

BrokerCheck Report

JOHN EDWARD MULLINS

CRD# 1007176

Report #85000-15406, data current as of Wednesday, September 16, 2009.

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Broker Qualifications	2 - 3
Registration and Employment History	4
Disclosure of Customer Disputes, Disciplinary, and Regulatory Events	5 - 24
About this BrokerCheck Report	25

Dear Investor:

FINRA has generated the following BrokerCheck report for **JOHN E. MULLINS**. The information contained within this report has been provided by a FINRA member firm(s) and securities regulators as part of the securities industry's registration and licensing process and represents the most current information reported to the Central Registration Depository (CRD®) system.

FINRA regulates the securities markets for the ultimate benefit and protection of the investor. FINRA believes the general public should have access to information that will help them determine whether to conduct, or continue to conduct, business with a FINRA member firm or any of the member's associated persons. To that end, FINRA has adopted a public disclosure policy to make certain types of information available to you. Examples of information FINRA provides include: actions by regulators, investment-related civil suits, customer disputes that contain allegations of sales practice violations against brokers, all felony charges and convictions, misdemeanor charges and convictions relating to securities violations, and financial events such as bankruptcies, compromises with creditors, judgments, and liens.

When evaluating this report, please keep in mind that it may include items that involve pending actions or allegations that may be contested and have not been resolved or proven. Such items may, in the end, be withdrawn or dismissed, or resolved in favor of the firm or broker, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

The information in this report is not the only resource you should consult. FINRA recommends that you learn as much as possible about the individual broker or brokerage firm from other sources, such as professional references, local consumer and

investment groups, or friends and family members who already have established investment business relationships.

FINRA BrokerCheck is governed by federal law, Securities and Exchange Commission (SEC) regulations and FINRA rules approved by the SEC. State disclosure programs are governed by state law, and may provide additional information on brokers and firms licensed by the state. Therefore, you should also consider requesting information from your state securities regulator. Refer to www.nasaa.org for a complete list of state securities regulators.

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)

JOHN E. MULLINS

CRD# 1007176

This broker is not currently registered with a FINRA firm.

Report Summary for this Broker



The report summary provides an overview of the broker's professional background and conduct. The individual broker, a FINRA-registered firm(s), and/or securities regulator(s) have provided the information contained in this report as part of the securities industry's registration and licensing process. The information contained in this report was last updated by the broker, a previous employing brokerage firm, or a securities regulator on 09/15/2009.

Broker Qualifications

This broker is not currently registered with a FINRA firm.

This broker has passed:

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

Registration and Employment History

This broker was previously registered with the following FINRA member firms:

NEXT FINANCIAL GROUP, INC.

CRD# 46214
NORTHFIELD, NJ
10/2007 - 02/2008

MULTI-FINANCIAL SECURITIES CORPORATION

CRD# 10299
NORTHFIELD, NJ
10/2006 - 11/2007

MORGAN STANLEY DW INC.

CRD# 7556
NORTHFIELD, NJ
06/2002 - 09/2006

For additional registration and employment history details as reported by the individual broker, refer to the Registration and Employment History section of this report.

Disclosure of Customer Disputes, Disciplinary, and Regulatory Events

This section includes details regarding disclosure events reported by or about this broker to CRD as part of the securities industry registration and licensing process. Examples of such disclosure events include formal investigations and disciplinary actions initiated by regulators, customer disputes, certain criminal charges and/or convictions, as well as financial disclosures, such as bankruptcies and unpaid judgments or liens.

Are there events disclosed about this broker? **Yes**

The following types of disclosures were reported:

Regulatory Event

Criminal

Customer Dispute

Termination

Broker Qualifications



Registrations

This section provides the SROs, states and U.S. territories the broker is currently registered and licensed with, the category of each registration, and the date on which the registration became effective. This section also provides the physical location of each branch that the individual broker is associated with for each listed employment.

This broker is not currently registered with a FINRA firm.



Broker Qualifications

Industry Exams this Broker has Passed

This section includes all current principal/supervisory, general product/industry, and/or state securities law exams that the broker has passed. Under certain, limited circumstances, a broker may receive a waiver of an exam requirement based on a combination of previous exams passed and qualifying work experience. Likewise, a new exam requirement may be grandfathered based on a broker's specific qualifying work experience. Information regarding instances of exam waivers or the grandfathering of an exam requirement are not included as part of the BrokerCheck report.

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	08/15/1981

State Securities Law Exams

Exam	Category	Date
Uniform Securities Agent State Law Examination	Series 63	08/27/1981
Uniform Investment Adviser Law Examination	Series 65	12/08/1992

Additional information about the securities industry's qualifications and continuing education requirements, as well as the examinations administered by FINRA to brokers and other securities professionals can be found at <http://www.finra.org/Industry/Compliance/Registration/QualificationsExams/index.htm>.



Registration and Employment History

Previously Registered with the Following FINRA Firms

FINRA records show this broker previously held FINRA registrations with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
10/2007 - 02/2008	NEXT FINANCIAL GROUP, INC.	46214	NORTHFIELD, NJ
10/2006 - 11/2007	MULTI-FINANCIAL SECURITIES CORPORATION	10299	NORTHFIELD, NJ
06/2002 - 09/2006	MORGAN STANLEY DW INC.	7556	NORTHFIELD, NJ
10/1981 - 07/2002	PRUDENTIAL SECURITIES INCORPORATED	7471	NEW YORK, NY

Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker, and includes all securities and non-securities related employment, full and part-time work, self-employment, military service, unemployment, and full-time education. Please note that this information is not updated after an individual ceases to be registered with a FINRA firm.

Employment Dates	Employer Name	Employer Location
10/2007 - Present	NEXT FINANCIAL GROUP INC	NORTHFIELD, NJ
10/2006 - 10/2007	MULTI-FINANCIAL SECURITIES CORPORATION	DENVER, CO
06/2002 - 08/2006	MORGAN STANLEY DW INC.	NORTHFIELD, NJ
05/1981 - 06/2002	PRUDENTIAL SECURITIES INCORPORATED	LINWOOD, NJ

Affiliations

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)MULLINS FINANCIAL GROUP (DBA)
- 2)MULLINS FINANCIAL GROUP-LIFE INSURANCE SALES; TIME SPENT 25% OWNERSHIP 50%



Disclosure of Customer Disputes, Disciplinary, and Regulatory Events

What you should know and/or consider regarding any reported disclosure events:

- Before reaching a conclusion regarding any of the reported disclosure information contained in your BrokerCheck report, you should ask the broker to clarify the specific event(s) listed, or to provide a response to any questions you may have.
- "Pending" actions involve unproven and/or unsubstantiated allegations.

Disclosures in BrokerCheck reports come from different sources:

- **Self-disclosure:** Brokers are required to answer a series of questions on their application requesting securities industry registration (commonly referred to as "Form U4"). For example, brokers are asked whether they have been involved in certain regulatory, civil, criminal and financial matters (e.g., bankruptcy), or been the subject of a customer dispute.
- **Regulator/Employer postings:** In addition, regulators and firms that have employed a broker also may contribute relevant information about such matters. All of this information is maintained in the CRD system.

Certain thresholds must be met before an event is reported to the CRD; for example:

- **A law enforcement agency** must file formal charges before a broker is required to report a particular criminal event.
- Likewise, **a regulatory agency** must meet established standards before initiating a regulatory action and/or issuing sanctions. These standards typically include a reasonable basis for initiating the action after engaging in a fact-finding process.

In order for a *customer* dispute to be reported to the CRD, a customer must:

- Allege that their broker engaged in activity that violates certain rules or conduct governing the industry; and
- Claim damages of \$5,000 or more as a result of that activity.

(Note: customer disputes may be more subjective in nature than a criminal or regulatory action)

Certain customer disputes contained in your BrokerCheck report may no longer be required to be reported by the broker on Form U4.

- Generally, these will be written complaints that were initiated more than two years ago. Once an event is not required to be reported, a broker has no obligation to update the matter.

What you should consider when evaluating the status or disposition of a reported disclosure event:

- **Disclosure events may be *pending, on appeal, or final.*** *Pending and 'on appeal'* matters reflect allegations that (1) have not been proven or formally adjudicated, or (2) have been adjudicated but are currently being appealed. *Final* matters generally may be *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.



Possible multiple reporting sources -- please note:

Disclosure details may be reported by more than one source (i.e., regulator, firm, or broker). When this occurs, all versions of the event will appear in the BrokerCheck report. The different versions of the same disclosure event are separated by a solid line with the reporting source labeled.



- A **settled matter** generally represents a disposition wherein parties involved in a dispute reach an agreement that resolves the matter.

(Note: brokers may choose to settle customer disputes or regulatory matters for business or other reasons)

- Customer disputes also may be **resolved** without any payment to the customer or any finding of wrongdoing on the part of the broker.

	Pending	Final	On Appeal
Regulatory Event	1	1	0
Criminal	0	1	0
Customer Dispute	0	6	N/A
Termination	N/A	1	N/A



Disclosure Event Details

When evaluating this information, please keep in mind that a number of items may involve pending actions or allegations that may be contested and have not been resolved or proven. The items may, in the end, be withdrawn or dismissed, or resolved in favor of the individual 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 by the individual broker, a member firm(s), and/or by securities industry regulators. Some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

Regulatory - Final

This section provides information regarding a final, regulatory action that was reported to CRD by the individual broker, a member firm, and/or a securities regulator. The event may include a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a self-regulatory organization, a federal regulator such as the U.S. Securities and Exchange Commission (SEC) or the Commodities Futures Trading Commission (CFTC), or a foreign financial regulatory body) for a violation of investment-related rules or regulations. This section may also include 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:	NEW JERSEY BUREAU OF SECURITIES
Sanction(s) Sought:	Denial
Other Sanction(s) Sought:	
Date Initiated:	12/29/2006
Docket/Case Number:	2006-062
Employing firm when activity occurred which led to the regulatory action:	MORGAN STANLEY DW (CRD # 7556)
Product Type:	No Product
Other Product Type(s):	
Allegations:	MULLINS ABUSED A PERSONAL RELATIONSHIP WITH A CLIENT TO OBTAIN HER TRUST WHICH LED TO THE CONVERSION OF OVER \$400,000 OF THE CLIENT'S ASSETS FOR THEIR PERSONAL USE. MULLINS ABUSED THE FIDUCIARY DUTY TO THE CLIENT AND VIOLATED COMPLIANCE POLICIES



AND PROCEDURES OF MORGAN STANLEY DW.

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:

02/14/2008

Sanctions Ordered:

Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details:

MULLINS ENGAGED IN DISHONEST AND UNETHICAL PRACTICES IN THE SECURITIES BUSINESS. MULLINS EMPLOYED SCHEMES TO DEFRAUD A CLIENT.

Reporting Source:

Firm

Regulatory Action Initiated By:

STATE OF NJ, OFFICE OF THE ATTORNEY GENERAL, DEPARTMENT OF LAW AND PUBLIC SAFETY, DIV. OF CONSUMER AFFAIRS, BUREAU OF SECURITIES

Sanction(s) Sought:

Denial

Other Sanction(s) Sought:

Date Initiated:

02/14/2008

Docket/Case Number:

2006-062

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

MORGAN STANLEY & CO., INCORPORATED

Product Type:

No Product

Other Product Type(s):

Allegations:

THE NJ BUREAU OF SECURITIES STATES IN ITS ORDER OF 2/14/08 THAT JOHN MULLINS ABUSED A PERSONAL RELATIONSHIP WITH A CLIENT THAT LED TO THE CONVERSION OF OVER \$400,000 OF THE CLIENT'S ASSETS. IT ALSO STATES THAT JOHN MULLINS ABUSED HIS FIDUCIARY OBLIGATION



TO THE CLIENT AND FAILED TO FOLLOW FIRM POLICIES AND PROCEDURES.

Current Status: Final

Resolution: Order

Resolution Date: 02/14/2008

Sanctions Ordered: Revocation/Expulsion/Denial

Other Sanctions Ordered: CIVIL MONETARY PENALTIES OF \$10,000 FOR THE FIRST VIOLATION AND \$20,000 FOR EACH VIOLATION THEREAFTER, TO BE DETERMINED AT A HEARING.

Sanction Details: AGENT AND INVESTMENT ADVISER REPRESENTATIVE REGISTRATION DENIED.

Reporting Source: Firm

Regulatory Action Initiated By: NEW JERSEY BUREAU OF SECURITIES

Sanction(s) Sought: Denial

Other Sanction(s) Sought:

Date Initiated: 12/29/2006

Docket/Case Number: 2006-062

Employing firm when activity occurred which led to the regulatory action: MORGAN STANLEY DW (CRD # 7556)

Product Type: No Product

Other Product Type(s):

Allegations: MULLINS ABUSED A PERSONAL RELATIONSHIP WITH A CLIENT TO OBTAIN HER TRUST WHICH LED TO THE CONVERSION OF OVER \$400,000 OF THE CLIENT'S ASSETS FOR THEIR PERSONAL USE. MULLINS ABUSED THE FIDUCIARY DUTY TO THE CLIENT AND VIOLATED COMPLIANCE POLICIES AND PROCEDURES OF MORGAN STANLEY DW.

Current Status: Final

Resolution: Order

Resolution Date: 02/14/2008



Sanctions Ordered:

Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details:

PER NEW JERSEY, MULLINS ENGAGED IN DISHONEST AND UNETHICAL PRACTICES IN THE SECURITIES BUSINESS. MULLINS EMPLOYED SCHEMES TO DEFRAUD A CLIENT.



Regulatory - Pending

This section provides information regarding a pending regulatory action, that was reported to CRD by the individual broker, a member firm, and/or a securities regulator. The event may include a formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a self-regulatory organization, a federal regulatory agency such as the U.S. Securities and Exchange Commission (SEC) or the Commodities Futures Trading Commission (CFTC), or a foreign financial regulatory body) for alleged violations of investment-related rules or regulations that is pending.

Disclosure 1 of 1

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Other: N/A
Date Initiated:	02/14/2008
Docket/Case Number:	2007011177501
Employing firm when activity occurred which led to the regulatory action:	MORGAN STANLEY DW INC.
Product Type:	No Product
Allegations:	NASD RULES 2110, 2330(A), 2370 AND 3110: RESPONDENT JOHN EDWARD MULLINS MADE IMPROPER USE OF CUSTOMER FUNDS, OR IN THE ALTERNATIVE, CONVERTED CUSTOMER FUNDS TOTALING AT LEAST \$11,156; ATTEMPTED TO CONVERT FUNDS TOTALING \$4,793.53 FROM HIS MEMBER FIRM; AND BREACHED FIDUCIARY RESPONSIBILITIES HE OWED TO A CUSTOMER. MULLINS ALSO FAILED TO DISCLOSE, AND MISSTATED MATERIAL INFORMATION, ON ANNUAL COMPLIANCE QUESTIONNAIRES, THEREBY CAUSING HIS MEMBER FIRM TO MAINTAIN INACCURATE BOOKS AND RECORDS. IN ADDITION, MULLINS BORROWED \$100,000 FROM A CUSTOMER WITHOUT OBTAINING HIS MEMBER FIRM'S APPROVAL.
Current Status:	Pending
Summary:	HEARING PANEL DECISION RENDERED AUGUST 25, 2009 WHEREIN RESPONDENT MULLINS IS BARRED FROM ASSOCIATING WITH ANY FINRA MEMBER IN ANY CAPACITY FOR MISUSING CUSTOMER FUNDS, CONVERTING CUSTOMER PROPERTY TO HIS OWN USE, AND VIOLATING HIS FIDUCIARY RESPONSIBILITIES TO A CUSTOMER. IN ADDITION, MULLINS IS JOINTLY AND SEVERALLY LIABLE FOR HEARING COSTS OF \$16,003. IF NO FURTHER ACTION IS TAKEN, DECISION WILL BECOME FINAL ON OCTOBER 12, 2009.



Reporting Source: Firm

Regulatory Action Initiated By: FINRA

Sanction(s) Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s) Sought: ORDER THAT ONE OR MORE OF THE SANCTIONS PROVIDED UNDER NASD RULE 8310(A), INCLUDING MONETARY SANCTIONS, BE IMPOSED; ORDER THAT THE RESPONDENT BEAR SUCH COSTS OF PROCEEDING AS ARE DEEMED FAIR AND APPROPRIATE UNDER THE CIRCUMSTANCES IN ACCORDANCE WITH NASD RULE 8330; MAKE SPECIFIC FINDINGS THAT RESPONDENT'S CONDUCT, ALLEGED IN THE COMPLAINT AND RELATING TO THE FORM U4 VIOLATIONS, WAS WILLFUL; THE OMITTED INFORMATION WAS MATERIAL; AND, THE OMISSIONS TO STATE MATERIAL FACTS WERE ON FORMS U4.

Date Initiated: 02/14/2008

Docket/Case Number: 20070094345

Employing firm when activity occurred which led to the regulatory action: MORGAN STANLEY DW INC.

Product Type: No Product

Other Product Type(s):

Allegations: NASD RULES 2110, 2330(A), 2370, 3110, AND INTERPRETIVE MATERIAL-1000-1: BETWEEN APPROXIMATELY JUNE 2002 AND JULY 2006 (THE "RELEVANT PERIOD"), REGISTERED REPRESENTATIVE JOHN EDWARD MULLINS ("J. MULLINS") WRONGFULLY CONVERTED FUNDS TOTALING AT LEAST \$393,595 FROM A CUSTOMER, WHO IS A 97-YEAR OLD WOMAN WHO RESIDED IN A NURSING HOME, LARGELY DURING HER STAY IN A HOSPITAL, AND FROM ANOTHER CUSTOMER, AN AFFILIATED CHARITABLE ORGANIZATION. J. MULLINS, DURING THE RELEVANT PERIOD, ALSO ATTEMPTED TO CONVERT FUNDS FROM HIS MEMBER EMPLOYER, BREACHED HIS FIDUCIARY DUTY TO CUSTOMERS OF HIS MEMBER FIRM EMPLOYER (THE "FIRM") ACCEPTED A LOAN FROM A CUSTOMER WITHOUT NOTIFYING THE FIRM, AND FAILED TO DISCLOSE MATERIAL INFORMATION ON ONE OR MORE COMPLIANCE QUESTIONNAIRES AND WILLFULLY FAILED TO UPDATE HIS UNIFORM APPLICATION FOR SECURITIES INDUSTRY REGISTRATION OR TRANSFER ("FORM U4").

Current Status: Pending



Reporting Source: Firm

Regulatory Action Initiated By: FINRA

Sanction(s) Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s) Sought: ORDER THAT ONE OR MORE OF THE SANCTIONS PROVIDED UNDER NASD RULE 8310(A), INCLUDING MONETARY SANCTIONS, BE IMPOSED; ORDER THAT THE RESPONDENT BEAR SUCH COSTS OF PROCEEDING AS ARE DEEMED FAIR AND APPROPRIATE UNDER THE CIRCUMSTANCES IN ACCORDANCE WITH NASD RULE 8330; MAKE SPECIFIC FINDINGS THAT RESPONDENT'S CONDUCT, ALLEGED IN THE COMPLAINT AND RELATING TO THE FORM U4 VIOLATIONS, WAS WILLFUL; THE OMITTED INFORMATION WAS MATERIAL; AND, THE OMISSIONS TO STATE MATERIAL FACTS WERE ON FORMS U4.

Date Initiated: 02/14/2008

Docket/Case Number: 20070094345

Employing firm when activity occurred which led to the regulatory action: MORGAN STANLEY DW INC.

Product Type: No Product

Other Product Type(s):

Allegations: NASD RULES 2110, 2330(A), 2370, 3110, AND INTERPRETIVE MATERIAL-1000-1: BETWEEN APPROXIMATELY JUNE 2002 AND JULY 2006 (THE "RELEVANT PERIOD"), REGISTERED REPRESENTATIVE JOHN EDWARD MULLINS ("J. MULLINS") WRONGFULLY CONVERTED FUNDS TOTALING AT LEAST \$393,595 FROM A CUSTOMER, WHO IS A 97-YEAR OLD WOMAN WHO RESIDED IN A NURSING HOME, LARGELY DURING HER STAY IN A HOSPITAL, AND FROM ANOTHER CUSTOMER, AN AFFILIATED CHARITABLE ORGANIZATION. J. MULLINS, DURING THE RELEVANT PERIOD, ALSO ATTEMPTED TO CONVERT FUNDS FROM HIS MEMBER EMPLOYER, BREACHED HIS FIDUCIARY DUTY TO CUSTOMERS OF HIS MEMBER FIRM EMPLOYER (THE "FIRM") ACCEPTED A LOAN FROM A CUSTOMER WITHOUT NOTIFYING THE FIRM, AND FAILED TO DISCLOSE MATERIAL INFORMATION ON ONE OR MORE COMPLIANCE QUESTIONNAIRES AND WILLFULLY FAILED TO UPDATE HIS UNIFORM APPLICATION FOR SECURITIES INDUSTRY REGISTRATION OR TRANSFER ("FORM U4").

Current Status: Pending





Criminal - Final (includes dismissed charges, not guilty verdicts, and convictions)

This section provides details regarding a criminal charge that has resulted in a conviction, has been dismissed, or did not result in a guilty verdict, that was reported to CRD by the individual broker, a member firm, and/or a securities regulator. The event may include information regarding a formal charge or conviction for a crime involving any felony. In addition, the event may include any formal charge for certain misdemeanor offenses (e.g., bribery, perjury, forgery, counterfeiting, extortion, fraud, or wrongful taking of property).

Disclosure 1 of 1

Reporting Source:	Firm
Court Details:	STATE OF NEW JERSEY V. JOHN MULLINS, SUPERIOR COURT OF NEW JERSEY, COUNTY OF MORRIS, LAW DIVISION-CRIMINAL, ACCUSATION NUMBER 08-12-01528-A
Charge Date:	12/23/2008
Charge Details:	(1) COUNT ONE, THIRD DEGREE MISAPPLICATION OF ENTRUSTED PROPERTY (N.J.S.A. 2C:21-15), (2) FELONY, (3) PLEADED GUILTY
Felony?	Yes
Current Status:	Final
Status Date:	12/23/2008
Disposition Details:	A. PLEADED GUILTY; B. 12/23/2008; C. PRE-TRIAL INTERVENTION PROGRAM; D. IF JOHN MULLINS IS IN FULL COMPLIANCE WITH PTI PROGRAM HE MAY MOVE FOR EARLY DISMISSAL FROM PROGRAM AFTER SIX MONTHS.



Customer Dispute - Settled

This section provides information regarding a settled customer dispute that was reported to CRD by the individual broker, a member firm, and/or a securities regulator. The event may include a consumer-initiated complaint, investment-related arbitration proceeding or civil suit that contains allegations of sale practice violations against the individual broker and resulted in a monetary settlement to the customer(s).

Disclosure 1 of 6

Reporting Source: Broker

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

Allegations: THE ABOVE REFERENCED CLIENT HAS SUBMITTED A CLAIM FORM TO THE CLAIMS RESOLUTION PROCESS IN THE PURCHASE OF VARIOUS LIMITED PARTNERSHIPS DURING THE PERIOD 1/85 TO 11/87. JOHN MULLINS WAS THE BROKER OF RECORD AT THE TIME OF THE PURCHASE. NO DAMAGES ARE ALLEGED. BUT THE AMOUNT OF ACTUAL LOSS (OUT-OF-POCKET) IS APPROXIMATELY \$26,814.

Product Type:

Alleged Damages: \$26,814.00

Customer Complaint Information

Date Complaint Received: 10/21/1993

Complaint Pending? No

Status: Settled

Status Date:

Settlement Amount: \$34,616.00

Individual Contribution Amount:

Summary: A SETTLEMENT FOR THE ABOVE CLIENT HAS BEEN REACHED IN THE CLAIMS RESOLUTION PROCESS. THE DOLLAR AMOUNT OF THE SETTLEMENT IS APPROXIMATELY AS FOLLOWS: \$34,616. PLEASE NOTE NO ALLIGATIONS HAVE BEEN MADE DIRECTLY ME NOR HAVE DAMAGES BEEN ASSESSED UPON ME THIS MATTER RESULTED FROM THE UNPRECEDENTED UNSOLICITED MAILING OF



CLAIMS

FORMS BY PSI TO OVER 340,000 INVESTORS WHO PURCHASED LIMITED PARTNERSHIP THROUGH PSI FROM JANUARY 1, 1980 TO JANUARY 1,1991. THE AVOVE REFERENCE CLIENT SUBMITTED A CLAIM FORM IN RESPONSE TO THIS MAILING. THE CLAIM FORM WAS EVALUATED BY PSI IN ACCORDANCE WITH THE STANDARDS ESTABLISHED UNDER THE SETTLEMENT BETWEEN PSI AND THE SEC THE NASD AND THE STATE SECURITIES ADMINISTATORS. THE REPORTED SETTLEMENT AROSE OUT OF THE UNIQUE PROCESS. /HAD FOLLOWD THE POLICIES & PROCEDURES SET FORTH BY PSI WITH RESPECT TO THE SALE OF ALL DIRECT INVESTMENTS THE CLIENT MET ALL SUITABILITY REQUIREMENTS AND THE CHOICE WERE MADE IN THE CLIENT'S BEST INTEREST WORKING WITH THE TRAINING AND MARKETING WE WERE GIVEN AT THE TIME. NO MISREPRESENTATIONS WERE MADE BY ME NO FRAUD WAS COMMITTED BY ME. THIS IS NOT A CLIENT INITIATED COMPLAINT. I SIGN THIS WITH STRONG OBJECTIONS.

Disclosure 2 of 6

Reporting Source: Broker

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

Allegations: THE ABOVE CLIENT(S) SUBMITTED CLAIM FORM(S) TO THE CLAIMS RESOLUTION PROCESS RELATING TO LIMITED PARTNERSHIP PURCHASE(S) DURING THE PERIOD: 6/85-2/87. THE ABOVE MENTIONED REGISTERED REPRESENTATIVE WAS THE BROKER OF RECORD AT THE TIME OF THE PURCHASE(S). NO DAMAGES ARE ALLEGED, BUT THE AMOUNT(S) OF ACTUAL LOSS (OUT-OF-POCKET) IS.ARE APPROXIMATELY: \$19,501

Product Type:

Alleged Damages: \$19,501.00

Customer Complaint Information

Date Complaint Received: 10/21/1993

Complaint Pending? No

Status: Settled

**Status Date:****Settlement Amount:** \$19,576.00**Individual Contribution Amount:****Summary:**

SETTLEMENT(S) WITH THE ABOVE CLIENT(S) HAS/HAVE BEEN REACHED IN THE CLAIMS RESOLUTION PROCESS. THE DOLLAR AMOUNT(S) OF THE SETTLEMENT(S) IS/ARE APPROXIMATELY: \$19,576 THIS MATTER RESULTED FROM THE UNPRECEDENTED, UNSOLICITED MAILING OF CLAIM FORMS BY PSI TO OVER 340,000 INVESTORS WHO PURCHASED LIMITED PARTNERSHIPS THROUGH PSI FROM JANUARY 1, 1980 TO JANUARY 1, 1991. THE ABOVE REFERENCED CLIENT(S) SUBMITTED CLAIM FORM(S) IN RESPONSE TO THIS MAILING. THE CLAIM FORM(S) WAS/WERE EVALUATED BY PSI IN ACCORDANCE WITH THE STANDARDS ESTABLISHED UNDER THE SETTLEMENT BETWEEN PSI AND THE SEC, THE NASD AND THE STATE SECURITIES ADMINISTRATORS. THE REPORTED SETTLEMENT(S) AROSE OUT OF THIS UNQUIE PROCESS. PLEASE NOTE, THAT NO ALLEGATIONS HAVE BEEN MADE DIRECTLY AGAINST ME BY THE CLIENT NOR HAVE ANY DAMAGES BEEN ASSESSED UPON ME AS BROKER OF RECORD. I HAD FOLLOWED THE POLICIES & PROCEDURES SET FORTH BY PUR-BACHE WITH RESPECT TO THE SALE OF ALL DI'S. THESE CLIENTS MET ALL SUITABILITY REQUIREMENTS, AND THE CHOICES WERE MADE WITH THEIR BEST INTERESTS IN MIND. NO MISREPRESENTATIONS WERE MADE BY ME. THIS IS NOT A CLIENT INITIATED COMPLAINT. THE SETTLEMENT AROSE FROM AN "UNSOLICITED" MAILING OF CLAIM FORMS BY PSI TO OVER 340,000 INVESTORS WHO PURCHASED LP'S. I SIGN THIS WITH STRONG-OBJECTION.

Disclosure 3 of 6**Reporting Source:** Broker**Employing firm when activities occurred which led to the complaint:** PRUDENTIAL SECURITIES INCORPORATED**Allegations:** THE AVOVE CLIENT(S) SUBMITTED CLAIM FORM(S)



TO THE CLAIMS RESOLUTION PROCESS RELATING TO LIMITED PARTNERSHIP PURCHASE(S) DURING THE PERIOD 6/88-2/90. THE ABOVE MENTIONED REGISTERED REPRESENTATIVE WAS THE BROKER OF RECORD AT THE TIME OF THE PURCHASE(S). NO DAMAGES ARE ALLEGED, BUT THE AMOUNT(S) OF ACTUAL LOSS (OUT-OF-POCKET) IS/ARE APPROXIMATELY: \$40,309.

Product Type:

Alleged Damages: \$40,309.00

Customer Complaint Information

Date Complaint Received: 10/21/1993

Complaint Pending? No

Status: Settled

Status Date:

Settlement Amount: \$59,556.00

Individual Contribution Amount:

Summary:

SETTLEMENT(S) WITH THE ABOVE CLIENT(S) HAS/HAVE BEEN REACHED IN THE CLAIMS RESOLUTION PROCESS THE DOLLAR AMOUNT(S) OF THE SETTLEMENT(S) IS/ARE APPROXIMATELY: \$59,556. PLEASE NOTE NO ALLEGATIONS HAVE BEEN MADE DIRECTLY AGAINST ME NOR HAVE DAMAGES BEEN ASSESSED UPON ME AS BROKER THIS MATTER RESULTED FROM THE UNPRECEDENTED UNSOLICITED MAILING OF CLAIM FORMS BY PSI TO OVER 340,000 INVESTORS WHO PURCHASED LIMITED PARTNERSHIP THROUGH PSI FROM JANUARY 1, 1980 TO JANUARY 1, 1991. THE ABOVE REFERENCE CLIENT(S) SUBMITTED CLAIM FORM(S) IN RESPONSE TO THIS MAILING. THE CLAIM FORM(S) WAS/WERE EVALUATED BY PSI IN ACCORDANCE WITH THE STANDARDS ESTABLISHED UNDERER SETTLEMENT(S) AROSE OUT OF THE UNIQUE PROCESS/FOLLOWED THE POLICIES & PROCEDURES SET FORTH BY PSI WITH RESPECT TO THE SALE OF ALL DIRECT INVESTMENTS. THE CLIENT MET ALL SUITABILITY REQUIREMENTS AND CHOICES WERE MADE IN CLIENTS BEST INTEREST(WORKING WITH THE TRAINING & MKTG WE WERE GIVEN AT THAT TIME) NO MISREPRESENTATIVE WERE MADE BY ME NO FRAUD WAS COMMITTED BY ME, THIS IS NOT A CLIENT INITIATED



COMPLAINT I SIGN THIS WITH STRONG OBJECTIONS.

Disclosure 4 of 6

Reporting Source: Broker

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

Allegations: THE ABOVE CLIENT(S) SUBMITTED CLAIM FORM(S) TO THE CLAIMS RESOLUTION PROCESS RELATING TO LIMITED PARTNERSHIPS PURCHASE(S) DURING THE PERIOD: 09/85-12/88. THE ABOVE MENTIONED REGISTERED REPRESENTATIVE WAS THE BROKER OF RECORD AT THE TIME OF THE PURCHASE(S). NO DAMAGES ARE ALLEGED, BUT THE AMOUNT(S) OF ACTUAL LOSS (OUT-OF-POCKET) IS/ARE APPROXIMATELY: \$13,075

Product Type:

Alleged Damages: \$13,075.00

Customer Complaint Information

Date Complaint Received: 10/21/1993

Complaint Pending? No

Status: Settled

Status Date:

Settlement Amount: \$18,377.00

Individual Contribution Amount:

Summary: SETTLEMENT(S) WITH THE ABOVE CLIENT(S) HAS/HAVE BEEN REACHED IN THE CLAIMS RESOLUTION PROCESS. THE DOLLAR AMOUNT(S) OF THE SETTLEMENT(S) IS/ARE APPROXIMATELY: \$18,377 THIS MATTER RESULTED FROM THE UNPRECEDENTED, UNSOLICITED MAILING OF CLAIM FORMS BY PSI TO OVER 340,000 INVESTORS WHO PURCHASED LIMITED PARTNERSHIPS THROUGH PSI FROM JANUARY 1, 1980 TO JANUARY 1, 1991. THE ABOVE REFERENCED CLIENT(S) SUBMITTED CLAIM FORM(S) IN RESPONSE TO THIS MAILING. THE CLAIM FORM(S) WAS/WERE EVALUATED BY PSI IN ACCORDANCE



WITH
 THE STANDARDS ESTABLISHED UNDER THE SETTLEMENT BETWEEN PSI,
 THE
 SEC, THE NASD AND THE STATE SECURITIES ADMINISTRATORS. THE
 REPORTED SETTLEMENT(S) AROSE OUT OF THIS UNIQUE PROCESS.
 PLEASE
 NOTE, THAT NO ALLEGATIONS HAVE BEEN MADE DIRECTLY AGAINST ME
 BY
 THE CLIENT, NOR HAVE ANY DAMAGES BEEN ASSESSED UPON ME AS
 BROKER OF RECORD. I HAD FOLLOWED THE POLICIES AND PROCEDURES
 SET FORTH BY PRU-BACHE WITH RESPECT TO THE SALE OF ALL DIRECT
 INVESTMENTS. THESE CLIENTS MET ALL SUITABILITY REQUIREMENTS,
 AND THE CHOICES WERE MADE WITH THEIR BEST INTERESTS IN MIND.
 NO
 MISREPRESENTATIONS WERE MADE BY ME. THIS IS NOT A CLIENT
 INITIATED COMPLAINT. THE SETTLEMENT AROSE FROM AN "UNSOLICITED
 MAILING OF CLAIM FORMS BY PSI TO OVER 340,000 INVESTORS WHO
 PURCHASED LPS." I SIGN THIS WITH STRONG OBJECTION.

Disclosure 5 of 6

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint:

Allegations: CLIENT ALLEGED APPROXIMATELY \$300,000 IN DAMAGES RESULTING FROM SUPPOSED UNSUITABLE RECOMMENDATIONS TO PURCHASE LIMITED PARTNERSHIPS.

Product Type:

Alleged Damages: \$300,000.00

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.:** [Unknown Conversion](#)

Date Notice/Process Served: 04/01/1993

Arbitration Pending? No

Disposition: Settled

Disposition Date: 01/28/1994

**Monetary Compensation
Amount:** \$60,000.00

**Individual Contribution
Amount:** \$0.00

Summary: FIRM PAID CLIENT \$60,000.00 TO SETTLE MATTER IN
ITS ENTIRETY.
FIRM AND FINACIAL ADVISOR MAINTAIN THAT ALL
RECOMMENDATIONS WERE SUITABLE AND REASONABLE AT THE TIME
THEY
WERE MADE. FA DID NOT CONTRIBUTE TO SETTLEMENT.

Disclosure 6 of 6

Reporting Source: Broker

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

Allegations: CLIENTS ALLEGED LOSSES WITH RESPECT TO
INVESTMENT IN VMS WITH LOSSES IN EXCESS OF \$75,000.00

Product Type:

Alleged Damages: \$89,000.00

Customer Complaint Information

Date Complaint Received: 12/17/1990

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.; 91-00678](#)

Date Notice/Process Served: 02/01/1991

Arbitration Pending? No

Disposition: Settled

Disposition Date: 08/21/1992

Monetary Compensation Amount: \$70,000.00

Individual Contribution Amount:

Summary: FIRM SETTLED MATTER FOR \$70,000.00. F.A. WAS DISMISSED FROM ACTION BY CLAIMANT. CLAIMANTS COMPLAINT WAS PRODUCT AND PERFORMANCE RELATED THUS I WAS REMOVED FROM THE COMPLAINT. CLIENT [CUSTOMER] IS A FINANCIAL ADVISOR AND WAS EMPLOYED AS A FINANCIAL ADVISOR. WHEN SHE MADE HER INVESTMENTS.



Employment Separation After Allegations

This section provides information regarding a separation of employment, that was reported to CRD by the individual broker, a member firm, and/or a securities regulator. The event may include a separation of employment that resulted in a voluntary resignation, discharge or permission to resign after allegations were made that accused the broker of violating investment-related statutes, regulations, rules or industry standards of conduct; fraud or the wrongful taking of property; or failure to supervise in connection with investment-related statutes, regulations, rules or industry standards of conduct.

Disclosure 1 of 1

Reporting Source: Firm

Brokerage Firm Name: MSDW

Termination Type: Discharged

Termination Date: 08/16/2006

Allegations: "FAILURE TO COMPLY WITH FIRM POLICIES, INCLUDING ACTING AS A FIDUCIARY FOR A CLIENT WITHOUT PRIOR APPROVAL IN WRITING FROM THE FIRM AND WITHDRAWING FUNDS FOR HIS OWN BENEFIT FROM A CLIENT'S ACCOUNT."

Product Type: No Product

Other Product Types:

Reporting Source: Broker

Brokerage Firm Name: MORGAN STANLEY DW INC.

Termination Type: Discharged

Termination Date: 08/16/2006

Allegations: FAILURE TO COMPLY WITH FIRM POLICIES, INCLUDING ACTING AS A FIDUCIARY FOR A CLIENT WITHOUT PRIOR APPROVAL IN WRITING FROM THE FIRM AND WITHDRAWING FUNDS FOR HIS OWN BENEFIT FROM A CLIENT'S ACCOUNT.

Product Type: No Product

Other Product Types:



About this BrokerCheck Report

BrokerCheck reports are part of a FINRA initiative to disclose information about FINRA-registered firms and individual brokers to help investors determine whether to conduct, or continue to conduct, business with these firms and brokers. The information contained within these reports is collected through the securities industry's registration and licensing process.

Who provides the information in BrokerCheck?

Information made available through BrokerCheck is obtained from the Central Registration Depository (CRD®) as reported through the industry registration and licensing process.

The forms used by brokerage firms, to report information as part of the firms registration and licensing process, Forms BD and BDW, are established by the Securities and Exchange Commission (SEC) and adopted by all state securities regulators and self-regulatory organizations (SROs). FINRA and the North American Securities Administrators Association (NASAA) establish the Forms U4 and U5, the forms that are used for the registration and licensing process for individual brokers. These forms are approved by the SEC. Regulators report disciplinary information for firms and individual brokers via Form U6.

How current is the information contained in BrokerCheck?

Brokerage firms and brokers are required to keep this information accurate and up-to-date (typically not later than 30 days after learning of an event). BrokerCheck data is updated when a firm, broker, or regulator submits new or revised information to CRD. Generally, updated information is available on BrokerCheck Monday through Friday.

What information is NOT disclosed through BrokerCheck?

Information that has not been reported to CRD or that is not required to be reported through the registration and licensing process, is not disclosed through BrokerCheck. Examples of events that are not required to be reported or are no longer reportable include: judgments and liens originally reported as outstanding that have been satisfied and bankruptcy proceedings filed more than 10 years ago. Conversely, certain customer complaint information that is not required to be reported may be disclosed provided certain criteria are met.

Additional information not disclosed through BrokerCheck includes Social Security Numbers, residential history information, and physical description information. On a case-by-case basis, FINRA reserves the right to exclude information that contains confidential customer information, offensive and potentially defamatory language or information that raises significant identity theft or privacy concerns that are not outweighed by investor protection concerns. FINRA Rule 8312 describes in detail what information is and is not disclosed through BrokerCheck.

Under FINRA's current public disclosure policy, in certain limited circumstances, most often pursuant to a court order, information is expunged from CRD. Further information about expungement from CRD is available in FINRA notices 99-09, 99-54, 01-65, and 04-16 at www.finra.org.

For further information regarding FINRA's BrokerCheck program, please visit FINRA's Web site at www.finra.org/brokercheck or call the FINRA BrokerCheck Hotline at (800) 289-9999. This hotline is open Monday through Friday from 8:00 a.m. to 8:00 p.m., Eastern Time (ET).

For more information about the following, select the associated link:

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- Questions Frequently Asked about BrokerCheck Reports: http://www.finra.org/brokercheck_faq
- Terms and Conditions: <http://brokercheck.finra.org/terms.aspx>