

BrokerCheck Report

DANIEL IRVIN MCCOURT

CRD# 1336258

Report #82848-46185, data current as of Monday, February 02, 2015.

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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 <http://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.

Thank you for using FINRA BrokerCheck.

DANIEL I. MCCOURT

CRD# 1336258

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:

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

Registration History

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

FOOTHILL SECURITIES, INC.

CRD# 1027
APTOS, CA
09/1985 - 06/2013

COAST COUNTY SECURITIES, INC.

CRD# 1615
07/1985 - 09/1985

ATC INVESTMENT GROUP

CRD# 13898
07/1985 - 08/1985

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
Customer Dispute	5
Termination	1
Financial	1
Judgment/Lien	2

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

<http://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 1 principal/supervisory exam, 1 general industry/product exam, and 2 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
General Securities Principal Examination	Series 24	07/31/1985

General Industry/Product Exams

Exam	Category	Date
General Securities Representative Examination	Series 7	07/20/1985

State Securities Law Exams

Exam	Category	Date
Uniform Securities Agent State Law Examination	Series 63	08/16/1989
Uniform Investment Adviser Law Examination	Series 65	07/31/2013

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/.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
09/1985 - 06/2013	FOOTHILL SECURITIES, INC.	1027	APTOS, CA
07/1985 - 09/1985	COAST COUNTY SECURITIES, INC.	1615	
07/1985 - 08/1985	ATC INVESTMENT GROUP	13898	

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 Dates	Employer Name	Employer Location
07/2000 - Present	SURF CITY COFFEE CO., INC.	APTOS, CA
08/1986 - Present	FINANCIAL PLANNING ASSOCIATES	APTOS, CA
09/1985 - 06/2013	FOOTHILL SECURITIES, INC.	APTOS, CA

Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

1) SURF CITY COFFEE CO., INC. - CEO, EXECUTIVE, START DATE 1990, 20 HRS/MO, ALL ASPECTS OF BUSINESS

2) DANIEL I. MCCOURT D/B/A FINANCIAL PLANNING ASSOCIATES IS ALSO A TAX PREPARATION BUSINESS, START DATE 08/1986, 15 HOURS/MONTH, TAX PREP & ADVICE.

5 HOURS ARE DEVOTED DURING SECURITIES TRADING HOURS. ADDRESS OF BUSINESS: 911 SOQUEL DR., APTOS, CA.



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.
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.
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
Regulatory Event	1	0	0



Customer Dispute	0	5	N/A
Termination	N/A	1	N/A
Financial	0	1	N/A
Judgment/Lien	N/A	2	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 - Pending

This type of disclosure event involves a pending formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory agency such as the Securities and Exchange Commission, foreign financial regulatory body) for alleged violations of investment-related rules or regulations.

Disclosure 1 of 1

Reporting Source: Regulator

Regulatory Action Initiated By: FINRA

Sanction(s) Sought:

Date Initiated: 01/20/2015

Docket/Case Number: [2012030670402](#)

Employing firm when activity occurred which led to the regulatory action: FOOTHILL SECURITIES, INC.

Product Type: Promissory Note

Allegations: MCCOURT WAS NAMED A RESPONDENT IN A FINRA COMPLAINT ALLEGING THAT HE PARTICIPATED IN PRIVATE SECURITIES TRANSACTIONS OUTSIDE THE SCOPE OF HIS ASSOCIATION WITH HIS MEMBER FIRM. THE COMPLAINT ALLEGES THAT MCCOURT'S FIRM HAD PREVIOUSLY APPROVED MCCOURT'S OUTSIDE BUSINESS ACTIVITY REQUEST FOR A COFFEE BUSINESS. MCCOURT'S OUTSIDE BUSINESS ACTIVITY BEGAN ACCEPTING INVESTMENTS FROM INVESTORS, INCLUDING FIRM CUSTOMERS, IN THE FORM OF LONG-TERM PROMISSORY NOTES. ALTHOUGH THE FIRM HAD APPROVED HIS OUTSIDE BUSINESS ACTIVITY, MCCOURT DID NOT PROVIDE WRITTEN NOTICE TO HIS FIRM OF THE PROPOSED INVESTMENTS IN HIS OUTSIDE BUSINESS ACTIVITY THROUGH THE ISSUANCE OF THE PROMISSORY NOTES, NOR DID HE PROVIDE



WRITTEN NOTICE TO THE FIRM OF HIS PROPOSED ROLE IN, OR THE SELLING COMPENSATION THAT HE MAY RECEIVE FROM, THE PRIVATE SECURITIES TRANSACTIONS. THE OUTSIDE BUSINESS ACTIVITY RAISED AT LEAST \$1,294,610.10 THROUGH THE ISSUANCE OF THE LONG-TERM PROMISSORY NOTES. APPROXIMATELY \$1,102,032.18 OF THE PRINCIPAL RAISED BY THE OUTSIDE BUSINESS ACTIVITY THROUGH THE ISSUANCE OF THE PROMISSORY NOTES WAS FROM FIRM CUSTOMERS. AS OF SEPTEMBER 26, 2012, MCCOURT HAD REPAID APPROXIMATELY \$266,134.49 IN PRINCIPAL; \$145,634.49 OF WHICH WAS REPAID TO FIRM CUSTOMERS. THE COMPLAINT ALSO ALLEGES THAT MCCOURT PROVIDED FALSE INFORMATION AND FALSIFIED DOCUMENTS TO A MORTGAGE COMPANY ON BEHALF OF ONE OF HIS CLIENTS AT HIS FIRM. THE FALSE INFORMATION AND FALSIFIED DOCUMENTS WERE PROVIDED TO THE MORTGAGE COMPANY BY MCCOURT TO HELP THE CLIENT QUALIFY FOR A HOME LOAN.

Current Status:

Pending



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

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	FOOTHILL SECURITIES, INC.
Allegations:	CLIENT IS ALLEGING THAT ADVISOR MISREPRESENTED THE INVESTMENTS THAT SHE PURCHASED AND THAT ADVISOR CHURNED HER ACCOUNT.
Product Type:	Direct Investment-DPP & LP Interests Real Estate Security
Alleged Damages:	\$90,000.00
Alleged Damages Amount Explanation (if amount not exact):	CLIENT IS ALLEGING \$90,000.00 IN LOSSES BUT WOULD ACCEPT A \$64,000.00 SETTLEMENT.
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:	05/12/2014
Complaint Pending?	No
Status:	Settled
Status Date:	09/12/2014
Settlement Amount:	\$25,000.00
Individual Contribution Amount:	\$0.00

Disclosure 2 of 3

Reporting Source:	Firm
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Employing firm when activities occurred which led to the complaint: Foothill Securities, Inc.

Allegations: CUSTOMER HAS FILED AN ARBITRATION AGAINST ADVISOR AND Foothill Securities, Inc. REGARDING THEIR \$50,000.00 INVESTMENT IN DESERT CAPITAL REIT. THEY ARE ALLEGING THAT THE ADVISOR SOLD THEM AN ILLIQUID INVESTMENT BASED ON MISLEADING AND UNTRUE CLAIMS THAT DID NOT MEET THEIR INVESTMENT OBJECTIVES.

Product Type: Real Estate Security

Alleged Damages: \$110,000.00

Arbitration Information

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

Docket/Case #: 13-01118

Date Notice/Process Served: 04/17/2013

Arbitration Pending? No

Disposition: Settled

Disposition Date: 10/27/2014

Monetary Compensation Amount: \$37,500.00

Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: Foothill Securities, Inc.

Allegations: 2013: BANKRUPTCY OF A REAL ESTATE INVESTMENT TRUST

Product Type: Other: REIT

Alleged Damages: \$40,000.00

Arbitration Information



Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	13-01118
Date Notice/Process Served:	05/23/2013
Arbitration Pending?	Yes
Broker Statement	REAL ESTATE INVESTMENT TRUST WENT INTO BANKRUPTCY.

Disclosure 3 of 3

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	FOOTHILL SECURITIES, INC.

Allegations: CUSTOMER [CUSTOMER'S] ATTORNEY IS ALLEGING UNSUITABILITY, BREACH OF FIDUCIARY DUTY AND ELDER ABUSE FOR RECOMMENDING THAT [CUSTOMER] INVEST IN REDWOOD MORTGAGE INVESTORS LP, DESERT CAPITAL REIT AND AMREIT (INVESTMENTS WERE MADE IN AUGUST, 2006.) [CUSTOMER'S] ATTORNEY INTENDS TO FILE A FORMAL COMPLAINT WITH FINRA ON APRIL 9, 2012. ADVISOR MCCOURT CONTENDS THAT THE INVESTMENTS WERE SUITABLE FOR [CUSTOMER] IN CONSIDERATION OF HER INVESTMENT OBJECTIVES, INCOME AND NET WORTH AND THAT SHE WAS FULLY INFORMED OF THE INVESTMENT FEATURES AND RISK.

Product Type:	Direct Investment-DPP & LP Interests Real Estate Security
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Alleged Damages:	\$290,000.00
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Is this an oral complaint?	No
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Is this a written complaint?	Yes
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Is this an arbitration/CFTC reparation or civil litigation?	No
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Customer Complaint Information

Date Complaint Received:	03/23/2012
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Complaint Pending?	No
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Status:	Settled
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Status Date:	09/22/2012
Settlement Amount:	\$155,000.00
Individual Contribution Amount:	\$0.00



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 2

Reporting Source: Broker

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

Allegations:

1. BREAKPOINTS ON MUTUAL FUNDS
2. A SHARES VS. B SHARES
3. SUITABILITY

Product Type: Mutual Fund(s)

Alleged Damages: \$360,000.00

Customer Complaint Information

Date Complaint Received: 12/13/2002

Complaint Pending? No

Status: Closed/No Action

Status Date: 04/08/2003

Settlement Amount:

Individual Contribution Amount:

Disclosure 2 of 2

Reporting Source: Broker

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

Allegations: CLIENT STATED THAT INVESTMENTS WERE INAPPROPRIATE DUE TO THEIR ILLIQUIDITY.

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



Other Product Type(s): PRIVATELY HELD REAL ESTATE INVESTMENT TRUST
Alleged Damages: \$63,325.00

Customer Complaint Information

Date Complaint Received: 10/18/2002
Complaint Pending? No
Status: Closed/No Action
Status Date: 03/31/2003
Settlement Amount:
Individual Contribution Amount:



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:	Broker
Employer Name:	FOOTHILL SECURITIES, INC.
Termination Type:	Permitted to Resign
Termination Date:	06/07/2013
Allegations:	POSSIBLE FAILURE TO FOLLOW COMPANY POLICY/PROCEDURE
Product Type:	No Product



Financial - Final

This type of disclosure event involves a bankruptcy, compromise with one or more creditors, or Securities Investor Protection Corporation liquidation involving the broker or an organization/brokerage firm the broker controlled that occurred within the last 10 years.

Disclosure 1 of 1

Reporting Source:	Broker
Action Type:	Compromise
Action Date:	08/03/2011
Organization Name:	CACH
Individual Position:	
Organization Investment-Related?	No
Action Pending?	No
Disposition:	Direct Payment Procedure
Disposition Date:	08/03/2011
If a compromise with creditor, provide:	
Name of Creditor:	CACH
Original Amount Owed:	\$11,468.00
Terms Reached with Creditor:	SETTLED AND PAID FOR BALANCE LESS THAN OWED.
Amount Paid:	\$11,468.00
SIPA (Securities Investor Protection Act) Trustee:	
Currently Open?	No
Date Direct Payment Initiated/Filed or Trustee Appointed:	08/03/2011
Broker Statement	DEBT WAS INCURRED BY CORPORATION, PERSONALLY SECURED BY APPLICANT.



Judgment/Lien

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

Disclosure 1 of 2

Reporting Source:	Broker
Judgment/Lien Holder:	INTERNAL REVENUE SERVICE
Judgment/Lien Amount:	\$402,783.00
Judgment/Lien Type:	Tax
Date Filed:	12/01/2008
Type of Court:	NONE
Name of Court:	NONE
Location of Court:	NONE
Docket/Case #:	NONE
Judgment/Lien Outstanding?	Yes
Broker Statement	CORPORATE TAX PENALTIES CHARGED AGAINST APPLICANT FOR FAILURE TO TIMELY FILE PAYROLL TAX DEPOSITS.

Disclosure 2 of 2

Reporting Source:	Broker
Judgment/Lien Holder:	WELLS FARGO BANK
Judgment/Lien Amount:	\$57,276.00
Judgment/Lien Type:	Civil
Date Filed:	03/04/2010
Type of Court:	State Court
Name of Court:	SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CRUZ
Location of Court:	SANTA CRUZ, CA
Judgment/Lien Outstanding?	Yes
Broker Statement	THE JUDGMENT HAS BEEN NEGOTIATED AND IS BEING PAID OFF.

End of Report



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