IAPD Report

ROBERT WARNER SCHARAR

CRD# 4392344

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

ROBERT WARNER SCHARAR (CRD# 4392344)

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 **01/18/2017**.

CURRENT EMPLOYERS

This individual is not currently registered as an Investment Adviser Representative.

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	FCA CORP	110658	HOUSTON, TX	08/23/1984 - 12/31/2025

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
Customer Dispute	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: **FCA CORP**

Main Address: 791 TOWN & COUNTRY BLVD.
SUITE 250
HOUSTON, TX 77024-3925

Firm ID#: 110658

	Regulator	Registration	Status	Date
IA	Texas	Investment Adviser Representative	Approved	10/21/2005

Branch Office Locations

FCA CORP
791 TOWN & COUNTRY BLVD.
SUITE 250
HOUSTON, TX 77024-3925

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.

No information reported.

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	08/23/1984 - 12/31/2025	FCA CORP	CRD# 110658	HOUSTON, TX

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
10/1975 - Present	FCA CORP	PRESIDENT	Y	HOUSTON, TX, 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.

ROBERT W. SCHARAR IS A DIRECTOR OF THE FOLLOWING ENTITIES. HE DOES NOT PERSONALLY RECEIVE COMPENSATION FOR SERVING ON THE BOARD OF THESE ENTITIES: (1) DIRECTOR/PRESIDENT, FIRST COMMONWEALTH HOLDINGS CORP, FROM 09/1999 TO PRESENT; (2)DIRECTOR, NICO HOLDINGS LTD. FROM 2001 TO PRESENT; (3) DIRECTOR/PRESIDENT, AFRICAP, LLC, FROM INCEPTION TO PRESENT; (4) DIRECTOR/PRESIDENT,COMMONWEALTH INTERNATIONAL SERIES TRUST,FROM INCEPTION TO PRESENT; (5) DIRECTOR/PRESIDENT, FIRST COMMONWEALTH MORTGAGE TRUST, FROM INCEPTION TO PRESENT; (6)DIRECTOR/PRESIDENT, HOLLY MORTGAGE TRUST, FROM INCEPTION TO PRESENT; (7)DIRECTOR, IVY REALTY TRUST, FROM INCEPTION TO PRESENT; SERVING ON THESE BOARDS REPRESENTS APPROXIMATELY 10% OF HIS TIME AND APPROXIMATELY 5% IS PERFORMED DURING SECURITIES TRADING HOURS.

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
Customer Dispute	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
Other Sanction(s) Sought:	
Date Initiated:	11/29/2006
Docket/Case Number:	SEC ADMIN FILE 3-12489/REL 40-2569
Employing firm when activity occurred which led to the regulatory action:	FCA CORP
Product Type:	Other
Other Product Type(s):	FUNDS
Allegations:	SEC INVESTMENT ADVISERS ACT RELEASE 40-2569, INVESTMENT COMPANY ACT RELEASE 40-27586, NOVEMBER 29, 2006: SECTIONS 13(A)(2)SECTION 34(B),OF THE INVESTMENT COMPANY ACT - 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 203(E) AND 203(F) OF THE INVESTMENT ADVISERS ACT OF 1940 ("ADVISERS ACT") AND SECTIONS 9(B) AND 9(F) OF THE INVESTMENT COMPANY ACT OF 1940 ("INVESTMENT COMPANY ACT") AGAINST ROBERT W. SCHARAR ("RESPONDENT"). IN ANTICIPATION OF THE INSTITUTION OF THESE PROCEEDINGS,

	RESPONDENT SUBMITTED AN OFFER OF SETTLEMENT ("OFFER") WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. THESE PROCEEDINGS INVOLVE A REGISTERED INVESTMENT ADVISER AND ITS PRESIDENT, ROBERT W. SCHARAR ("SCHARAR"), FOR CAUSING VIOLATIONS OF BORROWING LIMITATIONS SET FORTH IN THE REGISTRATION STATEMENT APPLICABLE TO FUNDS. THE FUNDS ARE SERIES OF A REGISTERED INVESTMENT COMPANY. IN 2003 AND 2004, ITS REGISTRATION STATEMENT, AS AMENDED, CONTAINED A POLICY THAT, WITHOUT SHAREHOLDER APPROVAL, NO FUND WAS PERMITTED TO BORROW MONEY EXCEPT AS A TEMPORARY MEASURE FOR EXTRAORDINARY OR EMERGENCY PURPOSES. UNDER THIS POLICY, SUCH BORROWING WAS CAPPED AT AN AMOUNT NOT TO EXCEED THE LESSER OF ONE-THIRD OF THE VALUE OF THE FUND'S NET ASSETS TAKEN AT MARKET VALUE INCLUDING THE AMOUNT BORROWED, OR 10% OF ITS TOTAL ASSETS, VALUED AT COST, EXCLUDING THE AMOUNT BORROWED. DURING 2003 AND 2004, SCHARAR, WHO SERVED AS THE PRESIDENT AND PORTFOLIO MANAGER OF THE FUNDS AND AS THE PRESIDENT OF THE IA, PERMITTED THE FUNDS TO BORROW CASH FROM THE FUNDS' LINE OF CREDIT IN EXCESS OF THESE CAPS WITHOUT SHAREHOLDER APPROVAL. AS A RESULT, SCHARAR AIDED AND ABETTED VIOLATIONS OF SECTION 13(A) OF THE INVESTMENT COMPANY ACT, WHICH PROHIBITS A REGISTERED INVESTMENT COMPANY FROM BORROWING MONEY EXCEPT IN ACCORDANCE WITH THE RECITALS OF POLICY.
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?	No
Resolution Date:	11/30/2006
Sanctions Ordered:	Cease and Desist/Injunction Censure Monetary/Fine $25,000.00
Other Sanctions Ordered:	
Sanction Details:	SOLELY FOR THE PURPOSE OF THESE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS HEREIN, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER HIM AND THE SUBJECT MATTER OF THESE PROCEEDINGS, RESPONDENT CONSENTS TO THE ENTRY OF THIS ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER PURSUANT TO SECTIONS 203(E) AND 203(F) OF THE INVESTMENT ADVISERS ACT OF 1940 AND SECTIONS 9(B) AND 9(F) OF THE INVESTMENT COMPANY ACT OF 1940 ("ORDER"). IT IS HEREBY ORDERED THAT: SCHARAR IS CENSURED; SCHARAR CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 34(B) OF THE INVESTMENT COMPANY ACT AND FROM CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 13(A)(2) OF THE INVESTMENT COMPANY ACT; SCHARAR SHALL, WITHIN TEN DAYS OF THE ENTRY OF THE ORDER PAY A CIVIL MONEY PENALTY IN

	THE AMOUNT OF $25,000 TO THE UNITED STATES TREASURY.

Reporting Source:	Individual
Regulatory Action Initiated By:	SECURITIES AND EXCHANGE COMMISSION
Sanction(s) Sought:	Censure
Other Sanction(s) Sought:	OTHER SANCTIONS INCLUDED A CEASE AND DESIST ORDER AND A CIVIL MONEY PENALTY ASSESSED AGAINST BOTH FCA CORP AND ROBERT W. SCHARAR (ADVISORY AFFILIATE).
Date Initiated:	09/01/2005
Docket/Case Number:	FILE NO. 3-12489; RELEASE NO. 27586
Employing firm when activity occurred which led to the regulatory action:	FCA CORP.
Product Type:	Mutual Fund(s)
Other Product Type(s):	
Allegations:	IT IS ALLEGED THAT FCA CORP AND THE ADVISORY AFFILIATE NAMED ABOVE AIDED AND ABETTED VIOLATIONS BY CERTAIN OF THE COMMONWEALTH FUNDS (A REGISTERED INVESTMENT COMPANY) OF SECTION 13(A)(2) OF THE INVESTMENT COMPANY ACT, WHICH PROHIBITS A REGISTERED INVESTMENT COMPANY FROM BORROWING MONEY EXCEPT IN ACCORDANCE WITH THE RECITALS OF POLICY CONTAINED IN ITS REGISTRATION STATEMENT, AND OF SECTION 34(B) OF THE INVESTMENT COMPANY ACT, WHICH PROHIBITS, AMONG OTHER THINGS, MAKING MATERIALLY MISLEADING STATEMENTS IN COMMISSION FILINGS.
Current Status:	Final
Appealed To and Date Appeal Filed:	A CIVIL MONEY PENALTY WAS ASSESSED AGAINST FCA CORP IN THE AMOUNT OF $25,000. A CIVIL MONEY PENALTY WAS ALSO ASSESSED AGAINST THE ABOVE-NAMED ADVISORY AFFILIATE IN THE AMOUNT OF $25,000. A CHECK WAS SENT ON 12/08/2006 TO THE OFFICE OF FINANCIAL MANAGEMENT OF THE SECURITIES AND EXCHANGE COMMISSION IN PAYMENT OF THESE PENALTIES.
Resolution:	Consent
Resolution Date:	11/29/2006
Sanctions Ordered:	Cease and Desist/Injunction Censure Monetary/Fine $50,000.00
Other Sanctions Ordered:	
Sanction Details:	CIVIL MONEY PENALTY WAS ASSESSED AGAINST FCA CORP IN THE AMOUNT OF $25,000. A CIVIL MONEY PENALTY WAS ALSO ASSESSED AGAINST THE ABOVE-NAMED ADVISORY AFFILIATE IN THE AMOUNT OF $25,000. A CHECK WAS SENT ON 12/08/2006 TO THE OFFICE OF FINANCIAL MANAGEMENT OF THE SECURITIES AND EXCHANGE COMMISSION IN PAYMENT OF THESE PENALTIES.
Broker Statement	WITHOUT ADMITTING OR DENYING FINDINGS, FCA CORP AND THE ABOVE-NAMED ADVISORY AFFILIATE ENTERED INTO A CONSENT ORDER

IMPOSING REMEDIAL SANCTIONS AND A CEASE AND DESIST ORDER WITH THE SEC. AS A RESULT OF THE CONSENT ORDER FCA CORP AND THE ABOVE-NAMED ADVISORY AFFILIATE WERE CENSURED, ORDERED TO CEASE AND DESIST FROM COMMITTING OR CAUSING FURTHER VIOLATIONS OF SECTIONS 13(A)(2) AND 34(B) OF THE INVESTMENT COMPANY ACT AND CIVIL MONEY PENALTIES WERE ASSESSED AGAINST FCA CORP AND THE ABOVE-NAMED AFFILIATE IN THE AMOUNTS SPECIFIED ABOVE.

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 1

Reporting Source:	Individual
Employing firm when activities occurred which led to the complaint:	FCA Corp
Allegations:	Plaintiff alleges to have relied upon Robert Scharar in 2005 for investment advice in making several investments in entities managed or advised by FCA Corp which plaintiff experienced losses or otherwise believed that the investments were unsuitable.
Product Type:	Debt-Corporate Mutual Fund Promissory Note Real Estate Security
Alleged Damages:	$75,000.00
Alleged Damages Amount Explanation (if amount not exact):	Five counts with damages unspecified other than in-excess of $15,000. The disputed claims were resolved through the purchase and liquidation of the investments at current value by the issuing entities.

Civil Litigation Information

Type of Court:	Federal Court
Name of Court:	United States District Court Middle District of Frlorida,
Location of Court:	Tampa, Florida
Docket/Case #:	8:14-CV-3089-t-170-EAJ
Date Notice/Process Served:	12/11/2014
Litigation Pending?	No
Disposition:	Settled
Disposition Date:	11/04/2015
Monetary Compensation Amount:	$0.00
Individual Contribution Amount:	$0.00
Broker Statement	The disputed claims were resolved through an agreement for Plaintiff to sell the remaining investment assets to FCA or its assigns for $1,000,000. The investment assets were liquidated by or purchased by the investment entities.

End of Report

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