

BrokerCheck Report

ANDREW TODD YOCUM

CRD# 4590723

Report #96452-59435, data current as of Wednesday, May 25, 2016.

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About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:

- information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
- information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <http://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

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

FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.



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.

Thank you for using FINRA BrokerCheck.

ANDREW T. YOCUM

CRD# 4590723

This broker is not currently registered.

Report Summary for this Broker



This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

Broker Qualifications

This broker is not currently registered.

This broker has passed:

- 0 Principal/Supervisory Exams
- 2 General Industry/Product Exams
- 1 State Securities Law Exam

Registration History

This broker was previously registered with the following securities firm(s):

SUMMIT BROKERAGE SERVICES, INC.

CRD# 34643
Lady Lake, FL
12/2015 - 03/2016

MORGAN STANLEY

CRD# 149777
THE VILLAGES, FL
06/2009 - 10/2015

MORGAN STANLEY & CO. INCORPORATED

CRD# 8209
THE VILLAGES, FL
10/2007 - 06/2009

Disclosure Events

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

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

The following types of disclosures have been reported:

Type	Count
Customer Dispute	14
Termination	1

Investment Adviser Representative Information

The information below represents the individual's record as a broker. For details on this individual's record as an investment adviser representative, visit the SEC's Investment Adviser Public Disclosure website at

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

Broker Qualifications



Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

This broker is not currently registered.



Broker Qualifications

Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below.

This individual has passed 0 principal/supervisory exams, 2 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
General Securities Representative Examination	Series 7	11/27/2002
Futures Managed Funds Examination	Series 31	07/30/2008

State Securities Law Exams

Exam	Category	Date
Uniform Combined State Law Examination	Series 66	12/06/2002

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at www.finra.org/brokerqualifications/registeredrep/.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
12/2015 - 03/2016	SUMMIT BROKERAGE SERVICES, INC.	34643	Lady Lake, FL
06/2009 - 10/2015	MORGAN STANLEY	149777	THE VILLAGES, FL
10/2007 - 06/2009	MORGAN STANLEY & CO. INCORPORATED	8209	THE VILLAGES, FL
11/2002 - 11/2007	A. G. EDWARDS & SONS, INC.	4	THE VILLAGES, FL

Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.

Employment Dates	Employer Name	Employer Location
12/2015 - Present	Summit Brokerage Services Inc	Lady Lake, FL
12/2015 - Present	Summit Financial Group Inc	Lady Lake, FL
01/2015 - 10/2015	MORGAN STANLEY PRIVATE BANK, NATIONAL ASSOCIAT	NEW YORK, NY
06/2009 - 10/2015	MORGAN STANLEY SMITH BARNEY	THE VILLAGES, FL
10/2007 - 06/2009	MORGAN STANLEY AND CO	THE VILLAGES, FL
09/2002 - 10/2007	A.G. EDWARDS & SONS, INC.	THE VILLAGES, FL

Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

(1) TEE TO GREEN INVESTMENTS, LLC; SINCE 01/28/2016; 510 COUNTY ROAD 466, STE 201, LADY LAKE, FL; OWNER; DBA created to pay business-related expenses to protect Yocum Financial Services for tax and legal purposes. 160 HOURS SPENT ON ACTIVITY PER MONTH, 8 HOURS SPENT DURING TRADING HOURS

(2) YOCUM FINANCIAL SERVICES; SINCE 01/29/2016; SAME AS BRANCH ADDRESS; FINANCIAL ADVISOR;

Registration and Employment History



Other Business Activities, continued

Investments, financial planning, estate planning, tax planning; 160 HOURS SPENT ON ACTIVITY PER MONTH, 6.5 HOURS SPENT ON ACTIVITY DURING TRADING HOURS



Disclosure Events

What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
 - A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
 - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" event involves allegations that have not been proven or formally adjudicated.
 - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" event has been concluded and its resolution is not subject to change.
 - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Customer Dispute	11	3	N/A



Termination	N/A	1	N/A
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Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

Disclosure 1 of 3

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	MORGAN STANLEY SMITH BARNEY
Allegations:	Client complained about losses he incurred in his fixed income energy holdings and he alleges that the FA recommended transactions solely to generate commissions.
Product Type:	Debt-Corporate
Alleged Damages:	\$0.00
Is this an oral complaint?	Yes
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	10/08/2015
Complaint Pending?	No
Status:	Settled
Status Date:	03/10/2016



Settlement Amount:	\$20,000.00
Individual Contribution Amount:	\$0.00
Firm Statement	In order to avoid the costs and uncertainties of litigation, Morgan Stanley agreed to pay \$20,000.00 in full and final settlement of any and all claims that could be asserted by the client.

Disclosure 2 of 3

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	MSSB
Allegations:	Client verbally alleged, inter alia, unsuitability with respect to investments in account - June 2014 to November 2015.
Product Type:	Other: Managed/Wrap Acct (In-house Manager)
Alleged Damages:	\$0.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	02/18/2016
Complaint Pending?	No
Status:	Settled
Status Date:	02/18/2016
Settlement Amount:	\$30,000.00
Individual Contribution Amount:	\$0.00

Reporting Source:	Broker
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Employing firm when activities occurred which led to the complaint:	Morgan Stanley Smith Barney
Allegations:	Client verbally alleged, inter alia, unsuitability with respect to investments in account - June 2014 to November 2015
Product Type:	Other: Managed/Wrap Acct (In-house Manager)
Alleged Damages:	\$0.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	02/18/2016
Complaint Pending?	No
Status:	Settled
Status Date:	02/18/2016
Settlement Amount:	\$30,000.00
Individual Contribution Amount:	\$0.00

Disclosure 3 of 3

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	MORGAN STANLEY
Allegations:	CLIENTS ALLEGE THAT ENERGY STOCKS PURCHASED IN THEIR MANAGED IRA ACCOUNTS WERE UNSUITABLE. 2012-2015 DAMAGES UNSPECIFIED
Product Type:	Other: 17-MANAGED/WRAP ACCOUNTS (IN-HOUSE MONEY MANAGER)
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	UNSPECIFIED



Is this an oral complaint? No
Is this a written complaint? Yes
**Is this an arbitration/CFTC
 reparation or civil litigation?** No

Customer Complaint Information

Date Complaint Received: 05/19/2015
Complaint Pending? No
Status: Settled
Status Date: 08/17/2015
Settlement Amount: \$33,698.00
**Individual Contribution
 Amount:** \$0.00

Broker Statement

Clients accounts did well for the majority of the time in question, despite the fact that over 20% of their account was tied up in illiquid Structured Products CD sold by their previous advisor that returned nothing for 2 years since I took over the accounts. We elected to invest the proceeds in the energy sector which was highly touted by Morgan Stanley and had been performing well previously until energy dropped precipitously in the worst collapse in modern history, with which no one could have foreseen.

It is my understanding that the amount paid by Morgan Stanley was essentially equal to the costs, FINRA fees and attorney's fees that would be incurred in the event an arbitration claim was filed and appears to be a business-based decision rather than a decision based on the merits of the claim. I did not agree with the decision to settle the matter and was not requested by Morgan Stanley to contribute to the settlement.



Customer Dispute - Pending

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, consumer-initiated, investment-related written complaint containing allegations that the broker engaged in, sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities.

Disclosure 1 of 11

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Morgan Stanley Smith Barney
Allegations:	Claimants alleged, inter alia, that investments in account were unsuitable - 2010 to 2015.
Product Type:	Debt-Corporate Equity Listed (Common & Preferred Stock) Other: Closed-End Funds
Alleged Damages:	\$361,683.00

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	16-00904
Date Notice/Process Served:	04/01/2016
Arbitration Pending?	Yes

Disclosure 2 of 11

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	MSSB
Allegations:	Claimants allege, inter alia, that from March 2012 to September 2015 the FA made unsuitable investment recommendations.
Product Type:	Equity Listed (Common & Preferred Stock) Other: DEBT CORPORATE 15% EXCHANGE TRADED FUNDS 15%
Alleged Damages:	\$54,850.00



Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 02/23/2016

Complaint Pending? No

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

Status Date: 04/15/2016

Settlement Amount:

**Individual Contribution
Amount:**

Arbitration Information

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

Docket/Case #: 16-00865

Date Notice/Process Served: 04/15/2016

Arbitration Pending? Yes

Disclosure 3 of 11

Reporting Source: Firm

**Employing firm when
activities occurred which led
to the complaint:** MORGAN STANLEY

Allegations: CLIENTS' ATTORNEY ALLEGES THAT THE CLIENTS' ACCOUNTS WERE OVERCONCENTRATED IN OIL & GAS RELATED SECURITIES. 2009-2015

Product Type: Debt-Corporate

Alleged Damages: \$60,000.00

Is this an oral complaint? No

Is this a written complaint? Yes



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

Customer Complaint Information

Date Complaint Received: 01/27/2016

Complaint Pending? Yes

Settlement Amount:

**Individual Contribution
Amount:**

Reporting Source: Broker

**Employing firm when
activities occurred which led
to the complaint:** Morgan Stanley Smith Barney

Allegations: CLIENTS' ATTORNEY ALLEGES THAT THE CLIENTS' ACCOUNTS WERE OVERCONCENTRATED IN OIL & GAS RELATED SECURITIES. 2009-2015

Product Type: Debt-Corporate

Alleged Damages: \$60,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 01/27/2016

Complaint Pending? Yes

Settlement Amount:

**Individual Contribution
Amount:**

Disclosure 4 of 11

Reporting Source: Firm



Employing firm when activities occurred which led to the complaint: MORGAN STANLEY

Allegations: CLIENTS' ATTORNEY ALLEGES THAT THE CLIENTS' ACCOUNTS WERE OVERCONCENTRATED IN OIL & GAS RELATED SECURITIES. 2009-2015

Product Type: Debt-Corporate
Equity Listed (Common & Preferred Stock)
Money Market Fund

Alleged Damages: \$70,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 01/27/2016

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: Morgan Stanley Smith Barney

Allegations: CLIENTS' ATTORNEY ALLEGES THAT THE CLIENTS' ACCOUNTS WERE OVERCONCENTRATED IN OIL & GAS RELATED SECURITIES. 2009-2015

Product Type: Debt-Corporate
Equity Listed (Common & Preferred Stock)
Money Market Fund

Alleged Damages: \$70,000.00

Is this an oral complaint? No

Is this a written complaint? Yes



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

Customer Complaint Information

Date Complaint Received: 01/27/2016

Complaint Pending? Yes

Settlement Amount:

**Individual Contribution
Amount:**

Disclosure 5 of 11

Reporting Source: Firm

**Employing firm when
activities occurred which led
to the complaint:** MORGAN STANLEY

Allegations: CLIENTS' ATTORNEY ALLEGES THAT THE CLIENTS' ACCOUNTS WERE OVERCONCENTRATED IN OIL & GAS RELATED SECURITIES. 2013-2015

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

Alleged Damages: \$30,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 01/27/2016

Complaint Pending? Yes

Settlement Amount:

**Individual Contribution
Amount:**

Reporting Source: Broker



Employing firm when activities occurred which led to the complaint: Morgan Stanley Smith Barney

Allegations: CLIENTS' ATTORNEY ALLEGES THAT THE CLIENTS' ACCOUNTS WERE OVERCONCENTRATED IN OIL & GAS RELATED SECURITIES. 2013-2015

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$30,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 01/27/2016

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 6 of 11

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: MSSB

Allegations: CLIENTS ALLEGE THE LOSSES IN THEIR ACCOUNTS WERE DUE TO THE FA'S DETRIMENTAL ACTIONS. AUGUST 2014 - SEPTEMBER 2015. DAMAGES UNSPECIFIED.

Product Type: Equity Listed (Common & Preferred Stock)
Other: 09-Mutual Funds 35 %

Alleged Damages: \$0.00

Is this an oral complaint? No

Is this a written complaint? Yes

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



Customer Complaint Information

Date Complaint Received: 02/09/2016

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: Morgan Stanley Smith Barney

Allegations: CLIENTS ALLEGE THE LOSSES IN THEIR ACCOUNTS WERE DUE TO THE FA'S DETRIMENTAL ACTIONS. AUGUST 2014 - SEPTEMBER 2015. DAMAGES UNSPECIFIED

Product Type: Other: 09-Mutual Funds 35 %

Alleged Damages: \$0.00

Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 02/09/2016

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 7 of 11

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: MSSB



Allegations: CLIENTS' ATTORNEY ALLEGES UNSUITABILITY WITH RESPECT TO INVESTMENTS - DECEMBER 2013 - OCTOBER 2015.

Product Type: Debt-Corporate

Alleged Damages: \$46,300.00

Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 02/01/2016

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: Morgan Stanley Smith Barney

Allegations: CLIENTS' ATTORNEY ALLEGES UNSUITABILITY WITH RESPECT TO INVESTMENTS - DECEMBER 2013 - OCTOBER 2015.

Product Type: Debt-Government

Alleged Damages: \$46,300.00

Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 02/01/2016

Complaint Pending? Yes

Settlement Amount:



Individual Contribution Amount:

Disclosure 8 of 11

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: MSSB

Allegations: CLIENT'S ATTORNEY ALLEGES UNSUITABILITY WITH RESPECT TO INVESTMENTS JANUARY 2012 - OCTOBER 2015.

Product Type: Equity Listed (Common & Preferred Stock)
Other: 12-Direct Investments 20 % / 02-Debt-Corporate 30 %

Alleged Damages: \$186,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 02/01/2016

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: Morgan Stanley Smith Barney

Allegations: CLIENT'S ATTORNEY ALLEGES UNSUITABILITY WITH RESPECT TO INVESTMENTS JANUARY 2012 - OCTOBER 2015

Product Type: Other: 12-Direct Investments 20 % / 02-Debt-Corporate 30 %

Alleged Damages: \$186,000.00



Is this an oral complaint? No
 Is this a written complaint? Yes
 Is this an arbitration/CFTC
 reparation or civil litigation? No

Customer Complaint Information

Date Complaint Received: 02/01/2016
 Complaint Pending? Yes
 Settlement Amount:
 Individual Contribution
 Amount:

Disclosure 9 of 11

Reporting Source: Firm
 Employing firm when
 activities occurred which led
 to the complaint: MORGAN STANLEY

Allegations: CLIENT ALLEGED THAT HER ACCOUNT WAS OVERCONCENTRATED IN
 ENERGY STOCKS. 2012-2015 ALLEGED DAMAGES UNSPECIFIED.

Product Type: Equity-OTC
 Alleged Damages: \$0.00

Is this an oral complaint? No
 Is this a written complaint? Yes
 Is this an arbitration/CFTC
 reparation or civil litigation? No

Customer Complaint Information

Date Complaint Received: 01/20/2016
 Complaint Pending? Yes
 Settlement Amount:
 Individual Contribution
 Amount:



Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: Morgan Stanley

Allegations: Client alleges that her account was over concentrated in energy stocks 2012-2015

Product Type: Equity-OTC

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): unspecified

Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 01/20/2016

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 10 of 11

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: MSSB

Allegations: Client's daughter alleges unsuitability with respect to investments - June 2012 - September 2015. Damages unspecified.

Product Type: Other: 5.Listed Equities, Exchange Traded Funds

Alleged Damages: \$0.00

Is this an oral complaint? No

Is this a written complaint? Yes



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

Customer Complaint Information

Date Complaint Received: 11/23/2015

Complaint Pending? Yes

Settlement Amount:

**Individual Contribution
Amount:**

Reporting Source: Broker

**Employing firm when
activities occurred which led
to the complaint:** Morgan Stanley Smith Barney

Allegations: Clients daughter alleges unsuitability with respect to investments - June 2012 - September 2015. Damages unspecified.

Product Type: Other: 5. Ilisted ewuities, exchange traded funds

Alleged Damages: \$0.00

Is this an oral complaint? No

Is this a written complaint? Yes

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

Customer Complaint Information

Date Complaint Received: 11/23/2015

Complaint Pending? Yes

Settlement Amount:

**Individual Contribution
Amount:**

Broker Statement

My previous client and clients daughter (POA) were looking for an extremely high amount of monthly income to pay for the client's monthly living expenses. We discussed various types of investments and strategies,with the clients ultimately electing to invest into high yielding securities to provide the almost unreasonable amount of income that was being requested. The clients knew the risk and were willing to take to achieve this incredibly high amount of income. All of the



investments were highly touted by Morgan Stanley. The accounts did well until recently high-yielding investments came under pressure in the volatile market, but despite this the account still continued to generate the income they were requesting.

Disclosure 11 of 11

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	MORGAN STANLEY SMITH BARNEY
Allegations:	CLAIMANT ALLEGED, INTER ALIA, UNSUITABILITY WITH RESPECT TO RECOMMENDATIONS AND INVESTMENTS MADE IN THE ACCOUNTS - 2011 TO 2014.
Product Type:	Debt-Corporate
Alleged Damages:	\$98,500.00
Arbitration Information	
Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	15-01454
Date Notice/Process Served:	06/23/2015
Arbitration Pending?	Yes
Broker Statement	Client's account actually made profits during this time in question and client was looking for a high amount of income. All investments were discussed with the clients and a portion of the investments were actually picked by the client. Client was aware of the risks of chasing yield and all investments were highly touted by Morgan Stanley. Client is electing to cherry-pick positions that have losses, when in fact the client's account made over \$30,000 during this time frame. Furthermore, the amount of damage the client is requesting is far greater than any of the individual losses sustained by the client and is grossly exaggerated. Morgan Stanley also believes the allegations lack merit. After reviewing the Statement of Claim, Morgan Stanley elected to defend against the allegations and the matter is pending. I am represented in the arbitration by the same in-house counsel who is representing Morgan Stanley



Employment Separation After Allegations

This type of disclosure event involves a situation where the broker voluntarily resigned, was discharged, or was permitted to resign after being accused of (1) violating investment-related statutes, regulations, rules or industry standards of conduct; (2) fraud or the wrongful taking of property; or (3) failure to supervise in connection with investment-related statutes, regulations, rules, or industry standards of conduct.

Disclosure 1 of 1

Reporting Source: Firm
Employer Name: MORGAN STANLEY
Termination Type: Discharged
Termination Date: 10/01/2015
Allegations: Allegations concerning acting on verbal discretion.
Product Type: No Product

Reporting Source: Broker
Employer Name: Morgan Stanley CRD #149777
Termination Type: Discharged
Termination Date: 10/01/2015
Allegations: Allegations concerning acting on verbal discretion.
Product Type: No Product

Broker Statement The circumstances related to the decision were not discussed with or explained to me to any significant degree. As general practice I have always called my clients to receive trade authorization. The majority of my accounts were fee based so I would have no incentive to conduct unauthorized trades for the purpose of generating commissions. I did not seek to exercise verbal discretion in any of my accounts, nor do I have any recollection of exercising verbal discretion in any account.

End of Report



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