

BrokerCheck Report

KENNETH ANDREWS WELSH

CRD# 4657872

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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



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.

KENNETH A. WELSH

CRD# 4657872

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

Registration History

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

- B WELLS FARGO CLEARING SERVICES, LLC**
CRD# 19616
FAIRFIELD, NJ
09/2012 - 07/2021
- B MORGAN STANLEY SMITH BARNEY**
CRD# 149777
FAIRFIELD, NJ
06/2009 - 10/2012
- B MORGAN STANLEY & CO. INCORPORATED**
CRD# 8209
FAIRFIELD, NJ
04/2007 - 06/2009

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
Criminal	1
Civil Event	1
Customer Dispute	7
Termination	1

Investment Adviser Representative Information

The information below represents the individual's record as a broker. For details on this individual's record as an investment adviser representative, visit the SEC's Investment Adviser Public Disclosure website at

<https://www.adviserinfo.sec.gov>

Broker Qualifications



Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

This broker is not currently registered.



Broker Qualifications

Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below.

This individual has passed 0 principal/supervisory exams, 3 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 Securities Industry Essentials Examination	SIE	10/01/2018
B Futures Managed Funds Examination	Series 31	04/16/2004
B General Securities Representative Examination	Series 7	03/11/2004

State Securities Law Exams

Exam	Category	Date
B IA Uniform Combined State Law Examination	Series 66	04/09/2004

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 09/2012 - 07/2021	WELLS FARGO CLEARING SERVICES, LLC	19616	FAIRFIELD, NJ
B 06/2009 - 10/2012	MORGAN STANLEY SMITH BARNEY	149777	FAIRFIELD, NJ
B 04/2007 - 06/2009	MORGAN STANLEY & CO. INCORPORATED	8209	FAIRFIELD, NJ
B 03/2004 - 04/2007	MORGAN STANLEY DW INC.	7556	FAIRFIELD, NJ

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
11/2016 - Present	WELLS FARGO CLEARING SERVICES, LLC	REGISTERED REP	Y	FAIRFIELD, NJ, United States
09/2012 - 11/2016	WELLS FARGO ADVISORS	REGISTERED REP	Y	FAIRFIELD, NJ, 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.
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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
Criminal	1	0	0
Civil Event	1	0	0
Customer Dispute	0	7	N/A
Termination	N/A	1	N/A



Disclosure Event Details

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

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

Criminal - Pending Charge

This type of disclosure event involves a formal charge for a crime involving a felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property that is currently pending.

Disclosure 1 of 1

Reporting Source:	Firm
Formal Charges were brought in:	Federal Court
Name of Court:	US District Court, District of New Jersey
Location of Court:	Trenton, NJ
Docket/Case #:	21-13385
Charge Date:	10/28/2021
Charge(s) 1 of 2	
Formal Charge(s)/Description:	Investment Advisor Fraud
No of Counts:	1
Felony or Misdemeanor:	Felony
Plea for each charge:	Information is unknown to Wells Fargo.
Disposition of charge:	
Charge(s) 2 of 2	
Formal Charge(s)/Description:	Wire Fraud
No of Counts:	4
Felony or Misdemeanor:	Felony



Plea for each charge:	Information is unknown to Wells Fargo.
Disposition of charge:	
Current Status:	Pending
Status Date:	



Civil - Pending

This type of disclosure event involves a pending civil court action that seeks an injunction in connection with any investment-related activity or alleges a violation of any investment-related statute or regulation.

Disclosure 1 of 1

Reporting Source:	Regulator
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Relief Sought:	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Other: Prejudgment interest
Date Court Action Filed:	10/28/2021
Product Type:	Other: Unspecified securities
Type of Court:	Federal Court
Name of Court:	United States District Court for the District of New Jersey
Location of Court:	New Jersey
Docket/Case #:	2:21-cv-19387
Employing firm when activity occurred which led to the action:	WELLS FARGO CLEARING SERVICES, LLC
Allegations:	Plaintiff Securities and Exchange Commission ("Commission"), for its Complaint against Defendant Kenneth A. Welsh ("Defendant" or "Welsh"), alleges that this case involves the fraudulent misappropriation of at least \$2.86 million by Welsh, who until recently was a financial adviser with a large financial institution registered with the Commission as a broker-dealer and investment adviser ("Financial Institution A"). In his role, Welsh handled investment accounts for the owners of advisory accounts ("clients") and the owners of brokerage accounts ("customers"). Between at least January 2016 and January 2021 (the "Relevant Period"), Welsh used more than a hundred fraudulent Automated Clearing House ("ACH") transactions to transfer funds from his clients' and customers' accounts to credit card accounts held in the names of his own wife and parents, which he used for his personal benefit. Welsh also caused numerous checks to be fraudulently drawn on his clients' and customers' accounts, which he secretly used to buy gold coins and other precious metals and to pay for his personal expenses. None of these transactions were knowingly authorized by his clients or customers, some of whom were elderly and financially unsophisticated. In many cases, Welsh intentionally circumvented Financial Institution A's policies and procedures to carry out these transfers, including by manually altering checks. Welsh frequently sold securities in



his clients' and customers' accounts - sometimes only days before the fraudulent transfers - so that cash would be available in the accounts for him to steal. Welsh did not disclose to his victims that the purpose of these securities sales was to facilitate his scheme, rather than to maximize their investment returns and total assets. As a result of the conduct described in this Complaint, Welsh violated Sections 17(a)(1) and 17(a)(2) of the Securities Act of 1933; Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder; and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940.

Current Status:

Pending

Limitations or Restrictions in Effect During Appeal:

n/a



Customer Dispute - Settled

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

Disclosure 1 of 6

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	WELLS FARGO ADVISORS, LLC
Allegations:	Customers verbally complained that the financial advisor recommended inappropriate investments, and also expressed concerns related to annual fees, and potential fraud. (5/13/2013-11/10/2021)
Product Type:	Other: Miscellaneous
Alleged Damages:	\$0.00
Is this an oral complaint?	Yes
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	11/19/2021
Complaint Pending?	No
Status:	Settled
Status Date:	03/14/2023
Settlement Amount:	\$30,531.61
Individual Contribution Amount:	\$0.00

Disclosure 2 of 6

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	Wells Fargo Advisors, LLC
Allegations:	Client complained that the financial advisor opened a margin account without permission and also wrote checks from his account without permission.



(9/11/2012-6/18/2021)

Product Type: Other: Self-Directed Fee-Based Accounts (non-managed)

Alleged Damages: \$405,560.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? No

Customer Complaint Information

Date Complaint Received: 11/02/2021

Complaint Pending? No

Status: Settled

Status Date: 12/15/2021

Settlement Amount: \$357,525.00

Individual Contribution Amount: \$0.00

Disclosure 3 of 6

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: WELLS FARGO ADVISORS, LLC

Allegations: Client verbally complained that financial advisor assured him that he would see a purchase of stock on his next statement. However, order was GTC and had not filled by the time next statement was issued. (3/24/2020-8/4/2021)

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$0.00

Is this an oral complaint? Yes

Is this a written complaint? No

Is this an arbitration/CFTC reparation or civil litigation? No

Customer Complaint Information



Date Complaint Received: 08/04/2021

Complaint Pending? No

Status: Settled

Status Date: 09/16/2021

Settlement Amount: \$21,355.27

Individual Contribution Amount: \$0.00

Disclosure 4 of 6

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: WELLS FARGO ADVISORS, LLC

Allegations: Attorney for complainant claimed that funds were stolen by the financial advisor. (1/28/2016-1/21/2021)

Product Type: No Product

Alleged Damages: \$225,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? No

Customer Complaint Information

Date Complaint Received: 06/29/2021

Complaint Pending? No

Status: Settled

Status Date: 11/16/2021

Settlement Amount: \$346,040.02

Individual Contribution Amount: \$0.00

Disclosure 5 of 6



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: WELLS FARGO ADVISORS, LLC

Allegations: Arbitration: Claimant alleges that Financial Advisor recommended eight Equity-Indexed Annuity Contracts that she alleges were not suitable for her.
Complaint: Client's attorney complains that monies were withdrawn from her brokerage account without her authorization in 76 transactions over a 27 month period. (12/1/2018-3/1/2021)

Product Type: Annuity-Variable

Alleged Damages: \$0.00

Alleged Damages Amount Explanation (if amount not exact): Arbitration: Claimant seeks both injunctive relief and monetary damages believed to be in excess of \$5,000.
Complaint: \$1,857,001.59

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: FINRA

Docket/Case #: 22-00311

Filing date of arbitration/CFTC reparation or civil litigation: 02/18/2022

Customer Complaint Information

Date Complaint Received: 02/18/2022

Complaint Pending? No

Status: Settled

Status Date: 10/31/2023

Settlement Amount: \$5,850,000.00

Individual Contribution Amount: \$0.00

Firm Statement The firm settled for \$5,850,000 to avoid the distraction of further litigation.



Disclosure 6 of 6

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	WELLS FARGO ADVISORS, LLC
Allegations:	Attorney for customer wrote that the Financial Advisor is the likely perpetrator of a theft fraud on the client related to the alteration of checks, and payments and transfers from the client's accounts. (9/11/2014)
Product Type:	No Product
Alleged Damages:	\$0.00
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	04/27/2021
Complaint Pending?	No
Status:	Settled
Status Date:	12/21/2021
Settlement Amount:	\$592,920.32
Individual Contribution Amount:	\$0.00
Firm Statement	In addition to the monetary settlement to the client, the Firm paid clients' Attorney Fees in the amount of \$21,422.90.

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	WELLS FARGO ADVISORS
Allegations:	Attorney for customer writes that the Financial Advisor is the likely perpetrator of a theft fraud on the client related to the alteration of checks, and payments and



transfers from the client's accounts. (9/11/2014)

Product Type: No Product

Alleged Damages: \$0.00

Is this an oral complaint? No

Is this a written complaint? Yes

**Is this an arbitration/CFTC
reparation or civil litigation?** No

Customer Complaint Information

Date Complaint Received: 04/27/2021

Complaint Pending? Yes

Settlement Amount:

**Individual Contribution
Amount:**



Customer Dispute - Closed-No Action / Withdrawn / Dismissed / Denied

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a consumer-initiated, investment-related written complaint containing allegations that the broker engaged in sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities, which was closed without action, withdrawn, or denied.

Disclosure 1 of 1

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	MORGAN STANLEY SMITH BARNEY
Allegations:	CLIENT ALLEGES THAT FUNDS WERE MISAPPROPRIATED FROM HIS ACCOUNT ON TWO OCCASSIONS IN 2012
Product Type:	No Product
Alleged Damages:	\$50,000.00
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:	FINRA
Docket/Case #:	22-01633
Filing date of arbitration/CFTC reparation or civil litigation:	07/22/2022

Customer Complaint Information

Date Complaint Received:	07/22/2022
Complaint Pending?	No
Status:	Closed/No Action
Status Date:	03/17/2023
Settlement Amount:	
Individual Contribution Amount:	



Firm Statement

The motion to dismiss was granted.



Employment Separation After Allegations

This type of disclosure event involves a situation where the broker voluntarily resigned, was discharged, or was permitted to resign after being accused of (1) violating investment-related statutes, regulations, rules or industry standards of conduct; (2) fraud or the wrongful taking of property; or (3) failure to supervise in connection with investment-related statutes, regulations, rules, or industry standards of conduct.

Disclosure 1 of 1

Reporting Source:	Firm
Employer Name:	Wells Fargo Clearing Services, LLC.
Termination Type:	Discharged
Termination Date:	06/17/2021
Allegations:	Allegations were made that Mr. Welsh may have misappropriated funds from Wells Fargo Clearing Services, LLC clients.
Product Type:	No Product

End of Report



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