

## BrokerCheck Report

# CHARLES VINCENT MALICO

CRD# 1507282

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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](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)

**CHARLES V. MALICO**

CRD# 1507282

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):**

- B NETWORK 1 FINANCIAL SECURITIES INC.**  
CRD# 13577  
Huntingon Station, NY  
06/2016 - 04/2022
- B NETWORK 1 FINANCIAL SECURITIES INC.**  
CRD# 13577  
Huntingon Station, NY  
11/2015 - 03/2016
- B MIDAMERICA FINANCIAL SERVICES, INC.**  
CRD# 47351  
Melville, NY  
09/2014 - 10/2015

**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
Criminal	1
Customer Dispute	7
Judgment/Lien	2

## 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
<b>B</b> Securities Industry Essentials Examination	SIE	10/01/2018
<b>B</b> General Securities Representative Examination	Series 7	12/20/1986

### State Securities Law Exams

Exam	Category	Date
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	01/16/1987

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/).

## 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
B 06/2016 - 04/2022	NETWORK 1 FINANCIAL SECURITIES INC.	13577	Huntington Station, NY
B 11/2015 - 03/2016	NETWORK 1 FINANCIAL SECURITIES INC.	13577	Huntington Station, NY
B 09/2014 - 10/2015	MIDAMERICA FINANCIAL SERVICES, INC.	47351	Melville, NY
B 10/2012 - 09/2014	GLOBAL ARENA CAPITAL CORP	16871	MELVILLE, NY
B 05/2012 - 10/2012	B.B. GRAHAM & COMPANY, INC.	41533	MELVILLE, NY
B 01/2011 - 05/2012	LIBERTY PARTNERS FINANCIAL SERVICES, LLC	130390	MELVILLE, NY
B 05/2009 - 01/2011	GLOBAL ARENA CAPITAL CORP	16871	GARDEN CITY, NY
B 08/2008 - 05/2009	CLARK DODGE & CO., INC.	23288	GARDEN CITY, NY
B 02/2005 - 08/2008	J.P. TURNER & COMPANY, L.L.C.	43177	SMITHTOWN, NY
B 07/2002 - 02/2005	VFINANCE INVESTMENTS, INC	44962	BOCA RATON, FL
B 02/2001 - 07/2002	GREAT EASTERN SECURITIES, INC.	2061	NEW YORK, NY
B 09/2000 - 02/2001	FIRST UNION SECURITIES FINANCIAL NETWORK, INC.	11025	ST. LOUIS, MO
B 07/1997 - 10/2000	J.P. TURNER & COMPANY, L.L.C.	43177	ATLANTA, GA
B 05/1997 - 08/1997	ARGENT SECURITIES, INC.	15297	ATLANTA, GA
B 02/1996 - 05/1997	TASIN & COMPANY, INC.	30709	HAUPPAUGE, NY
B 10/1994 - 12/1995	MEYERS POLLOCK ROBBINS, INC.	13436	NEW YORK, NY
B 07/1994 - 09/1994	GAINES, BERLAND INC.	14623	BETHPAGE, NY
B 04/1994 - 06/1994	JOSEPH TAL LYON & ROSS INCORPORATED	3227	NEW YORK, NY
B 08/1990 - 12/1993	ROBERT TODD FINANCIAL CORP.	7423	NEW YORK, NY
B 06/1990 - 08/1990	THE STUART-JAMES COMPANY, INCORPORATED	11691	DENVER, CO



## Registration and Employment History

### Registration History, continued

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
<b>B</b> 05/1990 - 06/1990	ROBERT TODD FINANCIAL CORP.	7423	NEW YORK, NY
<b>B</b> 02/1990 - 06/1990	VANDERBILT SECURITIES, INC.	14280	
<b>B</b> 05/1988 - 02/1990	J. T. MORAN & CO., INC.	15655	
<b>B</b> 02/1987 - 05/1988	SHERWOOD CAPITAL, INC.	10474	
<b>B</b> 01/1987 - 01/1987	FIRST JERSEY SECURITIES, INC.	6621	

### 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
06/2016 - Present	Network 1 Financial Securities, Inc.	Registered Representative	Y	Red Bank, NJ, United States
11/2015 - 03/2016	Network 1 Financial Securities, Inc.	Registered Representative	Y	Red Bank, NJ, United States
09/2014 - 10/2015	MIDAMERICA FINANCIAL SERVICES, INC.	REGISTERED REPRESENTATIVE	Y	JOPLIN, MO, United States
10/2012 - 09/2014	GLOBAL ARENA CAPITAL CORP	REGISTERED REPRESENTATIVE	Y	MELVILLE, NY, 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.

No information reported.





## Disclosure Events

### What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
  - A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
  - A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
  -
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
  -
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
Criminal	0	1	0
Customer Dispute	3	4	N/A
Judgment/Lien	2	N/A	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 1

**Reporting Source:** Regulator

**Regulatory Action Initiated By:** FINRA

**Sanction(s) Sought:**

**Date Initiated:** 10/11/2022

**Docket/Case Number:** [2021069405501](#)

**Employing firm when activity occurred which led to the regulatory action:** Network 1 Financial Securities Inc.

**Product Type:** Other: Unspecified Securities

**Allegations:** Without admitting or denying the findings, Malico consented to the sanctions and to the entry of findings that he willfully violated the Best Interest Obligation under Rule 15l-1 of the Securities Exchange Act of 1934 (Regulation Best Interest or Reg BI) by recommending a series of transactions in a retail customer's account that was excessive in light of the customer's investment profile. The findings stated that the trades that Malico recommended in the customer's account resulted in an annualized cost-to-equity ratio exceeding 158 percent - meaning that the customer's account would have had to grow by more than 158 percent annually just to break even. Malico's recommendations caused the customer to pay more than \$54,000 in commissions and other trading costs, and made it virtually impossible for the customer to realize a profit. In fact, the customer lost more than



\$17,500 as a result of Malico's recommendations.

**Current Status:**

Final

**Resolution:**

Acceptance, Waiver & Consent(AWC)

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

No

**Resolution Date:**

10/11/2022

**Sanctions Ordered:**

Civil and Administrative Penalty(ies)/Fine(s)

Suspension

Other: The AWC does not require that Malico pay restitution to the customer because his member firm has already compensated the customer in connection with the settlement of an arbitration claim filed by the customer.

**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

#### Sanction 1 of 1

<b>Sanction Type:</b>	Suspension
<b>Capacities Affected:</b>	All Capacities
<b>Duration:</b>	Six Months
<b>Start Date:</b>	10/17/2022
<b>End Date:</b>	04/16/2023



**Monetary Sanction 1 of 1**

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

**Total Amount:** \$5,000.00

**Portion Levied against individual:** \$5,000.00

**Payment Plan:** Deferred

**Is Payment Plan Current:**

**Date Paid by individual:**

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

**Amount Waived:**



## Criminal - Final Disposition

This type of disclosure event involves a criminal charge against the broker that has resulted in a conviction, acquittal, dismissal, or plea. The criminal matter may pertain to any felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Broker
<b>Court Details:</b>	SUFFOLK COUNTY, NY POLICE DEPARTMENT #148047
<b>Charge Date:</b>	06/28/1981
<b>Charge Details:</b>	ALLEGED ASSAULT 2ND DEGREE (NY STATUE 120.03)
<b>Felony?</b>	Yes
<b>Current Status:</b>	Final
<b>Status Date:</b>	06/28/1982
<b>Disposition Details:</b>	GUILTY OF ASSAULT 3RD DEGREE (NY STATUTE 120.00) WHICH IS A MISDEMEANOR. PLACED ON PROBATION FOR 3 YEARS.
<b>Broker Statement</b>	I WAS IN A BAR WITH A FRIEND AND HIS GIRLFRIEND. HE GOT INTO A FIGHT OVER HIS GIRLFIREND AND I STEPPED UP TO HELP. IF THERE WERE NO INJURIES TO ONE OF THE PARTICIPANTS NO CHARGES WOULD EVER HAVE BEEN FILED. I WAS CHARGED WITH A FELONY THAT WAS LATER DROPPED TO A MISDEMEANOR.



## 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 1

**Reporting Source:** Regulator

**Employing firm when activities occurred which led to the complaint:** ROBERT TODD FINANCIAL CORP.

**Allegations:** UNAUTHORIZED TRADING; OTHER

**Product Type:**

**Alleged Damages:** \$326,320.50

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** [NASD - CASE #94-02478](#)

**Date Notice/Process Served:** 09/01/1994

**Arbitration Pending?** No

**Disposition:** Other

**Disposition Date:** 10/09/1995

**Disposition Detail:** AWARD AGAINST PARTY  
ACTUAL/COMPENSATORY DAMAGES, RELIEF HAS BEEN AWARDED (PARTIAL OR FULL), AWARD AMOUNT \$43,370.00 JOINTLY AND SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, RELIEF HAS BEEN AWARDED (PARTIAL OR FULL), AWARD AMOUNT \$1,000.00 JOINTLY AND SEVERALLY  
\*\*\*\*\*  
MR. MALICO WAS ONLY LIABLE FOR \$1,000.  
\*\*\*\*\*

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** ROBERT TODD FINANCIAL CORP.

**Allegations:** UNAUTHORIZED TRADING



**Product Type:** Other  
**Other Product Type(s):** COMMON STOCKS  
**Alleged Damages:** \$326,320.50

### Customer Complaint Information

**Date Complaint Received:** 09/01/1994  
**Complaint Pending?** No  
**Status:** Arbitration/Reparation  
**Status Date:** 09/01/1994

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** [NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.; 94-02478](#)

**Date Notice/Process Served:** 09/01/1994  
**Arbitration Pending?** No  
**Disposition:** Award to Customer  
**Disposition Date:** 10/09/1995  
**Monetary Compensation Amount:** \$44,370.00  
**Individual Contribution Amount:** \$1,000.00





## Customer Dispute - Settled

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

### Disclosure 1 of 3

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	J.P. TURNER & COMPANY LLC
<b>Allegations:</b>	UNAUTHORIZED TRADES
<b>Product Type:</b>	Equity - OTC
<b>Alleged Damages:</b>	\$8,935.00

### Customer Complaint Information

<b>Date Complaint Received:</b>	01/14/2008
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	02/06/2008
<b>Settlement Amount:</b>	\$3,645.76
<b>Individual Contribution Amount:</b>	\$3,645.76

### Disclosure 2 of 3

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	J.T. MORAN
<b>Allegations:</b>	AS 1 OF 7 RESPONDENTS NAMED IN PROCEEDING IT WAS ALLEGED THAT UNSUITABLE MISREPRESENTED RECOMMENDATIONS RESULTED IN LOSSES.
<b>Product Type:</b>	Other
<b>Other Product Type(s):</b>	COMMON STOCKS
<b>Alleged Damages:</b>	\$88,000.00

### Customer Complaint Information



<b>Date Complaint Received:</b>	11/27/1990
<b>Complaint Pending?</b>	No
<b>Status:</b>	Arbitration/Reparation
<b>Status Date:</b>	11/27/1990
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	
<b>Arbitration Information</b>	
<b>Arbitration/Reparation Claim filed with and Docket/Case No.:</b>	NASD; 90-02413
<b>Date Notice/Process Served:</b>	11/27/1990
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	05/18/1992
<b>Monetary Compensation Amount:</b>	\$15,000.00
<b>Individual Contribution Amount:</b>	\$15,000.00
<b>Broker Statement</b>	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS MY PORTION OF THE CLAIM FOR THE AMOUNT OF \$15,000.00.

### Disclosure 3 of 3

<b>Reporting Source:</b>	Regulator
<b>Employing firm when activities occurred which led to the complaint:</b>	
<b>Allegations:</b>	SUITABILITY
<b>Product Type:</b>	
<b>Alleged Damages:</b>	\$15,000.00

### Arbitration Information



**Arbitration/Reparation Claim filed with and Docket/Case No.:** UNKNOWN - CASE #93-00911

**Date Notice/Process Served:** 03/17/1993

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 12/10/1993

**Disposition Detail:** AWARD AGAINST PARTY  
Not Provided

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**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** ROBERT TODD FINANCIAL

**Allegations:** UNSUITABILITY.

**Product Type:** Other

**Other Product Type(s):** COMMON STOCKS

**Alleged Damages:** \$15,000.00

### Customer Complaint Information

**Date Complaint Received:** 03/17/1993

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 03/17/1993

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.; 93-00911

**Date Notice/Process Served:** 03/17/1993



<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	12/10/1993
<b>Monetary Compensation Amount:</b>	\$15,000.00
<b>Individual Contribution Amount:</b>	\$7,500.00



## 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 3

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	NETWORK 1 FINANCIAL SECURITIES INC.
<b>Allegations:</b>	Negligence, Breach of Fiduciary Duty, Negligent Supervision,
<b>Product Type:</b>	Equity-OTC
<b>Alleged Damages:</b>	\$65,000.00
<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>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	2102958
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	12/02/2021

### Customer Complaint Information

<b>Date Complaint Received:</b>	12/06/2021
<b>Complaint Pending?</b>	Yes
<b>Settlement Amount:</b>	
<b>Individual Contribution Amount:</b>	

### Disclosure 2 of 3

<b>Reporting Source:</b>	Broker
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**Employing firm when activities occurred which led to the complaint:** Mid/America 47251

**Allegations:** churning, unsuitability, breach of fiduciary duties.

**Product Type:** Equity-OTC  
Options

**Alleged Damages:** \$99,990.00

**Alleged Damages Amount Explanation (if amount not exact):** based on the arbitration 15-01894 the amount against the firm not the RR.

**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:** 15-01894

**Docket/Case #:** 15-01894

**Filing date of arbitration/CFTC reparation or civil litigation:** 08/31/2015

### Customer Complaint Information

**Date Complaint Received:** 09/10/2015

**Complaint Pending?** Yes

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement** October 13, 2015

To Whom it May Concern,

I Charles Malico (CRD #: 1507282) have been conducting business with [customer] since approximately January 2011. [customer] opened an account at MidAmerica Financial Services, Inc. in September 2014. At that time he opened an account as a speculative investor. [customer] signed the New Account Form to reflect speculation and active trading, along with a signed Margin Agreement.



[customer] was sent updated paperwork on February 24, 2015, to confirm his Risk Tolerance and Investment Objective. Again, [customer] signed and returned the updated paperwork the same day. This again confirmed that [customer] was fully aware of his Investment Objective.

Prior to his account at MidAmerica, [customer] was a client of mine from approximately January 2011. From that time [customer] followed me from Global Arena Capital Corp, to Liberty Partners, to B.B. Graham & Co. back to Global Arena Capital Corp and finally to MidAmerica Financial Services, Inc.

During those 4 years [customer] discussed in detail how his other portfolios were performing. He often compared me to be other brokers, continually telling me he had extensive experience, including option trading. He told me on many occasions that he was a sophisticated investor. [customer] stated on more than one occasion that he traded options at J.P. Turner. He questioned me as to why we did not trade options in his account at MidAmerica Financial Services, Inc. Again, this confirmed that [customer] was an experienced and active trader.

[customer] started trading on Margin at MidAmerican Financial Serv. Inc. in September 2014, he was fully aware that account was held on margin as his account was held on margin at Global Arena Capital Corp. I discussed all trades with [customer] prior to execution. We spoke on a regular basis, an estimated 3 to 4 times a week, our conversations ranged from discussing trades, his overall account status to sporting events. On each trade [customer] received a confirmation, confirming his transaction. [customer] never questioned or complained about his account being on margin.

[customer] signed his complaint with Finra on June 30, 2015. However, [customer] never informed me of his complaint, and during the time period from June 30 until August 28, during that time, prior to all trade executions, [customer] approved approximately 25 transactions in his account. In addition [customer] has signed 2 activity letters dated December 3rd, 2014 and February 13, 2015. On May 18th, 2015, my supervisor contacted [customer] to discuss his account. At that time [customer] did not disclose any problems or dissatisfaction with his account or Mr. Malico.

All [customer's] allegations are without merit.

Sincerely

Charles Malico  
MidAmerica Financial Services, Inc.  
Registered Representative  
Phone #: 631-815-5020.



### Disclosure 3 of 3

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	J.P. TURNER AND COMPANY
<b>Allegations:</b>	ALLEGED UNAUTHORIZED TRADING
<b>Product Type:</b>	Other
<b>Other Product Type(s):</b>	COMMON STOCKS
<b>Alleged Damages:</b>	\$29,815.00

### Customer Complaint Information

<b>Date Complaint Received:</b>	09/22/2000
<b>Complaint Pending?</b>	Yes
<b>Settlement Amount:</b>	

### Individual Contribution Amount:

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	JP TURNER & CO.
<b>Allegations:</b>	ALLEGED UNAUTHORIZED TRADING
<b>Product Type:</b>	Other
<b>Other Product Type(s):</b>	COMMON STOCKS
<b>Alleged Damages:</b>	\$29,815.00

### Customer Complaint Information

<b>Date Complaint Received:</b>	09/22/2000
<b>Complaint Pending?</b>	Yes
<b>Settlement Amount:</b>	

### Individual Contribution Amount:





**Broker Statement**

CLIENT SENT ME A LETTER-FOR MY EYES ONLY-STATING THAT HE WAS HAVING TROUBLE KEEPING TRACK OF HIS TRADES. HE WANTED A LIST OF THEM. THERE WAS ONE TRADE HE AUTHORIZED PRIOR TO GOING ON VACATION. WHEN HE GOT BACK AND SAW THE CONFIRM HE COULD NOT REMEMEBER THE TRADE. AFTER I SPOKE WITH HIM-HE REMEMBERED AND TOLD ME TO IGNORE THE FAX. WHEN I LEFT THE FIRM I LEFT THE LETTER IN MY DESK. WITHOUT KNOWING THE CIRCUMSTANCES OF THE LETTER, THE COMPLIANCE DEPARTMENT READ UNAUTHORIZED TRADE INTO THE LETTER. IT WAS NOT A COMPLAINT. IT WAS A LETTER FROM A CLIENT TO HIS REP. HE NEVER ALLEGED UNAUTHORIZED TRADING.



## Judgment / Lien

This type of disclosure event involves an unsatisfied and outstanding judgments or liens against the broker.

### Disclosure 1 of 2

<b>Reporting Source:</b>	Broker
<b>Judgment/Lien Holder:</b>	Ford Motor Credit Co.
<b>Judgment/Lien Amount:</b>	\$9,499.87
<b>Judgment/Lien Type:</b>	Civil
<b>Date Filed with Court:</b>	04/01/2002
<b>Date Individual Learned:</b>	03/04/2019
<b>Type of Court:</b>	State Court
<b>Name of Court:</b>	State of New York
<b>Location of Court:</b>	Suffolk NY
<b>Docket/Case #:</b>	SMC1169-02
<b>Judgment/Lien Outstanding?</b>	Yes

### Disclosure 2 of 2

<b>Reporting Source:</b>	Broker
<b>Judgment/Lien Holder:</b>	STATE OF NEW YORK
<b>Judgment/Lien Amount:</b>	\$8,256.00
<b>Judgment/Lien Type:</b>	Tax
<b>Date Filed with Court:</b>	09/02/2008
<b>Date Individual Learned:</b>	02/13/2015
<b>Type of Court:</b>	State Court
<b>Name of Court:</b>	SUFFOLK COUNTY CLERK
<b>Location of Court:</b>	SUFFOLK COUNTY, NEW YORK
<b>Docket/Case #:</b>	E000154308W0208
<b>Judgment/Lien Outstanding?</b>	Yes

## End of Report



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