

BrokerCheck Report

CRAIG LEE CARSON

CRD# 41892

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Broker Qualifications	2 - 4
Registration and Employment History	6
Disclosure Events	7



Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

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



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)

CRAIG L. CARSON

CRD# 41892

Currently employed by and registered with the following Firm(s):**B INTERVEST INTERNATIONAL EQUITIES CORPORATION**

1980 Dominion Way Ste 101
 COLORADO SPRINGS, CO 80918
 CRD# 20289

Registered with this firm since: 12/02/2003

IA INTERVEST INTERNATIONAL, INC.

1980 Dominion Way Ste 101
 COLORADO SPRINGS, CO 80918
 CRD# 111516

Registered with this firm since: 12/18/2003

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 registered with:**

- 1 Self-Regulatory Organization
- 5 U.S. states and territories

This broker has passed:

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

Registration History**This broker was previously registered with the following securities firm(s):****IA MCDONALD INVESTMENTS INC.**

CRD# 566
 CLEVELAND, OH
 11/2001 - 12/2003

B MCDONALD INVESTMENTS INC.

CRD# 566
 CLEVELAND, OH
 03/2001 - 12/2003

B FIRST UNION SECURITIES, INC.

CRD# 19616
 ST. LOUIS, MO
 09/1990 - 04/2001

**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	2
Customer Dispute	20



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 individual is currently registered with 1 SRO and is licensed in 5 U.S. states and territories through his or her employer.

Employment 1 of 2

Firm Name: **INTERVEST INTERNATIONAL EQUITIES CORPORATION**

Main Office Address: **1980 DOMINION WAY - SUITE 202
COLORADO SPRINGS, CO 80918**

Firm CRD#: **20289**

SRO	Category	Status	Date
B FINRA	General Securities Representative	APPROVED	12/02/2003

U.S. State/ Territory	Category	Status	Date
B Arizona	Agent	APPROVED	06/16/2014
B Colorado	Agent	APPROVED	12/18/2003
B Iowa	Agent	APPROVED	01/11/2010
B Nebraska	Agent	APPROVED	07/26/2016
B Ohio	Agent	APPROVED	12/19/2018

Branch Office Locations

INTERVEST INTERNATIONAL EQUITIES CORPORATION

1980 Dominion Way Ste 101
COLORADO SPRINGS, CO 80918

Employment 2 of 2

Firm Name: **INTERVEST INTERNATIONAL, INC.**

Main Office Address: **1980 DOMINION WAY, SUITE 202
COLORADO SPRINGS, CO 80918**



Broker Qualifications

Employment 2 of 2, continued

Firm CRD#: 111516

U.S. State/ Territory	Category	Status	Date
IA Arizona	Investment Adviser Representative	APPROVED	01/22/2014
IA Colorado	Investment Adviser Representative	APPROVED	12/18/2003

Branch Office Locations

This individual does not have any registered Branch Office where the individual is located.



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, 4 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
B Registered Principal Examination	Series 40	02/25/1977

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B NYSE Allied Member Examination	Series 41	10/19/1982
B AMEX Put and Call Exam	PC	07/19/1977
B Registered Representative Examination	Series 1	10/11/1972

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	12/08/2000
B Uniform Securities Agent State Law Examination	Series 63	04/29/1980

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/.

Broker Qualifications



Professional Designations

This section details that the representative has reported **0** professional designation(s).

No information reported.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
IA 11/2001 - 12/2003	MCDONALD INVESTMENTS INC.	566	COLORADO SPRINGS, CO
B 03/2001 - 12/2003	MCDONALD INVESTMENTS INC.	566	CLEVELAND, OH
IA 11/2003 - 12/2003	INTERVEST INTERNATIONAL, INC.	111516	COLORADO SPRINGS, CO
B 09/1990 - 04/2001	FIRST UNION SECURITIES, INC.	19616	ST. LOUIS, MO
B 09/1974 - 09/1990	BOETTCHER & COMPANY, INC.	101	
B 10/1972 - 09/1990	BOETTCHER & COMPANY, INC.	101	
B 05/1974 - 09/1974	ANCHOR NATIONAL FINANCIAL SERVICES, INC.	5774	

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	Employer Name	Position	Investment Related	Employer Location
11/2003 - Present	INTERVEST INTERNATIONAL EQUITIES CORP	REGISTERED REPRESENTATIVE	Y	COLORADO SPRINGS, CO, United States

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)DBA - C CHANCE CARSON & ASSOCIATES LLC



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	2	0
Customer Dispute	5	15	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 involve (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 2

Reporting Source:	Regulator
Regulatory Action Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Cease and Desist
Date Initiated:	06/14/2021
Docket/Case Number:	3-20366
Employing firm when activity occurred which led to the regulatory action:	Intervest International, Inc.
Product Type:	Mutual Fund Unit Investment Trust Other: interval fund
Allegations:	The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940 ("Advisers Act") against Intervest International, Inc. ("Intervest") and Craig L. Carson ("Carson") (collectively, "Respondents"). The Commission finds that these proceedings arise out of breaches of fiduciary duty by registered investment adviser Intervest International, Inc. ("Intervest") and one of its investment adviser representatives



("IAR") Craig L. Carson ("Carson") in connection with recommendations and purchases of certain unit investment trusts ("UITs") and Class A shares of certain mutual funds and an interval fund ("Funds"). First, from at least April 14, 2016, through August 8, 2019, Carson recommended and purchased "standard" UIT units ("Standard Units") bearing transactional sales charges on behalf of Intervest advisory client accounts even though the accounts were eligible to purchase identical "Fee Account Unit" versions of the UITs that bore no transactional sales charges. Second, from at least May 19, 2016, through August 28, 2019, Carson recommended and purchased certain Funds on behalf of Intervest advisory client accounts that charged front-end sales loads ("Fund Class A shares") even though the accounts were eligible to purchase the Funds' Class A shares without the sales loads ("load-waived Class A shares"). As a result of the accounts' purchases of the more expensive Standard Units and Fund Class A shares, the accounts collectively paid approximately \$378,295.36 in avoidable transaction costs, all of which Intervest International Equities Corporation ("IIEC"), Intervest's wholly-owned subsidiary and the introducing broker on the transactions, collected as commissions. IIEC passed 70% of that amount to Carson as its registered representative. However, Intervest and Carson failed to disclose the resulting conflicts of interest associated with these practices, including that the advisory client accounts were otherwise eligible to purchase the less expensive Fee Account Units and Fund load-waived Class A shares, and they also breached their duty to seek best execution for those transactions.

As a result, Intervest and Carson willfully violated Section 206(2) of the Advisers Act.

Current Status:	Final
Resolution:	Order
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	Yes
Resolution Date:	06/14/2021
Sanctions Ordered:	Cease and Desist Censure Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Monetary Penalty other than Fines



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?

Yes

(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?

Yes

(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

No



(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?

No

Monetary Sanction 1 of 3

Monetary Related Sanction: Disgorgement

Total Amount: \$264,806.75

Portion Levied against individual: \$264,806.75

Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Monetary Sanction 2 of 3

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

Total Amount: \$50,000.00

Portion Levied against individual: \$50,000.00

Payment Plan:

Is Payment Plan Current:

**Date Paid by individual:**

Was any portion of penalty waived? No

Amount Waived:**Monetary Sanction 3 of 3**

Monetary Related Sanction: Monetary Penalty other than Fines

Total Amount: \$39,589.43

Portion Levied against individual: \$39,589.43

Payment Plan: pre-judgment interest on disgorgement

Is Payment Plan Current:**Date Paid by individual:**

Was any portion of penalty waived? No

Amount Waived:**Regulator Statement**

Carson has submitted an Offer of Settlement (the Offer) which the Commission has determined to accept. As a result of his conduct, Carson willfully violated Section 206(2) of the Advisers Act. Accordingly, it is hereby ordered that Carson is censured, shall cease and desist from committing or causing any violations and any future violations of Section 206(2) of the Advisers Act, shall pay disgorgement of \$264,806.75 and prejudgment interest of \$39,589.43, and shall pay a civil monetary penalty of \$50,000.

Reporting Source: Broker

Regulatory Action Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Sanction(s) Sought: Cease and Desist
Censure
Civil and Administrative Penalty(ies)/Fine(s)
Disgorgement
Monetary Penalty other than Fines

Date Initiated: 06/14/2021

Docket/Case Number: 3-20366



Employing firm when activity occurred which led to the regulatory action: Intervest International Inc

Product Type: Mutual Fund
Unit Investment Trust
Other: Interval Fund

Allegations: The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940 ("Advisers Act") against Intervest International, Inc. ("Intervest") and Craig L. Carson ("Carson") (collectively, "Respondents"). The Commission finds that these proceedings arise out of breaches of fiduciary duty by registered investment adviser Intervest International, Inc. ("Intervest") and one of its investment adviser representatives ("IAR") Craig L. Carson ("Carson") in connection with recommendations and purchases of certain unit investment trusts ("UITs") and Class A shares of certain mutual funds and an interval fund ("Funds"). First, from at least April 14, 2016, through August 8, 2019, Carson recommended and purchased "standard" UIT units ("Standard Units") bearing transactional sales charges on behalf of Intervest advisory client accounts even though the accounts were eligible to purchase identical "Fee Account Unit" versions of the UITs that bore no transactional sales charges. Second, from at least May 19, 2016, through August 28, 2019, Carson recommended and purchased certain Funds on behalf of Intervest advisory client accounts that charged front-end sales loads ("Fund Class A shares") even though the accounts were eligible to purchase the Funds' Class A shares without the sales loads ("load-waived Class A shares"). As a result of the accounts' purchases of the more expensive Standard Units and Fund Class A shares, the accounts collectively paid approximately \$378,295.36 in avoidable transaction costs, all of which Intervest International Equities Corporation ("IIEC"), Intervest's wholly-owned subsidiary and the introducing broker on the transactions, collected as commissions. IIEC passed 70% of that amount to Carson as its registered representative. However, Intervest and Carson failed to disclose the resulting conflicts of interest associated with these practices, including that the advisory client accounts were otherwise eligible to purchase the less expensive Fee Account Units and Fund load-waived Class A shares, and they also breached their duty to seek best execution for those transactions. As a result, Intervest and Carson willfully violated Section 206(2) of the Advisers Act.

Current Status: Final

Resolution: Order



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

Resolution Date: 06/14/2021

Sanctions Ordered: Cease and Desist
Censure
Civil and Administrative Penalty(ies)/Fine(s)
Disgorgement
Monetary Penalty other than Fines

Monetary Sanction 1 of 3

Monetary Related Sanction: Disgorgement

Total Amount: \$264,806.75

Portion Levied against individual: \$264,806.75

Payment Plan:

Is Payment Plan Current: Yes

Date Paid by individual: 06/14/2021

Was any portion of penalty waived? No

Amount Waived:

Monetary Sanction 2 of 3

Monetary Related Sanction: Monetary Penalty other than Fines

Total Amount: \$39,589.43

Portion Levied against individual: \$39,589.43

Payment Plan:

Is Payment Plan Current: Yes

Date Paid by individual: 06/14/2021

Was any portion of penalty waived? No

**Amount Waived:****Monetary Sanction 3 of 3****Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)**Total Amount:** \$50,000.00**Portion Levied against individual:** \$50,000.00**Payment Plan:** 90 days to pay from 6/14/2021**Is Payment Plan Current:** Yes**Date Paid by individual:****Was any portion of penalty waived?** No**Amount Waived:****Disclosure 2 of 2****Reporting Source:** Regulator**Regulatory Action Initiated By:** UTAH DIVISION OF SECURITIES**Sanction(s) Sought:** Denial**Other Sanction(s) Sought:****Date Initiated:** 09/06/2000**Docket/Case Number:** SD-00-0077**Employing firm when activity occurred which led to the regulatory action:** FIRST UNION SECURITIES, INC.**Product Type:** No Product**Other Product Type(s):****Allegations:** REFUSAL TO RECEIVE DELIVERY OF DIVISION'S LETTER REQUESTING MORE INFORMATION REGARDING AGENT'S DISLCOSURE HISTORY.**Current Status:** Final**Resolution:** Order



Resolution Date: 09/06/2000

Sanctions Ordered: Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details: ORDER TO DENY

Regulator Statement ON AUGUST 10, 2000, DIVISION SENT LETTER VIA CERTIFIED MAIL TO FIRST UNION SECURITIES, INC. THE LETTER REQUESTED THAT AGENT EITHER PROVIDE MORE INFORMATION REGARDING HIS DISCLOSURE HISTORY OR WITHDRAW HIS APPLICATION FOR REGISTRATION IN UTAH. ON AUGUST 24, 2000, DIVISION RECEIVED THE LETTER BACK WITH A NOTATION THAT THE AGENT REGISTRATION DEPARTMENT OF FIRST UNION HAD REFUSED DELIVERY. APPLICATION WAS DENIED ON SEPTEMBER 6, 2000. FOR MORE INFORMATION, PLEASE VISIT THE WEB SITE:
[HTTP://COMMERCE.STATE.UT.US/SEC/ACTIONSEVENTS.ASP?DOCKET+NUMBER=SD%2D00%2D0077](http://commerce.state.ut.us/sec/actionsevents.asp?DOCKET+NUMBER=SD%2D00%2D0077)

Reporting Source: Broker

Regulatory Action Initiated By: DIVISION OF SECURITIES, DEPT. OF COMMERCE, STATE OF UTAH

Sanction(s) Sought: Denial

Date Initiated: 09/06/2000

Docket/Case Number: SD-00-0077

Employing firm when activity occurred which led to the regulatory action: FIRST UNION SECURITIES

Product Type: No Product

Allegations: ON AUGUST 10, 2000, DIVISION SENT LETTER VIA CERTIFIED MAIL TO FIRST UNION SECURITIES, INC. THE LETTER REQUESTED THAT AGENT EITHER PROVIDE MORE INFORMATION REGARDING HIS DISCLOSURE HISTORY OR WITHDRAW HIS APPLICATION FOR REGISTRATION IN UTAH. ON AUGUST 24, 2000 DIVISION RECEIVED THE LETTER BACK WITH A NOTATION THAT THE AGENT REGISTRATION DEPARTMENT OF FIRST UNION HAD REFUSED DELIVERY. APPLICATION WAS DENIED ON SEPTEMBER 6, 2000.

Current Status: Final



Resolution: 2000 State of Utah explanation unavailable from 20+ years ago.

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

Resolution Date: 09/06/2000

Sanctions Ordered: Other: NONE

Broker Statement
I APPLIED FOR REGISTRATION IN THE STATE OF UTAH WHEN I WAS WITH MY PREVIOUS FIRM, FIRST UNION SECURITIES. THE STATE OF UTAH APPARENTLY REQUESTED MORE INFORMATION BY LETTER AND THE REGISTRATION DEPARTMENT OF FIRST UNION SECURITIES REFUSED DELIVERY OF THIS REQUEST. MY REGISTRATION WAS APPARENTLY DENIED. THE ORDER OF DENIAL CAME TO MY HOME AFTER I HAD SUFFERED A HEAD INJURY AND THIS DENIAL WAS NOT REPORTED. DUE TO MY HEAD INJURY, I HAVE NO RECOLLECTION OF HAVING RECEIVED THE ORDER.



Customer Dispute - Award / Judgment

This type of disclosure event involves a final, consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the broker that resulted in an arbitration award or civil judgment for the customer.

Disclosure 1 of 2

Reporting Source:	Regulator
Employing firm when activities occurred which led to the complaint:	BOETTCHER & CO.
Allegations:	CUSTOMER V. MEMBER FIRM & REGISTERED REP FOR FAILURE TO DISCLOSE MATERIAL INFORMATION REGARDING INVESTMENTS AND RISKS THEREIN.
Product Type:	
Alleged Damages:	\$500,000.00
Arbitration Information	
Arbitration/Reparation Claim filed with and Docket/Case No.:	NYSE - CASE #1990-000625
Date Notice/Process Served:	08/08/1990
Arbitration Pending?	No
Disposition:	Other
Disposition Date:	11/20/1991
Disposition Detail:	AWARD AGAINST PARTY THE UNDERSIGNED ARBITRATORS HAVE DECIDED AND DETERMINED IN FULL AND FINAL SETTLEMENT OF ALL CLAIMS BETWEEN THE PARTIES THAT: THE RESPONDENTS BOETTCHER & CO. AND CRAIG CARSON JOINTLY AND SEVERALLY SHALL PAY TO NANCY LONGACRE THE SUM OF \$47,500., TO ELLIOT M. EAMES AND THORA E. EAMES THE SUM OF \$132,500., TO DON THOMAS THE SUM OF \$45,500., FURTHERMORE THAT THE COSTS OF THIS PROCEEDING, \$6000 ARE ASSESSED AGAINST RESPONDENT BOETTCHER & CO

Reporting Source: Broker



Employing firm when activities occurred which led to the complaint:

BOETTCHER & CO.

Allegations:

CUSTOMERS V. MEMBER FIRM AND REGISTERED REPRESENTATIVE FOR FAILURE TO DISCLOSE MATERIAL INFORMATION REGARDING INVESTMENTS AND RISKS ASSOCIATED THEREIN. CLAIM WAS FOR \$500,000 JOINTLY.

Product Type:

Alleged Damages:

\$500,000.00

Customer Complaint Information

Date Complaint Received:

Complaint Pending?

No

Status:

Arbitration/Reparation

Status Date:

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.:

[NEW YORK STOCK EXCHANGE; 1990-000625](#)

Date Notice/Process Served:

08/08/1990

Arbitration Pending?

No

Disposition:

Award to Customer

Disposition Date:

11/20/1991

Monetary Compensation Amount:

\$225,500.00

Individual Contribution Amount:

\$0.00

Broker Statement

BOETTCHER & COMPANY, A DIVISION OF KEMPER SECURITIES GROUP, INC. AND CRAIG CARSON JOINTLY AND SEVERALLY SHALL PAY TO [CUSTOMER] THE SUM OF \$47,000., TO [CUSTOMER] AND [CUSTOMER] THE SUM OF \$132,000., TO [CUSTOMER]



THE SUM OF \$45,000.; FURTHERMORE THAT THE COSTS OF THIS PROCEEDING, \$6,000 ARE ASSESSED AGAINST BOETTCHER & COMPANY, A DIVISION OF KEMPER SECURITIES GROUP, INC. PAYMENT WAS MADE TO CUSTOMERS WITHOUT ANY CONTRIBUTION FROM CRAIG CARSON. THE CUSTOMERS CAME TO SEE MR. CARSON IN THE LATE 1970'S SEEKING INVESTMENTS WHICH WOULD PROVIDE PROTECTION FROM INFLATION AND SOME TAX BENEFITS. MR. CARSON HAD SEVERAL MEETINGS WITH EACH CUSTOMER BEFORE THEY INVESTED TO DETERMINE THEIR NEEDS AND INVESTMENT OBJECTIVES. SOME INVESTMENTS PERFORMED QUITE WELL AND PROVIDED THE TAX BENEFITS AND INFLATION HEDGES SOUGHT. OTHERS DID NOT PERFORM ASD EXPECTED. ON BALANCE, EACH CUSTOMER'S PORTFOLIO HAD A POSITIVE RETURN.

Disclosure 2 of 2

Reporting Source:	Regulator
Employing firm when activities occurred which led to the complaint:	KEMPER SECURITIES, INC.
Allegations:	BRCH OF FIDUCIARY DT; MISREPRESENTATION; OMISSION OF FACTS; ACCOUNT RELATED - FAILURE TO SUPERVISE
Product Type:	
Alleged Damages:	\$376,405.00
Arbitration Information	
Arbitration/Reparation Claim filed with and Docket/Case No.:	UNKNOWN - CASE #95-02991
Date Notice/Process Served:	06/22/1995
Arbitration Pending?	No
Disposition:	Other
Disposition Date:	06/20/1996
Disposition Detail:	AWARD AGAINST PARTY ACTUAL/COMPENSATORY DAMAGES, RELIEF REQUEST HAS BEEN DENIED IN FULL; PUNITIVE/EXEMPLARY DAMAGES, RELIEF REQUEST HAS BEEN DENIED IN FULL; ACTUAL/COMPENSATORY



DAMAGES, RELIEF REQUEST HAS BEEN DENIED IN FULL; INTEREST, RELIEF REQUEST HAS BEEN DENIED IN FULL; OTHER COSTS, RELIEF REQUEST HAS BEEN DENIED IN FULL; ATTORNEY'S FEES, RELIEF REQUEST HAS BEEN DENIED IN FULL; OTHER COSTS, RELIEF REQUEST HAS BEEN DENIED IN FULL

Reporting Source: Broker

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

Allegations: CLAIMANTS ALLEGE THAT THEIR INVESTMENT IN EL PASO REFINERY L P COMMON STOCK AND CASTLE ROCK CO MUNICIPAL BONDS WERE MISREPRESENTED AND UNSUITABLE. DAMAGES SOUGHT \$376,405.00

Product Type:

Alleged Damages: \$376,405.00

Customer Complaint Information

Date Complaint Received:

Complaint Pending? No

Status: Arbitration/Reparation

Status Date:

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: [NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.; 95-02991](#)

Date Notice/Process Served: 06/22/1995

Arbitration Pending? No

Disposition: Award to Customer

Disposition Date: 06/20/1996



Monetary Compensation Amount: \$85,000.00

Individual Contribution Amount:

Broker Statement

THE MOTION TO DISMISS WAS GRANTED AND ALL CLAIMS ASSERTED BY THE [CUSTOMER'S] WERE DISMISSED WITH PREJUDICE. NOT PROVIDED



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 10

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint:

Allegations: CLAIMANT ALLEGES UNSUITABLE INVESTMENTS AND MISREPRESENTATIONS IN COMMON STOCKS AND LIMITED PARTNERSHIPS DAMAGES ARE UNSPECIFIED BY APPEAR TO BE IN EXCESS OF \$10,000.00.

Product Type:

Alleged Damages:

Customer Complaint Information

Date Complaint Received:

Complaint Pending? No

Status: Arbitration/Reparation

Status Date:

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NATIONAL ASSOC. OF SECURITIES DEALERS; 97-05041

Date Notice/Process Served: 11/04/1997

Arbitration Pending? No

Disposition: Settled

Disposition Date: 04/13/1998

Monetary Compensation Amount: \$18,000.00



Individual Contribution Amount:

Broker Statement THE FIRM AND THE CLAIMANT SETTLED THE MATTER FOR \$18,000.00 SOLELY FOR BUSINESS CONSIDERATIONS NOT PROVIDED

Disclosure 2 of 10

Reporting Source: Regulator

Employing firm when activities occurred which led to the complaint:

Allegations: OMISSION OF FACTS; MISREPRESENTATION; BRCH OF FIDUCIARY DT; ACCOUNT RELATED-NEGLIGENCE

Product Type:

Alleged Damages: \$350,000.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD - CASE #97-02686

Date Notice/Process Served: 06/20/1907

Arbitration Pending? No

Disposition: Settled

Disposition Date: 06/26/1998

Disposition Detail: PENDING
Not Provide

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint:

Allegations: BOETTCHER VENTURE CAPITAL LP, COLORADO SPRINGS INCOME PARTNERS, ARAPAHOE BUSINESS PARK ASSOCAITES LTD.
AND FACTORY IL PURCHASE BETWEEN 1981 AND 1984. DAMAGES SOUGHT



\$350,000.00

Product Type:

Alleged Damages: \$350,000.00

Customer Complaint Information

Date Complaint Received:

Complaint Pending? No

Status: Arbitration/Reparation
Litigation

Status Date:

Settlement Amount:

**Individual Contribution
Amount:**

Arbitration Information

**Arbitration/Reparation Claim
filed with and Docket/Case
No.:** NATIONAL ASSOC. OF SECURITIES DEALERS; 97-02686

Date Notice/Process Served: 06/20/1907

Arbitration Pending? No

Disposition: Settled

Disposition Date: 06/26/1998

**Monetary Compensation
Amount:** \$90,000.00

**Individual Contribution
Amount:**

Civil Litigation Information

Court Details: DISTRICT; EL PASO COUNTY, CO; 95CV240

Date Notice/Process Served: 02/13/1995

Litigation Pending? No

Disposition: Judgment (other than monetary)

Disposition Date: 07/01/1997

Broker Statement THE FIRM AND THE CLAIMANT AGREED TO AN AMICABLE



SETTLEMENT OF \$90,000.00 SOLEY FOR BUSINESS CONSIDERATIONS. CLAIMANT RECEIVED WRITTEN AND ORAL DISCLOSURES OF THE RISKS RELATED TO EACH LIMITED PARTNERSHIP INVESTMENT PRIOR TO INVESTMENT. CLAIMANT REQUESTED TAX BENEFITS AND PROTECTION FROM INFLATION AT THE TIME SHE PURCHASED THE INVESTMENTS (1981-1984). DUE TO CHANGES IN THE ECONOMY AND TAX LAWS, SOME OF THE INVESTMENTS DID NOT PERFORM AS WELL AS HOPED. CLAIMANT HAD NUMEROUS OTHER MUCIPAL BOND, GOVERNMENT BOND AND MUTUAL FUND INVESTMENTS INCLUDING GUARANTED FIXED INCOME ANNUITIES AND MONEY MARKET FUNDS. CLAIMANT'S PORTFOLIO WAS NET PROFITABLE.

Disclosure 3 of 10

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint:

Allegations: THROUGH HER ATTORNEY, CUSTOMER HAS ALLEGED THAT A PURCHASE OF CASTLE ROCK MUNICIPAL BONDS IN 1988 AND 1989 AND THE MUTUAL FUND SWITCH FROM MFS LIFETIME TO GT GLOBAL STRATEGIC FUND IN 1993 WERE UNSUITABLE. THEY HAVE OFFERED TO RETURN BONDS AND MUTUAL FUND IN EXCHANGE FOR \$80,500 (TOTAL DAMAGES CLAIMED = APPROX \$47,000).

Product Type:

Alleged Damages: \$47,000.00

Customer Complaint Information

Date Complaint Received: 12/12/1995

Complaint Pending? No

Status: Settled

Status Date:

Settlement Amount: \$44,999.65

Individual Contribution Amount: \$0.00

Broker Statement THE COMPLAINT WAS SETTLED FOR \$44,999.65. THE CASTLE ROCK BONDS WERE RETURNED TO THE FIRM AND THE GT



GLOBAL
FUND WAS SOLD. THE BROKER WAS NOT ASKED TO AND DID NOT
PARTICIPATE IN THE SETTLEMENT.
Not Provided

Disclosure 4 of 10

Reporting Source: Broker

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

Allegations: ESTATE ATTORNEY ALLEGED THAT UNSUITABLE MUNICIPAL BONDS WERE SOLD TO [CUSTOMER]. ALLEGED DAMAGED OF \$125,000.00

Product Type:

Alleged Damages: \$125,000.00

Customer Complaint Information

Date Complaint Received: 07/02/1990

Complaint Pending? No

Status: Settled

Status Date:

Settlement Amount:

Individual Contribution Amount:

Broker Statement A SETTLEMENT WAS REACHED BETWEEN BOETTCHER AND THE ESTATE, WHEREBY BOETTCHER BOUGHT BACK THE MUNICIPAL BONDS WHICH WERE ALLEGEDLY UNSUITABLE. THE BONDS WERE NOT IN DEFAULT AND WERE CURRENT IN THE PAYMENT OF PRINCIPAL AND INTEREST. THE BONDS WERE ACQUIRED AT PAR.
NOT PROVIDED

Disclosure 5 of 10

Reporting Source: Broker

Employing firm when BOETTCHER



activities occurred which led to the complaint:

Allegations: [CUSTOMER'S] SUED MR. CARSON AND BOETTCHER FOR DAMAGES IN EXCESS OF \$100,000.00 ALLEGING THAT HIS RECOMMENDATIONS TO THEM WERE UNSUITABLE.

Product Type:

Alleged Damages:

Customer Complaint Information

Date Complaint Received:

Complaint Pending? No

Status: Litigation

Status Date:

Settlement Amount:

Individual Contribution Amount:

Civil Litigation Information

Disposition: Settled

Disposition Date: 08/01/1990

Broker Statement

BOETTCHER PURCHASED BACK FROM THE [CUSTOMERS] ONE OF THE INVESTMENTS WHICH THE [CUSTOMERS] CLAIMS WAS UNSUITABLE. BOETTCHER PAID \$50,000.00 FOR THE INTEREST IN THE PARTNERSHIP WHICH WAS THE APPROXIMATE PURCHASE PRICE FOR THE INVESTMENT WHEN IT WAS ORIGINALLY ACQUIRED. THE PARTNERSHIP WAS MAKING DISTRIBUTIONS IN EXCESS OF INITIAL PROJECTIONS AT THE TIME OF THE SETTLEMENT AND IS CONTINUING TO PERFORM BEYOND EXPECTATIONS.
NOT PROVIDED

Disclosure 6 of 10

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint:

Allegations: COMPLAINED OF UNSUITABLE HANDLING OF HER OIL AND GAS LIMITED



PARTNERSHIP INVESTMENTS FOR THE YEARS 1977-1983

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

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 08/01/1984

Complaint Pending? No

Status: Settled

Status Date: 11/19/1984

Settlement Amount: \$20,000.00

Individual Contribution Amount:

Broker Statement ON NOVEMBER 19, 1984, THE CUSTOMER'S CLAIM WAS SETTLED FOR \$20,000.00.

Disclosure 7 of 10

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint:

Allegations: COMPLAINED TO THE FIRM THAT A LOSS WAS INCURRED IN HER ACCOUNT DUE TO POOR PERFORMANCE OF OIL AND GAS INVESTMENTS

Product Type: Other

Other Product Type(s): NOT PROVIDED

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 01/01/1984

Complaint Pending? No

Status: Settled

Status Date: 03/20/1984

Settlement Amount: \$147,500.00



Individual Contribution Amount:

Broker Statement ON MARCH 20, 1984, THE CUSTOMER'S CLAIM WAS SETTLED FOR \$147,500.00.

Disclosure 8 of 10

Reporting Source: Broker

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

Allegations: CUSTOMERS CLAIMED ACTUAL DAMAGES OF APPROXIMATELY \$850,000 (EXCLUSIVE OF INTEREST) PLUS ATTORNEYS' FEES AND COSTS EXCEEDING \$600,000, ALLEGING THAT NUMEROUS LIMITED PARTNERSHIP INVESTMENTS WERE SUITABLE.

Product Type:

Alleged Damages: \$850,000.00

Customer Complaint Information

Date Complaint Received:

Complaint Pending? No

Status: Litigation

Status Date:

Settlement Amount:

Individual Contribution Amount:

Civil Litigation Information

Disposition: Settled

Disposition Date: 07/25/1994

Broker Statement THE INDIVIDUAL AND TRUST PLAINTIFFS WERE PAID A TOTAL OF \$1,340,000.00 I WAS NOT ASKED TO CONTRIBUTE TO THE SETTLEMENT. KEMPER SETTLED THIS MATTER FOLLOWING MORE THAN FIVE YEARS OF LITIGATION WITH PLAINTIFFS. PLAINTIFFS RECEIVED WRITTEN AND ORAL DISCLOSURES OF THE RISKS RELATING TO EACH LIMITED PARTNERSHIP INVESTMENT. PLAINTIFFS WANTED TAX BENEFITS



AND PROTECTION FROM INFLATION AT THE TIME THEY PURCHASED THE INVESTMENTS (1979-1984). DUE TO CHANGES IN THE ECONOMY AND REVISIONS TO THE TAX LAWS, SOME OF THE INVESTMENTS DID NOT PERFORM AS HOPED. PLAINTIFFS ACCOUNTS WERE NET PROFITABLE.

Disclosure 9 of 10

Reporting Source: Regulator

Employing firm when activities occurred which led to the complaint:

Allegations: OMISSION OF FACTS; MISREPRESENTATION; BRCH OF FIDUCIARY DT; ACCOUNT RELATED-NEGLIGENCE

Product Type:

Alleged Damages:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD - CASE #97-02686

Date Notice/Process Served:

Arbitration Pending?

Disposition Detail: PENDING
Not Provide

Reporting Source: Broker

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

Allegations: BOETTCHER VENTURE CAPITAL LP, COLORADO SPRINGS INCOME PARTNERS, ARAPAHOE BUSINESS PARK ASSOCAITES LTD.
AND FACTORY IL PURCHASE BETWEEN 1981 AND 1984. DAMAGES SOUGHT \$350,000.00

Product Type: Direct Investment-DPP & LP Interests

Alleged Damages: \$350,000.00



Customer Complaint Information

Date Complaint Received:

Complaint Pending? No
Status: Settled
Status Date: 02/13/1995
Settlement Amount: \$90,000.00
Individual Contribution Amount: \$0.00

Civil Litigation Information

Disposition: Settled
Disposition Date: 02/13/1995

Broker Statement

THE FIRM AND THE CLAIMANT AGREED TO AN AMICABLE SETTLEMENT OF \$90,000.00 SOLELY FOR BUSINESS CONSIDERATIONS. CLAIMANT RECEIVED WRITTEN AND ORAL DISCLOSURES OF THE RISKS RELATED TO EACH LIMITED PARTNERSHIP INVESTMENT PRIOR TO INVESTMENT. CLAIMANT REQUESTED TAX BENEFITS AND PROTECTION FROM INFLATION AT THE TIME SHE PURCHASED THE INVESTMENTS (1981-1984). DUE TO CHANGES IN THE ECONOMY AND TAX LAWS, SOME OF THE INVESTMENTS DID NOT PERFORM AS WELL AS HOPED. CLAIMANT HAD NUMEROUS OTHER MUNICIPAL BOND, GOVERNMENT BOND AND MUTUAL FUND INVESTMENTS INCLUDING GUARANTEED FIXED INCOME ANNUITIES AND MONEY MARKET FUNDS. CLAIMANT'S PORTFOLIO WAS NET PROFITABLE.

Disclosure 10 of 10

Reporting Source: Broker
Employing firm when activities occurred which led to the complaint: BOETTCHER AND COMPANY, INC.
Allegations: A \$25,000 INVESTMENT IN IEA MARINE CONTAINER FUND II WAS UNSUITABLE. DAMAGES CLAIMED APPROX. \$28,000.00
Product Type:
Alleged Damages: \$28,000.00



Customer Complaint Information

Date Complaint Received:

Complaint Pending? No

Status: Litigation

Status Date:

Settlement Amount:

Individual Contribution Amount:

Civil Litigation Information

Disposition: Settled

Disposition Date: 10/01/1989

Broker Statement

CASE DISMISSED WITH PREJUDICE. BOETTCHER AND COMPANY, INC. REPURCHASED [CUSTOMER'S] INVESTMENT FOR \$25,000.00 WITHOUT ANY ADMISSION OF WRONGING OR LIABILITY. MR. CARSON WAS NOT ASKED TO, NOR DID HE CONTRIBUTE TO THE SETTLEMENT.



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:	Intervest International Equities Corp
Allegations:	Suitability issues regarding various product sales between 2005 thru 2016.
Product Type:	Debt-Corporate Direct Investment-DPP & LP Interests Equipment Leasing Real Estate Security
Alleged Damages:	\$99,999.00
Alleged Damages Amount Explanation (if amount not exact):	Client alleges loss between 99,999 and 499,999.
Is this an oral complaint?	No
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	Denver, Colorado
Docket/Case #:	16-03330
Filing date of arbitration/CFTC reparation or civil litigation:	10/21/2016

Customer Complaint Information

Date Complaint Received:	11/17/2016
Complaint Pending?	No
Status:	Withdrawn



Status Date: 10/23/2017

Settlement Amount: \$0.00

Individual Contribution Amount: \$0.00

Arbitration Information

Disposition: Withdrawn

Disposition Date: 10/23/2017

Broker Statement Claimant and claimant's attorney voluntarily withdrew the complaint.

Disclosure 2 of 3

Reporting Source: Firm

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

Allegations: ARIZONA RESIDENT CLAIMED THAT HE WAS NOT AWARE OF THE DETAILS REGARDING SURRENDER PENALTIES THAT HE INCURRED WHEN THE FA RECOMMENDED THAT HE EXCHANGE VARIOUS VARIABLE ANNUITY CONTRACTS THAT HE HAD PURCHASED FROM TIME TO TIME IN HIS IRA ACCOUNT. THE CLIENT CLAIMED THAT HE PURCHASED AND/OR EXCHANGED VARIOUS VARIABLE ANNUITY CONTRACTS IN MARCH 1995, FEBRUARY 1996, MAY 1997, JUNE 1998, MAY 1999 AND JANUARY 2000. THE CLIENT FURTHER CLAIMED THAT WHEN HE TRANSFERRED HIS ACCOUNT TO MCDONALD INVESTMENTS WITH THE FA IN MARCH 2001, THE FA MOVED THE FUNDS THAT HE HAD INVESTED IN AN AMERICAN SKANDIA VARIABLE ANNUITY IN AND OUT OF VARIOUS SUB-ACCOUNTS TO TIME THE MARKET ON AN ALMOST DAILY BASIS. THE CLIENT CLAIMED THAT FROM MARCH 2001 THROUGH THE PRESENT, DUE TO THE FA'S INVESTMENT STRATEGY WHILE THE ACCOUNT WAS AT MCDONALD INVESTMENTS, HIS IRA ACCOUNT DECLINED IN VALUE BY \$160,000. FURTHER THAT IN JUNE 2002 HE INCURRED SURRENDER CHARGES OF \$36,000 WHEN HE SURRENDERED HIS AMERICAN SKANDIA ANNUITY CONTRACT. THE CLIENT SEEKS DAMAGES IN THE AMOUNT OF \$196,000.

Product Type: Annuity(ies) - Variable

Alleged Damages: \$196,000.00

Customer Complaint Information

Date Complaint Received: 05/27/2003



Complaint Pending? No

Status: Denied

Status Date: 06/26/2003

Settlement Amount:

Individual Contribution Amount:

Firm Statement A LETTER WAS SENT TO THE CLIENT ON JUNE 26, 2003 DENYING THE COMPLAINT.

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: WACHOVIA SECURITIES

Allegations: ARIZONA RESIDENT CLAIMED THAT HE WAS NOT AWARE OF THE DETAILS REGARDING SURRENDER PENALTIES THAT HE INCURRED WHEN THE FA RECOMMENDED THAT HE EXCHANGE VARIOUS VARIABLE ANNUITY CONTRACTS THAT HE HAD PURCHASED FROM TIME TO TIME IN HIS IRA ACCOUNT. THE CLIENT CLAIMED THAT HE PURCHASED AND/OR EXCHANGED VARIOUS VARIBALE ANNUITY CONTRACTS IN MARCH 1995, FEBRUARY 1996, MAY 1997, JUNE 1998, MAY 1999, AND JANUARY 2000. THE CLIENT FURTHER CLAIMED THAT WHEN HE TRANSFERRED HIS ACCOUNT TO MCDONALD INVESTMENTS WITH THE FA IN MARCH 2001, THE FA MOVED THE FUNDS THAT HE HAD INVESTED IN AN AMERICAN SKANDIA VARIABLE ANNUITY IN AND OUT OF VARIOUS SUB-ACCOUNTS TO TIME THE MARKET ON AN ALMOST DAILY BASIS. THE CLIENT CLAIMED THAT FROM MARCH 2001 THROUGH THE PRESENT, DUE TO THE FA'S INVESTMENT STRATEGY WHILE THE ACCOUNT WAS AT MCDONALD INVESTMENTS, HIS IRA ACCOUNT DECLINED IN VALUE BY \$160,000.00 FURTHER THAT IN JUNE 2002, HE INCURRED SURRENDER CHARGES OF \$36,000.00 WHEN HE SURRENDERED HIS AMERICAN SKANDIA ANNUITY CONTRACT. THE CLIENT SEEKS DAMAGES IN THE AMOUNT OF \$196,000.00

Product Type: Annuity(ies) - Fixed

Alleged Damages: \$196,000.00

Customer Complaint Information

Date Complaint Received: 05/27/2003

Complaint Pending? No



Status: Denied
Status Date: 06/26/2003

Settlement Amount:

Individual Contribution Amount:

Broker Statement

WACHOVIA SENT A LETTER TO THE CLIENT ON JUNE 26, 2003 DENYING THESE ALLEGATIONS AND THE COMPLAINT. [CUSTOMER] IS A SEASONED INVESTORWHO BEGAN INVESTING WITH ME IN DECEMBER 1993 WITH \$900,000.00 IN FUNDS, ANNUITIES AND BROKERAGE ACCOUNTS. HIS ANNUITIES THEN TOTALED \$299,615.00. BY 1999 HE HAD INCREASED HIS ANNUITY DEPOSITS TO \$444,458.00. IN JULY 2001 HE REFUSED MY RECOMMENDATION TO EXCHANGE OUT OF HIS ANNUITY, THEN WORTH \$534,300.00, STATING HE PREFERRED MAKING HIS OWN CHOICES. BY DEC. 2001, IN ADDITION TO ENJOYING ANNUITY APPRECIATION OF OVER \$90,000.00, [CUSTOMER] HAD ALSO WITHDRAWN \$266,985.00 FROM HIS ANNUITY ACCOUNTS. ON HIS OWN ACCORD, [CUSTOMER] SURRENDERED HIS ANNUITY IN JUNE 2002 INCURRING A SURRENDER CHARGE AND FURTHER MARKET LOSS.

Disclosure 3 of 3

Reporting Source: Broker

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

Allegations: DISPLEASED WITH PERFORMANCE OF VARIABLE ANNUITIES. ALLEGES HE WAS NOT TOLD HIS PRINCIPAL COULD BE AT RISK. DAMAGES UNSPECIFIED BUT APPEAR TO SEEK MORE THAN \$5,000.00

Product Type: Annuity(ies) - Variable

Other Product Type(s): N/A

Alleged Damages: \$5,000.00

Customer Complaint Information

Date Complaint Received: 09/08/2000

Complaint Pending? No

Status: Denied

Status Date: 09/29/2000



Settlement Amount:

Individual Contribution Amount:

Broker Statement

MR. CARSON'S FIRM, FIRST UNION SECURITIES, DENIED THE CLAIMANTS ALLEGATIONS ON 9/29/2000.



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 5

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	INTERVEST INTERNATIONAL EQUITIES CORP.
Allegations:	Claimant alleges violations of state and federal securities acts, breach of fiduciary duties and negligence, common law fraud and breach of contract.
Product Type:	Oil & Gas Other: GWG L-Bonds
Alleged Damages:	\$275,835.37
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	Denver, Colorado
Docket/Case #:	22-01398
Filing date of arbitration/CFTC reparation or civil litigation:	06/22/2022

Customer Complaint Information

Date Complaint Received:	08/09/2022
Complaint Pending?	Yes
Settlement Amount:	
Individual Contribution Amount:	

Disclosure 2 of 5



Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: INTERVEST INTERNATIONAL EQUITIES CORPORATION

Allegations: Claimant alleges violations of state and federal securities acts, breach of fiduciary duties and negligence, constructive fraud, breach of contract and failure to supervise.

Product Type: Other: L-Bond

Alleged Damages: \$562,510.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: Denver, Colorado

Docket/Case #: 22-01658

Filing date of arbitration/CFTC reparation or civil litigation: 07/25/2022

Customer Complaint Information

Date Complaint Received: 08/02/2022

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 3 of 5

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: INTERVEST INTERNATIONAL EQUITIES CORP.

Allegations: Claimant alleges violations of federal securities laws, breach of fiduciary duties and negligence, breach of contract, failure to supervise, misrepresentation and



omissions, unsuitable investments and failure to act in the best interest of the client.

Product Type: Other: GWG L=Bond

Alleged Damages: \$226,000.00

Arbitration Information

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

Docket/Case #: 22-01932

Date Notice/Process Served: 08/29/2022

Arbitration Pending? Yes

Disclosure 4 of 5

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: INTERVEST INTERNATIONAL EQUITIES CORPORATION

Allegations: Claimants allege Breach of Fiduciary duties, negligence, breach of contract and failure to supervise.

Product Type: Other: GWG L-Bonds

Alleged Damages: \$6,100,000.00

Alleged Damages Amount Explanation (if amount not exact): Compensatory damages, interest at the legal rate from the date of purchase, punitive damages, cost of this proceeding and such other relief as is just and proper.

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: Denver, Colorado

Docket/Case #: 22-01370



Filing date of arbitration/CFTC reparation or civil litigation: 06/17/2022

Customer Complaint Information

Date Complaint Received: 06/28/2022

Complaint Pending? Yes

Settlement Amount:

Individual Contribution Amount:

Disclosure 5 of 5

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: INTERVEST INTERNATIONAL EQUITIES CORPORATION

Allegations: Client claims inappropriate sales of L-bonds and Preferred Stock of GWG.

Product Type: Other: L-Bond & Preferred Stock

Alleged Damages: \$300,000.00

Alleged Damages Amount Explanation (if amount not exact): Compliant says approximately \$300,000

Is this an oral complaint? No

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: Denver, Colorado

Docket/Case #: 22-00482

Filing date of arbitration/CFTC reparation or civil litigation: 03/08/2022

Customer Complaint Information



Date Complaint Received: 03/11/2022

Complaint Pending? Yes

Settlement Amount:

**Individual Contribution
Amount:**

End of Report



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