



IAPD Report

MICHAEL WAYNE SHAMBURGER

CRD# 1739030

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.



IAPD Information About Representatives

IAPD offers information on all current-and many former representatives. Investors are strongly encouraged to use IAPD to check the background of representatives before deciding to conduct, or continue to conduct, business with them.

What is included in a IAPD report?

IAPD reports for individual representatives include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards.

It is important to note that the information contained in an IAPD 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 representative, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

Where did this information come from?

The information contained in IAPD comes from the Investment Adviser Registration Depository (IARD) and FINRA's Central Registration Depository, or CRD, (see more on CRD below) and is a combination of:

- information the states require representatives and firms to submit as part of the registration and licensing process, and
- information that state regulators report regarding disciplinary actions or allegations against representatives.

How current is this information?

Generally, representatives are required to update their professional and disciplinary information in IARD within 30 days.

Need help interpreting this report?

For help understanding how to read this report, please consult NASAA's IAPD Tips page
<http://www.nasaa.org/IAPD/IARReports.cfm>

What if I want to check the background of an Individual Broker or Brokerage Firm?

To check the background of an Individual Broker or Brokerage firm, you can search for the firm or individual in IAPD. If your search is successful, click on the link provided to view the available licensing and registration information in FINRA's BrokerCheck website.

Are there other resources I can use to check the background of investment professionals?

It is recommended that you learn as much as possible about an individual representative or Investment Adviser firm before deciding to work with them. Your state securities regulator can help you research individuals and certain firms doing business in your state. The contact information for state securities regulators can be found on the website of the North American Securities Administrators Association <http://www.nasaa.org>



Report Summary

MICHAEL WAYNE SHAMBURGER (CRD# 1739030)

The report summary provides an overview of the representative's professional background and conduct. The information contained in this report has been provided by the representative, investment adviser and/or securities firms, and/or securities regulators as part of the states' investment adviser registration and licensing process. The information contained in this report was last updated by the representative, a previous employing firm, or a securities regulator on **01/10/2022**.

CURRENT EMPLOYERS

| | Firm | CRD# | Registered Since |
|----|-------------------------|-------------|------------------|
| IA | CUTLER INVESTMENT GROUP | CRD# 128483 | 04/18/2022 |

QUALIFICATIONS

This representative is currently registered in **0** SRO(s) and **1** jurisdiction(s).

Is this representative currently Inactive or Suspended with any regulator? **No**

Note: Not all jurisdictions require IAR registration or may have an exemption from registration. Additional information including this individual's qualification examinations and professional designations is available in the Detailed Report.

REGISTRATION HISTORY

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

| | FIRM | CRD# | LOCATION | REGISTRATION DATES |
|----|--|--------|---------------|-------------------------|
| IA | FOUNDATIONS ASSET MANAGEMENT, LLC | 145900 | ANCHORAGE, AK | 05/08/2008 - 12/31/2021 |
| B | CAMBRIDGE INVESTMENT RESEARCH, INC. | 39543 | ANCHORAGE, AK | 10/22/2007 - 12/31/2013 |
| IA | CAMBRIDGE INVESTMENT RESEARCH ADVISORS, INC. | 134139 | ANCHORAGE, AK | 10/22/2007 - 10/28/2008 |

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

DISCLOSURE INFORMATION

Disclosure events include certain criminal charges and convictions, formal investigations and disciplinary actions initiated by regulators, customer disputes and arbitrations, and financial disclosures such as bankruptcies and unpaid judgments or liens.

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

The following types of events are disclosed about this representative:

| Type | Count |
|------------------|-------|
| Regulatory Event | 1 |



Qualifications

REGISTRATIONS

This section provides the SRO, states and U.S. territories in which the representative is currently registered and licensed, the category of each registration, and the date on which the registration becomes effective. This section also provides, for each firm with which the representative is currently employed, the address of each location where the representative works. This individual is currently registered with **1** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **CUTLER INVESTMENT GROUP**

Main Address: 525 BIGHAM KNOLL
JACKSONVILLE, OR 97530

Firm ID#: 128483

| Regulator | Registration | Status | Date |
|-----------|-----------------------------------|----------|------------|
| IA Alaska | Investment Adviser Representative | Approved | 04/18/2022 |

Branch Office Locations

CUTLER INVESTMENT GROUP

3601 C Street, Suite 822
Anchorage, AK 99503



Qualifications

PASSED INDUSTRY EXAMS

This section includes all industry exams that the representative has passed. Under limited circumstances, a representative may attain registration after receiving an exam waiver based on a combination of exams the representative has passed and qualifying work experience. Likewise a new exam requirement may be grandfathered based on a representative's specific qualifying work experience. Exam waivers and grandfathering 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 (S24) | Series 24 | 03/03/1997 |

General Industry/Product Exams

| Exam | Category | Date |
|--|----------|------------|
|  General Securities Representative Examination (S7) | Series 7 | 10/10/1994 |

State Securities Law Exams

| Exam | Category | Date |
|--|-----------|------------|
|  Uniform Investment Adviser Law Examination (S65) | Series 65 | 07/14/1997 |
|  Uniform Securities Agent State Law Examination (S63) | Series 63 | 12/03/1994 |

PROFESSIONAL DESIGNATIONS

This section details that the representative has reported **0** professional designation(s).

No information reported.



Registration & Employment History

PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

| | Registration Dates | Firm Name | ID# | Branch Location |
|----|-------------------------|--|-------------|-----------------|
| IA | 05/08/2008 - 12/31/2021 | FOUNDATIONS ASSET MANAGEMENT, LLC | CRD# 145900 | ANCHORAGE, AK |
| B | 10/22/2007 - 12/31/2013 | CAMBRIDGE INVESTMENT RESEARCH, INC. | CRD# 39543 | ANCHORAGE, AK |
| IA | 10/22/2007 - 10/28/2008 | CAMBRIDGE INVESTMENT RESEARCH ADVISORS, INC. | CRD# 134139 | ANCHORAGE, AK |
| IA | 06/23/2004 - 10/24/2007 | MULTI-FINANCIAL SECURITIES CORPORATION | CRD# 10299 | ANCHORAGE, AK |
| B | 10/01/1999 - 10/24/2007 | MULTI-FINANCIAL SECURITIES CORPORATION | CRD# 10299 | ANCHORAGE, AK |
| B | 03/31/1999 - 10/04/1999 | MUTUAL SERVICE CORPORATION | CRD# 4806 | BOSTON, MA |
| B | 11/22/1996 - 03/31/1999 | TITAN/VALUE EQUITIES GROUP, INC. | CRD# 6359 | IRVINE, CA |
| B | 10/11/1994 - 08/30/1995 | ESSEX NATIONAL SECURITIES, INC. | CRD# 25454 | NAPA, CA |
| B | 04/11/1988 - 05/23/1991 | LEHMAN BROTHERS INC. | CRD# 7506 | NEW YORK, NY |
| B | 03/09/1988 - 04/11/1988 | E. F. HUTTON & COMPANY INC | CRD# 235 | |
| B | 09/24/1987 - 03/15/1988 | PAINEWEBBER INCORPORATED | CRD# 8174 | |

EMPLOYMENT HISTORY

Below is the representative's employment history for up to the last 10 years.

| Employment Dates | Employer Name | Position | Investment Related | Employer Location |
|-------------------|------------------------------------|----------------------------|--------------------|------------------------------|
| 03/2008 - Present | FOUNDATIONS ASSET MANAGEMENT, LLC | CCO/ADVISOR REPRESENTATIVE | Y | ANCHORAGE, AK, United States |
| 10/2007 - Present | CAMBRIDGE INVESTMENT RESEARCH, INC | REG REP | Y | FAIRFIELD, IA, United States |



Registration & Employment History

OTHER BUSINESS ACTIVITIES

This section includes information, if any, as provided by the representative regarding other business activities the representative 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 Summary

Disclosure Information

What you should know about reported disclosure events:

(1) Certain thresholds must be met before an event is reported to IARD, for example:

- A law enforcement agency must file formal charges before an Investment Adviser Representative is required to report a particular criminal event.;
- A customer dispute must involve allegations that an Investment Adviser Representative engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.

(2) Disclosure events in IAPD reports come from different sources:

As mentioned in the "About IAPD" section on page 1 of this report, information contained in IAPD comes from Investment Adviser Representatives, 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 IAPD report. The different versions will be separated by a solid line with the reporting source labeled.

(3) There are different statuses and dispositions for disclosure events:

- A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" disclosure event involves allegations that have not been proven or formally adjudicated.
 - A disclosure event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" disclosure event has been concluded and its resolution is not subject to change.
- A final disclosure 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 represents a disposition wherein the parties involved in a dispute reach an agreement to resolve the matter. Please note that Investment Adviser Representatives and firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually includes a disposition wherein no payment is made to the customer or there is no finding of wrongdoing on the part of the Investment Adviser Representative. Such matters generally involve customer disputes.

(4) You may wish to contact the Investment Adviser Representatives to obtain further information regarding any of the disclosure events contained in this IAPD report.



DISCLOSURE EVENT DETAILS

When evaluating this information, please keep in mind that some items may involve pending actions or allegations that may be contested and have not been resolved or proven. The event may, in the end, be withdrawn, dismissed, resolved in favor of the Investment Adviser Representative, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to the Investment Adviser Registration Depository. Some of the specific data fields contained in the report may be blank if the information was not provided.

The following types of events are disclosed about this representative:

| Type | Count |
|------------------|-------|
| Regulatory Event | 1 |

Regulatory Event

This disclosure event may include a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a federal regulator such as the Securities and Exchange Commission or the Commodities Futures Trading Commission, or a foreign financial regulatory body) for a violation of investment-related rules or regulations. This disclosure event may also include a revocation or suspension of an Investment Adviser Representative's authority to act as an attorney, accountant or federal contractor.

Disclosure 1 of 1

| | |
|--|--|
| Reporting Source: | Regulator |
| Regulatory Action Initiated By: | UNITED STATES SECURITIES AND EXCHANGE COMMISSION |
| Sanction(s) Sought: | Cease and Desist |
| Date Initiated: | 07/24/2019 |
| Docket/Case Number: | 3-19266 |
| Employing firm when activity occurred which led to the regulatory action: | Foundations Asset Management, LLC |
| Product Type: | Other: private real estate fund |
| Allegations: | <p>SEC Admin Release 34-86446, IA Release 40-5306 / July 24, 2019:</p> <p>The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 ("Exchange Act") and Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 ("Advisers Act") against Foundations Asset Management, LLC ("FAM"), and that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Exchange Act and Section 203(k) of the Advisers Act against Michael W. Shamburger ("Shamburger") and Rob E. Wedel ("Wedel") (FAM, Shamburger, and Wedel are referred to collectively herein as "Respondents").</p> <p>The Commission finds that these proceedings concern conflicts of interest that were not properly disclosed and brokerdealer registration violations by registered investment adviser FAM and its two principals, Shamburger and Wedel. From May 2013 through June 2016 ("the relevant period"), FAM improperly received approximately \$254,000 in compensation from private real estate fund Alaska Financial Company III LLC ("AFC III") and AFC III's manager McKinley Mortgage</p> |



Co. LLC ("McKinley"), while acting as an unregistered broker. FAM, through Shamburger and Wedel, solicited clients and recommended that they invest approximately \$12 million in AFC III promissory notes. This compensation, which was not properly disclosed to FAM clients, included approximately \$126,000 in up-front compensation calculated as a percentage of an initial investment and approximately \$128,000 in trailing fees based on FAM client investments that remained with AFC III each quarter. FAM, through Shamburger, also made false and misleading statements in five Form ADV Part 2A filings ("ADV Brochures") filed with the Commission between March 2014 and March 2015, regarding the compensation it received for selling AFC III securities and advising FAM clients. As a result of Respondents' conduct, FAM violated Sections 206(2) and 207 of the Advisers Act and Section 15(a) of the Exchange Act; Shamburger and Wedel caused FAM's violations of Section 206(2) of the Advisers Act and Section 15(a) of the Exchange Act; and Shamburger caused FAM's violations of Section 207 of the Advisers Act.

| | |
|---|---|
| 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: | 07/24/2019 |
| Sanctions Ordered: | Cease and Desist Civil and Administrative Penalty(ies)/Fine(s) |
| If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise? | No |
| (1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation? | |



(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or

(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?

Monetary Sanction 1 of 1

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)

Total Amount: \$50,000.00

Portion Levied against individual: \$50,000.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived?

Amount Waived:

Regulator Statement

Respondents have submitted Offers of Settlement (the "Offers") which the Commission has determined to accept. Accordingly it is hereby ORDERED that Shamburger cease and desist from committing or causing any violations and any future violations of Section 15(a) of the Exchange Act and Sections 206(2) and 207 of the Advisers Act. Shamburger shall pay a civil penalty in the amount of \$50,000 to the Securities and Exchange Commission.



| | |
|---|--|
| Reporting Source: | Individual |
| Regulatory Action Initiated By: | UNITED STATES SECURITIES AND EXCHANGE COMMISSION |
| Sanction(s) Sought: | Cease and Desist Censure Disgorgement |
| Date Initiated: | 07/24/2019 |
| Docket/Case Number: | 3-19266 |
| Employing firm when activity occurred which led to the regulatory action: | FOUNDATIONS ASSET MANAGEMENT, LLC |
| Product Type: | Other: PRIVATE REAL ESTATE FUND |
| Allegations: | FAILURE TO PROPERLY DISCLOSE CONFLICTS OF INTERESTS AND BROKER-DEALER REGISTRATION VIOLATIONS IN CONNECTION WITH THE RECEIPT OF COMPENSATION FROM PRIVATE REAL ESTATE FUND ALASKA FINANCIAL COMPANY III LLC AND FALSE AND MISLEADING STATEMENTS IN FORM ADV FILINGS. |
| Current Status: | Final |
| Resolution: | Decision & Order of Offer of Settlement |
| 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: | 07/24/2019 |
| Sanctions Ordered: | Monetary Penalty other than Fines Other: FAM RELINQUISHED RIGHTS TO RECEIVE "TRAILING FEES" FOR AFC III INVESTMENTS AND AGREED TO PAY DISGORGEMENT OF \$253,784, PRE-JUDGEMENT INTEREST OF \$25,163, AND A CIVIL PENALTY OF \$85,000. SHAMBURGER AGREED TO PAY CIVIL PENALTY OF \$50,000 AND WEDEL A CIVIL PENALTY OF \$25,000. |
| Monetary Sanction 1 of 1 | |
| Monetary Related Sanction: | Monetary Penalty other than Fines |
| Total Amount: | \$160,000.00 |
| Portion Levied against individual: | \$50,000.00 |
| Payment Plan: | Balance of disgorgement to be paid quarterly over 1 year. Payments up to date. |
| Is Payment Plan Current: | Yes |
| Date Paid by individual: | 08/06/2019 |
| Was any portion of penalty waived? | No |
| Amount Waived: | |

**Broker Statement**

FAM AGREED TO POST NOTICE OF THE ORDER ON ITS WEBSITE FOR A PERIOD OF 12 MONTHS, PROVIDE NOTICE TO AFC III INVESTORS OF THE ORDER, AND PROVIDE A COPY OF THE ORDER TO CLIENTS FOR NEXT 24 MONTHS. FAM SHALL MAKE ALL PAYMENTS REQUIRED UNDER THE ORDER WITHIN 360 DAYS OF THE ORDER. SHAMBURGER AND WEDEL SHALL MAKE PAYMENTS REQUIRED UNDER THE ORDER WITHIN 14 DAYS OF THE ORDER.



End of Report

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