



IAPD Report

ROBERT WILLIAM SHOEMAKER III

CRD# 721489

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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

ROBERT WILLIAM SHOEMAKER III (CRD# 721489)

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 **04/24/2022**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
IA	ROBERT WILLIAM SHOEMAKER,III	CRD# 128852	04/14/1994

QUALIFICATIONS

This representative is currently registered in **0** SRO(s) and **3** 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	WINGATE CAPITAL CORPORATION	17820	LEXINGTON, MA	05/14/1986 - 06/21/2006
B	SUMMIT CORPORATION	14887	LEXINGTON, MA	04/27/1984 - 05/07/1986
B	MOORS & CABOT, INC.	594	LEXINGTON, MA	12/27/1983 - 05/07/1984

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	3
Criminal	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 **3** jurisdiction(s) and **0** SRO(s) through his or her employer(s).

Employment 1 of 1

Firm Name: **ROBERT WILLIAM SHOEMAKER,III**
Main Address: GETTYSBURG, PA
Firm ID#: 128852

Regulator	Registration	Status	Date
IA California	Investment Adviser Representative	Approved	05/26/2022
IA Massachusetts	Investment Adviser Representative	Approved	04/14/1994
IA Pennsylvania	Investment Adviser Representative	Approved	03/31/2014

Branch Office Locations

ROBERT WILLIAM SHOEMAKER,III
GETTYSBURG, PA





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



Principal/Supervisory Exams

Exam	Category	Date
 General Securities Principal Examination (S24)	Series 24	04/24/1981
 Financial Principal Examination (F04)	F04	03/06/1981

General Industry/Product Exams

Exam	Category	Date
 General Securities Representative Examination (S7)	Series 7	12/20/1980

State Securities Law Exams

Exam	Category	Date
 Uniform Investment Adviser Law Examination (S65)	Series 65	12/05/1994
 Uniform Securities Agent State Law Examination (S63)	Series 63	08/20/1981

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
B	05/14/1986 - 06/21/2006	WINGATE CAPITAL CORPORATION	CRD# 17820	LEXINGTON, MA
B	04/27/1984 - 05/07/1986	SUMMIT CORPORATION	CRD# 14887	
B	12/27/1983 - 05/07/1984	MOORS & CABOT, INC.	CRD# 594	
B	12/22/1980 - 12/27/1983	U. S. BOSTON CAPITAL CORPORATION	CRD# 5251	

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
03/2014 - Present	ROBERT WILLIAM SHOEMAKER, III	REGISTERED INVESTMNT ADVISER	Y	GETTYSBURG, PA, 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
Regulatory Event	3
Criminal	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 3

Reporting Source:	Individual
Regulatory Action Initiated By:	COMMONWEALTH OF MASSACHUSETTS SECURITIES DIVISION
Sanction(s) Sought:	Undertaking
Date Initiated:	05/08/2012
Docket/Case Number:	E-2012-0065
Employing firm when activity occurred which led to the regulatory action:	ROBERT WILLIAM SHOEMAKER, III
Product Type:	Other: INVESTMENT ADVISORY SERVICES
Allegations:	THE MASSACHUSETTS SECURITIES DIVISION ASSERTED THAT THE JULY 21, 2006 FELONY GUILTY PLEA OF ADVISORY AFFILIATE/AGENT ROBERT W. SHOEMAKER, III WAS A MATERIAL EVENT REQUIRING DISCLOSURE IN THE FORM ADV, PART 2A AND PART 2B BROCHURES AS A CONDITION FOR GRANTING APPROVAL OF THE FIRM'S STATE RIA APPLICATION IN TRANSITIONING FROM SEC REGISTRATION.
Current Status:	Final
Resolution:	Consent



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:	09/05/2012
Sanctions Ordered:	Undertaking Other: UNDER THE TERMS OF CONSENT ORDER DOCKET NO. E-2012-0065, THE MASSACHUSETTS SECURITIES DIVISION GRANTED ADVISORY AGENT APPROVAL CONDITIONAL ON PART 2B DISCIPLINARY DISCLOSURES.
Broker Statement	AS CONDITIONS OF MASSACHUSETTS RIA REGISTRATION APPROVAL, THE FIRM AND THE ADVISORY AFFILIATE ROBERT W. SHOEMAKER, III CONSENTED TO AMENDING THE FORM ADV PART 2A AND PART 2B BROCHURES TO DISCLOSE THE FELONY GUILTY PLEA AND HE CONSENT ORDER, PROVIDING ALL EXISTING CLIENTS WITH COPIES OF THE AMENDED BROCHURES AND AN EXPLANATORY COVER LETTER WITHIN 30 DAYS OF THE CONSENT ORDER, AND OBTAINING SIGNED ACKNOWLEDGMENTS OR PROOFS OF DELIVERY WITHIN 90 DAYS OF THE CONSENT ORDER. IN THE FUTURE, THE FIRM IS SIMILARLY REQUIRED TO PROVIDE PROSPECTIVE CLIENTS WITH COPIES OF THE AMENDED FORM ADV PART 2A AND PART 2B BROCHURES, ALONG WITH AN EXPLANATORY COVER LETTER, AND TO ALLOW SUCH CLIENTS FIVE DAYS BEFORE SIGNING AND COMMITTING TO AN INVESTMENT ADVISORY AGREEMENT.
Disclosure 2 of 3	
Reporting Source:	Individual
Regulatory Action Initiated By:	BOARD OF BAR OVERSEERS OF THE SUPREME JUDICIAL COURT OF MASSACHUSETTS
Sanction(s) Sought:	Other
Other Sanction(s) Sought:	TEMPORARY SUSPENSION
Date Initiated:	09/19/2006
Docket/Case Number:	FILE # C2-06-0209
Employing firm when activity occurred which led to the regulatory action:	ACTIVITY WAS NOT BUSINESS RELATED
Product Type:	No Product
Other Product Type(s):	
Allegations:	NOTICE OF CRIMINAL CONVICTION WAS PROVIDED TO BOARD OF BAR OVERSEERS AS REQUIRED UNDER THEIR RULES AND REPRESENTS AN AUTOMATIC BASIS FOR POTENTIAL BBO SANCTIONS; DETAILS OF CONVICTION WERE PREVIOUSLY DISCLOSED ON CRIMINAL DRP FILED AUGUST 17, 2006 AS PART OF THIS U-4
Current Status:	Final
Resolution:	Other
Resolution Date:	01/23/2007
Sanctions Ordered:	Suspension



Other Sanctions Ordered:	VOLUNTARY RESIGNATION AS A LICENSED ATTORNEY AT LAW
Sanction Details:	TEMPORARY SUSPENSION ORDERED ON OCTOBER 10, 2006; VOLUNTARY RESIGNATION AFFIDAVIT WAS SIGNED AND SUBMITTED ON DECEMBER 9, 2006; RESIGNATION WAS ACCEPTED ON JANUARY 23, 2007, AND APPLIED RETROACTIVE TO OCTOBER 10, 2006.
Broker Statement	THIS REGULATORY ACTION WAS A DIRECT ADMINISTRATIVE CONSEQUENCE OF THE CRIMINAL MATTER DISCLOSED ON THE CRIMINAL DRP INCLUDED WITH THIS U-4 AND DOES NOT INVOLVE ANY ADDITIONAL REGULATORY, DISCIPLINARY, OR CRIMINAL MATTERS.
Disclosure 3 of 3	
Reporting Source:	Regulator
Regulatory Action Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Sanction(s) Sought:	
Other Sanction(s) Sought:	
Date Initiated:	07/05/1984
Docket/Case Number:	BOS-529
Employing firm when activity occurred which led to the regulatory action:	U.S. BOSTON CAPITAL CORP.
Product Type:	
Other Product Type(s):	
Allegations:	
Current Status:	Final
Resolution:	Consent
Resolution Date:	06/04/1985
Sanctions Ordered:	Censure Monetary/Fine \$25,000.00
Other Sanctions Ordered:	
Sanction Details:	
Regulator Statement	COMPLAINT #BOS-529, FILED 7/5/84, DIST. #13, ALLEGING VIOLATIONS OF ARTICLE III, SECTIONS 1, 19(a) AND 21(a) OF THE RULES OF FAIR PRACTICE, IN THAT RESPONDENT MEMBER U.S. BOSTON CAPITAL CORP., ACTING THRU SHOEMAKER AND RESPONDENT WILLARD L. UMPHREY, ENGAGED IN A SECURITIES BUSINESS AT TIMES WHEN IT FAILED TO MAINTAIN THE MINIMUM REQUIRED NET CAPITAL, IN CONTRAVENTION OF SEC RULE 15c3-1; FAILED TO PROMPTLY DEPOSIT FUNDS RECEIVED IN CONNECTION WITH THE SALE OF LIMITED PARTNERSHIP INTERESTS TO AN ESCROW ACCOUNT, IN CONTRAVENTION OF SEC RULE 15c2-4; IN CONNECTION WITH THE OFFER AND SALE OF DIRECT PARTICIPATION PROGRAMS TO VARIOUS CUSTOMERS, MADE IMPROPER USE OF SAID CUSTOMERS' FUNDS, IN THAT



THEY WITHHELD, IN THE MEMBER'S OWN BANK ACCOUNT, PROCEEDS FROM CUSTOMERS' CHECKS FOR PERIODS UP TO FOURTEEN DAYS BEFORE TRANSMITTING THEM TO AN ESCROW AGENT, AND USED THE PROCEEDS TO BUY SHORT TERM REPURCHASE AGREEMENTS OR CERTIFICATES OF DEPOSIT FOR THEIR OWN BENEFIT; FAILED TO MAINTAIN CERTAIN BOOKS AND RECORDS ON A CURRENT BASIS, IN CONTRAVENTION OF SEC RULES 17a-3 AND 17a-4; AND FAILED TO COMPLY WITH SEC RULE 15c3-3 IN THAT, WHILE PURPORTING TO OPERATE PURSUANT TO THE EXEMPTIVE PROVISIONS OF THE RULE, THEY RECEIVED AND HELD CUSTOMER FUNDS.
 ***** 7/31/85: DECISION RENDERED JUNE 4, 1985, WHEREIN THE OFFER OF SETTLEMENT SUBMITTED BY THE RESPONDENTS WAS ACCEPTED; THEREFORE, THEY ARE CENSURED AND FINED \$25,000.00, JOINTLY AND SEVERALLY. AS ALL RIGHTS OF APPEAL AND REVIEW HAVE BEEN WAIVED, THIS DECISION WAS FINAL JUNE 4, 1985.
 ***** 4/16/86, FC# 9132, I-441, PAID IN FULL.

Reporting Source: Individual

Regulatory Action Initiated By: N/A

Sanction(s) Sought: Censure

Date Initiated: 07/05/1984

Docket/Case Number: BOS-529

Employing firm when activity occurred which led to the regulatory action: U.S. BOSTON CAPITAL CORP.

Product Type: No Product

Allegations: N/A

Current Status: Final

Resolution: Consent

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: 06/04/1985

Sanctions Ordered: Censure

Broker Statement MR. SHOEMAKER WAS SUBJECT TO A COMPLAINT (BOS-529) BY THE DISTRICT BUSINESS CONDUCT COMMITTEE FOR DISTRICT NO. 13 OF THE NASD. THE COMPLAINT ALLEGED THAT U.S. BOSTON CAPITAL CORPORATION, [THIRD PARTY] & ROBERT W. SHOEMAKER DURING PERIODS FM 12/82/ - 7/83 FAILED TO COMPLY W/RULES PROMULGATED BY THE SEC UNDER THE SEC ACT OF 1934 & THE



NASD RULES OF FAIR PRACTICE BY FAILING TO MEET APPLICABLE NET CAPITAL & RESERVE REQUIREMENTS, FAILING TO FORWARD PROMPTLY MONIES OF CERTAIN INVESTORS TO BE INVESTED, BY INVESTING OVERNIGHT BALANCES IN REPURCHASE AGREEMENTS OR CERTIFICATES OF DEPOSIT & BY FAILING TO MAINTAIN PROPER BOOKS & RECORDS. WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, MR. SHOEMAKER SETTLED THE COMPLAINT BY AGREEING TO BE CENSURED & PAYING A FINE.



Criminal

This disclosure event involves a criminal charge against the Investment Adviser Representative that has resulted in a dismissal, plea, acquittal or conviction. The criminal matter may relate to any felony or certain misdemeanor offenses (e.g., bribery, perjury, forgery, counterfeiting, extortion, fraud, wrongful taking of property).

Disclosure 1 of 1

Reporting Source: Firm

Court Details: FRAMINGHAM DISTRICT COURT, FRAMINGHAM MA DOCKET #0649CR001487

Charge Date: 05/10/2006

Charge Details: ORIGINALLY CHARGED WITH ONE COUNT OF DISTRIBUTION OF CHILD PORNOGRAPHY: (1) ONE COUNT; (2) FELONY; (3) NOT GUILTY.... SUBSEQUENTLY, MR. SHOEMAKER PLED GUILTY TO ONE COUNT OF POSSESSION OF CHILD PORNOGRAPHY: (1) ONE COUNT; (2) FELONY; (3) GUILTY

Felony? Yes

Current Status: Final

Status Date: 07/21/2006

Disposition Details: FRAMINGHAM DISTRICT COURT CRIMINAL CLERK'S OFFICE INFORMED WINGATE'S COUNSEL THAT DUE TO THE NATURE OF THE OFFENSE, DOCUMENTATION IS NOT AVAILABLE TO THE PUBLIC ABSENT A COURT ORDER

Firm Statement THIS DRP IS AN INITIAL RESPONSE TO AFFIRMATIVE ANSWER TO 7.C.1. THE EVENT WAS INITIALLY REPORTED ON MR. SHOEMAKER'S U4 WITH AN AFFIRMATIVE ANSWER TO 14.A.1.B AND PREVIOUSLY REPORTED ON U5 WITH AN AFFIRMATIVE ANSWER TO 7.C.2.

Reporting Source: Individual

Court Details: FRAMINGHAM DISTRICT COURT, FRAMINGHAM, MA, DOCKET #0649CR001487

Charge Date: 05/10/2006

Charge Details: CHARGED WITH ONE COUNT DISTRIBUTION OF CHILD PORNOGRAPHY, (1) ONE COUNT, (2) FELONY, (3) NOT GUILTY PLEA ...SUBSEQUENTLY THAT COUNT WAS DISMISSED AND MR. SHOEMAKER WAS CHARGED WITH ONE COUNT POSSESSION OF CHILD PORNOGRAPHY (DOCKET # 0649CR002552): (1) ONE COUNT; (2) FELONY; (3) GUILTY PLEA

Felony? Yes

Current Status: Final

Status Date: 07/21/2006

Disposition Details: A. ONE COUNT DISTRIBUTION OF CHILD PORNOGRAPHY DISMISSED AND GUILTY PLEA ENTERED TO ONE COUNT POSSESSION OF CHILD PORNOGRAPHY; B. 07/21/2006; C. PROBATION; D. 6 YEARS; E. 07/21/2006; F. N/A; G. N/A



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: Regulator

Employing firm when activities occurred which led to the complaint: WINGATE CAPITAL CORP.

Allegations: MISREPRESENTATION; SUITABILITY; CHURNING; BRCH OF FIDUCIARY DT

Product Type:

Alleged Damages: \$2,000,000.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD - CASE #93-04015

Date Notice/Process Served: 10/15/1993

Arbitration Pending? No

Disposition: Settled

Disposition Date: 03/04/1994

Disposition Detail: CASE IS CLOSED, WITHDRAWN W/ PREJUDICE
Not Provided

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: WINGATE CAPITAL CORP.

Allegations: ALLEGED DAMAGES: \$2,000,000 PLUS INTEREST, COSTS, AND ATTORNEY'S FEES. ALLEGATIONS: COMMON LAW FRAUD; VIOLATION OF THE ANTIFRAUD PROVISIONS OF THE 1933 AND 1934 SECURITIES ACTS, THE MASSACHUSETTS SECURITIES ACT AND THE REGULATIONS PROMULGATED THEREAFTER; BREACH OF CONTRACT; BREACH OF FIDUCIARY DUTY; NEGLIGENCE, VIOLATION OF MASSACHUSETTS CONSUMER PROTECTION STATUTE (CHAPTER 93A).

Product Type: Direct Investment-DPP & LP Interests

Alleged Damages: \$2,000,000.00

Customer Complaint Information

Date Complaint Received:

Complaint Pending? No

Status: Settled



Status Date: 03/04/1994

Settlement Amount: \$75,000.00

Individual Contribution Amount: \$75,000.00

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): NASD 93-04015

Docket/Case #: NOT KNOWN

Date Notice/Process Served: 09/30/1993

Arbitration Pending? No

Disposition: Settled

Disposition Date: 03/04/1994

Monetary Compensation Amount: \$75,000.00

Individual Contribution Amount: \$75,000.00

Broker Statement

A \$75,000 PAYMENT WAS MADE BY MR. SHOEMAKER IN SETTLEMENT OF ALL CLAIMS. [CUSTOMER] DISMISSED THE COMPLAINT WITH PREJUDICE. [CUSTOMER], A WELL-EDUCATED, MULTI-MILLIONAIRE ACCREDITED INVESTOR, CLAIMED GENERALIZED LOSSES STEMING FROM ALLEGEDLY UNSUITABLE LIMITED PARTNERSHIP INVESTMENTS PURCHASED BY HER THROUGH MR. SHOEMAKER OVER THE COURSE OF A TEN-YEAR BUSINESS RELAITONSHIP. IN FACT, A SIGNIFICANT MAJORITY OF THE MONEY INVESTED BY [CUSTOMER] THROUGH MR. SHOEMAKER WAS PLACED IN MUTUAL FUNDS AND TAX-DEFERRED VARIABLE ANNUITIES; OVER TWO-THIRDS OF THE MONEY INVESTED IN LIMITED PARTNERSHIPS WAS PLACED BEFORE THE 1986 TAX REFORM ACT; THE LIMITED PARTNERSHIP INVESTMENTS WERE WELL-DIVERSIFIED ACROSS A RANGE OF REAL ESTATE AND OPERATING BUSINESS CATEGORIES; AND THE TOTAL NET INVESTMENT RETURNS RECEIVED BY [CUSTOMER] OVER THE COURSE OF THE RELATIONSHIP WERE SUBSTANTIALLY GREATER THAN THE TOTAL DOLLARS INVESTED. DESPITE THESE DEFENSES, MR. SHOEMAKER AGREED TO AN EXTORTIONARY SETTLEMENT AMOUNT APPROXIMATING THE COST OF DEFENSE, RATHER THAN BEING FORCED TO TOLERATE THE ONGOING DISRUPTION TO BUSINESS AND PERSONAL ACTIVITIES AND THE RISK THAT UNINVOLVED CODEFENDANTS MIGHT BE ADVERSELY AFFECTED BY THE PROCESS.



End of Report

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