

**BrokerCheck Report**

**VICTOR MICHEL**

CRD# 2689456

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Broker Qualifications	2 - 3
Registration and Employment History	4 - 5
Disclosure Events	6

## 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 <https://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](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://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)

**VICTOR MICHEL**

CRD# 2689456

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

### Registration History

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

#### FINANCIAL WEST GROUP

CRD# 16668  
RENO, NV  
01/2014 - 02/2016

#### SECURITIES AMERICA, INC.

CRD# 10205  
MARINA DEL REY, CA  
09/2012 - 01/2014

#### FINANCIAL WEST GROUP

CRD# 16668  
RENO, NV  
11/2011 - 09/2012

### 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
Customer Dispute	8
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

<https://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, 1 general industry/product exam, and 2 state securities law exams.**

### Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

### General Industry/Product Exams

Exam	Category	Date
General Securities Representative Examination	Series 7	12/11/1995

### State Securities Law Exams

Exam	Category	Date
Uniform Securities Agent State Law Examination	Series 63	12/28/1995
Uniform Investment Adviser Law Examination	Series 65	11/08/2012

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/](http://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
01/2014 - 02/2016	FINANCIAL WEST GROUP	16668	RENO, NV
09/2012 - 01/2014	SECURITIES AMERICA, INC.	10205	MARINA DEL REY, CA
11/2011 - 09/2012	FINANCIAL WEST GROUP	16668	RENO, NV
06/2011 - 11/2011	TORREY PINES SECURITIES, INC.	17120	SANTA MONICA, CA
03/2010 - 06/2011	STOCKCROSS FINANCIAL SERVICES, INC.	6670	BEVERLY HILLS, CA
12/2008 - 02/2010	SOUTHWEST SECURITIES, INC.	6220	BEVERLY HILLS, CA
12/1995 - 12/2008	M.L. STERN & CO., LLC.	8327	BEVERLY HILLS, CA

### 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
01/2014 - Present	FINANCIAL WEST GROUP	WESTLAKE VILLAGE, CA
11/2012 - 01/2014	SECURITIES AMERICA ADVISORS, INC.	SANTA MONICA, CA
09/2012 - 01/2014	SECURITIES AMERICA, INC	SANTA MONICA, CA
07/2011 - 08/2012	TORREY PINES ASSET MANAGEMENT	SAN DIEGO, CA
03/2010 - 07/2011	STOCKCROSS	BEVERLY HILLS, CA
12/1996 - 02/2010	SOUTHWEST SECURITIES	BEVERLY HILLS, 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.

## Registration and Employment History



### Other Business Activities, continued

PRESIDENT OF CHERKAS MICHEL INVESTMENTS, INC - SMALL (20 UNIT) OFFICE BUILDING MANAGED BY A MANAGEMENT CO, PASSIVE INVESTMENT

INSURANCE - LIFE ONLY, VARIABLE CONTRACTS AGENT AND ACCIDENT AND HEALTH AGENT LIC# 0C24292

---



## 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
Regulatory Event	0	1	0





Customer Dispute	0	8	N/A
Termination	N/A	1	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:**

**Date Initiated:** 07/27/2016

**Docket/Case Number:** [2015043979001](#)

**Employing firm when activity occurred which led to the regulatory action:** Financial West Group

**Product Type:** No Product

**Allegations:** Without admitting or denying the findings, Michel consented to the sanctions and to the entry of findings that while associated with his member firm, he used his personal, non-firm email account to correspond with a firm customer concerning firm related business without the firm's knowledge or approval. The findings stated that Michel failed to cause the emails to be sent or directed to a firm email account, and he failed to retain copies of all of the emails in electronic or other form. As a result, by using a personal email account for securities business Michel's firm could not discharge its supervisory and recordkeeping obligations regarding electronic business correspondence. The findings also stated that Michel settled a customer complaint without providing notice of the complaint or settlement to his



firm. Michel became aware that a customer of his was unhappy with commissions charged in the customer's account and to appease the customer and to reimburse the customer for commissions, Michel paid the customer by check without the firm's knowledge or consent.

<b>Current Status:</b>	Final
<b>Resolution:</b>	Acceptance, Waiver & Consent(AWC)
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Resolution Date:</b>	07/27/2016
<b>Sanctions Ordered:</b>	Civil and Administrative Penalty(ies)/Fine(s) Suspension
<b>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?</b>	No
<b>(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?</b>	



**(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**

<b>Sanction Type:</b>	Suspension
<b>Capacities Affected:</b>	any capacity
<b>Duration:</b>	two months
<b>Start Date:</b>	08/01/2016
<b>End Date:</b>	09/30/2016



**Monetary Sanction 1 of 1**

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)

**Total Amount:** \$7,500.00

**Portion Levied against individual:** \$7,500.00

**Payment Plan:** deferred

**Is Payment Plan Current:**

**Date Paid by individual:**

**Was any portion of penalty waived?** No

**Amount Waived:**



## 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 6

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	Financial West Group
<b>Allegations:</b>	Claimant alleges churning of accounts, unsuitable recommendations, unauthorized trading & purchase of penny stocks , failure to supervise Mr. Michel, and disregard for investment objectives & risk tolerance.
<b>Product Type:</b>	Equity-OTC Options Penny Stock
<b>Alleged Damages:</b>	\$55,000.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	Claimant alleges \$55,000.00, in losses. In addition, claimant seeks model portfolio damages, interest, punitive damages, and attorney's fees & costs.
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

### Customer Complaint Information

<b>Date Complaint Received:</b>	06/17/2016
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	07/28/2016
<b>Settlement Amount:</b>	\$55,000.00
<b>Individual Contribution Amount:</b>	\$0.00

### Disclosure 2 of 6



**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** M. L. STERN & CO., LLC

**Allegations:** ALLEGES PURCHASE OF SECURITY WAS UNAUTHORIZED & FUTHER CLAIMS THAT OTHER SECURITIES WERE UNSUITABLE GIVEN HER TIME HORIZON AND RISK TOLERANCE.

**Product Type:** Debt - Municipal

**Other Product Type(s):** CMO, UIT

**Alleged Damages:** \$22,390.39

### Customer Complaint Information

**Date Complaint Received:** 02/02/2006

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 05/17/2006

**Settlement Amount:** \$8,967.16

**Individual Contribution Amount:** \$0.00

### Disclosure 3 of 6

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** M. L. STERN & CO., LLC

**Allegations:** CLIENT ALLEGED AUTHORIZATION WAS NOT GIVEN ON TWO TRADES.

**Product Type:** Equity Listed (Common & Preferred Stock)

**Alleged Damages:** \$0.00

### Customer Complaint Information

**Date Complaint Received:** 04/27/2002

**Complaint Pending?** No

**Status:** Settled



<b>Status Date:</b>	08/07/2002
<b>Settlement Amount:</b>	\$11,000.00
<b>Individual Contribution Amount:</b>	\$2,500.00
<b>Broker Statement</b>	CASE SETTLED FOR BUSINESS REASONS. NO DAMAGES WERE ALLEGED OR SUSTAINED BY THE CLIENT.

#### Disclosure 4 of 6

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	M. L. STERN & CO., LLC
<b>Allegations:</b>	CUSTOMER ALLEGED THAT MR. MICHEL EXCESSIVELY TRADED SECURITIES IN THE CUSTOMER ACCOUNT DURING THE FIRST SIX MONTHS OF 2001 ON AN UNAUTHORIZED BASIS WHICH RESULTED IN SUBSTANTIAL LOSSES. MR. MICHEL VIGOROUSLY DENIES THE ALLEGATIONS.
<b>Product Type:</b>	Equity - OTC
<b>Alleged Damages:</b>	\$100,000.00

#### Customer Complaint Information

<b>Date Complaint Received:</b>	08/14/2001
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	08/28/2002
<b>Settlement Amount:</b>	\$30,000.00
<b>Individual Contribution Amount:</b>	\$14,500.00
<b>Broker Statement</b>	SETTLEMENT WAS MADE TO THE CLIENT FOR BUSINESS REASONS.

#### Disclosure 5 of 6

<b>Reporting Source:</b>	Broker
--------------------------	--------





**Employing firm when activities occurred which led to the complaint:** M. L. STERN & CO., LLC

**Allegations:** CLIENT ALLEGES MR. MICHEL TRADED HIS ACCOUNT WITHOUT AUTHORIZATION AND INVESTED IN UNSUITABLE INVESTMENTS. MR. MICHEL DENIES THE CLAIMS.

**Product Type:** Equity - OTC

**Alleged Damages:** \$45,000.00

### Customer Complaint Information

**Date Complaint Received:** 08/13/2001

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 12/06/2001

**Settlement Amount:** \$14,876.46

**Individual Contribution Amount:** \$0.00

**Broker Statement** CLIENT LOST FUNDS DUE TO HIS DECISION TO HOLD VARIOUS TECHNOLOGY STOCKS. SETTLEMENT WITH CLIENT WAS MADE DUE TO BUSINESS CONSIDERATIONS.

### Disclosure 6 of 6

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** M. L. STERN & CO., LLC

**Allegations:** CUSTOMER ALLEGES THAT LOSSES OCCURRED IN HIS ACCOUNT DUE TO ACTIVE TRADING. THE CUSTOMER WAS AWARE OF TRADING AND ALL LOSSES AT THE TIME OF TRADING. CUSTOMER REQUESTED AN AGGRESSIVE TRADING ACCOUNT.

**Product Type:** Equity Listed (Common & Preferred Stock)

**Alleged Damages:** \$83,680.36

### Customer Complaint Information

**Date Complaint Received:** 05/21/2001



**Complaint Pending?** No  
**Status:** Arbitration/Reparation  
**Status Date:** 10/31/2001

**Settlement Amount:**

**Individual Contribution Amount:**

**Arbitration Information**

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NASD-DR CASE NUMBER 01-04167

**Date Notice/Process Served:** 10/31/2001

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 12/31/2002

**Monetary Compensation Amount:** \$50,000.00

**Individual Contribution Amount:**



## 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 2

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	SECURITIES AMERICA, INC.
<b>Allegations:</b>	CUSTOMER ALLEGES THAT THE REPRESENTATIVE SOLD A UNIT INVESTMENT TRUST AND PURCHASED TWO FRONT LOADED MUTUAL FUNDS WITHOUT THE CLIENT'S AUTHORIZATION IN ORDER TO GENERATE A COMMISSION.
<b>Product Type:</b>	Mutual Fund Unit Investment Trust
<b>Alleged Damages:</b>	\$5,000.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	NO SPECIFIC DAMAGE AMOUNT IS ALLEGED, HOWEVER, THE FIRM COULD NOT MAKE A GOOD FAITH DETERMINATION THAT THE DAMAGES FROM THE ALLEGED CONDUCT WOULD BE LESS THAN \$5,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

### Customer Complaint Information

<b>Date Complaint Received:</b>	01/29/2014
<b>Complaint Pending?</b>	No
<b>Status:</b>	Closed/No Action
<b>Status Date:</b>	02/11/2014
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	



**Firm Statement** NO SETTLEMENT WAS AGREED TO BUT TRADE CORRECTIONS WERE MADE IN THE CLIENTS ACCOUNT TO REVERSE THE TRADES THAT WERE ALLEGEDLY UNAUTHORIZED.

---

**Reporting Source:** Broker

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

**Allegations:** CUSTOMER ALLEGES THAT THE REPRESENTATIVE SOLD A UNIT INVESTMENT TRUST AND PURCHASED TWO FRONT LOADED MUTUAL FUNDS WITHOUT THE CLIENT'S AUTHORIZATION IN ORDER TO GENERATE A COMMISSION.

**Product Type:** Mutual Fund  
Unit Investment Trust

**Alleged Damages:** \$5,000.00

**Alleged Damages Amount Explanation (if amount not exact):** NO SPECIFIC DAMAGE AMOUNT IS ALLEGED, HOWEVER, THE FIRM COULD NOT MAKE A GOOD FAITH DETERMINATION THAT THE DAMAGES FROM THE ALLEGED CONDUCT WOULD BE LESS THAN \$5,000.00.

**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:** 01/29/2014

**Complaint Pending?** No

**Status:** Closed/No Action

**Status Date:** 02/11/2014

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement** REP EXPLAINED THE INVESTMENT FUNDS IN DETAIL TO HIS CLIENT AND SHE OK WITH THE TRANSACTION, BUT THE ADVOCATE LATER DISPUTED THE TRANSACTION AS BEING UNAUTHORIZED.



NO SETTLEMENT WAS AGREED TO BUT TRADE CORRECTIONS WERE MADE IN THE CLIENT'S ACCOUNT TO REVERSE THE TRADES THAT WERE ALLEGEDLY UNAUTHORIZED.

## Disclosure 2 of 2

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	SOUTHWEST SECURITIES, INC.
<b>Allegations:</b>	ATTORNEY FOR CUSTOMER ALLEGES UNSUITABLE RECOMMENDATIONS REGARDING THE TRADING OF OPTIONS AND MARGIN ACTIVITY, AND ACCEPTANCE OF ORDERS FROM SOMEONE OTHER THAN THE AUTHORIZED PARTY ON THE ACCOUNT.
<b>Product Type:</b>	Options
<b>Alleged Damages:</b>	\$300,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

## Customer Complaint Information

<b>Date Complaint Received:</b>	04/26/2011
<b>Complaint Pending?</b>	No
<b>Status:</b>	Denied
<b>Status Date:</b>	05/23/2011

**Settlement Amount:**

**Individual Contribution Amount:**

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	STOCKCROSS



**Allegations:** SUITABILITY.  
**Product Type:** Options  
**Alleged Damages:** \$75,000.00  
**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:** 02/22/2011  
**Complaint Pending?** No  
**Status:** Denied  
**Status Date:** 05/23/2011

**Settlement Amount:**

**Individual Contribution  
Amount:**

**Broker Statement** STOCKCROSS AND REPRESENTATIVE DENIED THE CLAIM IN ENTIRETY.



## 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

<b>Reporting Source:</b>	Firm
<b>Employer Name:</b>	Financial West Group
<b>Termination Type:</b>	Discharged
<b>Termination Date:</b>	02/12/2016
<b>Allegations:</b>	Violation of firm policy regarding reporting and settling customer complaints
<b>Product Type:</b>	No Product

## End of Report



**This page is intentionally left blank.**