD #: 104790

Business Address: 5933 WEST CENTURY BLVD.
LOS ANGELES, CA 90045

Effective Date: 06/20/2007

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: WE ARE OWNED BY THE SAME PARENT COMPANY LPL HOLDINGS, INC.

MUTUAL SERVICE CORPORATION is under common control with the firm.

CRD #: 4806

Business Address: 250 AUSTRALIAN AVE SOUTH
WEST PALM BEACH, FL 33401-5012

Effective Date: 06/20/2007

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: WE ARE OWNED BY THE SAME PARENT COMPANY LPL HOLDINGS, INC.

WATERSTONE FINANCIAL GROUP, INC. is under common control with the firm.

CRD #: 10078

Business Address: 500 PARK BLVD.

Firm Operations**Organization Affiliates (continued)**

SUITE 800
ITASCA, IL 60143-2645

Effective Date: 06/20/2007

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: WE ARE OWNED BY THE SAME PARENT COMPANY LPL HOLDINGS, INC.

ASSOCIATED SECURITIES CORP. is under common control with the firm.

CRD #: 12969

Business Address: 222 N. SEPULVEDA BLVD
18TH FLOOR
EL SEGUNDO, CA 90245

Effective Date: 06/20/2007

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: WE ARE OWNED BY THE SAME PARENT COMPANY LPL HOLDINGS, INC.

UVEST FINANCIAL SERVICES GROUP, INC. is under common control with the firm.

CRD #: 13787

Business Address: 200 S. COLLEGE STREET, 21ST FLOOR
CHARLOTTE, NC 28202

Effective Date: 01/02/2007

Foreign Entity: No

Country:

Securities Activities: Yes

Firm Operations**Organization Affiliates (continued)**

Investment Advisory Activities: Yes

Description: WE ARE OWNED BY THE SAME PARENT COMPANY LPL HOLDINGS, INC.

INDEPENDENT ADVISERS GROUP CORP is under common control with the firm.

Business Address: ONE BEACON STREET, 22ND FLOOR
BOSTON, MA 02110

Effective Date: 01/22/1996

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: INDEPENDENT ADVISERS GROUP IS A RELATED PARTY TO LPL.

This firm is not directly or indirectly, controlled by the following:

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank



Disclosure of Arbitration Awards, Disciplinary, Financial, and Regulatory Events

Firms are required to answer a series of disclosure questions on Form BD and provide corresponding details to certain events as part of the securities industry registration and licensing process. The disclosure questions concern certain criminal events, civil actions, financial disclosures (e.g., bankruptcy or liquidation proceedings filed within the past ten years), bond actions and unpaid judgments and liens. The firm must answer either "yes" or "no" to each question as it applies to the firm itself or to any of its control affiliates (i.e., an individual, partnership, corporation, trust, or other organization that directly or indirectly controls, is under common control with, or is controlled by the firm). This section lists the various disclosure questions and their corresponding answers as reported by the firm on Form BD.



Possible multiple reporting sources -- please note:

Disclosure event details may be reported by more than one source (i.e., regulator or firm). When this occurs, all versions of the reported event will appear in the firm's BrokerCheck report. The different versions of the same reported disclosure event are separated by a solid line with the reporting source clearly labeled.

	Pending	Final	On Appeal
Regulatory Event	0	24	0
Arbitration	N/A	56	N/A
Bond	N/A	1	N/A



Disclosure Event Details

This section provides the specific details for each disclosure event that was reported in CRD which was reported as part of the securities industry registration and licensing process. It also includes summary information regarding arbitration awards in cases where the firm was named as a respondent in the consumer-initiated arbitration proceeding, if any.

Nothing will be displayed in this section of the firm's BrokerCheck Report when the firm has no reported disclosure information.

If the firm does have reported disclosure events, please keep the following in mind when evaluating the disclosure event details. Items may involve pending actions or allegations that may be contested and have not been resolved or proven. In the end, the items may be withdrawn, dismissed, or otherwise resolved in favor of the firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD by the firm and/or by regulators. Some of the specific data fields contained in this section of the report may be blank if the information was not provided to CRD.

Disclosure events may be reported by more than one source (i.e., regulator and firm). When this occurs, all versions of the event will appear on the firm's BrokerCheck report. A solid line separates the different versions of the same disclosure event with the reporting source labeled (e.g., Source: Firm or Source: Regulator).

Regulatory - Final

This section provides information regarding any final, regulatory action as reported by the firm and/or a securities regulator to CRD as part of the securities industry registration and licensing process. Such event may include a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a self-regulatory organization, a federal regulator such as the U.S. Securities and Exchange Commission (SEC) or the Commodity Futures Trading Commission (CFTC), or a foreign financial regulatory body) for a violation of investment-related rules or regulations. In addition, a revocation or suspension of the authority of a firm's control affiliate to act as an attorney, accountant or federal contractor, if any, will appear here.

Disclosure 1 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: MSRB RULE G-14 - LPL FINANCIAL CORPORATION FAILED TO REPORT INFORMATION REGARDING PURCHASE AND SALE TRANSACTIONS EFFECTED IN MUNICIPAL SECURITIES TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) IN THE MANNER PRESCRIBED BY RULE G-14 RTRS PROCEDURES AND THE RTRS USERS MANUAL. THE FIRM FAILED TO REPORT INFORMATION ABOUT TRANSACTIONS WITHIN 15 MINUTES OF THE TIME OF TRADE TO AN RTRS PORTAL AND FAILED TO REPORT INFORMATION ABOUT TRANSACTIONS INVOLVING AUCTION RATE PRODUCTS BY THE END OF THE RTRS BUSINESS DAY ON WHICH THE



TRANSACTIONS WERE EXECUTED.

Initiated By: FINRA

Date Initiated: 09/04/2009

Docket/Case Number: 2008013716201

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/04/2009

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

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS FINED \$5,000.

Disclosure 2 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: FAILURE TO DISCLOSE TO CLIENTS MATERIAL INFORMATION IN CONNECTION WITH THE OFFER, SALE, OR PURCHASE OF SECURITIES BY OMITTING TO INFORM CLIENTS THAT THE SECURITIES PRODUCTS WERE OFFERED THROUGH LPL AND WERE NOT BANK PRODUCTS AND THEREFORE NOT FDIC INSURED. THIS ACTIVITY TOOK PLACE AT CENTRAL PACIFIC INVESTMENT SERVICES BRANCH OFFICE IN KAHULUI, MAUI.

Initiated By: HAWAII



Date Initiated: 12/24/2007

Docket/Case Number: SEU-2007-73

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 08/18/2009

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

Sanctions Ordered: Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details: AN ADMINISTRATIVE PENALTY OF \$10,000.00 WAS ASSESSED AND PAID.

Summary: ENTERED INTO A CONSENT AGREEMENT WITH LPL, CENTRAL PACIFIC BANK DBA CENTRAL PACIFIC INVESTMENT SERVICES, AND JASON SCOTT WILLIAMS. AN ADMINISTRATIVE PENALTY OF \$10,000.00 WAS ASSESSED AND PAID.

Disclosure 3 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: ON OR ABOUT JULY 25,1983, LPL FINANCIAL CORPORATION REGISTERED WITH THE SECURITIES COMMISSIONER AS A DEALER. SOMETIME BETWEEN FEBRUARY 2005 AND DECEMBER 26, 2005, AN AGENT OF LPL FINANCIAL CORPORATION NOTIFIED THE FIRM OF A FELONY CHARGE THAT OCCURED ON OR ABOUT DECEMBER 18, 2004. ON OR ABOUT MARCH 3, 2006, A FORM U-4 DISCLOSING THE FELONY CHARGE WAS FILED WITH THE SECURITIES COMMISSIONER ON BEHALF OF ITS AGENT. AT THE TIME OF THE FELONY CHARGE, LPL'S WRITTEN PROCEDURES PROVIDED THAT "LPL FINANCIAL ADVISORS AND OTHER ASSOCIATED PERSONS MUST IMMEDIATELY NOTIFY THEIR OSJ BRANCH MANAGER



AND LPL'S LEGAL DEPARTMENT IF THEY ARE EVER CHARGED WITH OR CONVICTED OF ANY FELONY..THE FORM U4 OF REGISTERED PERSONNEL WILL BE PROMPTLY UPDATED TO REFLECT SUCH CHARGES, CONVICTIONS.." LPL FINANCIAL CORPORATION FAILED TO ENFORCE ITS WRITTEN PROCEDURES RELATING TO THE NOTIFICATION OF A FELONY CHARGE AND FORM U-4 UPDATE.

Initiated By: TEXAS

Date Initiated: 12/30/2008

Docket/Case Number: IC08-CAF-22

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Reprimand

Other Sanction(s)/Relief Sought: ADMINISTRATIVE FINE

Resolution: Order

Resolution Date: 12/30/2008

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

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered: REPRIMAND/UNDERTAKING

Sanction Details: NO OTHER SANCTIONS FOLLOW.

Reporting Source: Firm

Current Status: Final

Allegations: ON OR ABOUT JULY 25, 1983, LPL FINANCIAL CORPORATION REGISTERED WITH THE SECURITIES COMMISSIONER AS A DEALER. SOMETIME BETWEEN FEBRUARY 2005 AND DECEMBER 26, 2005, AN AGENT OF LPL FINANCIAL CORPORATION NOTIFIED THE FIRM OF A FELONY CHARGE THAT OCCURED ON OR ABOUT DECEMBER 18, 2004. ON OR ABOUT MARCH 3, 2006, A FORM U-4 DISCLOSING THE FELONY CHARGE WAS FILED WITH THE SECURITIES COMMISSIONER ON BEHALF OF ITS AGENT.



AT THE TIME OF THE FELONY CHARGE, LPL'S WRITTEN PROCEDURES PROVIDED THAT "LPL FINANCIAL ADVISORS AND OTHER ASSOCIATED PERSONS MUST IMMEDIATELY NOTIFY THEIR OSJ BRANCH MANAGER AND LPL'S LEGAL DEPARTMENT IF THEY ARE EVER CHARGED WITH OR CONVICTED OF ANY FELONY.. THE FORM U4 OF REGISTERED PERSONNEL WILL BE PROMPTLY UPDATED TO REFLECT SUCH CHARGES, CONVICTIONS.." LPL FINANCIAL CORPORATION FAILED TO ENFORCE ITS WRITTEN PROCEDURES RELATING TO THE NOTIFICATION OF A FELONY CHARGE AND FORM U-4 UPDATE.

Initiated By: TEXAS

Date Initiated: 12/30/2008

Docket/Case Number: IC08-CAF-22

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Reprimand

Other Sanction(s)/Relief Sought: ADMINISTRATIVE FINE

Resolution: Other

Resolution Date: 12/30/2008

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered: REPRIMAND/UNDERTAKING

Sanction Details: NO OTHER SANCTIONS FOLLOW.

Disclosure 4 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: SEC ADMINISTRATIVE PROCEEDING RELEASE NOS. 58515 AND 2775, SEPTEMBER 11, 2008: THE SEC DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED PURSUANT TO SECTIONS 15(B) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECTIONS 203(E) AND 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940 AGAINST LPL FINANCIAL CORPORATION, FORMERLY KNOWN AS LINSICO/PRIVATE LEDGER CORP. ("LPL"). IN ANTICIPATION OF THE INSTITUTION OF THESE PROCEEDINGS,



RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT ("OFFER") WHICH THE SEC HAS DETERMINED TO ACCEPT. THESE PROCEEDINGS ARISE OUT OF THE VIOLATIONS BY LPL, A REGISTERED BROKER-DEALER, INVESTMENT ADVISER, AND TRANSFER AGENT, OF THE SAFEGUARDS RULE OF REGULATION S-P (17 CFR SEC. 248.30(A)) (THE "SAFEGUARDS RULE"), WHICH REQUIRES BROKER-DEALERS AND SEC-REGISTERED INVESTMENT ADVISERS TO ADOPT WRITTEN POLICIES AND PROCEDURES REASONABLY DESIGNED TO PROTECT CUSTOMER INFORMATION. DESPITE ITS BEING AWARE AS EARLY AS 2006 THAT IT HAD INSUFFICIENT SECURITY CONTROLS TO SAFEGUARD CUSTOMER INFORMATION AT ITS BRANCH OFFICES, LPL FAILED TO IMPLEMENT ADEQUATE CONTROLS, INCLUDING SOME SECURITY MEASURES, WHICH LEFT CUSTOMER INFORMATION AT LPL'S BRANCH OFFICES VULNERABLE TO UNAUTHORIZED ACCESS. BETWEEN MID-JULY 2007 AND FEBRUARY 2008, LPL EXPERIENCED A SERIES OF COMPUTER SYSTEM SECURITY BREACHES IN WHICH AN UNAUTHORIZED PERSON(S) ACCESSED AND TRADED, OR ATTEMPTED TO TRADE, IN THE CUSTOMER ACCOUNTS OF SEVERAL OF LPL'S REGISTERED REPRESENTATIVES. AS OF THE DATE OF THE "HACKING" INCIDENTS, LPL HAD FAILED TO IMPLEMENT INCREASED SECURITY MEASURES AND ADOPT POLICIES AND PROCEDURES REASONABLY DESIGNED TO SAFEGUARD CUSTOMER INFORMATION AS REQUIRED BY REGULATION S-P. LPL DETECTED THE BREACHES AND ABSORBED THE LOSSES IN THE CUSTOMER ACCOUNTS. NONETHELESS, LPL'S FAILURES LEFT CUSTOMER INFORMATION VULNERABLE TO IDENTITY THIEVES OR OTHER UNAUTHORIZED USERS AT THE FIRM'S BRANCH OFFICES.

Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Date Initiated:	09/11/2008
Docket/Case Number:	3-13181
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	CENSURE, A CIVIL MONEY PENALTY, AND UNDERTAKINGS.
Resolution:	Order
Resolution Date:	09/11/2008



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?

No

Sanctions Ordered:

Censure
 Monetary/Fine \$275,000.00
 Cease and Desist/Injunction

Other Sanctions Ordered:

UNDERTAKINGS - A. DEVISE AND IMPLEMENT, WITHIN 30 DAYS AFTER THE ISSUANCE OF THIS ORDER, A POLICY AND A SET OF PROCEDURES FOR TRAINING ITS EMPLOYEES AND ALL REGISTERED REPRESENTATIVES REGARDING SAFEGUARDING CUSTOMER RECORDS AND INFORMATION. B. RETAIN, WITHIN TEN (10) DAYS OF THE DATE OF ENTRY OF THIS ORDER, THE SERVICES OF AN INDEPENDENT CONSULTANT. LPL SHALL EXCLUSIVELY BEAR ALL COSTS OF THE INDEPENDENT CONSULTANT. LPL SHALL RETAIN THE INDEPENDENT CONSULTANT TO: (I) REVIEW LPL'S WRITTEN POLICIES AND PROCEDURES RELATING TO THE SAFEGUARDS RULE OF REGULATION S-P; AND (II) MAKE RECOMMENDATIONS CONCERNING THESE POLICIES AND PROCEDURES WITH A VIEW TO ASSURING COMPLIANCE WITH THE SAFEGUARDS RULE OF REGULATION S-P. C. NO LATER THAN TEN (10) DAYS FOLLOWING THE DATE OF THE INDEPENDENT CONSULTANT'S ENGAGEMENT, PROVIDE TO THE COMMISSION STAFF A COPY OF AN ENGAGEMENT LETTER DETAILING THE INDEPENDENT CONSULTANT'S RESPONSIBILITIES PURSUANT TO PARAGRAPH B ABOVE. D. ARRANGE FOR THE INDEPENDENT CONSULTANT TO ISSUE ITS REPORT WITHIN 90 DAYS AFTER THE DATE OF THE ENGAGEMENT. WITHIN TEN (10) DAYS AFTER THE ISSUANCE OF THE REPORT, LPL SHALL REQUIRE THE INDEPENDENT CONSULTANT TO SUBMIT A COPY OF THE INDEPENDENT CONSULTANT'S REPORT. THE INDEPENDENT CONSULTANT'S REPORT SHALL DESCRIBE THE REVIEW PERFORMED AND THE CONCLUSIONS REACHED AND SHALL INCLUDE ANY RECOMMENDATIONS DEEMED NECESSARY FOR CHANGES IN OR IMPROVEMENTS TO LPL'S WRITTEN POLICIES AND PROCEDURES AND A PROCEDURE FOR IMPLEMENTING THE RECOMMENDED CHANGES OR IMPROVEMENTS. E. WITHIN 30 DAYS OF RECEIPT OF THE INDEPENDENT CONSULTANT'S REPORT, ADOPT ALL RECOMMENDATIONS CONTAINED IN THE REPORT AND REMEDY ANY DEFICIENCIES IN ITS WRITTEN POLICIES AND PROCEDURES; PROVIDED, HOWEVER, THAT AS TO ANY RECOMMENDATION THAT LPL BELIEVES IS UNNECESSARY OR INAPPROPRIATE, LPL MAY, WITHIN FIFTEEN (15) DAYS OF RECEIPT OF THE REPORT, ADVISE THE INDEPENDENT CONSULTANT AND THE COMMISSION'S STAFF IN WRITING OF ANY RECOMMENDATIONS [CONTINUE TO ITEM #14]

**Sanction Details:**

SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS HEREIN, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER IT AND THE SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED, RESPONDENT CONSENTS TO THE ENTRY OF THIS ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTIONS 15(B) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECTIONS 203(E) AND 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER AS TO LPL FINANCIAL CORPORATION ("ORDER"). ACCORDINGLY, PURSUANT TO SECTIONS 15(B) AND 21C OF THE EXCHANGE ACT AND SECTIONS 203(E) AND 203(K) OF THE ADVISERS ACT, IT IS HEREBY ORDERED THAT: A. RESPONDENT LPL SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF RULE 30(A) OF REGULATION S-P (17 C.F.R. SEC. 248.30(A)). B. RESPONDENT LPL IS CENSURED. C. IT IS FURTHER ORDERED THAT RESPONDENT LPL SHALL, WITHIN TEN (10) DAYS OF THE ENTRY OF THIS ORDER, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$275,000.00 TO THE UNITED STATES TREASURY. IF TIMELY PAYMENT IS NOT MADE, ADDITIONAL INTEREST SHALL ACCRUE PURSUANT TO 31 U.S.C. 3717. D. RESPONDENT SHALL COMPLY WITH ABOVE UNDERTAKINGS.

Summary:

THAT IT CONSIDERS TO BE UNNECESSARY OR INAPPROPRIATE. WITH RESPECT TO ANY RECOMMENDATION THAT LPL CONSIDERS UNNECESSARY OR INAPPROPRIATE, LPL SHALL PROPOSE IN WRITING AN ALTERNATIVE POLICY OR PROCEDURE DESIGNED TO ACHIEVE THE SAME OBJECTIVE OR PURPOSE. F. WITH RESPECT TO ANY RECOMMENDATION WITH WHICH LPL AND THE INDEPENDENT CONSULTANT DO NOT AGREE, ATTEMPT IN GOOD FAITH TO REACH AN AGREEMENT WITH THE INDEPENDENT CONSULTANT WITHIN 30 DAYS OF RECEIPT OF THE REPORT. IN THE EVENT THAT LPL AND THE INDEPENDENT CONSULTANT ARE UNABLE TO AGREE ON AN ALTERNATIVE PROPOSAL ACCEPTABLE TO THE SEC, LPL WILL ABIDE BY THE ORIGINAL RECOMMENDATION OF THE INDEPENDENT CONSULTANT. G. WITHIN 180 DAYS OF THE ENTRY OF THIS ORDER, SUBMIT AN AFFIDAVIT TO THE SEC STATING THAT IT HAS IMPLEMENTED ANY AND ALL RECOMMENDATIONS OF THE INDEPENDENT CONSULTANT, OR EXPLAINING THE CIRCUMSTANCES UNDER WHICH IT HAS NOT IMPLEMENTED SUCH RECOMMENDATIONS. H. COOPERATE FULLY WITH THE INDEPENDENT CONSULTANT AND PROVIDE THE INDEPENDENT CONSULTANT WITH ACCESS TO ITS FILES, BOOKS, RECORDS AND PERSONNEL AS REASONABLY REQUESTED FOR THE INDEPENDENT CONSULTANT'S REVIEW. I. LPL SHALL REQUIRE THE



INDEPENDENT CONSULTANT TO ENTER INTO AN AGREEMENT THAT PROVIDES THAT FOR THE PERIOD OF ENGAGEMENT AND FOR A PERIOD OF TWO YEARS FROM COMPLETION OF THE ENGAGEMENT, THE INDEPENDENT CONSULTANT SHALL NOT ENTER INTO ANY EMPLOYMENT, CONSULTANT, ATTORNEY-CLIENT, AUDITING OR OTHER PROFESSIONAL RELATIONSHIP WITH LPL, OR ANY OF ITS PRESENT OR FORMER AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES, OR AGENTS ACTING IN THEIR CAPACITY. THE AGREEMENT WILL ALSO PROVIDE THAT THE INDEPENDENT CONSULTANT WILL REQUIRE THAT ANY FIRM WITH WHICH HE IS AFFILIATED OR OF WHICH HE IS A MEMBER, AND ANY PERSON ENGAGED TO ASSIST THE INDEPENDENT CONSULTANT IN PERFORMANCE OF HIS DUTIES UNDER THIS ORDER SHALL NOT, WITHOUT PRIOR WRITTEN CONSENT OF THE SEC, EMPLOYMENT, CONSULTANT, ATTORNEY-CLIENT, AUDITING OR OTHER PROFESSIONAL RELATIONSHIP WITH LPL.

Reporting Source: Firm

Current Status: Final

Allegations: SEC ADMINISTRATIVE PROCEEDING RELEASE NOS. 58515 AND 2775, SEPTEMBER 11, 2008: THE SEC DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED PURSUANT TO SECTIONS 15(B) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECTIONS 203(E) AND 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940 AGAINST LPL FINANCIAL CORPORATION, FORMERLY KNOWN AS LINSICO/PRIVATE LEDGER CORP. ("LPL"). IN ANTICIPATION OF THE INSTITUTION OF THESE PROCEEDINGS, RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT ("OFFER") WHICH THE SEC HAS DETERMINED TO ACCEPT. THESE PROCEEDINGS ARISE OUT OF THE VIOLATIONS BY LPL, A REGISTERED BROKER-DEALER, INVESTMENT ADVISER, AND TRANSFER AGENT, OF THE SAFEGUARDS RULE OF REGULATION S-P (17 CFR SEC. 248.30(A)) (THE "SAFEGUARDS RULE"), WHICH REQUIRES BROKER-DEALERS AND SEC-REGISTERED INVESTMENT ADVISERS TO ADOPT WRITTEN POLICIES AND PROCEDURES REASONABLY DESIGNED TO PROTECT CUSTOMER INFORMATION.

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 09/11/2008

Docket/Case Number: 3-13181

Principal Product Type: No Product

Other Product Type(s):



Principal Sanction(s)/Relief Sought: Cease and Desist

Other Sanction(s)/Relief Sought: CENSURE, A CIVIL MONEY PENALTY, AND UNDERTAKINGS

Resolution: Order

Resolution Date: 09/11/2008

Sanctions Ordered: Censure
Monetary/Fine \$275,000.00
Cease and Desist/Injunction

Other Sanctions Ordered: UNDERTAKINGS - A. DEVISE AND IMPLEMENT, WITHIN 30 DAYS AFTER THE ISSUANCE OF THIS ORDER, A POLICY AND A SET OF PROCEDURES FOR TRAINING ITS EMPLOYEES AND ALL REGISTERED REPRESENTATIVES REGARDING SAFEGUARDING CUSTOMER RECORDS AND INFORMATION. B. RETAIN, WITHIN TEN (10) DAYS OF THE DATE OF ENTRY OF THIS ORDER, THE SERVICES OF AN INDEPENDENT CONSULTANT. LPL SHALL EXCLUSIVELY BEAR ALL COSTS OF THE INDEPENDENT CONSULTANT. LPL SHALL RETAIN THE INDEPENDENT CONSULTANT TO: (I) REVIEW LPL'S WRITTEN POLICIES AND PROCEDURES RELATING TO THE SAFEGUARDS RULE OF REGULATION S-P; AND (II) MAKE RECOMMENDATIONS CONCERNING THESE POLICIES AND PROCEDURES WITH A VIEW TO ASSURING COMPLIANCE WITH THE SAFEGUARDS RULE OF REGULATION S-P. C. NO LATER THAN TEN (10) DAYS FOLLOWING THE DATE OF THE INDEPENDENT CONSULTANT'S ENGAGEMENT, PROVIDE TO THE COMMISSION STAFF A COPY OF AN ENGAGEMENT LETTER DETAILING THE INDEPENDENT CONSULTANT'S RESPONSIBILITIES PURSUANT TO PARAGRAPH B ABOVE. D. ARRANGE FOR THE INDEPENDENT CONSULTANT TO ISSUE ITS REPORT WITHIN 90 DAYS AFTER THE DATE OF THE ENGAGEMENT. WITHIN TEN (10) DAYS AFTER THE ISSUANCE OF THE REPORT, LPL SHALL REQUIRE THE INDEPENDENT CONSULTANT TO SUBMIT A COPY OF THE INDEPENDENT CONSULTANT'S REPORT. THE INDEPENDENT CONSULTANT'S REPORT SHALL DESCRIBE THE REVIEW PERFORMED AND THE CONCLUSIONS REACHED AND SHALL INCLUDE ANY RECOMMENDATIONS DEEMED NECESSARY FOR CHANGES IN OR IMPROVEMENTS TO LPL'S WRITTEN POLICIES AND PROCEDURES AND A PROCEDURE FOR IMPLEMENTING THE RECOMMENDED CHANGES OR IMPROVEMENTS. E. WITHIN 30 DAYS OF RECEIPT OF THE INDEPENDENT CONSULTANT'S REPORT, ADOPT ALL RECOMMENDATIONS CONTAINED IN THE REPORT AND REMEDY ANY DEFICIENCIES IN ITS WRITTEN POLICIES AND PROCEDURES; PROVIDED, HOWEVER, THAT AS TO ANY RECOMMENDATION THAT LPL BELIEVES IS UNNECESSARY OR INAPPROPRIATE, LPL MAY, WITHIN FIFTEEN (15) DAYS OF RECEIPT OF THE REPORT, ADVISE THE INDEPENDENT CONSULTANT AND THE COMMISSION'S STAFF IN WRITING OF ANY RECOMMENDATIONS



[CONTINUE TO ITEM #13]

Sanction Details:

SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS HEREIN, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER IT AND THE SUBJECT MATTER OF THESE PROCEEDINGS, WHICH ARE ADMITTED, RESPONDENT CONSENTS TO THE ENTRY OF THIS ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTIONS 15(B) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECTIONS 203(E) AND 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER AS TO LPL FINANCIAL CORPORATION ("ORDER"). ACCORDINGLY, PURSUANT TO SECTIONS 15(B) AND 21C OF THE EXCHANGE ACT AND SECTIONS 203(E) AND 203(K) OF THE ADVISERS ACT, IT IS HEREBY ORDERED THAT: A. RESPONDENT LPL SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF RULE 30(A) OF REGULATION S-P (17 C.F.R. SEC. 248.30(A)). B. RESPONDENT LPL IS CENSURED. C. IT IS FURTHER ORDERED THAT RESPONDENT LPL SHALL, WITHIN TEN (10) DAYS OF THE ENTRY OF THIS ORDER, PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$275,000.00 TO THE UNITED STATES TREASURY. IF TIMELY PAYMENT IS NOT MADE, ADDITIONAL INTEREST SHALL ACCRUE PURSUANT TO 31 U.S.C. 3717. D. RESPONDENT SHALL COMPLY WITH ABOVE UNDERTAKINGS.

Summary:

THAT IT CONSIDERS TO BE UNNECESSARY OR INAPPROPRIATE. WITH RESPECT TO ANY RECOMMENDATION THAT LPL CONSIDERS UNNECESSARY OR INAPPROPRIATE, LPL SHALL PROPOSE IN WRITING AN ALTERNATIVE POLICY OR PROCEDURE DESIGNED TO ACHIEVE THE SAME OBJECTIVE OR PURPOSE. F. WITH RESPECT TO ANY RECOMMENDATION WITH WHICH LPL AND THE INDEPENDENT CONSULTANT DO NOT AGREE, ATTEMPT IN GOOD FAITH TO REACH AN AGREEMENT WITH THE INDEPENDENT CONSULTANT WITHIN 30 DAYS OF RECEIPT OF THE REPORT. IN THE EVENT THAT LPL AND THE INDEPENDENT CONSULTANT ARE UNABLE TO AGREE ON AN ALTERNATIVE PROPOSAL ACCEPTABLE TO THE SEC, LPL WILL ABIDE BY THE ORIGINAL RECOMMENDATION OF THE INDEPENDENT CONSULTANT. G. WITHIN 180 DAYS OF THE ENTRY OF THIS ORDER, SUBMIT AN AFFIDAVIT TO THE SEC STATING THAT IT HAS IMPLEMENTED ANY AND ALL RECOMMENDATIONS OF THE INDEPENDENT CONSULTANT, OR EXPLAINING THE CIRCUMSTANCES UNDER WHICH IT HAS NOT IMPLEMENTED SUCH RECOMMENDATIONS. H. COOPERATE FULLY WITH THE INDEPENDENT CONSULTANT AND PROVIDE THE INDEPENDENT CONSULTANT WITH ACCESS TO ITS FILES, BOOKS, RECORDS AND PERSONNEL AS REASONABLY REQUESTED FOR THE



INDEPENDENT CONSULTANT'S REVIEW. I. LPL SHALL REQUIRE THE INDEPENDENT CONSULTANT TO ENTER INTO AN AGREEMENT THAT PROVIDES THAT FOR THE PERIOD OF ENGAGEMENT AND FOR A PERIOD OF TWO YEARS FROM COMPLETION OF THE ENGAGEMENT, THE INDEPENDENT CONSULTANT SHALL NOT ENTER INTO ANY EMPLOYMENT, CONSULTANT, ATTORNEY-CLIENT, AUDITING OR OTHER PROFESSIONAL RELATIONSHIP WITH LPL, OR ANY OF ITS PRESENT OR FORMER AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES, OR AGENTS ACTING IN THEIR CAPACITY. THE AGREEMENT WILL ALSO PROVIDE THAT THE INDEPENDENT CONSULTANT WILL REQUIRE THAT ANY FIRM WITH WHICH HE IS AFFILIATED OR OF WHICH HE IS A MEMBER, AND ANY PERSON ENGAGED TO ASSIST THE INDEPENDENT CONSULTANT IN PERFORMANCE OF HIS DUTIES UNDER THIS ORDER SHALL NOT, WITHOUT PRIOR WRITTEN CONSENT OF THE SEC, EMPLOYMENT, CONSULTANT, ATTORNEY-CLIENT, AUDITING OR OTHER PROFESSIONAL RELATIONSHIP WITH LPL.

Disclosure 5 of 24

Reporting Source:	Regulator
Current Status:	Final
Allegations:	NASD RULES 2110 AND 3010 - RESPONDENT MEMBER FAILED TO REASONABLY SUPERVISE A REGISTERED REPRESENTATIVE IN CONNECTION WITH HIS USE OF STRATEGIES, HIS USE OF MARKETING MATERIALS AND THE APPROPRIATENESS OF THE INVESTMENTS HE RECOMMENDED TO PUBLIC CUSTOMERS.
Initiated By:	FINRA
Date Initiated:	06/03/2008
Docket/Case Number:	E062004027401
Principal Product Type:	Mutual Fund(s)
Other Product Type(s):	UNIT INVESTMENT TRUSTS, EQUITIES
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	06/03/2008



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

Sanctions Ordered: Censure
Monetary/Fine \$125,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, LPL FINANCIAL CORPORATION, CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS CENSURED AND FINED \$125,000, OF WHICH \$25,000 IS JOINT AND SEVERAL WITH A REGISTERED REPRESENTATIVE.

Reporting Source: Firm

Current Status: Final

Allegations: NASD RULES 2110 AND 3010 - RESPONDENT MEMBER FAILED TO REASONABLY SUPERVISE A REGISTERED REPRESENTATIVE IN CONNECTION WITH HIS USE OF STRATEGIES, HIS USE OF MARKETING MATERIALS AND THE APPROPRIATENESS OF THE INVESTMENTS HE RECOMMENDED TO PUBLIC CUSTOMERS.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA)

Date Initiated: 06/03/2008

Docket/Case Number: E062004027401

Principal Product Type: Mutual Fund(s)

Other Product Type(s): UNIT INVESTMENT TRUSTS, EQUITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/03/2008

Sanctions Ordered: Censure
Monetary/Fine \$125,000.00

**Other Sanctions Ordered:****Sanction Details:**

WITHOUT ADMITTING OR DENYING THE FINDINGS, LPL FINANCIAL CORPORATION, CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS CENSURED AND FINED \$125,000, OF WHICH \$25,000 IS JOINT AND SEVERAL WITH A REGISTERED REPRESENTATIVE.

Disclosure 6 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: LINSICO/PRIVATE LEDGER CORP., AT CERTAIN TIMES BETWEEN 1998 AND 2006, FAILED TO MAINTAIN OR ENFORCE PROCEDURES REASONABLY DESIGNED TO SUPERVISE ONE OR MORE OF ITS AGENTS IN PA.

Initiated By: PENNSYLVANIA CONTACT: PAUL E. VON GEIS, JR. (717)-783-5177

Date Initiated: 11/20/2007

Docket/Case Number: 2007-03-01

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: LINSICO/PRIVATE LEDGER CORP. IS ORDERED TO PAY A \$200,000.00 ADMINISTRATIVE ASSESSMENT AND \$30,000.00 INVESTIGATIVE AND LEGAL COSTS.

Resolution: Settled

Resolution Date: 11/20/2007

Sanctions Ordered: Monetary/Fine \$230,000.00

Other Sanctions Ordered:

Sanction Details: LINSICO/PRIVATE LEDGER CORP. IS ORDERED TO PAY A \$200,000.00 ADMINISTRATIVE ASSESSMENT AND \$30,000.00 INVESTIGATIVE AND LEGAL COSTS.

Summary: FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER ISSUED TO LINSICO/PRIVATE LEDGER CORP.

Reporting Source: Firm



Current Status: Final

Allegations: LINSICO / PRIVATE LEDGER CORP., AT CERTAIN TIMES BETWEEN 1998 AND 2006, FAILED TO MAINTAIN OR ENFORCE PROCEDURES REASONABLY DESIGNED TO SUPERVISE ONE OR MORE OF IT'S AGENTS IN PA.

Initiated By: PENNSYLVANIA

Date Initiated: 11/20/2007

Docket/Case Number: 2007-03-01

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: LINSICO / PRIVATE LEDGER CORP. IS ORDERED TO PAY A \$200,000 ADMINISTRATIVE ASSESSMENT AND A \$30,000 INVESTIGATIVE AND LEGAL COST.

Resolution: Settled

Resolution Date: 11/20/2007

Sanctions Ordered: Monetary/Fine \$230,000.00

Other Sanctions Ordered:

Sanction Details: LINSICO / PRIVATE LEDGER CORP. IS ORDERED TO PAY A \$200,000.00 ADMINISTRATIVE ASSESSMENT AND \$30,000.00 INVESTIGATIVE AND LEGAL COSTS.

Disclosure 7 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: ARTICLE V, SECTION 2(C) OF THE NASD BY-LAWS, NASD RULE 2110 - LINSICO/PRIVATE LEDGER CORP. FAILED TO TIMELY AMEND REPRESENTATIVES' FORMS U4 WITH MATERIAL INFORMATION.

Initiated By: NASD

Date Initiated: 04/17/2007

Docket/Case Number: 2005003190804

Principal Product Type: No Product

Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 04/17/2007

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

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS FINED \$5,000.

Reporting Source: Firm

Current Status: Final

Allegations: ARTICLE V, SECTION 2(C) OF THE NASD BY-LAWS, NASD RULE 2110 - LINSICO/PRIVATE LEDGER CORP. FAILED TO TIMELY AMEND REPRESENTATIVES' FORMS U4 WITH MATERIAL INFORMATION.

Initiated By: NASD

Date Initiated: 04/17/2007

Docket/Case Number: 2005003190804

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 04/17/2007



Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS FINED \$5,000.

Disclosure 8 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 3010 AND 2110 - DURING THE PERIOD JANUARY 1, 2003, TO DECEMBER 31, 2004 THE FIRM FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE AN ADEQUATE SUPERVISORY SYSTEM, INCLUDING WRITTEN PROCEDURES, REASONABLY DESIGNED TO REVIEW AND MONITOR ITS VARIABLE ANNUITY EXCHANGE BUSINESS. THE FIRM'S SUPERVISORY SYSTEM ALSO RELIED, IN SIGNIFICANT PART, UPON AUTOMATED, CODED REPORTS TO EVALUATE ITS VARIABLE ANNUITY EXCHANGES. THOSE AUTOMATED REPORTS FAILED TO CAPTURE CERTAIN INFORMATION NECESSARY FOR THE PROPER EVALUATION OF EXCHANGES, SUCH AS WHETHER A DEATH BENEFIT WAS LOST, A COMPARISON OF CONTRACT CHARGES, AND A DETAILED REASON FOR THE EXCHANGE. IN ADDITION, THE FIRM'S REGISTERED REPRESENTATIVES OCCASIONALLY FAILED TO CODE THEIR EXCHANGE TRANSACTIONS CORRECTLY ON THE AUTOMATED REPORTS, WHICH MAY HAVE CAUSED COMPLIANCE ANALYSTS NOT TO IDENTIFY AND REVIEW CERTAIN TRANSACTIONS AS EXCHANGES. THE FIRM'S POLICIES AND PROCEDURES CALLED FOR THE REVIEW OF VARIABLE ANNUITY TRANSACTIONS, INCLUDING ALL EXCHANGES, BY REGISTERED PRINCIPALS AS FOLLOWS: OFFICE OF SUPERVISORY JURISDICTION ("OSJ") PRINCIPALS PERFORMED THE INITIAL REVIEW AND APPROVAL OF VARIABLE ANNUITY EXCHANGE TRANSACTIONS SUBMITTED BY REGISTERED REPRESENTATIVES UNDER THEIR SUPERVISION (INCLUDING REGISTERED REPRESENTATIVES WORKING AT NON-OSJ BRANCH LOCATIONS). COMPLIANCE ANALYSTS IN THE FIRM'S COMPLIANCE DEPARTMENT REVIEWED AND APPROVED VARIABLE ANNUITY EXCHANGE TRANSACTIONS SUBMITTED BY OSJ PRINCIPALS. REGISTERED PRINCIPALS IN THE FIRM'S COMPLIANCE DEPARTMENT ALSO EXAMINED CERTAIN TRANSACTIONS LISTED ON SURVEILLANCE REPORTS UTILIZED BY THE FIRM TO IDENTIFY TRANSACTIONS THAT MIGHT WARRANT ADDITIONAL SUPERVISORY REVIEW. *ALLEGATIONS CONTINUED IN THE COMMENTS SECTION.

Initiated By: NASD

Date Initiated: 12/21/2006



Docket/Case Number: EAF0400610003

Principal Product Type: Annuity(ies) - Variable

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/21/2006

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

Sanctions Ordered: Censure
Monetary/Fine \$300,000.00

Other Sanctions Ordered: UNDERTAKINGS: RETAIN, WITHIN SIX MONTHS FROM THE DATE OF THIS AWC, AN INDEPENDENT CONSULTANT ("CONSULTANT"), NOT UNACCEPTABLE TO NASD, TO CONDUCT A REVIEW TO DETERMINE WHETHER CERTAIN IMPROVEMENTS HAVE BEEN APPROPRIATELY IMPLEMENTED, WHETHER SUPERVISORY PERSONNEL ARE CONDUCTING THE REVIEWS AS PRESCRIBED AND DOCUMENTING THEIR EFFORTS, AND WHETHER THE SYSTEMS AND PROCEDURES ARE ADEQUATE. COOPERATE WITH THE CONSULTANT IN ALL RESPECTS, INCLUDING BY PROVIDING STAFF SUPPORT. AT THE CONCLUSION OF THE REVIEW, WHICH SHALL BE NO MORE THAN FOUR MONTHS AFTER THE CONSULTANT IS RETAINED; REQUIRE THE CONSULTANT TO SUBMIT TO THE FIRM AND NASD A WRITTEN REPORT ("REPORT"). WITHIN 90 DAYS AFTER DELIVERY OF THE REPORT, THE FIRM SHALL ADOPT AND IMPLEMENT THE RECOMMENDATIONS OF THE CONSULTANT OR PROPOSE AN ALTERNATIVE PROCEDURE TO THE CONSULTANT DESIGNED TO ACHIEVE THE SAME OBJECTIVE. WITHIN 30 DAYS AFTER THE ISSUANCE OF THE LATER OF THE CONSULTANT'S REPORT REGARDING ALTERNATIVE OR MODIFIED PROCEDURES, THE FIRM SHALL PROVIDE THE NASD STAFF WITH A WRITTEN IMPLEMENTATION REPORT, CERTIFIED BY AN OFFICER OF THE FIRM, ATTESTING TO, CONTAINING DOCUMENTATION OF, AND SETTING FORTH THE DETAILS OF THE FIRM'S IMPLEMENTATION OF THE CONSULTANT'S RECOMMENDATIONS. WITHIN 90 DAYS AFTER THE ISSUANCE OF THE LATER OF THE CONSULTANT'S



REPORT REGARDING ALTERNATIVE OR MODIFIED PROCEDURES, THE FIRM SHALL CERTIFY THAT IT HAS PROVIDED THE FOLLOWING TRAINING RELATING TO THE FIRM'S AUTOMATED SUPERVISORY SYSTEMS FOR REVIEWING AND MONITORING VARIABLE ANNUITY TRANSACTIONS: TRAINING FOR ALL OF THE FIRM'S REGISTERED PERSONS ON HOW TO CORRECTLY INPUT INFORMATION FOR USE BY THE FIRM'S AUTOMATED SUPERVISORY SYSTEMS; AND TRAINING FOR ALL OF THE FIRM'S PRINCIPALS RESPONSIBLE FOR REVIEWING AND APPROVING VARIABLE ANNUITY TRANSACTIONS ON HOW TO UTILIZE AND INTERPRET THE REPORTS GENERATED BY THE FIRM'S AUTOMATED SUPERVISORY SYSTEMS IN ORDER TO PROPERLY REVIEW AND MONITOR VARIABLE ANNUITY TRANSACTIONS.

Sanction Details:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE THE FIRM IS CENSURED AND FINED \$300,000 AND REQUIRED TO COMPLY WITH UNDERTAKINGS.

Summary:

*ALLEGATIONS CONTINUED: IN REVIEWING VARIABLE ANNUITY EXCHANGE TRANSACTIONS, THESE OSJ PRINCIPALS AND COMPLIANCE DEPARTMENT PRINCIPALS HAD AVAILABLE TO THEM VARIOUS SOURCES OF RELEVANT INFORMATION, INCLUDING NEW ACCOUNT DOCUMENTATION, ACCOUNT RECORDS, APPLICATIONS AND TRANSACTIONAL PAPERWORK, PROSPECTUSES OR OTHER OFFERING DOCUMENTS, CUSTOMER CORRESPONDENCE AND REGISTERED REPRESENTATIVE NOTES. HOWEVER, THE FIRM'S WRITTEN POLICIES AND PROCEDURES DID NOT REQUIRE THAT ITS PRINCIPALS UTILIZE THESE SOURCES OF INFORMATION AND THE FIRM DID NOT PROVIDE ADEQUATE GUIDANCE TO ITS PRINCIPALS REGARDING WHEN OR HOW TO UTILIZE SOME OF SUCH INFORMATION. THE FIRM'S WRITTEN PROCEDURES ALSO PROVIDED INSUFFICIENT GUIDANCE TO COMPLIANCE ANALYSTS IN ASSESSING THE SUITABILITY OF A VARIABLE ANNUITY EXCHANGE. THE PROCEDURES SUGGESTED THAT ANALYSTS REVIEW CERTAIN CATEGORIES OF INFORMATION, SUCH AS INVESTMENT OBJECTIVES, AGE, AND FINANCIAL INFORMATION. THE PROCEDURES ALSO SUGGESTED THAT ANALYSTS FURTHER REVIEW A VARIABLE ANNUITY EXCHANGE IF IT MET CERTAIN PARAMETERS. HOWEVER, IN SOME CASES, CERTAIN INFORMATION NEEDED FOR THE REVIEW, SUCH AS, WHETHER THE OSJ PRINCIPAL OR REGISTERED REPRESENTATIVE WAS THE AGENT OF RECORD ON THE ORIGINAL CONTRACT THAT WAS BEING EXCHANGED AND WHETHER THE FACTS AND CIRCUMSTANCES OF EACH TRANSACTION SUPPORTED THE RATIONALE FOR THE EXCHANGE, WAS NOT READILY AVAILABLE TO SUPERVISORY PERSONNEL.

Reporting Source:

Firm



Current Status: Final

Allegations: NASD ALLEGED THAT, DURING DURING THE PERIOD JANUARY 1, 2003, TO DECEMBER 31, 2004, THE FIRM FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE AN ADEQUATE SUPERVISORY SYSTEM, INCLUDING WRITTEN PROCEDURES, REASONABLY DESIGNED TO REVIEW AND MONITOR ITS VARIABLE ANNUITY EXCHANGE BUSINESS IN VIOLATION OF NASD RULES 3010 AND 2110.

Initiated By: NASD

Date Initiated: 12/21/2006

Docket/Case Number: EAF0400610003

Principal Product Type: Annuity(ies) - Variable

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/21/2006

Sanctions Ordered: Censure
Monetary/Fine \$300,000.00

Other Sanctions Ordered: UNDERTAKINGS: RETAIN, WITHIN SIX MONTHS FROM THE DATE OF THIS AWC, AN INDEPENDENT CONSULTANT ("CONSULTANT"), NOT UNACCEPTABLE TO NASD, TO CONDUCT A REVIEW TO DETERMINE WHETHER CERTAIN IMPROVEMENTS HAVE BEEN APPROPRIATELY IMPLEMENTED, WHETHER SUPERVISORY PERSONNEL ARE CONDUCTING THE REVIEWS AS PRESCRIBED AND DOCUMENTING THEIR EFFORTS, AND WHETHER THE SYSTEMS AND PROCEDURES ARE ADEQUATE. COOPERATE WITH THE CONSULTANT IN ALL RESPECTS, INCLUDING BY PROVIDING STAFF SUPPORT. AT THE CONCLUSION OF THE REVIEW, WHICH SHALL BE NO MORE THAN FOUR MONTHS AFTER THE CONSULTANT IS RETAINED; REQUIRE THE CONSULTANT TO SUBMIT TO THE FIRM AND NASD A WRITTEN REPORT ("REPORT"). WITHIN 90 DAYS AFTER DELIVERY OF THE REPORT, THE FIRM SHALL ADOPT AND IMPLEMENT THE RECOMMENDATIONS OF THE CONSULTANT OR PROPOSE AN ALTERNATIVE PROCEDURE TO THE CONSULTANT DESIGNED TO ACHIEVE THE SAME OBJECTIVE. WITHIN 30 DAYS AFTER THE ISSUANCE OF THE LATER OF THE CONSULTANT'S REPORT REGARDING ALTERNATIVE OR MODIFIED PROCEDURES, THE FIRM SHALL PROVIDE THE NASD STAFF WITH A WRITTEN IMPLEMENTATION REPORT,



CERTIFIED BY AN OFFICER OF THE FIRM, ATTESTING TO, CONTAINING DOCUMENTATION OF, AND SETTING FORTH THE DETAILS OF THE FIRM'S IMPLEMENTATION OF THE CONSULTANT'S RECOMMENDATIONS. WITHIN 90 DAYS AFTER THE ISSUANCE OF THE LATER OF THE CONSULTANT'S REPORT REGARDING ALTERNATIVE OR MODIFIED PROCEDURES, THE FIRM SHALL CERTIFY THAT IT HAS PROVIDED THE FOLLOWING TRAINING RELATING TO THE FIRM'S AUTOMATED SUPERVISORY SYSTEMS FOR REVIEWING AND MONITORING VARIABLE ANNUITY TRANSACTIONS: TRAINING FOR ALL OF THE FIRM'S REGISTERED PERSONS ON HOW TO CORRECTLY INPUT INFORMATION FOR USE BY THE FIRM'S AUTOMATED SUPERVISORY SYSTEMS; AND TRAINING FOR ALL OF THE FIRM'S PRINCIPALS RESPONSIBLE FOR REVIEWING AND APPROVING VARIABLE ANNUITY TRANSACTIONS ON HOW TO UTILIZE AND INTERPRET THE REPORTS GENERATED BY THE FIRM'S AUTOMATED SUPERVISORY SYSTEMS IN ORDER TO PROPERLY REVIEW AND MONITOR VARIABLE ANNUITY TRANSACTIONS.

Sanction Details:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE THE FIRM IS CENSURED AND FINED \$300,000 AND REQUIRED TO COMPLY WITH UNDERTAKINGS.

Disclosure 9 of 24

Reporting Source:	Regulator
Current Status:	Final
Allegations:	LINSCO/PRIVATE LEDGER CORPORATIONS FAILED TO TIMELY UPDATE ITS FORM BD TO REFLECT THE USE OF OTHER BUSINESS NAMES IN CONNECTION WITH SECURITIES ACTIVITY BY CERTAIN OF LINSCO/PRIVATE LEDGER CORPORATION'S BRANCH OFFICES AND OTHER BUSINESS LOCATIONS IN TEXAS.
Initiated By:	TEXAS
Date Initiated:	06/28/2006
Docket/Case Number:	IC06-CAF-19
Principal Product Type:	Other
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Reprimand
Other Sanction(s)/Relief Sought:	ADMINISTRATIVE FINE



Resolution: Order
Resolution Date: 06/28/2006
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No
Sanctions Ordered: Monetary/Fine \$10,000.00
Other Sanctions Ordered: LINSKO/PRIVATE LEDGER CORP. HAS BEEN REPRIMANDED.
Sanction Details: NO OTHER SANCTIONS TO FOLLOW.

Reporting Source: Firm
Current Status: Final
Allegations: LINSKO / PRIVATE LEDGER CORP. FAILED TO TIMELY UPDATE IT'S FORM BD TO REFLECT THE USE OF OTHER BUSINESS NAMES IN CONNECTION WITH SECURITIES ACTIVITIY BY CERTAIN OF LPL'S BRANCH OFFICES AN OTHER BUSINESS LOCATIONS IN TEXAS.
Initiated By: TEXAS
Date Initiated: 06/28/2006
Docket/Case Number: IC06-CAF-19
Principal Product Type: Other
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Reprimand
Other Sanction(s)/Relief Sought: ADMINISTRATIVE FINE
Resolution: Order
Resolution Date: 06/28/2006
Sanctions Ordered: Monetary/Fine \$10,000.00
Other Sanctions Ordered: REPRIMANDED
Sanction Details: NO OTHER SANCTIONS TO FOLLOW.



Disclosure 10 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2711(F)(5) AND 2110 - RESPONDENT MEMBER FAILED TO COMPLY WITH NASD RULE 2711(F)(5) WHEN TERMINATING RESEARCH COVERAGE OF SUBJECT COMPANIES IN THAT, IT FAILED TO MAKE AVAILABLE A FINAL RESEARCH REPORT; NOTICE OF SUSPENSION OF COVERAGE DID NOT COMPLY WITH THE REQUIREMENTS OF NASD CONDUCT RULE 2711(F)(5).

Initiated By: NASD

Date Initiated: 01/06/2006

Docket/Case Number: E112004010901

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 01/06/2006

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

Sanctions Ordered: Censure
Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, LINSKO PRIVATE LEDGER CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE THE FIRM IS CENSURED AND FINED \$5,000.

Reporting Source: Firm



Current Status: Final

Allegations: NASD RULES 2711(F)(5) AND 2110 - RESPONDENT MEMBER FAILED TO COMPLY WITH NASD RULLE 2711(F)(5) WHEN TERMINATING RESEARCH COVERAGE OF SUBJECT COMPANIES IN THAT, IT FAILED TO MAKE AVAILABLE A FINE RESEARCH REPORT; NOTICE OF SUSPENSION OF COVERAGE DID NOT COMPLY WITH THE REQUIREMENTS OF NASD CONDUCT RULE 2711(F)(5).

Initiated By: NASD

Date Initiated: 01/06/2006

Docket/Case Number: E112004010901

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 01/06/2006

Sanctions Ordered: Censure
Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, LINSKO/PRIVATE LEDGER CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS. THEREFORE, THE FIRM IS CENSUREED AND FINED \$5,000.

Disclosure 11 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: NASD CONDUCT RULES 2110, 2310 AND 3010-RESPONDENT FIRM'S SUPERVISORY AND COMPLIANCE POLICIES AND PROCEDURES REGARDING CLASS B AND CLASS C SHARES WERE INADEQUATE. THE FIRM ALSO FAILED TO PROVIDE ADEQUATE TRAINING OF THE AVAILABLE MUTUAL FUND CLASSES, BASED UPON THE PARTICULAR FUND'S PRINCIPAL CONSIDERATIONS, INCLUDING APPLICABLE AGGREGATION RIGHTS. THE FIRM ALSO FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE



SUPERVISORY AND COMPLIANCE POLICIES AND PROCEDURES. THE FIRM'S PROCEDURES WERE NOT SUFFICIENT TO ENSURE THAT FINANCIAL ADVISORS, WHEN RECOMMENDING MUTUAL FUND SHARES TO CUSTOMERS, ADEQUATELY DISCLOSED THAT SUCH SHARES WERE SUBJECT TO HIGHER ANNUAL FEES THAT COULD HAVE A NEGATIVE IMPACT ON THE CUSTOMERS' INVESTMENT RETURN OR ONCE BREAKPOINTS BECOME AVAILABLE, AN EQUAL INVESTMENT IN CLASS A SHARES COULD YIELD A HIGHER RETURN, AND QUANTIFIED THE POTENTIAL MONETARY DIFFERENCE BETWEEN PURCHASING CLASS A SHARES, CLASS B SHARES AND CLASS C SHARES FOR THE PERIOD THEIR CUSTOMERS' ANTICIPATED HOLDING INVESTMENT. THE FIRM'S FINANCIAL ADVISORS DID NOT DISCLOSE AT THE POINT OF PURCHASE OR ADEQUATELY CONSIDER, ON A CONSISTENT BASIS, SUITABILITY ELEMENTS WHEN MAKING RECOMMENDATIONS TO CUSTOMERS TO PURCHASE CLASS B AND CLASS C SHARES INSTEAD OF CLASS A SHARES.

Initiated By: NASD

Date Initiated: 12/19/2005

Docket/Case Number: E1120030718-01

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/19/2005

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

Sanctions Ordered: Censure
Monetary/Fine \$2,400,000.00

Other Sanctions Ordered: UNDERTAKINGS

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, FIRM IS CENSURED AND FINED \$2,400,000.



FOR SPECIFIC UNDERTAKINGS SEE THE AWC.

Reporting Source: Firm

Current Status: Final

Allegations: NASD CONDUCT RULES 2110, 2310 AND 3010-RESPONDENT FIRM'S SUPERVISORY AND COMPLIANCE POLICIES AND PROCEDURES REGARDING CLASS B AND CLASS C SHARES WERE INADEQUATE. THE FIRM ALSO FAILED TO PROVIDE ADEQUATE TRAINING OF THE AVAILABLE MUTUAL FUND CLASSES, BASED UPON THE PARTICULAR FUND'S PRINCIPAL CONSIDERATIONS, INCLUDING APPLICABLE AGGREGATION RIGHTS. THE FIRM ALSO FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE SUPERVISORY AND COMPLIANCE POLICIES AND PROCEDURES. THE FIRM'S PROCEDURES WERE NOT SUFFICIENT TO ENSURE THAT FINANCIAL ADVISORS, WHEN RECOMMENDING MUTUAL FUND SHARES TO CUSTOMERS, ADEQUATELY DISCLOSED THAT SUCH SHARES WERE SUBJECT TO HIGHER ANNUAL FEES THAT COULD HAVE A NEGATIVE IMPACT ON THE CUSTOMERS' INVESTMENT RETURN OR ONCE BREAKPOINTS BECOME AVAILABLE, AN EQUAL INVESTMENT IN CLASS A SHARES COULD YIELD A HIGHER RETURN, AND QUANTIFIED THE POTENTIAL MONETARY DIFFERENCE BETWEEN PURCHASING CLASS A SHARES, CLASS B SHARES AND CLASS C SHARES FOR THE PERIOD THEIR CUSTOMERS' ANTICIPATED HOLDING INVESTMENT. THE FIRM'S FINANCIAL ADVISORS DID NOT DISCLOSE AT THE POINT OF PURCHASE OR ADEQUATELY CONSIDER, ON A CONSISTENT BASIS, SUITABILITY ELEMENTS WHEN MAKING RECOMMENDATIONS TO CUSTOMERS TO PURCHASE CLASS B AND CLASS C SHARES INSTEAD OF CLASS A SHARES.

Initiated By: NASD

Date Initiated: 12/19/2005

Docket/Case Number: E1120030718-01

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINE AND UNDERTAKINGS

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/19/2005



Sanctions Ordered: Censure
Monetary/Fine \$2,400,000.00

Other Sanctions Ordered: UNDERTAKINGS

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, FIRM IS CENSURED AND FINED \$2,400,000.

Disclosure 12 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 3010(A), 3010(B) - RESPONDENT MEMBER FAILED TO ESTABLISH, MAINTAIN AND ENFORCE A REASONABLE SYSTEM OR WRITTEN PROCEDURES TO SUPERVISE THE ACTIVITIES OF REGISTERED PERSONS IN CONNECTION WITH THEIR USE OF WIRE TRANSFERS.

Initiated By: NASD

Date Initiated: 11/14/2005

Docket/Case Number: E012002060302

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 11/14/2005

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

Sanctions Ordered: Censure
Monetary/Fine \$75,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, LISCO / PRIVATE



LEDGER CORPORATION, CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE THE FIRM IS CENSURED AND FINED \$75,000.

Reporting Source: Firm

Current Status: Final

Allegations: NASD RULES 2110, 3010(A), 3010(B) - RESPONDENT MEMBER FAILED TO ESTABLISH, MAINTAIN AND ENFORCE A REASONABLE SYSTEM OR WRITTEN PROCEDURES TO SUPERVISE THE ACTIVITIES OF REGISTERED PERSONS IN CONNECTION WITH THEIR USE OF WIRE TRANSFERS.

Initiated By: NASD

Date Initiated: 11/14/2005

Docket/Case Number: E012002060302

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 11/14/2005

Sanctions Ordered: Censure
Monetary/Fine \$75,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, LINSKO / PRIVATE LEDGER CORP., CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE THE FIRM IS CENSURED AND FINED \$75,000.

Disclosure 13 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: NASD CONDUCT RULES 2830(K) AND 2110; LINSKO/PRIVATE LEDGER CORP. MAINTAINED SHELF SPACE (OR REVENUE SHARING) PROGRAMS IN



WHICH PARTICIPATING MUTUAL FUND COMPLEXES PAID A FEE IN RETURN FOR PREFERENTIAL TREATMENT, WHICH INCLUDED ENHANCED ACCESS TO THE FIRM'S SALES FORCE, PARTICIPATION IN FIRM MEETINGS AND PLACEMENT OF PROMOTIONAL MATERIAL ON THE FIRM'S INTERNAL WEBSITE. ONE FUND COMPLEX PAID ALL, AND SOME PAID PART OF THEIR FEES FOR PARTICIPATING IN THE PROGRAMS BY DIRECTING BROKERAGE COMMISSIONS TO THE FIRM.

Initiated By: NASD

Date Initiated: 06/08/2005

Docket/Case Number: CE4050009

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/08/2005

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

Sanctions Ordered: Censure
Monetary/Fine \$3,602,398.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS LINSKO/PRIVATE LEDGER CORP. CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS THEREFORE, THE FIRM IS CENSURED AND FINED \$3,602,398.00.

Reporting Source: Firm

Current Status: Final

Allegations: NASD CONDUCT RULES 2830(K) AND 2110; LINSKO/PRIVATE LEDGER CORP. MAINTAINED SHELF SPACE (OR REVENUE SHARING) PROGRAMS IN



WHICH PARTICIPATING MUTUAL FUND COMPLEXES PAID A FEE IN RETURN FOR PREFERENTIAL TREATMENT, WHICH INCLUDED ENHANCED ACCESS TO THE FIRM'S SALES FORCE, PARTICIPATION IN FIRM MEETINGS AND PLACEMENT OF PROMOTIONAL MATERIAL ON THE FIRM'S INTERNAL WEBSITE. ONE FUND COMPLEX PAID ALL, AND SOME PAID PART OF THEIR FEES FOR PARTICIPATING IN THE PROGRAMS BY DIRECTING BROKERAGE COMMISSIONS TO THE FIRM.

Initiated By: NASD

Date Initiated: 06/08/2005

Docket/Case Number: CE4050009

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/08/2005

Sanctions Ordered: Censure
Monetary/Fine \$3,602,398.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS LINSKO/PRIVATE LEDGER CORP. CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS THEREFORE, THE FIRM IS CENSURED AND FINED \$3,602,398.00.

Disclosure 14 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: ARTICLE V, SECTIONS 2(C) AND 3(B) OF NASD'S BY-LAWS, AND NASD RULES 2110 AND 3010 - LINSKO/PRIVATE LEDGER CORP. ("RESPONDENT FIRM") FILED AT LEAST 390 LATE AMENDMENTS TO FORMS U4 AND U5, WHICH REPRESENTED APPROXIMATELY 71% OF THE REQUIRED AMENDMENTS RELATING TO REPORTABLE CUSTOMER COMPLAINTS, TERMINATIONS, REGULATORY ACTIONS, AND CRIMINAL DISCLOSURES. DURING THE RELEVANT PERIOD, THE RESPONDENT FIRM'S



SUPERVISORY SYSTEM AND PROCEDURES WERE NOT REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH ITS ARTICLE V REPORTING OBLIGATIONS.

Initiated By: NASD

Date Initiated: 11/30/2004

Docket/Case Number: CAF040093

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 11/30/2004

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

Sanctions Ordered: Censure
Monetary/Fine \$450,000.00

Other Sanctions Ordered: UNDERTAKINGS

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, IT IS CENSURED AND FINED \$450,000, WHICH SHALL BE PAID WITHIN 10 DAYS OF NOTICE OF ACCEPTANCE OF THIS AWC. IN ADDITION RESPONDENT FIRM SHALL COMPLY WITH THE FOLLOWING UNDERTAKINGS: (1) PROMPTLY FOLLOWING NOTICE OF ACCEPTANCE OF THIS AWC, THE FIRM'S INTERNAL AUDIT DEPARTMENT OR PERSONNEL NOT DIRECTLY RESPONSIBLE FOR THE FIRM'S ARTICLE V REPORTING OBLIGATIONS AND THEIR IMMEDIATE SUPERVISORS SHALL CONDUCT AN AUDIT TO ASSESS THE EFFECTIVENESS OF ITS SYSTEM AND PROCEDURES FOR ENSURING TIMELY FILING OF FORM U4 AND U5 AMENDMENTS SUMMARIZING FINDINGS AND RECOMMENDATIONS AND SHALL FOR THE NEXT FOUR CALENDAR QUARTERS BEGINNING FOURTH QUARTER 2004, CONDUCT A SIMILAR AUDIT AND PREPARE A SIMILAR WRITTEN AUDIT REPORT. (2) NO LATER THAN 90 DAYS AFTER NOTICE OF ACCEPTANCE OF THIS AWC, AN OFFICER OF THE FIRM SHALL CERTIFY IN



WRITING TO NASD THAT AN AUDIT WAS CONDUCTED AND THE OFFICER HAS REVIEWED THE CURRENT AUDIT REPORT. (3) NO LATER THAN 60 DAYS AFTER THE DATE OF THE CURRENT AUDIT REPORT, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT THE FIRM HAS IMPLEMENTED, OR HAS BEGUN TO IMPLEMENT, ANY RECOMMENDATIONS WITHIN A SPECIFIED TIME PERIOD. (4) NO LATER THAN 60 DAYS AFTER THE LAST DAY OF THE NEXT FOUR QUARTERS, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT AN AUDIT WAS CONDUCTED, THE CURRENT AUDIT REPORT WAS REVIEWED, AND RECOMMENDATIONS IMPLEMENTED, OR BEGUN TO BE IMPLEMENTED. (5) NO LATER THAN SIX MONTHS AFTER NOTICE OF ACCEPTANCE OF THIS AWC, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT THE FIRM HAS REVIEWED ITS SYSTEM AND PROCEDURES FOR COMPLYING WITH ITS ARTICLE V REPORTING OBLIGATIONS AND HAS ESTABLISHED A SYSTEM AND PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH REPORTING REQUIREMENTS SET FORTH THEREIN.

Reporting Source: Firm

Current Status: Final

Allegations: NASD ALLEGED VIOLATIONS OF ARTICLE V, SECTIONS 2(C) AND 3(B) OF NASD BY-LAWS AND NASD RULES 2110 AND 3010. MATTER AROSE OUT OF 390 LATE FILINGS OF AMENDMENTS TO FORMS U4 AND U5 FROM JANUARY 2002 THROUGH MARCH 2004. NASD ALLEGED THAT FIRM'S SUPERVISORY SYSTEM AND PROCEDURES WERE INADEQUATE TO ACHIEVE COMPLIANCE WITH ITS ARTICLE V REPORTING OBLIGATIONS.

Initiated By: NASD

Date Initiated: 11/30/2004

Docket/Case Number: CAF040093

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 11/30/2004



Sanctions Ordered:	Censure Monetary/Fine \$450,000.00
Other Sanctions Ordered:	UNDERTAKINGS
Sanction Details:	<p>WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, IT IS CENSURED AND FINED \$450,000, WHICH SHALL BE PAID WITHIN 10 DAYS OF NOTICE OF ACCEPTANCE OF THIS AWC. IN ADDITION RESPONDENT FIRM SHALL COMPLY WITH THE FOLLOWING UNDERTAKINGS: (1) PROMPTLY FOLLOWING NOTICE OF ACCEPTANCE OF THIS AWC, THE FIRM'S INTERNAL AUDIT DEPARTMENT OR PERSONNEL NOT DIRECTLY RESPONSIBLE FOR THE FIRM'S ARTICLE V REPORTING OBLIGATIONS AND THEIR IMMEDIATE SUPERVISORS SHALL CONDUCT AN AUDIT TO ASSESS THE EFFECTIVENESS OF ITS SYSTEM AND PROCEDURES FOR ENSURING TIMELY FILING OF FORM U4 AND U5 AMENDMENTS SUMMARIZING FINDINGS AND RECOMMENDATIONS AND SHALL FOR THE NEXT FOUR CALENDAR QUARTERS BEGINNING FOURTH QUARTER 2004, CONDUCT A SIMILAR AUDIT AND PREPARE A SIMILAR WRITTEN AUDIT REPORT. (2) NO LATER THAN 90 DAYS AFTER NOTICE OF ACCEPTANCE OF THIS AWC, AN OFFICER OF THE FIRM SHALL CERTIFY IN WRITING TO NASD THAT AN AUDIT WAS CONDUCTED AND THE OFFICER HAS REVIEWED THE CURRENT AUDIT REPORT. (3) NO LATER THAN 60 DAYS AFTER THE DATE OF THE CURRENT AUDIT REPORT, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT THE FIRM HAS IMPLEMENTED, OR HAS BEGUN TO IMPLEMENT, ANY RECOMMENDATIONS WITHIN A SPECIFIED TIME PERIOD. (4) NO LATER THAN 60 DAYS AFTER THE LAST DAY OF THE NEXT FOUR QUARTERS, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT AN AUDIT WAS CONDUCTED, THE CURRENT AUDIT REPORT WAS REVIEWED, AND RECOMMENDATIONS IMPLEMENTED, OR BEGUN TO BE IMPLEMENTED. (5) NO LATER THAN SIX MONTHS AFTER NOTICE OF ACCEPTANCE OF THIS AWC, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT THE FIRM HAS REVIEWED ITS SYSTEM AND PROCEDURES FOR COMPLYING WITH ITS ARTICLE V REPORTING OBLIGATIONS AND HAS ESTABLISHED A SYSTEM AND PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH REPORTING REQUIREMENTS SET FORTH THEREIN.</p>

Disclosure 15 of 24

Reporting Source:	Regulator
Current Status:	Final
Allegations:	MSRB RULES G-17 AND G-30(A) - PUBLIC CUSTOMERS REQUESTED THAT LINSKO/PRIVATE LEDGER CORP. LIQUIDATE TWO DIFFERENT MUNICIPAL SECURITY POSITIONS LINSKO/PRIVATE LEDGER CORP. CONTRACTED A



BROKER'S BROKER AND OBTAINED BIDS FOR THE CUSTOMERS' SECURITIES. BASED ON THE BIDS PROVIDED BY THE BROKER'S BROKER, THE FIRM PURCHASED THE SECURITIES FROM THE CUSTOMERS FOR ITS OWN ACCOUNT AND THEN SOLD THE SECURITIES TO THE BROKER'S BROKER AT A NOMINAL GAIN. IN BOTH INSTANCES, THE PRICES PAID TO THE CUSTOMERS, AND RECEIVED BY THE FIRM, WERE BELOW THE FAIR MARKET VALUE OF EACH SECURITY, IN AMOUNTS RANGING FROM 17.81% TO 20.01%. BY RELYING SOLELY ON THE BIDS PROVIDED BY THE BROKER'S BROKER TO DETERMINE THE FAIR MARKET VALUE OF THE SECURITY, LINSKO/PRIVATE LEDGER CORP. FAILED TO ENSURE THAT THE TRANSACTIONS WERE EXECUTED AT AGGREGATE PRICES THAT WERE FAIR AND REASONABLE.

Initiated By: NASD

Date Initiated: 10/11/2004

Docket/Case Number: C05040072

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/11/2004

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

Sanctions Ordered: Censure
Monetary/Fine \$5,000.00
Disgorgement/Restitution

Other Sanctions Ordered: UNDERTAKINGS

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, LINSKO/PRIVATE LEDGER CORP. CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED IN THE AMOUNT OF \$5,000. ALSO, LINSKO/PRIVATE LEDGER CORP. SHALL PAY THE CUSTOMER RESTITUTION IN THE AMOUNT OF \$4,662.00 PLUS INTEREST.



ADDITIONALLY, WITHIN 90 DAYS OF THE ACCEPTANCE OF THIS AWC, THE FIRM SHALL PROVIDE NASD WITH A COPY OF ITS UPDATED WRITTEN SUPERVISORY PROCEDURES AS THEY RELATE TO THE DETERMINATION OF THE FAIR MARKET VALUE OF MUNICIPAL SECURITIES BEING BOUGHT OR SOLD FROM A PUBLIC CUSTOMER.

Reporting Source: Firm

Current Status: Final

Allegations: NASD ALLEGED VIOLATIONS OF MRSB RULES G-17 AND G-30A. MATTER AROSE OUT OF TWO MUNICIPAL BOND LIQUIDATIONS. LINSKO/PRIVATE LEDGER CONTRACTED A BROKER'S BROKER TO OBTAIN BIDS FOR THE CUSTOMERS' SECURITIES. BASED ON THE BIDS PROVIDED BY THE BROKER'S BROKER, THE FIRM PURCHASED THE SECURITIES FROM THE CUSTOMERS AND THEN SOLD THE SECURITIES TO THE BROKER'S BROKER AT A NOMINAL GAIN. ACCORDING TO THE NASD, THE PRICES PAID TO THE CUSTOMERS WERE BELOW THE FAIR MARKET VALUE OF EACH SECURITY. ACCORDING TO THE NASD, BY RELYING ON THE BIDS FROM THE BROKER'S BROKER, THE FIRM FAILED TO INSURE THAT THE PRICES WERE FAIR AND REASONABLE.

Initiated By: NASD

Date Initiated: 10/11/2004

Docket/Case Number: C05040072

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/11/2004

Sanctions Ordered: Censure
Monetary/Fine \$5,000.00
Disgorgement/Restitution

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS,LPL ENTERED INTO AN ACCEPTANCE, WAIVER AND CONSENT WITH THE NASD ON OCTOBER



11,2004 THAT RESULTED IN A CENSURE AND FINE OF \$5000.00, RESTITUTION OF \$4,662.00 AND AN UNDERTAKING TO REVIEW ITS SUPERVISORY PROCEDURES AS THEY RELATE TO DETERMINING THE FAIR MARKET VALUE OF MUNICIPAL SECURITIES PURCHASED OR SOLD THROUGH A BROKER'S BROKER FOR A PUBLIC CUSTOMER.

Disclosure 16 of 24

Reporting Source:	Regulator
Current Status:	Final
Allegations:	SEC ADMINISTRATIVE PROCEEDING RELEASE NOS. 33-8371 AND 34-49232, DATED FEBRUARY 12, 2004: THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION" OR "SEC") DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 ("SECURITIES ACT") AND SECTIONS 15(B)(4) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AGAINST LINSKO/PRIVATE LEDGER CORP. ("RESPONDENT").
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Date Initiated:	02/12/2004
Docket/Case Number:	3-11401
Principal Product Type:	Mutual Fund(s)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	CENSURE; FINE; AND DISGORGEMENT, PLUS PREJUDGEMENT INTEREST.
Resolution:	Order
Resolution Date:	02/12/2004
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Censure Monetary/Fine \$1,116,402.50



Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions Ordered:

Sanction Details:

IT IS ORDERED: A. PURSUANT TO SECTION 15(B)(4) OF THE EXCHANGE ACT, THAT RESPONDENT IS CENSURED; B. PURSUANT TO SECTION 8A OF THE SECURITIES ACT AND SECTION 21C OF THE EXCHANGE ACT, THAT RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT, AND RULE 10B-10 UNDER THE EXCHANGE ACT; C. WITHIN 10 DAYS OF THE ENTRY OF THIS ORDER, RESPONDENT SHALL PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$1,116,402.50 TO THE UNITED STATES TREASURY; D. RESPONDENT SHALL PAY DISGORGEMENT AND PREJUDGMENT INTEREST; AND E. NOT LATER THAN 6 MONTHS AFTER THE DATE OF THIS ORDER, UNLESS OTHERWISE EXTENDED BY THE SEC FOR GOOD CAUSE SHOWN, RESPONDENT'S CHIEF EXECUTIVE OFFICER SHALL CERTIFY IN WRITING TO THE SEC THAT RESPONDENT HAS IMPLEMENTED PROCEDURES, AND A SYSTEM FOR APPLYING PROCEDURES, THAT CAN REASONABLY BE EXPECTED TO PREVENT AND DETECT FAILURES BY RESPONDENT TO PROVIDE APPROPRIATE BREAKPOINT DISCOUNTS FOR WHICH CUSTOMERS ARE ELIGIBLE ON PURCHASES OF FRONT-END LOAD MUTUAL FUNDS, BASED ON INFORMATION REASONABLY ASCERTAINABLE BY RESPONDENT.

Summary:

RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT WITHOUT ADMITTING OR DENYING THE FINDINGS, EXCEPT AS TO THE SEC'S JURISDICTION, AND CONSENTED TO THE ENTRY OF THIS ORDER. THE SEC FINDS THAT: DURING 2001 AND 2002 (THE "RELEVANT PERIOD"), RESPONDENT SOLD SHARES ISSUED BY MUTUAL FUNDS WITHOUT PROVIDING CERTAIN CUSTOMERS WITH THE REDUCTIONS IN FRONT-END LOADS, OR SALES CHARGES, ALSO KNOWN AS "BREAKPOINT" DISCOUNTS, DESCRIBED IN THE PROSPECTUSES OF THE FUNDS. ACCORDING TO DATA SUBMITTED TO NASD BY RESPONDENT, RESPONDENT IS ESTIMATED TO HAVE FAILED TO GIVE CERTAIN CUSTOMERS BREAKPOINT DISCOUNTS TOTALING APPROXIMATELY \$2,232,805 DURING THE RELEVANT PERIOD. BY FAILING TO DISCLOSE TO CERTAIN CUSTOMERS THAT THEY WERE NOT RECEIVING THE BENEFIT OF APPLICABLE BREAKPOINT DISCOUNTS, RESPONDENT WILLFULLY VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT. FURTHER, BECAUSE RESPONDENT DID NOT CHARGE THESE CUSTOMERS THE CORRECT SALES LOADS AS SET FORTH IN THE MUTUAL FUNDS' PROSPECTUSES, AND ALSO DID NOT DISCLOSE IN CONFIRMATIONS THE REMUNERATION RESPONDENT RECEIVED FROM THE SALES LOADS CHARGED TO THESE CUSTOMERS, RESPONDENT WILLFULLY VIOLATED RULE 10B-10 UNDER THE EXCHANGE ACT.



Reporting Source: Firm

Current Status: Final

Allegations: SEC ADMINISTRATIVE PROCEEDING RELEASE NOS. 33-8371 AND 34-49232, DATED FEBRUARY 12, 2004: THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION" OR "SEC") DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 ("SECURITIES ACT") AND SECTIONS 15(B)(4) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AGAINST LINSKO/PRIVATE LEDGER CORP. ("RESPONDENT").

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 02/12/2004

Docket/Case Number: 3-11401

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Cease and Desist

Other Sanction(s)/Relief Sought: CENSURE; FINE; AND DISGORGEMENT, PLUS PREJUDGEMENT INTEREST

Resolution: Order

Resolution Date: 02/12/2004

Sanctions Ordered: Censure
Monetary/Fine \$1,116,402.50
Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions Ordered: CEO CERTIFICATION WITHIN 6 MONTHS

Sanction Details: IT IS ORDERED: A. PURSUANT TO SECTION 15(B)(4) OF THE EXCHANGE ACT, THAT RESPONDENT IS CENSURED; B. PURSUANT TO SECTION 8A OF THE SECURITIES ACT AND SECTION 21C OF THE EXCHANGE ACT, THAT RESPONDENT SHALL CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT, AND RULE 10B-10 UNDER THE EXCHANGE ACT; C. WITHIN 10 DAYS OF THE ENTRY OF THIS ORDER, RESPONDENT SHALL PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$1,116,402.50 TO THE UNITED STATES TREASURY; D. RESPONDENT SHALL



PAY DISGORGEMENT AND PREJUDGMENT INTEREST; AND E. NOT LATER THAN 6 MONTHS AFTER THE DATE OF THIS ORDER, UNLESS OTHERWISE EXTENDED BY THE SEC FOR GOOD CAUSE SHOWN, RESPONDENT'S CHIEF EXECUTIVE OFFICER SHALL CERTIFY IN WRITING TO THE SEC THAT RESPONDENT HAS IMPLEMENTED PROCEDURES, AND A SYSTEM FOR APPLYING PROCEDURES, THAT CAN REASONABLY BE EXPECTED TO PREVENT AND DETECT FAILURES BY RESPONDENT TO PROVIDE APPROPRIATE BREAKPOINT DISCOUNTS FOR WHICH CUSTOMERS ARE ELIGIBLE ON PURCHASES OF FRONT-END LOAD MUTUAL FUNDS, BASED ON INFORMATION REASONABLY ASCERTAINABLE BY RESPONDENT.

Disclosure 17 of 24

Reporting Source:	Regulator
Current Status:	Final
Allegations:	NASD CONDUCT RULE 2110 - RESPONDENT MEMBER SOLD SHARES ISSUED BY MUTUAL FUNDS WITHOUT PROVIDING CERTAIN CUSTOMERS WITH THE REDUCTION IN THE FRONT-END LOADS, OR SALES CHARGES DESCRIBED IN THE PROSPECTUSES OF THE FUNDS; FAILED TO GIVE ITS CUSTOMERS BREAKPOINT DISCOUNTS IN 35.64% OF ELIGIBLE MUTUAL FUND TRANSACTIONS IN 2001 AND 2002, THAT RESULTED IN MISSED BREAKPOINTS THAT WOULD HAVE REDUCED CUSTOMERS CHARGES BY AT LEAST \$2,232,805 ON THEIR PURCHASES OF MUTUAL FUND SHARES WITH FRONT-END LOADS DURING THE RELEVANT PERIOD.
Initiated By:	NASD
Date Initiated:	02/12/2004
Docket/Case Number:	CAF040005
Principal Product Type:	Mutual Fund(s)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	02/12/2004



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

Sanctions Ordered: Censure
Monetary/Fine \$1,116,402.50

Other Sanctions Ordered: UNDERTAKINGS

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, LINSKO/PRIVATE LEDGER CORP. CONSENTED TO THE FINDING OF THE ALLEGATIONS AND TO THE FOLLOWING SANCTIONS: CENSURED AND FINED \$2,232,805, OF WHICH ONE HALF SHALL BE PAID TO NASD AND ONE HALF TO U.S. TREASURY PURSUANT TO RELATED SEC PROCEEDINGS BEING INSTITUTED AGAINST RESPONDENT ON THIS DATE, AND REQUIRED TO PROVIDE WRITTEN NOTIFICATION TO EACH CUSTOMER WHO PURCHASED FRONT-END LOAD MUTUAL FUNDS THROUGH THE FIRM FROM JANUARY 1, 1999 THROUGH NOVEMBER 3, 2003 THAT THE FIRM EXPERIENCED A PROBLEM DELIVERING BREAKPOINT DISCOUNTS AND THAT AS A RESULT, THE CUSTOMER MAY BE ENTITLED TO A REFUND; PERFORM A TRADE-BY-TRADE ANALYSIS OF ALL FRONT-END LOAD MUTUAL FUND PURCHASES OF \$2,500 OR MORE AND ALL OVERCHARGES IDENTIFIED REFUNDED BY MARCH 31, 2004; PROVIDE REFUNDS TO ALL CUSTOMERS WHO DID NOT RECEIVE ALL APPLICABLE BREAKPOINT DISCOUNTS AS DESCRIBED IN NTM 03-47; PROVIDE NASD A REPORT ON RESPONDENT'S PROGRAM BY 4/16/04; AND NOT LATER THAN SIX MONTHS AFTER THE DATE OF THIS ORDER, RESPONDENT'S CHIEF EXECUTIVE OFFICER SHALL CERTIFY IN WRITING TO NASD THAT RESPONDENT HAS IMPLEMENTED PROCEDURES AND A SYSTEM FOR IDENTIFYING SUCH PROCEDURES THAT CAN REASONABLY BE EXPECTED TO PREVENT AND DETECT FAILURES TO PROVIDE BREAKPOINT DISCOUNTS FOR WHICH CUSTOMERS ARE ELIGIBLE ON PURCHASES OF FRONT-END LOAD MUTUAL FUNDS.

Reporting Source: Firm

Current Status: Final

Allegations: NASD CONDUCT RULE 2110 - RESPONDENT MEMBER SOLD SHARES ISSUED BY MUTUAL FUNDS WITHOUT PROVIDING CERTAIN CUSTOMERS WITH THE REDUCTION IN THE FRONT-END LOADS, OR SALES CHARGES DESCRIBED IN THE PROSPECTUSES OF THE FUNDS; FAILED TO GIVE ITS CUSTOMERS BREAKPOINT DISCOUNTS IN 35.64% OF ELIGIBLE MUTUAL



FUND TRANSACTIONS IN 2001 AND 2002, THAT RESULTED IN MISSED BREAKPOINTS THAT WOULD HAVE REDUCED CUSTOMERS CHARGES BY APPROXIMATELY \$2,232,805 ON THEIR PURCHASES OF MUTUAL FUND SHARES WITH FRONT-END LOADS DURING THE RELEVANT PERIOD.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 02/12/2004

Docket/Case Number: CAF040005

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought: CENSURE, UNDERTAKING

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 02/12/2004

Sanctions Ordered: Censure
Monetary/Fine \$2,232,805.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, LINSKO/PRIVATE LEDGER CORP. CONSENTED TO THE FINDING OF THE ALLEGATIONS AND TO THE FOLLOWING SANCTIONS: CENSURED AND FINED \$2,232,805, OF WHICH ONE HALF SHALL BE PAID TO NASD AND ONE HALF TO U.S. TREASURY PURSUANT TO RELATED SEC PROCEEDINGS BEING INSTITUTED AGAINST RESPONDENT ON THIS DATE, AND REQUIRED TO PROVIDE WRITTEN NOTIFICATION TO EACH CUSTOMER WHO PURCHASED FRONT-END LOAD MUTUAL FUNDS THROUGH THE FIRM FROM JANUARY 1, 1999 THROUGH NOVEMBER 3, 2003 THAT THE FIRM EXPERIENCED A PROBLEM DELIVERING BREAKPOINT DISCOUNTS AND THAT AS A RESULT, THE CUSTOMER MAY BE ENTITLED TO A REFUND; PERFORM A TRADE-BY-TRADE ANALYSIS OF ALL FRONT-END LOAD MUTUAL FUND PURCHASES OF \$2,500 OR MORE AND ALL OVERCHARGES IDENTIFIED REFUNDED BY MARCH 31, 2004; PROVIDE REFUNDS TO ALL CUSTOMERS WHO DID NOT RECEIVE ALL APPLICABLE BREAKPOINT DISCOUNTS AS DESCRIBED IN NTM 03-47; PROVIDE NASD A REPORT ON RESPONDENT'S PROGRAM BY 4/16/04; AND NOT LATER THAN SIX MONTHS AFTER THE DATE OF THIS ORDER, RESPONDENT'S CHIEF EXECUTIVE OFFICER OR ANOTHER SENIOR EXEUCTIVE OFFICER SHALL CERTIFY IN WRITING TO NASD THAT RESPONDENT HAS IMPLEMENTED PROCEDURES AND A SYSTEM FOR IDNETIFYING SUCH PROCEDURES THAT CAN REASONABLY



BE EXPECTED TO PREVENT AND DETECT FAILURES TO PROVIDE BREAKPOINT DISCOUNTS FOR WHICH CUSTOMERS ARE ELIGIBLE ON PURCHASES OF FRONT-END LOAD MUTUAL FUNDS.

Disclosure 18 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: NASD CONDUCT RULE 2110 AND MARKETPLACE RULE 6240(A)(2)-RESPONDENT MEMEBER LINSKO/PRIVATE LEDGER CORP. FAILED TO REPORT TO FIXED INCOME PRICING SYSTEM ("FIPS") TRANSACTIONS IN FIPS SECURITIES WITHIN FIVE MINUTES AFTER EXECUTION. THESE LATE TRANSACTIONS CONSTITUTED APPROXIMATELY 96 PERCENT OF ALL TRANSACTIONS IN FIPS SECURITIES THAT THE FIRM WAS OBLIGATED TO REPORT TO FIPS DURING THE REVIEW PERIOD.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 03/27/2003

Docket/Case Number: CMS030072

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED TYPE OF FINANCIAL PRODUCT.

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/27/2003

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE RESPONDENT LINSKO/PRIVATE LEDGER CORP. CONSENTED TO THE FINDING OF THE ALLEGATIONS AND TO THE FOLLOWING SANCTIONS: FINED \$5,000.

Reporting Source: Firm

Current Status: Final

Allegations: FAILURE TO REPORT TO FIPS 23 TRANSACTIONS IN FIPS SECURITIES



WITHIN FIVE MINUTES AFTER EXECUTION.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 03/27/2003

Docket/Case Number: CMS030072

Principal Product Type: Other

Other Product Type(s): FIXED INCOME SECURITY

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: ACCEPTANCE, WAIVER & CONSENT (AWC)

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/27/2003

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS. THEREFORE, THE FIRM WAS FINED \$5,000.

Summary: MATTER AROSE FROM AN ERROR IN REPORTING 23 TRANSACTIONS IN FIPS SECURITIES WITHIN FIVE MINUTES AFTER EXECUTION.

Disclosure 19 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: NASD CONDUCT RULES 2110 AND 3010 - RESPONDENT MEMBER'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS CONCERNING COMMUNICATIONS WITH THE PUBLIC VIA ELECTRONIC MEDIA.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 02/13/2003

Docket/Case Number: CMS030029

Principal Product Type: No Product

Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 02/13/2003
Sanctions Ordered: Monetary/Fine \$5,000.00
Other Sanctions Ordered: UNDERTAKING TO REVISE THE FIRM'S WRITTEN SUPERVISORY PROCEDURES.
Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS FINED \$5,000 AND SHALL UNDERTAKE TO REVISE IT'S WRITTEN SUPERVISORY PROCEDURES CONCERNING COMMUNICATIONS WITH THE PUBLIC VIA ELECTRONIC MEDIA.

Reporting Source: Firm
Current Status: Final
Allegations: NASD CONDUCT RULES 2110 AND 3010 - RESPONDENT MEMBER'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS CONCERNING COMMUNICATIONS WITH THE PUBLIC VIA ELECTRONIC MEDIA.
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 02/13/2003
Docket/Case Number: CMS030029
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Other
Other Sanction(s)/Relief Sought: ACCEPTANCE, WAIVER & CONSENT (AWC)
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 02/13/2003



Sanctions Ordered:	Monetary/Fine \$5,000.00
Other Sanctions Ordered:	UNDERTAKING TO REVISE THE FIRM'S WRITTEN SUPERVISORY PROCEDURES.
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM WAS FINED \$5000 AND SHALL UNDERTOOK TO REVISE ITS WRITTEN SUPERVISORY PROCEDURES CONCERNING COMMUNICATIONS WITH THE PUBLIC VIA ELECTRONIC MEDIA.
Summary:	MATTER AROSE OUT OF REPRESENTATIVE'S UNAUTHORIZED PARTICIPATION/POSTINGS ON ELECTRONIC BULLETIN BOARDS.

Disclosure 20 of 24

Reporting Source:	Firm
Current Status:	Final
Allegations:	THE STATE OF GEORGIA CITED PLFS FOR VIOLATION OF O.C.G.A. 10-5-12-(A)(1) OF THE ACT, ALLEGING THAT PLFS OFFERED FOR SALE AND SOLD SECURITIES WHICH WERE NOT EFFECTIVELY REGISTERED OR EXEMPT FROM REGISTRATION.
Initiated By:	GEORGIA COMMISSIONER OF SECURITIES
Date Initiated:	05/14/1986
Docket/Case Number:	50-86-9529(A)
Principal Product Type:	Other
Other Product Type(s):	PRIVATE LEDGER FINANCIAL SERVICES (PLFS) AGREED TO REIMBURSE THE COMMISSIONER IN THE AMOUNT OF \$1,000.00.
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	ORDER OF SETTLEMENT
Resolution:	Order
Resolution Date:	05/14/1986
Sanctions Ordered:	Cease and Desist/Injunction
Other Sanctions Ordered:	PRIVATE LEDGER FINANCIAL SERVICES AGREED TO REIMBURSE THE COMMISSIONER IN THE AMOUNT OF \$1,000.00 AND AGREED TO CEASE AND DESIST FROM VIOLATING O.C.G.A. 10-5-12(A)(1).



Sanction Details: REIMBURSED THE COMMISSIONER \$1,000.00

Summary: ON MAY 14, 1986 PLFS CONSENTED TO THE ENTRY OF AN ORDER OF SETTLEMENT IN THE STATE OF GEORGIA. THE STATE OF GEORGIA CITED PLFS FOR VIOLATION OF O.C.G.A. 10-5-12(A)(1) OF THE ACT, ALLEGING THAT PLFS OFFERED FOR SALE AND AOLD SECURITIES WHICH WERE NOT EFFECTIVELY REGISTERED NOR EXEMPT FROM REGISTRATION. PLFS REIMBURSED THE COMMISSIONER IN THE AMOUNT OF \$1,000 AND AGREED TO CEASE AND DESIST WITHOUT ADMITTING OR DENYING ANY OF THE FINDINGS OF FACT OF CONCLUSIONS OF LAW. STATE OF GEORGIA NO 50-86-9529(A).

Disclosure 21 of 24

Reporting Source: Regulator

Current Status: Final

Allegations: A NOTICE OF INTENT TO INVOKE ADMINISTRATIVE SANCTIONS WAS FILED ON MAY 28, 1997. THE ACTION WAS IN REGARD TO RESPONDENT'S ALLEDGED FAILURE TO ADEQUATELY SUPERVISE MARK SIGURDSON. PURSUANT TO A CONSENT ORDER, RESPONDENT AGREED TO OFFER PARTIAL RESTITUTION TO FOUR CUSTOMERS IN THE AMOUNT OF \$39,644.

Initiated By: KANSAS SECURITIES COMMISSIONER

Date Initiated: 05/28/1997

Docket/Case Number: 95-2984/97E179

Principal Product Type: Other

Other Product Type(s): NON SPECIFIC SECURITY

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 12/01/1998

Sanctions Ordered: Disgorgement/Restitution

Other Sanctions Ordered:

Sanction Details: NOT PROVIDED



Summary: CONTACT: DAVE RUHNKE; 785-296-3307

Reporting Source: Firm

Current Status: Final

Allegations: 1) FAILURE TO SUPERVISE A SALES AGENT
2) FILING A MATERIALLY FALSE REPORT (FORM U-5)

Initiated By: KANSAS SECURITIES COMMISSION

Date Initiated: 05/28/1997

Docket/Case Number: 97E179

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: PRINCIPAL SANCTION - ORDER.

Resolution: Order

Resolution Date: 12/01/1998

Sanctions Ordered: Disgorgement/Restitution

Other Sanctions Ordered: LPL ENTERED INTO A STIPULATION FOR CONSENT ORDER THAT RESOLVED THIS MATTER WITHOUT PAYMENT OF A FINE OR CENSURE. LPL AGREED TO REVIEW CERTAIN OF ITS PROCEDURES AND TO MAKE ANY MODIFICATIONS THAT LPL DETERMINES TO BE REASONABLE & NOT OVERLY BURDENSOME. LPL ALSO AGREED TO OFFER PARTIAL RESTITUTION TO CERTAIN CUSTOMER OF LPL'S FORMER REP. RESTITUTION WAS LESS THAN \$40,000.00.

Sanction Details: LPL ENTERED INTO STIPULATION FOR CONSENT ORDER THAT RESOLVED THIS MATTER WITHOUT PAYMENT OF A FINE OR CENSURE. RESTITUTION WAS LESS THAN \$40,000.00.

Summary: CLOSED

Disclosure 22 of 24

Reporting Source: Regulator

Current Status: Final



Allegations: VIOLATIONS OF SECTIONS 305(a)(vii) & (ix) OF THE PENNSYLVANIA SECURITIES ACT.

Initiated By: PENNSYLVANIA SECURITIES COMMISSION

Date Initiated: 10/09/1996

Docket/Case Number: 9501-04LC

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 10/09/1996

Sanctions Ordered:

Other Sanctions Ordered:

Sanction Details: THE COMMISSION ORDERED LINSKO PRIVATE LEDGER TO ENGAGE AN INDEPENDENT CONSULTANT, ACCEPTABLE TO COMMISSION STAFF, TO CONDUCT A REVIEW OF EXISTING PROCEDURES, PRACTICES AND POLICIES CONCERNING THEIR PENNSYLVANIA OFFICE AND THEIR SUPERVISION OF ITS PENNSYLVANIA OPERATIONS; ORDERED LINSKO PRIVATE LEDGER TO PAY \$19,304.94 IN COSTS AND TO COMPLY WITH THE PENNSYLVANIA SECURITIES ACT IN THE FUTURE.

Summary: LINSKO PRIVATE LEDGER FAILED TO MAINTAIN AND ENFORCE CERTAIN OF THEIR WRITTEN PROCEDURES. ALSO THAT LINSKO PRIVATE LEDGER'S REGISTERED REPRESENTATIVE RECOMMENDED TO TWO CUSTOMERS, THE PURCHASE, SALE OR EXCHANGE OF SECURITIES WITHOUT REASONABLE GROUNDS TO BELIEVE THAT THEY WERE SUITABLE FOR THE CUSTOMERS. FURTHER, THAT LINSKO PRIVATE LEDGER FAILED TO EXERCISE DILIGENT SUPERVISION OVER THE SECURITIES ACTIVITIES OF ONE OF ITS REGISTERED REPRESENTATIVES. CONTACT: TRACY L. WRIGHT (717) 783-5177



Reporting Source: Firm

Current Status: Final

Allegations: PROCEEDING WAS BASED ON CONDUCT OF AN AGENT FORMERLY LICENSED WITH LPL AND ONE OF ITS PREDECESSOR FIRMS, PRIVATE LEDGER FINANCIAL SERVICES (PLFS). THE PSC FOUND THAT:1)THE AGENT ACTED AS THE MANAGER OF A PLFS BRANCH OFFICE FROM NOVEMBER 1987 TO OCTOBER 1988 WITHOUT THE APPROPRIATE SECURITIES LICENSE; 2)LPL WAS UNABLE IN 1994 TO PRODUCE THE FOLLOWING: A NEW ACCOUNT FORM FOR ONE CUSTOMER, A COMPLETE NEW ACCOUNT FORM FOR ANOTHER CUSTOMER, A CHRONOLOGICAL LISTING OF INVESTMENTS FOR ALL THE AGENT'S CUSTOMER, AND SUBSCRIPTION AGREEMENTS FOR TWO LIMITED PARTNERSHIP TRANSACTIONS EFFECTED BY THE AGENT;AND 3)THE AGENT SOLD TO TWO CUSTOMERS INTERESTS IN APPROXIMATELY 13 AND 19 LIMITED PARTNER SHIPS, RESPECTIVELY, WITHOUT A REASONABLE BASIS FOR BELIEVING THAT THE TRANSACTIONS WERE SUITABLE FOR THE CUSTOMERS.

Initiated By: PENNSYLVANIA SECURITIES COMMISSION "PSC"

Date Initiated: 10/09/1996

Docket/Case Number: 9501-04LC

Principal Product Type: Direct Investment(s) - DPP & LP Interest(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: PRINICIPAL SANCTION WAS AN ORDER. LPL CONSENTED TO ENTRY OF AN ORDER REQUIRING IT TO ENGAGE AN INDEPENDENT CONSULTANT TO REVEIW ITS EXISTING COMPLIANCE POLICIES AND PROCEDURES, PAY INVESTIGATIVE COSTS OF \$19,304.94, AND COMPLY WITH THE PROVISIONS OF THE PENNSYLVANIA SECURITIES ACT OF 1972 AND RELATED REGULATIONS.

Resolution: Order

Resolution Date: 10/09/1996

Sanctions Ordered:

Other Sanctions Ordered: NO SANCTION. FIRM AGREED TO PAY INVESTIGATIVE COSTS OF \$19304.94.

Sanction Details: NO SANCTION. FIRM AGREED TO PAY INVESTIGATIVE COSTS OF \$19304.94.



Summary: CLOSED

Disclosure 23 of 24

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: MICHIGAN

Date Initiated: 06/06/1984

Docket/Case Number: 82-66-S

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 06/06/1984

Sanctions Ordered: Censure

Other Sanctions Ordered:

Sanction Details:

Summary: THE RESPONDENT EMPLOYED UNREGISTERED AGENTS WHICH IS A VIOLATION OF SECTION 201(b) OF THE ACT. THE AGENTS WHILE IN THE EMPLOY AND ON BEHALF OF THE RESPONDENT, MADE OFFERS AND SALES OF VARIOUS SECURITIES. PURSUANT TO SECTION 204(A) OF THE ACT, THE RESPONDENT BE HEREBY CENSURED. CASE #82-66-S

Reporting Source: Firm

Current Status: Final

Allegations: BUREAU ALLEGED THAT TWO AGENTS OF PRIVATE LEDGER FINANCIAL SERVICES (PLFS) OFFERED FOR SALE AND SOLD SECURITIES THAT WERE NOT EFFECTIVELY REGISTERED OR EXEMPT FROM REGISTRATION.

Initiated By: MICHIGAN CORPORATIONS AND SECURITIES BUREAU



Date Initiated: 05/20/1984
Docket/Case Number: 82-66-S
Principal Product Type: Other
Other Product Type(s): LICENSING MATTER
Principal Sanction(s)/Relief Sought: Censure
Other Sanction(s)/Relief Sought: RESTITUTION OF \$11,163.00.
Resolution: Consent
Resolution Date: 05/20/1984
Sanctions Ordered: Censure
 Disgorgement/Restitution
Other Sanctions Ordered: NO SANCTION RESTITUTION OF 11,163.00 WAS PAID
Sanction Details: NO SANCTION RESTITUTION OF 11,163.00 WAS PAID
Summary: PRIVATE LEDGER FINANCIAL SERVICES INC. (PLFS) WAS CENSURED BY MICHIGAN CORPORATIONS AND SECURITIES BUREAU AND ORDERED TO PAY RESTITUTION OF 11,163.00 TO MICHIGAN CLIENT. CLIENT WAS SOLD VARIOUS SECURITIES BY TWO PLFS AGENTS WHO WERE NOT AT THE TIME OF SALE REGISTERED IN MICHIGAN, A VIOLATION OF SECTION 201(B) OF THE MICHIGAN SECURITIES ACT. BOTH AGENTS WERE TERMINATED FROM PLFS. MICHIGAN CASE 82-66-S, DATED MAY 20, 1984.

Disclosure 24 of 24

Reporting Source: Regulator
Current Status: Final
Allegations:
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 02/14/1980
Docket/Case Number: CA-793
Principal Product Type:
Other Product Type(s):
Principal Sanction(s)/Relief Sought:


Other Sanction(s)/Relief Sought:

Resolution: Decision
Resolution Date: 07/18/1980
Sanctions Ordered: Censure
 Monetary/Fine \$250.00

Other Sanctions Ordered:
Sanction Details:

Summary: COMPLAINT #CA-793 FILED 02/14/80
 DIST. #2N
 DECISION 06/04/80: CENSURED; FINED \$500 AND ASSESSED COSTS OF \$252.10 ONE-HALF EACH
 07/18/80: TO BE FINAL
 FINES & COSTS 01/14/81 FC#7822 PD
 APPEAL ACTION 06/17/80: APPEALED TO B/G

Reporting Source: Firm
Current Status: Final
Allegations: NASD ALLEGED THAT PRIVATE LEDGER FINANCIAL SERVICES (PLFS) FAILED TO SUPERVISE A BRANCH OFFICE WITH RESPECT TO USE OF STATIONARY AND BUSINESS CARDS AND FOR THE FAILURE TO USE PLFS'S NAME ON THE FRONT DOOR OF THE BRANCH OFFICE AND IN A PHONE BOOK LISTING.
Initiated By: NASD DISTRICT BUSINESS CONDUCT COMMITTEE
Date Initiated: 06/04/1980
Docket/Case Number: CA-793
Principal Product Type: Other
Other Product Type(s): ADVERTISEMENT
Principal Sanction(s)/Relief Sought: Censure
Other Sanction(s)/Relief Sought: FINE OF \$500.00
Resolution: Consent
Resolution Date: 06/04/1980



Sanctions Ordered:

Censure
Monetary/Fine \$500.00

Other Sanctions Ordered:

NONE

Sanction Details:

NO SANCTION A \$500 FINE

Summary:

ON JUNE 4, 1980 THE NASD DISTRICT BUSINESS CONDUCT COMMITTEE CENSURED AND FINED PLFS \$500 FOR FAILURE TO SUPERVISE A BRANCH OFFICE WITH RESPECT TO THE USE OF STATIONARY AND BUSINESS CARDS AND FOR FAILURE TO USE THE NAME OF PLFS ON THE FRONT DOOR OF THE BRANCH OFFICE AND IN THE PHONE BOOK LISTING.



Arbitration Award - Award/Judgment

Firms are not required to report arbitration claims filed against them by customers on Form BD; however, FINRA provides summary information regarding FINRA arbitration awards involving securities and commodities disputes between public customers and FINRA-registered firms in this section of the report. Note: An arbitration may contain multiple instances of a certain Relief Type (e.g., Actual/Compensatory Damages) requested by or awarded to one or more Claimants.

The full text of arbitration awards issued by FINRA is available at www.finra.org/awardsonline.

Disclosure 1 of 56

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT
Arbitration Forum:	NASD
Case Initiated:	05/03/2000
Case Number:	00-01420
Disputed Product Type:	COMMON STOCK
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$240,000.00 JOINTLY AND SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$250,000.00 JOINTLY AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER NON-MONETARY RELIEF JOINTLY AND SEVERALLY
Disposition:	AWARD AGAINST PARTY
Disposition Date:	06/14/2001
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$410,939.00; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$38,000.00; OTHER COSTS, CLOSED-DENIED IN FULL; OTHER NON-MONETARY RELIEF, CLOSED-AWARDED

Disclosure 2 of 56

Reporting Source:	Regulator
--------------------------	-----------



Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; ACCOUNT RELATED-ERRORS-CHARGES

Arbitration Forum: NASD

Case Initiated: 08/31/2000

Case Number: [00-03725](#)

Disputed Product Type: COMMON STOCK

Relief Sought: PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$1,500,000.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 03/22/2002

Relief Awarded: PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$2,500.00;
INTEREST, CLOSED-AWARDED

Disclosure 3 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 10/15/2001

Case Number: [01-05344](#)



Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$330,441.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 12/11/2002

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$94,800.00;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-AWARDED;
ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$122,328.00;
OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$300.00;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$172,000.00;
INTEREST, CLOSED-AWARDED

Disclosure 4 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-UNSUITABILITY; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated: 11/07/2001

Case Number: [01-05749](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$316,839.00 JOINTLY AND SEVERALLY;



PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 02/26/2003

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$314,474.00;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-AWARDED, AWARD AMOUNT \$300.00;
 OTHER MONETARY RELIEF, CLOSED-AWARDED, AWARD AMOUNT \$10,000.00

Disclosure 5 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 12/06/2001

Case Number: [01-05880](#)

Disputed Product Type: MUTUAL FUNDS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$900,000.00 SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;



ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 03/11/2003

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$354,341.00;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$0.01;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$41,127.00;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$0.01;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 6 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 12/20/2001

Case Number: [01-06809](#)

Disputed Product Type: COMMON STOCK



Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$45,570.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$30,411.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 12/23/2002

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$63,547.00;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$40,266.00;
 ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$21,161.00;
 ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$13,408.00;
 INTEREST, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$2,137.00;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$2,137.00;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$63,547.00;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$40,266.00

Disclosure 7 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 08/14/2002



Case Number: [02-04622](#)

Disputed Product Type: MUNICIPAL BONDS; CORPORATE BONDS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$1,627,000.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$444,000.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 01/21/2004

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 8 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 10/08/2002

Case Number: [02-05737](#)

Disputed Product Type: COMMON STOCK

Relief Sought: OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 02/17/2004

Relief Awarded: OTHER COSTS, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 9 of 56

Reporting Source: Regulator



Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 11/26/2002

Case Number: [02-06895](#)

Disputed Product Type: ANNUITIES; MUTUAL FUNDS

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$700,000.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 11/21/2003



Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$237,500.00;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 INTEREST, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED;
 OTHER COSTS, CLOSED-AWARDED;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$187.50;
 INTEREST, CLOSED-AWARDED;
 INTEREST, CLOSED-AWARDED;
 INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$0.01

Disclosure 10 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 01/17/2003

Case Number: [03-00265](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$242,907.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;



PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 05/24/2004

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$37,000.00;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$0.01;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$7,800.00;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL

Disclosure 11 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; TRADING DISPUTES-TRANSFERS; ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 03/24/2003

Case Number: [03-01355](#)

Disputed Product Type: MUTUAL FUNDS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$750,000.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$4,000,000.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$750,000.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$4,000,000.00 JOINTLY AND SEVERALLY;



INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 01/31/2005

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 12 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 03/25/2003

Case Number: [03-01995](#)

Disputed Product Type: ANNUITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$420,000.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING



Disposition Date: 02/11/2004

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL

Disclosure 13 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 04/28/2003

Case Number: [03-02886](#)

Disputed Product Type: OTHER TYPES OF SECURITIES; MUTUAL FUNDS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$250,000.00 SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$250,000.00 SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 01/27/2005

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 14 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION



Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 05/22/2003

Case Number: [03-02949](#)

Disputed Product Type: MUTUAL FUNDS; LIMITED PARTNERSHIPS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$2,050,000.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$2,050,000.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 12/23/2004

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$208,000.00;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-AWARDED

Disclosure 15 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 06/02/2003

Case Number: [03-03366](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES



Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$326,993.65 SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$326,993.65 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 05/21/2004

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$20,000.00;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$375.00

Disclosure 16 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; ACCOUNT RELATED-ERRORS-CHARGES

Arbitration Forum: NASD

Case Initiated: 05/20/2003

Case Number: [03-03530](#)

Disputed Product Type: OTHER TYPES OF SECURITIES; MUTUAL FUNDS; CORPORATE BONDS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$250,000.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$100,000.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;



ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 10/22/2004

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 17 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; FRAUDULENT
 ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF
 FACTS; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 06/25/2003

Case Number: [03-04493](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 10/29/2004

Relief Awarded: PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL



Disclosure 18 of 56

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT
Arbitration Forum:	NASD
Case Initiated:	09/29/2003
Case Number:	03-05803
Disputed Product Type:	OTHER TYPES OF SECURITIES
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$2,804,138.00 JOINTLY AND SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$177,743.00 JOINTLY AND SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; TREBLE DAMAGES, ASKED AMOUNT \$2,925,202.00 JOINTLY AND SEVERALLY
Disposition:	AWARD AGAINST PARTY
Disposition Date:	05/26/2005
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$289,636.00; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; INTEREST, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL; TREBLE DAMAGES, CLOSED-DENIED IN FULL

Disclosure 19 of 56

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT RELATED-BREACH OF CONTRACT; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF



FACTS; FRAUDULENT ACTIVITY-OTHER

Arbitration Forum: NASD

Case Initiated: 01/03/2004

Case Number: [03-09127](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$107,200.00 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 02/17/2005

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$91,581.00;
INTEREST, CLOSED-AWARDED;
ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$30,527.00;
OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$2,150.03;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$247,680.00

Disclosure 20 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-MARGIN CALLS; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 03/30/2004

Case Number: [04-02078](#)

Disputed Product Type: OTHER TYPES OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$252,876.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;



INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 02/24/2005

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$115,000.00;
OTHER COSTS, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL

Disclosure 21 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF FACTS

Arbitration Forum: NASD

Case Initiated: 04/02/2004

Case Number: [04-02227](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$209,000.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 03/10/2005

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 22 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-OTHER; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD



Case Initiated: 10/28/2004
Case Number: [04-07182](#)
Disputed Product Type: COMMON STOCK
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$20,000.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition: AWARD AGAINST PARTY
Disposition Date: 03/08/2005
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$20,000.00;
 INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$0.01;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$5,000.00;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$425.00;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 23 of 56

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum: NASD
Case Initiated: 10/20/2004
Case Number: [04-07310](#)
Disputed Product Type: UNKNOWN TYPE OF SECURITIES
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$633,000.00 SEVERALLY
Disposition: CLOSED-STIP. AWARD
Disposition Date: 04/21/2006
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL



Disclosure 24 of 56

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT RELATED-BREACH OF CONTRACT; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	NASD
Case Initiated:	10/21/2004
Case Number:	04-07352
Disputed Product Type:	MUTUAL FUNDS
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$100,000.00 SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY
Disposition:	CLOSED-BY HEARING
Disposition Date:	08/15/2005
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; INTEREST, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 25 of 56

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE;



FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 11/10/2004

Case Number: [04-07713](#)

Disputed Product Type: ANNUITIES; MUTUAL FUNDS; MUNICIPAL BONDS; GOVERNMENT SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$1,500,000.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$1,500,000.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 12/27/2005

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$1,307,916.00;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$36,133.00;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL

Disclosure 26 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 12/14/2004

Case Number: [04-08404](#)

Disputed Product Type: MUTUAL FUNDS; UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$760,000.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$2,280,000.00 JOINTLY



AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition: CLOSED-BY HEARING

Disposition Date: 05/08/2006

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL

Disclosure 27 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT
 RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF
 FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 01/27/2005

Case Number: [04-08505](#)

Disputed Product Type: OTHER TYPES OF SECURITIES; ANNUITIES; MUTUAL FUNDS

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$698,229.66
 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY
 AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$2,100,000.00 JOINTLY
 AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY



Disposition Date: 03/23/2006

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$161,621.00;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$50,000.00;
 ATTORNEY'S FEES, CLOSED-AWARDED;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$0.01;
 INTEREST, CLOSED-AWARDED

Disclosure 28 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 05/26/2005

Case Number: [05-02716](#)

Disputed Product Type: COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$100,000.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND



SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY
 AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 02/15/2006

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD
 AMOUNT \$15,000.00;
 INTEREST, CLOSED-AWARDED

Disclosure 29 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT
 ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF
 FACTS

Arbitration Forum: NASD

Case Initiated: 08/03/2005

Case Number: [05-03949](#)

Disputed Product Type: ANNUITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$210,000.00
 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY;



INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 06/27/2006

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$45,000.00;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$0.01;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 30 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated: 02/21/2006

Case Number: [06-00780](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$394,744.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 12/05/2006



Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 31 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 04/28/2006

Case Number: [06-01705](#)

Disputed Product Type: ANNUITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$20,000.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 10/13/2006

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$212.50;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 32 of 56

Reporting Source: Regulator



Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 04/19/2006

Case Number: [06-01955](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$200,000.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 12/29/2006

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 33 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 07/25/2006

Case Number: [06-02946](#)



Disputed Product Type: ANNUITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$100,000.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$100,000.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 05/22/2007

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 34 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 06/28/2006

Case Number: [06-03017](#)

Disputed Product Type: COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$25,000.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY



Disposition: CLOSED-BY HEARING
Disposition Date: 11/19/2007
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL

Disclosure 35 of 56

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT
 RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF
 FIDUCIARY DT; ACCOUNT RELATED-TRANSFER
Arbitration Forum: NASD
Case Initiated: 08/29/2006
Case Number: [06-03110](#)
Disputed Product Type: ANNUITIES
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$18,412.00 JOINTLY
 AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$6,588.00 JOINTLY
 AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$6,313.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$15,060.00 JOINTLY AND
 SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$18,412.00
 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY
Disposition: AWARD AGAINST PARTY
Disposition Date: 04/04/2007
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;



ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD
 AMOUNT \$11,565.00;
 INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$0.01;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$425.00

Disclosure 36 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: UNKNOWN TYPE OF CONTROVERSIES

Arbitration Forum: FINRA

Case Initiated: 09/27/2007

Case Number: [07-02717](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$4,230,000.00
 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY
 AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 11/20/2008

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD
 AMOUNT \$1,300,000.00;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;



 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 37 of 56

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-OTHER; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	FINRA
Case Initiated:	01/02/2008
Case Number:	07-03387
Disputed Product Type:	ANNUITIES
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$20,000,000.00 JOINTLY AND SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition:	CLOSED-STIP. AWARD
Disposition Date:	12/24/2008
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL

Disclosure 38 of 56

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	
Arbitration Forum:	NASD
Case Initiated:	05/04/1988
Case Number:	88-01184
Disputed Product Type:	
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$124,452.00 JOINTLY AND SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY



Disposition: AWARD AGAINST PARTY
Disposition Date: 09/27/1990
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$18,012.50; INTEREST, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-DENIED IN FULL

Disclosure 39 of 56

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: FRAUDULENT ACTIVITY-CHURNING; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum: NASD
Case Initiated: 01/01/1988
Case Number: [88-03298](#)
Disputed Product Type: UNKNOWN TYPE OF SECURITIES
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$20,000.00 JOINTLY AND SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$20,000.00 JOINTLY AND SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition: AWARD AGAINST PARTY
Disposition Date: 12/19/1989
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; INTEREST, CLOSED-DENIED IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$30,540.00; INTEREST, CLOSED-AWARDED



Disclosure 40 of 56

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	NASD
Case Initiated:	08/30/1991
Case Number:	91-02420
Disputed Product Type:	UNKNOWN TYPE OF SECURITIES
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$100,000.00 JOINTLY AND SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$100,000.00 JOINTLY AND SEVERALLY
Disposition:	CLOSED-BY HEARING
Disposition Date:	10/27/1992
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; INTEREST, CLOSED-DENIED IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 41 of 56

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF FACTS; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	NASD
Case Initiated:	10/25/1991
Case Number:	91-03118
Disputed Product Type:	LIMITED PARTNERSHIPS
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$53,675.00 JOINTLY AND SEVERALLY;



PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 10/27/1992

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$45,224.00;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-AWARDED;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL

Disclosure 42 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-CHURNING;
 FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 10/28/1991

Case Number: [91-03204](#)

Disputed Product Type: REAL ESTATE INVESTMENT TRUST; LIMITED PARTNERSHIPS; OPTIONS

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$200,000.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 10/07/1992

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$94,768.00;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;



OTHER COSTS, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL

Disclosure 43 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-CHURNING; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated: 12/12/1991

Case Number: [91-03796](#)

Disputed Product Type: WARRANTS/RIGHTS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$10,000.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 04/20/1992

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$8,925.00

Disclosure 44 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-OTHER

Arbitration Forum: NASD

Case Initiated: 12/27/1991

Case Number: [91-03913](#)

Disputed Product Type: REAL ESTATE INVESTMENT TRUST; LIMITED PARTNERSHIPS

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$50,000.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;



OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 09/17/1992

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL

Disclosure 45 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: EXECUTIONS-FAILURE TO EXECUTE; ACCOUNT
 RELATED-ERRORS-CHARGES

Arbitration Forum: NASD

Case Initiated: 02/19/1992

Case Number: [92-00059](#)

Disputed Product Type: COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$2,500.00 JOINTLY
 AND SEVERALLY

Disposition: CLOSED-BY PAPERS

Disposition Date: 09/02/1992

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 46 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; FRAUDULENT
 ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 11/16/1992



Case Number: [92-03308](#)
Disputed Product Type: LIMITED PARTNERSHIPS
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$10,000.00 JOINTLY AND SEVERALLY
Disposition: CLOSED-BY PAPERS
Disposition Date: 05/06/1993
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 47 of 56

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum: NASD
Case Initiated: 10/19/1992
Case Number: [92-03340](#)
Disputed Product Type: REAL ESTATE INVESTMENT TRUST; LIMITED PARTNERSHIPS
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$65,810.68 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition: AWARD AGAINST PARTY
Disposition Date: 11/17/1993
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$24,320.00;
 OTHER COSTS, CLOSED-DENIED IN FULL

Disclosure 48 of 56

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF FACTS; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum: NASD
Case Initiated: 01/13/1994



Case Number: [93-04681](#)
Disputed Product Type: REAL ESTATE INVESTMENT TRUST
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$10,000.00 JOINTLY AND SEVERALLY
Disposition: CLOSED-BY PAPERS
Disposition Date: 11/29/1994
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 49 of 56

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF FACTS; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum: NASD
Case Initiated: 03/22/1994
Case Number: [94-00780](#)
Disputed Product Type: REAL ESTATE INVESTMENT TRUST
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$75,000.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition: CLOSED-BY HEARING
Disposition Date: 06/09/1995
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL

Disclosure 50 of 56

Reporting Source: Regulator



Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-OTHER; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 03/30/1994

Case Number: [94-00837](#)

Disputed Product Type: REAL ESTATE INVESTMENT TRUST; LIMITED PARTNERSHIPS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$29,894.24 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 03/02/1995

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$23,494.24

Disclosure 51 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF FACTS; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 08/15/1994

Case Number: [94-02746](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$99,696.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 02/23/1996

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;



 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 52 of 56

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	NASD
Case Initiated:	12/08/1994
Case Number:	94-03891
Disputed Product Type:	LIMITED PARTNERSHIPS
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$20,000.00 JOINTLY AND SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition:	AWARD AGAINST PARTY
Disposition Date:	12/28/1995
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$10,000.00; INTEREST, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 53 of 56

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	NASD
Case Initiated:	03/20/1995



Case Number: [95-01292](#)

Disputed Product Type: GOVERNMENT SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$9,463.78 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: CLOSED-BY PAPERS

Disposition Date: 02/27/1996

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL

Disclosure 54 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 08/31/1995

Case Number: [95-04120](#)

Disputed Product Type: OTHER TYPES OF SECURITIES; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$5,028.73 SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$2,500.00 SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$930.35 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 02/27/1996

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$5,953.57;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;



OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$75.00;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL

Disclosure 55 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-OMISSION OF FACTS; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 10/09/1995

Case Number: [95-04702](#)

Disputed Product Type: MUTUAL FUNDS

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$12,267.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 05/15/1996

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$7,027.00;
INTEREST, CLOSED-AWARDED

Disclosure 56 of 56

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 09/30/1997

Case Number: [97-03730](#)

Disputed Product Type: LIMITED PARTNERSHIPS

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$83,500.00 JOINTLY AND SEVERALLY;



PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$175,000.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$65,000.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$2,000.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$800.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$50.00 JOINTLY AND SEVERALLY

Disposition:

AWARD AGAINST PARTY

Disposition Date:

03/03/1999

Relief Awarded:

ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$83,500.00;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$65,000.00;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL



Civil Bond

This section provides details regarding a civil bond as reported by the firm to CRD. The event may include bonds that have been denied, paid, or revoked by a bonding company.

Disclosure 1 of 1

Reporting Source:	Firm
Policy Holder:	LINSCO / PRIVATE LEDGER CORP.
Bonding Company Name:	ZURICH
Disposition:	Payout
Disposition Date:	07/27/2007
Payout Details:	PAID OUT \$50,000 ON JULY 27,2007.
Summary:	CLAIM OF MISAPPROPRIATION OF FUNDS BY FORMER REGISTERED REPRESENTATIVE.



About this BrokerCheck Report

BrokerCheck reports are part of a FINRA initiative to disclose information about FINRA-registered firms and individual brokers to help investors determine whether to conduct, or continue to conduct, business with these firms and brokers. The information contained within these reports is collected through the securities industry's registration and licensing process.

Who provides the information in BrokerCheck?

Information made available through BrokerCheck is obtained from the Central Registration Depository (CRD®) as reported through the industry registration and licensing process.

The forms used by brokerage firms, to report information as part of the firms registration and licensing process, Forms BD and BDW, are established by the Securities and Exchange Commission (SEC) and adopted by all state securities regulators and self-regulatory organizations (SROs). FINRA and the North American Securities Administrators Association (NASAA) establish the Forms U4 and U5, the forms that are used for the registration and licensing process for individual brokers. These forms are approved by the SEC. Regulators report disciplinary information for firms and individual brokers via Form U6.

How current is the information contained in BrokerCheck?

Brokerage firms and brokers are required to keep this information accurate and up-to-date (typically not later than 30 days after learning of an event). BrokerCheck data is updated when a firm, broker, or regulator submits new or revised information to CRD. Generally, updated information is available on BrokerCheck Monday through Friday.

What information is NOT disclosed through BrokerCheck?

Information that has not been reported to CRD or that is not required to be reported through the registration and licensing process, is not disclosed through BrokerCheck. Examples of events that are not required to be reported or are no longer reportable include: judgments and liens originally reported as outstanding that have been satisfied and bankruptcy proceedings filed more than 10 years ago. Conversely, certain customer complaint information that is not required to be reported may be disclosed provided certain criteria are met.

Additional information not disclosed through BrokerCheck includes Social Security Numbers, residential history information, and physical description information. On a case-by-case basis, FINRA reserves the right to exclude information that contains confidential customer information, offensive and potentially defamatory language or information that raises significant identity theft or privacy concerns that are not outweighed by investor protection concerns. FINRA Rule 8312 describes in detail what information is and is not disclosed through BrokerCheck.

Under FINRA's current public disclosure policy, in certain limited circumstances, most often pursuant to a court order, information is expunged from CRD. Further information about expungement from CRD is available in FINRA notices 99-09, 99-54, 01-65, and 04-16 at www.finra.org.

For further information regarding FINRA's BrokerCheck program, please visit FINRA's Web site at www.finra.org/brokercheck or call the FINRA BrokerCheck Hotline at (800) 289-9999. This hotline is open Monday through Friday from 8:00 a.m. to 8:00 p.m., Eastern Time (ET).

For more information about the following, select the associated link:

- About BrokerCheck Reports: http://www.finra.org/brokercheck_reports
- Glossary: http://www.finra.org/brokercheck_glossary
- Questions Frequently Asked about BrokerCheck Reports: http://www.finra.org/brokercheck_faq
- Terms and Conditions: <http://brokercheck.finra.org/terms.aspx>