

BrokerCheck Report

WILLIAM MORRIS STERN

CRD# 1454434

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About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:

- o 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
- o 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.



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)

Thank you for using FINRA BrokerCheck.

WILLIAM M. STERN

CRD# 1454434

Currently employed by and registered with the following Firm(s):

- B STERN BROTHERS & CO.**
 8000 MARYLAND AVENUE
 SUITE 800
 ST. LOUIS, MO 63105
 CRD# 16325
 Registered with this firm since: 09/23/1999

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
- 11 U.S. states and territories

This broker has passed:

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

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

- B MERCANTILE INVESTMENT SERVICES, INC.**
 CRD# 19908
 ST. LOUIS, MO
 06/1997 - 08/1999
- B MARK TWAIN BROKERAGE SERVICES, INC.**
 CRD# 16925
 06/1995 - 06/1997
- B MARK TWAIN BROKERAGE SERVICES, INC.**
 CRD# 16925
 05/1986 - 03/1994

**Disclosure Events**

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

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

The following types of disclosures have been reported:

Type	Count
Customer Dispute	1



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 11 U.S. states and territories through his or her employer.

Employment 1 of 1

Firm Name: **STERN BROTHERS & CO.**

Main Office Address: **8000 MARYLAND AVE.
SUITE 800
ST. LOUIS, MO 63105-3911**

Firm CRD#: **16325**

SRO	Category	Status	Date
B FINRA	General Securities Principal	APPROVED	09/23/1999
B FINRA	General Securities Representative	APPROVED	09/23/1999
B FINRA	Municipal Securities Principal	APPROVED	09/23/1999
B FINRA	Investment Banking Representative	APPROVED	11/06/2009
B FINRA	Investment Banking Principal	APPROVED	10/01/2018

U.S. State/ Territory	Category	Status	Date
B Arizona	Agent	APPROVED	05/15/2015
B California	Agent	APPROVED	08/05/2008
B Colorado	Agent	APPROVED	11/17/2008
B Florida	Agent	APPROVED	09/27/1999
B Illinois	Agent	APPROVED	01/03/2005
B Kansas	Agent	APPROVED	01/03/2005
B Massachusetts	Agent	APPROVED	09/23/2008
B Missouri	Agent	APPROVED	09/24/1999



Broker Qualifications

Employment 1 of 1, continued

U.S. State/ Territory	Category	Status	Date
B New Jersey	Agent	APPROVED	01/14/2009
B New York	Agent	APPROVED	09/11/2006
B Ohio	Agent	APPROVED	04/15/2005

Branch Office Locations

STERN BROTHERS & CO.
8000 MARYLAND AVENUE
SUITE 800
ST. LOUIS, MO 63105



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, 2 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
B General Securities Principal Examination	Series 24	04/18/1986

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	01/18/1986

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	06/23/1986

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
B 06/1997 - 08/1999	MERCANTILE INVESTMENT SERVICES, INC.	19908	ST. LOUIS, MO
B 06/1995 - 06/1997	MARK TWAIN BROKERAGE SERVICES, INC.	16925	
B 05/1986 - 03/1994	MARK TWAIN BROKERAGE SERVICES, INC.	16925	

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
09/1999 - Present	STERN BROTHERS & CO.	EXEC. VP & TREASURER	Y	ST. LOUIS, MO, 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:**
 - o A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
 - o 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.
 - o
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - o 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.
 - o
4. **There are different statuses and dispositions for disclosure events:**
 - o 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.
 - o A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - § An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - § A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - § A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Customer Dispute	0	1	N/A



Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

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 1

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: Stern Brothers & Co.

Allegations: The City's complaint arises from Stern Brothers & Co.'s ("Stern Brothers") management of the investment portfolio of the City's Debt Service Reserve Fund for the Tax Increment and Transportation Refunding Revenue Bonds (the "Bond Project"). The account was opened on November 30, 2011 through Financial Advisor William Stern (CRD 1454434) and the first transactions were placed in December 2011.

The City's Attorney communicated a written complaint, alleging that Stern Brothers: (1) violated the Trust Indenture of March 1, 2010 by purchasing debt instruments in the City's account with a maturity date beyond the date they were expected to be needed (i.e., the date the City's Bond would mature); (2) engaged in churning to generate commissions; and (3) purchased investments that were unsuitable for the City and contrary to its investment objectives.

Product Type: CD
Debt-Government
Real Estate Security

Alleged Damages: \$295,000.00

Alleged Damages Amount Explanation (if amount not exact): This is the City's settlement demand noted in the complaint.



Is this an oral complaint? No
Is this a written complaint? Yes
**Is this an arbitration/CFTC
reparation or civil litigation?** No

Customer Complaint Information

Date Complaint Received: 04/30/2018
Complaint Pending? No
Status: Settled
Status Date: 07/09/2019
Settlement Amount: \$40,000.00
**Individual Contribution
Amount:** \$0.00

Broker Statement "Without admitting any wrongdoing, Stern Brothers settled the City's demand of \$295,000 for \$40,000. Mr. Stern continues to maintain that he complied with all suitability and other requirements. Mr. Stern reserves the option to initiate a formal action to expunge this disclosure from his record."

End of Report



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