## BrokerCheck Report

**JOHN NAJARIAN**

CRD# 4484196  
Report #20014-68710, data current as of Wednesday, November 12, 2014.

<table>
<thead>
<tr>
<th>Section Title</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report Summary</td>
<td>1</td>
</tr>
<tr>
<td>Broker Qualifications</td>
<td>2 - 3</td>
</tr>
<tr>
<td>Registration and Employment History</td>
<td>4</td>
</tr>
<tr>
<td>Disclosure Events</td>
<td>5</td>
</tr>
</tbody>
</table>
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 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.

Thank you for using FINRA BrokerCheck.
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
1 General Industry/Product Exam
1 State Securities Law Exam

Registration History

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

TFS SECURITIES, INC.
CRD# 20626
LINCROFT, NJ
02/2002 - 10/2009

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:

<table>
<thead>
<tr>
<th>Type</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civil Event</td>
<td>1</td>
</tr>
</tbody>
</table>
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, 1 general industry/product exam, and 1 state securities law exam.

Principal/Supervisory Exams

<table>
<thead>
<tr>
<th>Exam</th>
<th>Category</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

General Industry/Product Exams

<table>
<thead>
<tr>
<th>Exam</th>
<th>Category</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invest. Co. Products/Vari. Contracts</td>
<td>Series 6</td>
<td>02/14/2002</td>
</tr>
</tbody>
</table>

State Securities Law Exams

<table>
<thead>
<tr>
<th>Exam</th>
<th>Category</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uniform Securities Agent State Law Examination</td>
<td>Series 63</td>
<td>12/15/2003</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Registration Dates</th>
<th>Firm Name</th>
<th>CRD#</th>
<th>Branch Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>02/2002 - 10/2009</td>
<td>TFS SECURITIES, INC.</td>
<td>20626</td>
<td>LINCROFT, NJ</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Employment Dates</th>
<th>Employer Name</th>
<th>Employer Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/2001 - Present</td>
<td>TFS SECURITIES, INC.</td>
<td>LINCROFT, NJ</td>
</tr>
</tbody>
</table>

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.

- TFS INSURANCE AGENCY, INC.
- VARIOUS PRODUCTS AND CARRIERS
- TFS MORTGAGE CORPORATION, INC.
  437 NEWMAN SPRINGS RD, LINCROFT, NJ 07738
  MORTGAGE SOLICITOR
  TIME VARIES
  COMMISSION PAID BY TFS MORTGAGE CORP.
Disclosure Events

What you should know about reported disclosure events:

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

2. Certain thresholds must be met before an event is reported to CRD, for example:
   - A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
   - A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least $5,000.

3. Disclosure events in BrokerCheck reports come from different sources:
   - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.

4. There are different statuses and dispositions for disclosure events:
   - A disclosure event may have a status of pending, on appeal, or final.
     - A "pending" event involves allegations that have not been proven or formally adjudicated.
     - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
     - A "final" event has been concluded and its resolution is not subject to change.
   - A final event generally has a disposition of adjudicated, settled or otherwise resolved.
     - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
     - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
     - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

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

<table>
<thead>
<tr>
<th>Civil Event</th>
<th>Pending</th>
<th>Final</th>
<th>On Appeal</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>
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.

Civil - Final

This type of disclosure event involves (1) an injunction issued by a court in connection with investment-related activity, (2) a finding by a court of a violation of any investment-related statute or regulation, or (3) an action brought by a state or foreign financial regulatory authority that is dismissed by a court pursuant to a settlement agreement.

Disclosure 1 of 1

Reporting Source: Regulator
Initiated By: NEW JERSEY BUREAU OF SECURITIES
Relief Sought: Injunction
Date Court Action Filed: 08/22/2012
Date Notice/Process Served: 08/29/2012
Product Type: Other: HEDGE FUND
Type of Court: State Court
Name of Court: SUPERIOR COURT OF NEW JERSEY, CHANCERY DIVISION
Location of Court: HUDSON COUNTY
Docket/Case #: DOCKET NO. C-125-12

Employing firm when activity occurred which led to the action:

OSIRIS FUND, L.P.

Allegations:

FROM 2009 TO 2011, JOHN R. NAJARIAN AND OTHERS, FRAUDULENTLY SOLD APPROXIMATELY $12 MILLION OF SECURITIES ISSUED BY THE OSIRIS FUND LIMITED PARTNERSHIP ("OSIRIS FUND" OR "FUND"), WHICH WAS DESCRIBED AS A "HEDGE FUND" FOR THE "LITTLE GUYS" AND "MOMS AND POPS.", IN OFFERING AND SELLING THE SECURITIES, THE DEFENDANT FAILED TO DISCLOSE A PARTNER'S NUMEROUS PRIOR

©2014 FINRA. All rights reserved. Report# 20014-68710 about JOHN NAJARIAN. Data current as of Wednesday, November 12, 2014.

Current Status: Final

Resolution: Consent

Resolution Date: 08/22/2012

Sanctions Ordered or Relief Granted: Injunction

Other: HEREBY PRELIMINARILY ENJOINED AND RESTRAINED FROM: A. ENGAGING IN THE CONDUCT SET FORTH IN THE VERIFIED COMPLAINT; B. THE ISSUANCE FOR SALE, SALE, OFFER FOR SALE, PURCHASE, OFFER TO PURCHASE, SOLICITATION, PROMOTION, NEGOTIATION, ADVERTISEMENT OR DISTRIBUTION FROM OR WITHIN THE STATE OF NEW JERSEY, OF THE SECURITIES OFFERED FOR, SALE BY THE AFOREMENTIONED DEFENDANTS AND ANY OTHER SECURITY AS THAT TERM IS DEFINED IN THE SECURITIES LAW, PENDING FURTHER ORDER OF THIS COURT; C. EFFECTING OR ATTEMPTING TO EFFECT TRANSACTIONS IN SECURITIES FROM, IN OR WITH-IN THE STATE OF NEW JERSEY WITHOUT BEING REGISTERED AS AN AGENT WITH THE BUREAU, IN VIOLATION OF N.J.S.A. 49:3-56; D. ACTING, FROM AND WITHIN THE STATE OF NEW JERSEY AS AN AGENT AS DEFINED IN N.J.S.A. 49:3-49(B); A BROKER-DEALER AS DEFINED IN N.J.S.A. 49:3-49(C); AN INVESTMENT ADVISER AS DEFINED IN N.J.S.A. 49:3-49(G); AND/OR AN INVESTMENT ADVISER REPRESENTATIVE AS DEFINED IN N.J.S.A. 49:3-49(S); E. CONTROLLING OR ASSOCIATING IN ANY CAPACITY WITH ANY BROKER-DEALER OR INVESTMENT ADVISER DOING BUSINESS FROM, INTO OR WITHIN THE STATE OF NEW JERSEY, OR FROM CONTROLLING AN ISSUER, OR ACTING AS AN OFFICER, DIRECTOR OR...
MANAGER OF AN ISSUER, OR FROM SUPERVISING EMPLOYEES OF AN ISSUER, AS DEFINED IN N.J.S.A. 49:3-49(H); F. VIOLATING THE ANTI-FRAUD PROVISIONS OF THE SECURITIES LAW, N.J.S.A. 49:3-52 (A) (D); AND G. DESTROYING, ALTERING, CONCEALING, TRANSFERRING, DISPOSING OR REMOVING IN ANY MANNER, DIRECTLY OR INDIRECTLY, ANY BOOKS, RECORDS, DOCUMENTS, INFORMATION STORED IN ELECTRONIC FONNAT, INCLUDING ON COMPUTERS OR ELECTRONIC DEVICES, MAINTAINED IN ANY FORM, RELATING IN ANY WAY TO THE BUSINESS AND PERSONAL FINANCIAL AFFAIRS OF DEFENDANT JOHN R. NAJARIAN. THE ASSETS OF DEFENDANT NAJARIAN THAT HE HOLDS ANY LEGAL OR EQUITABLE INTEREST IN, INCLUDING ALL REAL AND PERSONAL PROPERTY ARE HEREBY FROZEN.

Capacities Affected: ALL CAPACITIES
Duration: INDEFINITE
Start Date: 08/22/2012
End Date: 