



## IAPD Report

# SANFORD PHILIP LOWENGART III

CRD# 2170252

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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

### SANFORD PHILIP LOWENGART III (CRD# 2170252)

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 **11/25/2018**.

### CURRENT EMPLOYERS

Firm	CRD#	Registered Since
<b>IA</b> CAPITAL TRUST ADVISORS	CRD# 134174	02/07/2013

### QUALIFICATIONS

This representative is currently registered in **0** SRO(s) and **2** 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
<b>IA</b> HEFFERNAN INVESTMENT ADVISORS, INC.	118369	SAN FRANCISCO, CA	02/04/2009 - 03/06/2013
<b>IA</b> ATLIN CAPITAL ADVISERS, LLC	151469	SAN FRANCISCO, CA	01/12/2010 - 08/31/2012
<b>IA</b> CEPHUS CAPITAL MANAGEMENT LLC	131886	SAN FRANCISCO, CA	06/21/2004 - 02/27/2009

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
Customer Dispute	3





## 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 **2** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

### Employment 1 of 1

Firm Name: **CAPITAL TRUST ADVISORS**  
Main Address: 1210 5TH AVENUE, #275  
SAN RAFAEL, CA 94901  
Firm ID#: 134174

	Regulator	Registration	Status	Date
	California	Investment Adviser Representative	Approved	02/07/2013
	Texas	Investment Adviser Representative	Restricted Approval	06/14/2017

### Branch Office Locations

**CAPITAL TRUST ADVISORS**  
1210 5th Avenue  
Suite 275  
Montgomery Street, CA 94901



## 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 0 principal/supervisory exams, 0 general industry/product exams, and 1 state securities law exam.**

#### Principal/Supervisory Exams

Exam	Category	Date
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No information reported.

#### General Industry/Product Exams

Exam	Category	Date
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No information reported.

#### State Securities Law Exams

Exam	Category	Date
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<b>IA</b> Uniform Investment Adviser Law Examination (S65)	Series 65	09/18/1992
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### 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	02/04/2009 - 03/06/2013	HEFFERNAN INVESTMENT ADVISORS, INC.	CRD# 118369	SAN FRANCISCO, CA
IA	01/12/2010 - 08/31/2012	ATLIN CAPITAL ADVISERS, LLC	CRD# 151469	SAN FRANCISCO, CA
IA	06/21/2004 - 02/27/2009	CEPHUS CAPITAL MANAGEMENT LLC	CRD# 131886	SAN FRANCISCO, CA
IA	08/22/2003 - 07/20/2004	SDR CAPITAL MANAGEMENT, INC.	CRD# 109858	SAN FRANCISCO, CA
IA	12/11/2002 - 06/01/2004	OPTIMUM INVESTMENT ADVISORS LP	CRD# 105182	BURLINGAME, CA

### 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
02/2013 - Present	GOLDBERG ADVISERS, LLC	INVESTMENT ADVISER REPRESENTATIVE	Y	SAN FRANCISCO, CA, United States

### 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
Customer Dispute	3

### Customer Dispute

This section provides information regarding a customer dispute that was reported to the Investment Adviser Registration Depository (IARD) by the Investment Adviser Representative (IAR), an investment adviser and/or securities firm, and/or a securities regulator. The event may include a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit that contains allegations of sales practice violations against the individual.

The customer dispute may be pending or may have resulted in a civil judgment, arbitration award, monetary settlement, closure without action, withdrawal, dismissal, denial, or other outcome.

#### Disclosure 1 of 3

<b>Reporting Source:</b>	Individual
<b>Employing firm when activities occurred which led to the complaint:</b>	Heffernan Investment Advisors
<b>Allegations:</b>	Plaintiffs alleged violation of California Corporate Codes 25401 and 17200.
<b>Product Type:</b>	Other: Hedge Fund
<b>Alleged Damages:</b>	\$200,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	No
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	Superior Court of the State of California
<b>Docket/Case #:</b>	CGC-15-545964
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	05/22/2015

### Customer Complaint Information

<b>Date Complaint Received:</b>	05/29/2015
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled



**Status Date:** 06/20/2017

**Settlement Amount:** \$125,000.00

**Individual Contribution Amount:** \$0.00

### Civil Litigation Information

**Type of Court:** State Court

**Name of Court:** Superior Court of the State of California

**Location of Court:** San Francisco

**Docket/Case #:** CGC-15-545964

**Date Notice/Process Served:** 05/29/2015

**Litigation Pending?** No

**Disposition:** Settled

**Disposition Date:** 06/20/2017

**Monetary Compensation Amount:** \$125,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** High net worth and accredited investor complained that a Gold focused Hedge Fund was risky and not suitable for their investment objectives. Client signed all forms and understood all risks of the Hedge Fund. Case was settled to avoid costly litigation. Entire action and all causes of action dismissed with prejudice.

### Disclosure 2 of 3

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** CEPHUS CAPITAL MANAGEMENT, LLC.

**Allegations:** ALLEGING BREACH OF CONTRACT IN 2007

**Product Type:** Other

**Other Product Type(s):** HEDGE FUND

**Alleged Damages:** \$215,000.00

### Customer Complaint Information

**Date Complaint Received:** 09/05/2007

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 02/09/2009

**Settlement Amount:** \$125,000.00

**Individual Contribution Amount:** \$215,000.00

**Firm Statement** CLIENT SIGNED ALL FORMS AND UNDERSTOOD ALL RISKS OF THE HEDGE FUND. FIRM DID NOT CHARGE A FEE OR RECEIVE ANY COMPENSATION FOR THE HEDGE FUND. PRINCIPALS OF THE FIRM LOST MORE MONEY



THAN THE CLIENT. ENTIRE ACTION AND ALL CAUSES OF ACTION  
DISMISSED WITH PREJUDICE.

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**Reporting Source:** Individual  
**Employing firm when activities occurred which led to the complaint:** CEPHUS CAPITAL MANAGEMENT, LLC  
**Allegations:** BREACH OF CONTRACT  
**Product Type:** Direct Investment-DPP & LP Interests  
**Alleged Damages:** \$215,000.00  
**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:** JUDICIAL ARBITRATION AND MEDIATION SERVICE (JAMS), SF, CA  
**Docket/Case #:** 1-07-CV-094872  
**Filing date of arbitration/CFTC reparation or civil litigation:** 09/05/2007

### Customer Complaint Information

**Date Complaint Received:** 09/05/2007  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 02/09/2009  
**Settlement Amount:** \$125,000.00  
**Individual Contribution Amount:** \$0.00

### Arbitration Information

**Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):** JUDICIAL ARBITRATION AND MEDIATION SERVICE (JAMS), SF, CA  
**Docket/Case #:** 1-07-CV-094872  
**Date Notice/Process Served:** 09/05/2007  
**Arbitration Pending?** No  
**Disposition:** Settled  
**Disposition Date:** 02/09/2009  
**Monetary Compensation Amount:** \$125,000.00  
**Individual Contribution Amount:** \$0.00



**Broker Statement** CLIENT SIGNED ALL FORMS AND UNDERSTOOD ALL RISKS OF THE HEDGE FUND. FIRM DID NOT CHARGE A FEE OR RECEIVE ANY COMPENSATION FOR THE HEDGE FUND. PRINCIPALS OF THE FIRM LOST MORE MONEY THAN THE CLIENT. ENTIRE ACTION AND ALL CAUSES OF ACTION DISMISSED WITH PREJUDICE.

### Disclosure 3 of 3

**Reporting Source:** Firm  
**Employing firm when activities occurred which led to the complaint:** OPTIMUM INVESTMENT ADVISORS

**Allegations:** ON JULY 17, 2003, THE COMPANY AND SANDY LOWENGART III WERE SERVED WITH A DEMAND FOR ARBITRATION BEFORE THE JUDICIAL ARBITRATION AND MEDIATION SERVICE (JAMS) ON BEHALF OF A FORMER LIMITED PARTNER OF OPTIMUM CAPITAL PARTNERS L.P., A HEDGE FUND OF WHICH OPTIMUM INVESTMENT ADVISORS ACTED AS THE GENERAL PARTNER AND MR. LOWENGART WAS PORTFOLIO MANAGER. THE CLAIMANT ALLEGED THE INVESTMENT WAS NOT PROPERLY REGISTERED, THAT THE INVESTMENT WAS NOT SUITABLE FOR THE FOUNDATION, AND, ALTHOUGH THE RESPONDENTS DENIED THE CLAIMS AND DISPUTED THE ALLEGATIONS, TO AVOID THE EXPENSE AND UNCERTAINTY OF ARBITRATION, IN APRIL OF 2004, OPTIMUM INVESTMENT ADVISORS, L.P. AND MR. LOWENGART, ENTERED INTO A SETTLEMENT AND THE CLAIM WILL BE DISMISSED WITH PREJUDICE.

**Product Type:** Other  
**Other Product Type(s):** LIMITED PARTNERSHIP  
**Alleged Damages:** \$904,770.00

### Customer Complaint Information

**Date Complaint Received:** 07/17/2003  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 07/17/2003  
**Settlement Amount:** \$250,000.00  
**Individual Contribution Amount:** \$0.00

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** JAMS CASE #1100039226  
**Date Notice/Process Served:** 07/13/2003  
**Arbitration Pending?** No  
**Disposition:** Settled



**Disposition Date:** 04/13/2004  
**Monetary Compensation Amount:** \$250,000.00  
**Individual Contribution Amount:** \$0.00

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**Reporting Source:** Individual  
**Employing firm when activities occurred which led to the complaint:** OPTIMUM INVESTMENT ADVISORS

**Allegations:** CLAIMANT SOUGHT MEDIATION AND ARBITRATION ALLEGING THE FOLLOWING STATEMENTS OF CLAIM: BREACH OF FIDUCIARY DUTY, VIOLATIONS OF SECTIONS 5, 12 AND 15 OF THE SECURITIES ACT, VIOLATION OF BUSINESS AND PROFESSIONAL CODE SECTION 17200, NEGLIGENCE, VIOLATIONS OF SECTIONS 10 AND 20 OF THE SECURITIES EXCHANGE ACT, VIOLATIONS OF SECTIONS 25110 AND 25400 OF THE CALIFORNIA CORPORATE SECURITIES LAW, FRAUD AND DECEIPT.

**Product Type:** Other  
**Other Product Type(s):** INVESTMENT LIMITED PARTNERSHIP  
**Alleged Damages:** \$905,000.00

**Customer Complaint Information**

**Date Complaint Received:** 07/18/2003  
**Complaint Pending?** No  
**Status:** Arbitration/Reparation  
**Status Date:** 04/13/2004  
**Settlement Amount:**

**Individual Contribution Amount:**

**Arbitration Information**

**Arbitration/Reparation Claim filed with and Docket/Case No.:** JUDICIAL ARBITRATION AND MEDIATION SERVICE (JAMS), SAN FRANCISCO, CA  
**Date Notice/Process Served:** 07/18/2003  
**Arbitration Pending?** No  
**Disposition:** Settled  
**Disposition Date:** 04/13/2004  
**Monetary Compensation Amount:** \$250,000.00  
**Individual Contribution Amount:** \$0.00

**Broker Statement** CLAIMANT WAS AN INVESTOR IN OPTIUM INVESTMENT ADVISORS, L.P., AN INVESTMENT LIMITED PARTNERSHIP MANAGED BY OPTIMUM INVESTMENT ADVISORS, WHOSE INVESTMENT WAS RETURNED WHEN THE PARTNERSHIP SHUT DOWN.



RESPONDENTS, INCLUDING SANFORD P. LOWENGART III DENY LIABILITY UNDER EACH COUNT.



## End of Report

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