

BrokerCheck Report

CHRISTOPHER B ARIOLA

CRD# 2957096

Report #49799-68776, data current as of Friday, August 26, 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.

CHRISTOPHER B. ARIOLA

CRD# 2957096

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):

FINANCIAL TELESIS INC

CRD# 31012
ALISO VIEJO, CA
11/2012 - 09/2014

BAY MUTUAL FINANCIAL, LLC

CRD# 130535
SANTA MONICA, CA
09/2004 - 09/2012

WACHOVIA SECURITIES, LLC

CRD# 19616
ST. LOUIS, MO
07/2003 - 10/2004

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	4
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	10/27/1997
Futures Managed Funds Examination	Series 31	01/06/1998

State Securities Law Exams

Exam	Category	Date
Uniform Securities Agent State Law Examination	Series 63	11/03/1997

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
11/2012 - 09/2014	FINANCIAL TELESIS INC	31012	ALISO VIEJO, CA
09/2004 - 09/2012	BAY MUTUAL FINANCIAL, LLC	130535	SANTA MONICA, CA
07/2003 - 10/2004	WACHOVIA SECURITIES, LLC	19616	ST. LOUIS, MO
03/2001 - 07/2003	PRUDENTIAL SECURITIES INCORPORATED	7471	NEW YORK, NY
05/2000 - 03/2001	EQUITY TRUST ADVISORS, INC.	44799	IRVINE, CA
10/1997 - 05/2000	DEAN WITTER REYNOLDS INC.	7556	PURCHASE, NY

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
09/2012 - Present	401K ADVISORS	ALISO VIEJO, CA
09/2012 - Present	FINANCIAL TELESIS INC.	SAN RAFAEL, CA
09/2004 - 09/2012	BAY MUTUAL FINANCIAL LLC	LOS ANGELES, 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.

401K ADVISORS, INC. SINCE 09/2012. INVESTMENT-RELATED. 120 VANTIS, ALISO VIEJO, CA. RETIREMENT PLAN CONSULTING FIRM. TITLE-SENIOR INVESTMENT ADVISORY REPRESENTATIVE. DUTIES-CONSULT ON RETIREMENT PLANS. 160 HOURS/MONTH. 130 HOURS/MONTH DURING TRADING.



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.
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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
Customer Dispute	4	0	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 - 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 4

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	BAY MUTUAL FINANCIAL LLC
Allegations:	CHURNING UNSUITABILITY
Product Type:	Equity Listed (Common & Preferred Stock) Mutual Fund
Alleged Damages:	\$109,000.00
Alleged Damages Amount Explanation (if amount not exact):	APPROXIMATED DAMAGES

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	13-00636
Date Notice/Process Served:	05/01/2013
Arbitration Pending?	Yes



Disclosure 2 of 4

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	FINANCIAL TELESIS INC.
Allegations:	CLIENT IS ALLEGING THAT THE ADVISOR TRANACTED BUSINESS IN THE CLIENT'S ACCOUNT WITHOUT THE KNOWLEDGE OR CONSENT OF THE CLIENT.
Product Type:	Mutual Fund
Alleged Damages:	\$45,982.00
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:	02/12/2014
Complaint Pending?	Yes
Settlement Amount:	
Individual Contribution Amount:	
Broker Statement	CLIENT IS ALLEGING THAT HE WAS NOT AWARE OF THE TRANSACTIONS PRIOR TO EXECUTION. THE ADVISOR DENIES THIS CLAIM. ACCORDING TO THE ADVISOR, ALL TRANSACTIONS WERE DISCUSSED WITH THE CLIENT PRIOR TO EXECUTION. ADDITIONALLY, THE CLIENT RECEIVED CONFIRMATIONS AND STATEMENTS THAT REFLECTED THE ACTIVITY IN THE CLIENT'S ACCOUNT. INVESTMENTS WERE IN LINE WITH THE CLIENT'S STATED OBJECTIVES AND RISK TOLERANCE.

Disclosure 3 of 4

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	BAY MUTUAL FINAMCIAL

**Allegations:**

CUSTOMER MAINTAINED HIS ACCOUNT WITH BAY MUTUAL FROM 2007 TO 2009. THE ACCOUNT LEFT BAY MUTUAL AT THE END OF 2009 TO GO TO AMERITRADE, ANOTHER BROKERAGE FIRM. CUSTOMER COMPLAINED ASSERTING THAT HE LOST FUNDS IN THE ACCOUNT AND, WITHOUT SPECIFYING A REASON OR AMOUNT, STATED THAT HE DESIRED A REIMBURSEMENT OF ALL LOSSES IN HIS INVESTMENTS, INCLUDING LOSSES AT AMERITRADE. INVESTIGATION INDICATED THAT, WHILE THE ACCOUNT WAS AT BAY MUTUAL, IT WAS INVESTED ALMOST ENTIRELY IN BOND MUTUAL FUNDS WHICH WERE DEEMED SUITABLE FOR THE CUSTOMER'S INVESTMENT OBJECTIVES. CLIENT ALSO CONTINUED TO WITHDRAWL \$4,000 PER MONTH FROM THE ACCOUNT WHILE AT BAY MUTUAL DESPITE THE TOTAL MONTHLY INTEREST WAS APPROXIMATELY \$1500. CLIENT WANTED TO TRADE THE ACCOUNT MORE AGGRESSIVELY AND THE REPRESENTATIVE REFUSED, WHICH PROMPTED THE CUSTOMERS ACCOUNT TRANSFER TO AMERITRADE. AFTER TRANSFER OF THE ACCOUNT, TRANSACTIONS WERE NOT HANDLED OR PROCESSED THROUGH BAY MUTUAL. TWO AND ONE HALF YEARS AFTER THE ACCOUNT LEFT BAY MUTUAL IN LATE 2012, THE CUSTOMER ASKED THE REPRESENTATIVE FOR A \$2000 LOAN AS THEY HAD BEEN FRIENDS FOR TEN YEARS. IT WAS SUPPOSED TO BE A ONE WEEK LOAN, WHICH WAS NEVER RECOVERED BY THE REPRESENTATIVE. ON APRIL 15, 2013 THE FORMER CLIENT FILED A FINRA ARBITRATION AGAINST THE REPRESENTATIVE AND BAY MUTUAL FINANCIAL, LLC ALLEGING NEGLIGENCE, MISREPRESENTATION AND BREACH OF FIDUCIARY DUTY.

Product Type:

Mutual Fund

Alleged Damages:

\$490,000.00

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

FINRA

Docket/Case #:

13-01263

Date Notice/Process Served:

05/08/2013

Arbitration Pending?

Yes

Disclosure 4 of 4**Reporting Source:**

Firm



Employing firm when activities occurred which led to the complaint:

BAY MUTUAL FINANCIAL

Allegations:

CUSTOMER MAINTAINED HIS ACCOUNT WITH BAY MUTUAL FROM 2007 TO 2009. THE ACCOUNT LEFT BAY MUTUAL AT THE END OF 2009 TO GO TO AMERITRADE, ANOTHER BROKERAGE FIRM. CUSTOMER COMPLAINED ASSERTING THAT HE LOST FUNDS IN THE ACCOUNT AND, WITHOUT SPECIFYING A REASON OR AMOUNT, STATED THAT HE DESIRED A REIMBURSEMENT OF ALL LOSSES IN HIS INVESTMENTS, INCLUDING LOSSES AT AMERITRADE. INVESTIGATION INDICATED THAT, WHILE THE ACCOUNT WAS AT BAY MUTUAL, IT WAS INVESTED ALMOST ENTIRELY IN BOND MUTUAL FUNDS WHICH WERE DEEMED SUITABLE FOR THE CUSTOMER'S INVESTMENT OBJECTIVES. AFTER TRANSFER OF THE ACCOUNT TO AMERITRADE, TRANSACTIONS WERE NOT HANDLED OR PROCESSED THROUGH BAY MUTUAL. BAY MUTUAL DOES NOT BELIEVE THAT IT IS RESPONSIBLE FOR LOSSES IN SECURITIES PURCHASED BY THE INVESTOR AFTER HIS ACCOUNT VOLUNTARILY TRANSFERRED TO ANOTHER FIRM AND DOES NOT HAVE KNOWLEDGE AS TO AMOUNT OF LOSSES AT AMERITRADE. BAY MUTUAL IS ALSO CONCERNED AS TO WHETHER THE REPRESENTATIVE VIOLATED FIRM POLICIES IN CONNECTION WITH MAKING A LOAN TO THE CUSTOMER AFTER THE ACCOUNT LEFT BAY MUTUAL.

Product Type:

Mutual Fund

Alleged Damages:

\$100,000.00

Alleged Damages Amount Explanation (if amount not exact):

NO SPECIFIC DAMAGES SPECIFIED BUT ACCOUNT'S NET WORTH WAS IN EXCESS OF \$100,000 WHEN IT TRANSFERRED TO AMERITRADE.

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: 08/09/2012

Complaint Pending? Yes

Status:

Status Date: 08/09/2012

**Settlement Amount:****Individual Contribution Amount:****Reporting Source:**

Broker

Employing firm when activities occurred which led to the complaint:

BAY MUTUAL FINANCIAL

Allegations:

CUSTOMER MAINTAINED HIS ACCOUNT WITH BAY MUTUAL FROM 2007 TO 2009. THE ACCOUNT LEFT BAY MUTUAL AT THE END OF 2009 TO GO TO AMERITRADE, ANOTHER BROKERAGE FIRM. CUSTOMER COMPLAINED ASSERTING THAT HE LOST FUNDS IN THE ACCOUNT AND, WITHOUT SPECIFYING A REASON OR AMOUNT, STATED THAT HE DESIRED A REIMBURSEMENT OF ALL LOSSES IN HIS INVESTMENTS, INCLUDING LOSSES AT AMERITRADE. INVESTIGATION INDICATED THAT, WHILE THE ACCOUNT WAS AT BAY MUTUAL, IT WAS INVESTED ALMOST ENTIRELY IN BOND MUTUAL FUNDS WHICH WERE DEEMED SUITABLE FOR THE CUSTOMER'S INVESTMENT OBJECTIVES. CLIENT ALSO CONTINUED TO WITHDRAWL \$4,000 PER MONTH FROM THE ACCOUNT WHILE AT BAY MUTUAL DESPITE THE TOTAL MONTHLY INTEREST WAS APPROXIMATELY \$1500. CLIENT WANTED TO TRADE THE ACCOUNT MORE AGGRESSIVELY AND THE REPRESENTATIVE REFUSED, WHICH PROMPTED THE CUSTOMERS ACCOUNT TRANSFER TO AMERITRADE. AFTER TRANSFER OF THE ACCOUNT, TRANSACTIONS WERE NOT HANDLED OR PROCESSED THROUGH BAY MUTUAL. TWO AND ONE HALF YEARS AFTER THE ACCOUNT LEFT BAY MUTUAL IN LATE 2012, THE CUSTOMER ASKED THE REPRESENTATIVE FOR A \$2000 LOAN AS THEY HAD BEEN FRIENDS FOR TEN YEARS. IT WAS SUPPOSED TO BE A ONE WEEK LOAN, WHICH WAS NEVER RECOVERED BY THE REPRESENTATIVE.

Product Type:

Mutual Fund

Alleged Damages:

\$100,000.00

Alleged Damages Amount Explanation (if amount not exact):

NO SPECIFIC DAMAGES SPECIFIED BUT ACCOUNT'S NET WORTH WAS IN EXCESS OF \$100,000 WHEN IT TRANSFERRED TO AMERITRADE.

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: 08/09/2012

Complaint Pending? Yes

Status:

Status Date: 08/09/2012

Settlement Amount:

**Individual Contribution
Amount:**



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: BAY MUTUAL FINANCIAL

Termination Type: Permitted to Resign

Termination Date: 08/27/2012

Allegations: REPRESENTATIVE WAS SUBJECT OF A CUSTOMER COMPLAINT; HAD MADE SOME RECOMMENDATIONS TO CUSTOMERS WHICH WERE NOT CONSISTENT WITH FIRM POLICIES AND HAD MADE A LOAN TO A FORMER CUSTOMER WITHOUT REVIEWING SAME WITH COMPLIANCE PERSONNEL.

Product Type: Equity Listed (Common & Preferred Stock)

Firm Statement NA

Reporting Source: Broker

Employer Name: BAY MUTUAL FINANCIAL LLC.

Termination Type: Permitted to Resign

Termination Date: 08/27/2012

Allegations: REPRESENTATIVE WAS SUBJECT OF A CUSTOMER COMPLAINT. CUSTOMER MAINTAINED HIS ACCOUNT WITH BAY MUTUAL FROM 2007 TO 2009. THE ACCOUNT LEFT BAY MUTUAL AT THE END OF 2009 TO GO TO AMERITRADE, ANOTHER BROKERAGE FIRM. CUSTOMER COMPLAINED ASSERTING THAT HE LOST FUNDS IN THE ACCOUNT AND, WITHOUT SPECIFYING A REASON OR AMOUNT, STATED THAT HE DESIRED A REIMBURSEMENT OF ALL LOSSES IN HIS INVESTMENTS, INCLUDING LOSSES AT AMERITRADE. INVESTIGATION INDICATED THAT, WHILE THE ACCOUNT WAS AT BAY MUTUAL, IT WAS INVESTED ALMOST ENTIRELY IN BOND MUTUAL FUNDS WHICH WERE DEEMED SUITABLE FOR THE CUSTOMER'S INVESTMENT OBJECTIVES. CLIENT ALSO CONTINUED TO WITHDRAWL \$4,000 PER MONTH FROM THE ACCOUNT WHILE AT BAY MUTUAL DESPITE THE TOTAL MONTHLY INTEREST WAS APPROXIMATELY \$1500. CLIENT WANTED TO TRADE THE ACCOUNT MORE AGGRESSIVELY AND THE REPRESENTATIVE REFUSED, WHICH PROMPTED THE



CUSTOMERS ACCOUNT TRANSFER TO AMERITRADE. AFTER TRANSFER OF THE ACCOUNT, TRANSACTIONS WERE NOT HANDLED OR PROCESSED THROUGH BAY MUTUAL. TWO AND ONE HALF YEARS AFTER THE ACCOUNT LEFT BAY MUTUAL IN LATE 2012, THE CUSTOMER ASKED THE REPRESENTATIVE FOR A \$2000 LOAN AS THEY HAD BEEN FRIENDS FOR TEN YEARS. IT WAS SUPPOSED TO BE A ONE WEEK LOAN, WHICH WAS NEVER RECOVERED BY THE REPRESENTATIVE.

Product Type:

Equity Listed (Common & Preferred Stock)

End of Report



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