

BrokerCheck Report

TONI T CHEN

CRD# 2827024

Report #56571-98102, data current as of Monday, July 11, 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.

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)

TONI T. CHEN

CRD# 2827024

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:

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

Registration History

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

TRANSAMERICA FINANCIAL ADVISORS, INC
 CRD# 16164
 ST. PETERSBURG, FL
 01/2012 - 08/2012

WORLD GROUP SECURITIES, INC.
 CRD# 114473
 DULUTH, GA
 04/2002 - 01/2012

WMA SECURITIES, INC.
 CRD# 32625
 DULUTH, GA
 12/1996 - 04/2002

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
Regulatory Event	1
Civil Event	1
Customer Dispute	3

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 1 principal/supervisory exam, 1 general industry/product exam, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
Investment Company Products/Variable Contracts Principal Examination	Series 26	06/08/1998

General Industry/Product Exams

Exam	Category	Date
Investment Company Products/Variable Contracts Representative Examination	Series 6	11/29/1996

State Securities Law Exams

Exam	Category	Date
Uniform Securities Agent State Law Examination	Series 63	11/29/1996
Uniform Investment Adviser Law Examination	Series 65	03/30/2009

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
01/2012 - 08/2012	TRANSAMERICA FINANCIAL ADVISORS, INC	16164	ST. PETERSBURG, FL
04/2002 - 01/2012	WORLD GROUP SECURITIES, INC.	114473	DULUTH, GA
12/1996 - 04/2002	WMA SECURITIES, INC.	32625	DULUTH, GA

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
01/2012 - Present	TRANSAMERICA FINANCIAL ADVISORS, INC	ALHAMBRA, CA
01/2012 - Present	TRANSAMERICA FINANCIAL ADVISORS, INC	ALHAMBRA, CA
06/2001 - Present	WFG	ALHAMBRA, CA
07/2009 - 01/2012	INVESTMENT ADVISORS INTERNATIONAL	ALHAMBRA, CA
04/2002 - 01/2012	WORLD GROUP SECURITIES, INC.	ALHAMBRA, CA

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.

No information reported.



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.
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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
Regulatory Event	0	1	0



Civil Event	1	0	0
Customer Dispute	0	3	N/A



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.

Regulatory - Final

This type of disclosure event may involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of a broker's authority to act as an attorney, accountant, or federal contractor.

Disclosure 1 of 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	07/11/2014
Docket/Case Number:	2013039027901
Employing firm when activity occurred which led to the regulatory action:	N/A
Product Type:	No Product
Allegations:	CHEN WAS NAMED A RESPONDENT IN A FINRA COMPLAINT ALLEGING THAT SHE FAILED TO PROVIDE A SUBSTANTIAL AMOUNT OF DOCUMENTS AND INFORMATION REQUESTED BY FINRA, AND ENTIRELY FAILED TO APPEAR FOR ON-THE-RECORD TESTIMONY IN CONNECTION WITH AN INVESTIGATION CONCERNING POSSIBLE VIOLATIONS OF THE FEDERAL SECURITIES LAWS AND/OR FINRA RULES.
Current Status:	Final
Resolution:	Decision & Order of Offer of Settlement
Does the order constitute a	No



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

Resolution Date: 08/05/2014

Sanctions Ordered: Bar (Permanent)

If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?

No

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



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

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

Sanction 1 of 1

Sanction Type: Bar (Permanent)

Capacities Affected: ANY CAPACITY

Duration:

Start Date: 08/05/2014

End Date:



Regulator Statement

WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, CHEN CONSENTED TO THE SANCTION AND TO THE ENTRY OF FINDINGS THAT SHE FAILED TO PROVIDE A SUBSTANTIAL AMOUNT OF DOCUMENTS AND INFORMATION REQUESTED BY FINRA, AND ENTIRELY FAILED TO APPEAR FOR ON-THE-RECORD TESTIMONY IN CONNECTION WITH AN INVESTIGATION CONCERNING POSSIBLE VIOLATIONS OF THE FEDERAL SECURITIES LAWS AND/OR FINRA RULES.



Civil - Pending

This type of disclosure event involves a pending civil court action that seeks an injunction in connection with any investment-related activity or alleges a violation of any investment-related statute or regulation.

Disclosure 1 of 1

Reporting Source:	Regulator
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Relief Sought:	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines Restraining Order Other: ASSET FREEZE
Date Court Action Filed:	10/09/2013
Product Type:	Other: FRAUDULENT PYRAMID SCHEME
Type of Court:	Federal Court
Name of Court:	UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK
Location of Court:	BROOKLYN, NY
Docket/Case #:	13-CV-5584
Employing firm when activity occurred which led to the action:	
Allegations:	<p>SEC LITIGATION RELEASE 22846, OCTOBER 17, 2013: THE SECURITIES AND EXCHANGE COMMISSION ANNOUNCED CHARGES AND ASSET FREEZES AGAINST THE OPERATORS AND PROMOTERS OF A WORLDWIDE PYRAMID SCHEME TARGETING MEMBERS OF THE ASIAN-AMERICAN COMMUNITY. THE PERPETRATORS OF THE SCHEME FALSELY PROMISED EXPONENTIAL, RISK-FREE RETURNS TO INVESTORS IN A VENTURE THAT PURPORTEDLY SOLD INTERNET-BASED CHILDREN'S EDUCATIONAL COURSES.</p> <p>THE SEC'S COMPLAINT, FILED UNDER SEAL ON OCTOBER 9, 2013 AND UNSEALED OCTOBER 16, 2013 IN THE EASTERN DISTRICT OF NEW YORK, ALLEGES THAT SINCE MID-2011, THE DEFENDANTS HAVE SOLICITED INVESTMENTS IN AN ENTITY WHICH THEY CLAIM IS A RAPIDLY GROWING AND LEGITIMATE MULTI-LEVEL MARKETING COMPANY THAT PURPORTEDLY SELLS WEB-BASED CHILDREN'S EDUCATIONAL COURSES. DEFENDANTS SOLICIT INVESTORS THROUGH A VARIETY OF TACTICS,</p>



INCLUDING IN-PERSON SALES PITCHES, VIDEOTAPED PRESENTATIONS POSTED ON THE INTERNET, WEBSITES, WRITTEN BROCHURES, AND EMAIL AND TELEPHONE COMMUNICATIONS. THEY ATTRACT INVESTORS BY CLAIMING THAT THE INVESTORS WILL EARN EXPONENTIAL, RISK-FREE RETURNS WITH LITTLE OR NO EFFORT. DEFENDANTS CLAIM THAT INVESTORS CAN EARN MONEY WHEN "PROFIT REWARD POINTS" (PRPTS) THEY ARE GRANTED AT THE TIME OF THEIR INITIAL INVESTMENTS INCREASE IN VALUE OR PAY DIVIDENDS, AND CAN EARN EVEN LARGER RETURNS BY CONVERTING THEIR PRPTS INTO SHARES OF COMPANY STOCK WHEN THE COMPANY CONDUCTS A PROMISED IPO ON THE HONG KONG STOCK EXCHANGE. INVESTORS HAVE ALSO BEEN TOLD THAT THEY WILL BE ABLE TO MAKE EVEN GREATER RETURNS IN THE FORMS OF COMMISSIONS AND BONUSES BY RECRUITING NEW INVESTORS. COMPANY PROMOTERS HAVE RAISED MORE THAN \$20 MILLION FROM U.S. INVESTORS, AND MILLIONS OF DOLLARS MORE FROM INVESTORS IN CANADA, TAIWAN, HONG KONG, AND OTHER COUNTRIES IN ASIA.

THE COMPLAINT ALLEGES THAT IN REALITY, THE COMPANY IS NOTHING MORE THAN A FRAUDULENT PYRAMID SCHEME. THE COMPANY HAS LITTLE OR NO REAL-WORLD RETAIL CONSUMER SALES TO GENERATE THE PROMISED RETURNS AND HAS NO APPARENT SOURCE OF REVENUE OTHER THAN MONEY RECEIVED FROM NEW INVESTORS. DEFENDANTS PROMOTE RECRUITMENT OF NEW INVESTORS INSTEAD OF RETAIL SALES. MOST OF THE MONEY RAISED HAS BEEN PAID OUT TO ACCOUNTS CONTROLLED BY COMPANY ENTITIES AND AS COMMISSIONS TO PROMOTERS, WITH THE BULK OF THE PAYOUTS GOING TO THOSE AT OR NEAR THE TOP OF THE INVESTMENT PYRAMIDS, INCLUDING THE DEFENDANTS. THE COMPANY HAS TAKEN NO STEPS TO PREPARE FOR THE PROMISED IPO. THE PRPTS GRANTED INVESTORS ARE ESSENTIALLY WORTHLESS.

THE COURT GRANTED THE SEC'S REQUEST FOR A TEMPORARY RESTRAINING ORDER, ASSET FREEZE, AND OTHER EMERGENCY RELIEF AGAINST THE 16 DEFENDANTS AS WELL AS SEVEN ENTITIES CONTROLLED BY THE U.S. PROMOTERS THAT ARE NAMED AS RELIEF DEFENDANTS IN THE COMPLAINT. A COURT HEARING HAS BEEN SET FOR OCTOBER 21, 2013 ON THE SEC'S MOTION FOR A PRELIMINARY INJUNCTION.

THE CORPORATE DEFENDANTS ARE FIVE ENTITIES BASED IN HONG KONG, CANADA, AND THE BRITISH VIRGIN ISLANDS THAT COLLECTIVELY OPERATE UNDER THE SAME BUSINESS NAME. THE INDIVIDUAL DEFENDANTS ARE THREE FOREIGN NATIONALS - WHO CONTROL THE COMPANY ENTITIES, AND EIGHT "SENIOR PROMOTERS" IN THE UNITED STATES - INCLUDING, TONI TONG CHEN. THE SEC'S COMPLAINT ALLEGES



THAT ALL SIXTEEN DEFENDANTS VIOLATED SECTIONS 5(A), 5(C), 17(A)(1) AND (3) OF THE SECURITIES ACT OF 1933 AND SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AND RULES 10B-5(A) AND (C) THEREUNDER. ONE ENTITY, FOREIGN NATIONAL, AND THE SENIOR PROMOTERS, INCLUDING CHEN, ARE ALSO CHARGED WITH VIOLATING SECURITIES ACT SECTION 17(A)(2) AND EXCHANGE ACT RULE 10B-5(B). THE FOREIGN NATIONAL AND THE SENIOR PROMOTERS ARE CHARGED WITH VIOLATING THE BROKER-DEALER REGISTRATION PROVISIONS UNDER SECTION 15(A)(1) OF THE EXCHANGE ACT. THE SEC SEEKS DISGORGEMENT OF ILL-GOTTEN GAINS, FINANCIAL PENALTIES, PERMANENT INJUNCTIONS, AND OTHER RELIEF. THE SEC ALSO SEEKS DISGORGEMENT FROM RELIEF DEFENDANTS.

Current Status:

Pending

Limitations or Restrictions in Effect During Appeal:

TEMPORARY RESTRAINING ORDER; ASSET FREEZE



Customer Dispute - Closed-No Action/Withdrawn/Dismissed/Denied

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a 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, which was closed without action, withdrawn, or denied.

Disclosure 1 of 3

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: WMA SECURITIES, INC.

Allegations: CLIENT ALLEGES THAT THE REPRESENTATIVE DID NOT DISCLOSE THE SURRENDER CHARGES ASSOCIATED WITH VARIABLE UNIVERSAL LIFE INSURANCE POLICY ISSUED ON JANUARY 3, 2000.

Product Type: Insurance

Alleged Damages: \$14,598.24

Customer Complaint Information

Date Complaint Received: 12/18/2003

Complaint Pending? No

Status: Denied

Status Date: 12/23/2003

Settlement Amount:

Individual Contribution Amount:

Disclosure 2 of 3

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: WORLD GROUP SECURITIES, INC.

Allegations: CUSTOMER ALLEGES THAT HER VARIABLE UNIVERSAL LIFE (VUL) INSURANCE POLICY WAS "SURRENDERED" ALTHOUGH SHE DID NOT REQUEST TO "SURRENDER" THE POLICY.

Product Type: Insurance



Alleged Damages: \$9,195.18

Customer Complaint Information

Date Complaint Received: 12/27/2002

Complaint Pending? No

Status: Denied

Status Date: 02/11/2003

Settlement Amount:

Individual Contribution Amount:

Broker Statement

COMPLAINT DENIED. NO EVIDENCE OF SALES PRACTICE VIOLATIONS FOUND. CUDTOMER WROTE A LETTER TO THE INSURANCE CO. (WRL) TO SURRENDER AND REINSTATE HER POLICY. NO DAMAGE. I DID NOT MAKE THE REQUEST.

Disclosure 3 of 3

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: WMA SECURITIES, INC.

Allegations: CLIENT ALLEGES MISREPRESENTATION OF A VARIABLE UNIVERSAL LIFE INSURANCE CONTRACT ISSUED 02/28/200 AND A VARIABLE ANNUITY CONTRACT ISSUED 02/18/2000.

Product Type: Insurance

Other Product Type(s): VARIABLE ANNUITY

Alleged Damages: \$73,888.00

Customer Complaint Information

Date Complaint Received: 05/17/2000

Complaint Pending? No

Status: Withdrawn

Status Date: 07/16/2000

Settlement Amount:



**Individual Contribution
Amount:**

Broker Statement

CLIENT WITHDREW COMPLAINT. INVESTIGATION FOUND NO EVIDENCE OF SALES PRACTICE VIOLATIONS.

End of Report



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