

BrokerCheck Report

ERIC OLIN SHANKS

CRD# 2724083

Report #18051-62277, data current as of Friday, March 20, 2015.

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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.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. For more information about FINRA, visit www.finra.org.

Thank you for using FINRA BrokerCheck.

ERIC O. SHANKS

CRD# 2724083

This broker is not currently registered.

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
- 2 General Industry/Product Exams
- 1 State Securities Law Exam

Registration History

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

CUSO FINANCIAL SERVICES, L.P.

CRD# 42132
RICHARDSON, TX
07/2004 - 05/2014

WM FINANCIAL SERVICES, INC.

CRD# 599
IRVINE, CA
08/2000 - 07/2004

AMERICAN EXPRESS FINANCIAL ADVISORS INC.

CRD# 6363
MINNEAPOLIS, MN
04/1999 - 08/2000

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:

Type	Count
Customer Dispute	4
Termination	1

Investment Adviser Representative Information

The information below represents the individual's record as a broker. For details on this individual's record as an investment adviser representative, visit the SEC's Investment Adviser Public Disclosure website at

<http://www.adviserinfo.sec.gov>

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

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
Investment Company Products/Variable Contracts Representative Examination	Series 6	04/12/1996
General Securities Representative Examination	Series 7	12/19/1996

State Securities Law Exams

Exam	Category	Date
Uniform Securities Agent State Law Examination	Series 63	04/16/1996

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:

Registration Dates	Firm Name	CRD#	Branch Location
07/2004 - 05/2014	CUSO FINANCIAL SERVICES, L.P.	42132	RICHARDSON, TX
08/2000 - 07/2004	WM FINANCIAL SERVICES, INC.	599	IRVINE, CA
04/1999 - 08/2000	AMERICAN EXPRESS FINANCIAL ADVISORS INC.	6363	MINNEAPOLIS, MN
04/1999 - 08/2000	IDS LIFE INSURANCE COMPANY	6321	MINNEAPOLIS, MN
04/1996 - 05/1999	WADDELL & REED, INC.	866	OVERLAND PARK, KS

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.

Employment Dates	Employer Name	Employer Location
07/2004 - Present	CUSO FINANCIAL SERVICES, LP	SAN DIEGO, CA
07/2004 - 01/2011	ALTURA CREDIT UNION	RIVERSIDE, CA

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.

No information reported.



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.

	Pending	Final	On Appeal
Customer Dispute	0	4	N/A



Termination	N/A	1	N/A
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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.

Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

Disclosure 1 of 2

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	CUSO FINANCIAL SERVICES, LP ("CFS")
Allegations:	IN MAY 2007, THE REP RECOMMENDED THAT THE CLIENT PURCHASE A BOND FUND. THE CLIENT WAS INITIALLY SATISFIED WITH THE INVESTMENT, BUT LATER COMPLAINED ABOUT POOR PERFORMANCE WHEN THE MARKET UNEXPECTEDLY DECLINED. WE DENY THE CLIENT'S ALLEGATION THAT THE INVESTMENT WAS UNSUITABLE.
Product Type:	Mutual Fund
Alleged Damages:	\$5,125.49
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information

Date Complaint Received:	02/28/2008
Complaint Pending?	No
Status:	Settled



Status Date: 04/28/2008

Settlement Amount: \$1,400.00

Individual Contribution Amount: \$0.00

Broker Statement

CLIENT OPENED THE ACCOUNT AND REQUESTED RATES THAT WERE HIGHER THAN HIS CURRENT CD WHILE MAINTAINING LIQUIDITY. HE ALSO WAS INTERESTED IN A FUND MORE CONSERVATIVE THAN HIS CURRENT EQUITY FUNDS WITH TAX ADVANTAGES. WE REVIEWED PERFORMANCE REGULARLY. DUE TO UNFORESEEN ISSUES IN THE FIXED INCOME ARENA, THE CLIENT ELECTED TO NOT MAINTAIN HIS LONGER-TERM TIME HORIZON AND REDEEMED ALL SHARES EARLY. **AS A SUBSEQUENT ACCOMMODATION MADE TO PRESERVE RELATIONSHIP WITH THE CLIENT AND WITHOUT ADMISSION OF ANY WRONGDOING ON THE PART OF THE REGISTERED REPRESENTATIVE OR BROKER-DEALER, CFS AGREED TO COMPENSATE CLIENT IN THE AMOUNT OF \$1400 REPRESENTING THE APPROXIMATE COMMISSION PAID AS A RESULT OF THE MUTUAL FUND PURCHASE.

Disclosure 2 of 2

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: AMERICAN EXPRESS FINANCIAL ADVISORS INC

Allegations: THE CLIENT COMPLAINED SHE DID NOT RECEIVE ADEQUATE DISCLOSURE ON THE CHARGES SHE WOULD INCUR IN TRANSFERRING HER INVESTMENTS FROM WADDELL & REED TO AMERICAN EXPRESS FINANCIAL ADVISORS. THE TRANSFER TOOK PLACE ON 6/3/99 IN THE AMOUNT OF APPROXIMATELY \$203,000.

Product Type: Mutual Fund(s)

Alleged Damages: \$8,000.00

Customer Complaint Information

Date Complaint Received: 10/25/1999

Complaint Pending? No

Status: Settled

Status Date: 02/09/2000

Settlement Amount: \$8,648.97



Individual Contribution Amount:

\$0.00

Broker Statement

THE INVESTIGATION FOUND THAT THE FINANCIAL ADVISOR MAY NOT HAVE GIVEN THE CLIENT FULL DISCLOSURE OF THE SALES CHARGES ASSOCIATED WITH THESE TRANSFER PURCHASES. THE CLIENT ACCEPTED THE FIRM'S OFFER TO REVERSE ALL SALES LOADS CHARGED ON THE MONIES FROM HER PREVIOUS ACCOUNTS AT WADDELL & REED, AND HER SALES LOADS OF \$8648.97 WERE REINSTATED TO HER ACCOUNTS



Customer Dispute - Closed-No Action/Withdrawn/Dismissed/Denied

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a consumer-initiated, investment-related written complaint containing allegations that the broker engaged in sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities, which was closed without action, withdrawn, or denied.

Disclosure 1 of 2

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	CUSO FINANCIAL SERVICES, LP
Allegations:	ON 5/27/2011, CFS RECEIVED WRITTEN COMPLAINT LETTER FROM CLIENT CONTAINING ALLEGATIONS THAT A MAY 2011 SUBSEQUENT INVESTMENT OF \$133,362 INTO AN EXISTING VARIABLE ANNUITY CONTRACT OWNED BY CLIENT, DID NOT MEET HIS FINANCIAL OBJECTIVES. CLIENT FURTHER ALLEGED THAT SURRENDER CHARGES APPLIED TO AN ANNUITY SALE USED TO FUND THIS SUBSEQUENT INVESTMENT WERE NOT PROPERLY DISCLOSED. CFS FOUND THAT DOCUMENTATION SIGNED BY CLIENT SUPPORTED REASONABLE SUITABILITY FOR THE TRANSACTION AND THAT PROPER DISCLOSURES WERE MADE TO THE CLIENT AT THE TIME OF SALE. DOCUMENTATION SIGNED BY CLIENT INCLUDED DETAILED RATIONALE, INCLUDING DISCLOSURE OF SURRENDER CHARGES, TO SUPPORT SUITABILITY. A LOYALTY CREDIT WAS ALSO APPLIED TO THE SUBSEQUENT PURCHASE BY THE INSURANCE COMPANY THAT EFFECTIVELY OFFSET SURRENDER COSTS INCURRED AS A RESULT OF THE SWITCH-REPLACEMENT OF ANNUITY CONTRACTS. ACCORDINGLY, CFS DENIED THE ALLEGATIONS MADE BY CLIENT.
Product Type:	Annuity-Variable
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	NO SPECIFIC DOLLAR AMOUNT OF DAMAGES IS ALLEGED BY CLIENT, HOWEVER CFS IS UNABLE TO MAKE A GOOD FAITH DETERMINATION THAT DAMAGES WOULD NOT EXCEED \$5,000.
Is this an oral complaint?	No
Is this a written complaint?	Yes
Is this an arbitration/CFTC reparation or civil litigation?	No

Customer Complaint Information



Date Complaint Received: 05/27/2011
Complaint Pending? No
Status: Denied
Status Date: 06/16/2011
Settlement Amount:
Individual Contribution Amount:

Disclosure 2 of 2

Reporting Source: Broker
Employing firm when activities occurred which led to the complaint: CUSO FINANCIAL SERVICES, LP

Allegations: INTERMEDIARY AUTHORIZED TO SPEAK ON BEHALF OF CLIENT SENT CORRESPONDENCE TO EMPLOYING CREDIT UNION OF REPRESENTATIVE ALLEGING THAT AN UNSUITABLE VARIABLE ANNUITY RECOMMENDATION WAS MADE TO CLIENT IN 2006. CFS DETERMINED THAT THERE WAS NO WRONGDOING ON THE PART OF THE REPRESENTATIVE AND CONCLUDED THAT DOCUMENTATION SIGNED BY CLIENT SUPPORTED REASONABLE SUITABILITY FOR INVESTMENT RECOMMENDATIONS MADE GIVEN THE CLIENT'S LONG-TERM TIME-HORIZON, INVESTMENT EXPERIENCE AND STATED OBJECTIVES AND RISK TOLERANCE. ACCORDINGLY, CFS DENIED THE ALLEGATIONS MADE IN WRITING.

Product Type: Annuity(ies) - Variable
Alleged Damages: \$42,013.00

Customer Complaint Information

Date Complaint Received: 03/15/2009
Complaint Pending? No
Status: Denied
Status Date: 03/27/2009
Settlement Amount:
Individual Contribution Amount:





Employment Separation After Allegations

This type of disclosure event involves a situation where the broker voluntarily resigned, was discharged, or was permitted to resign after being accused of (1) violating investment-related statutes, regulations, rules or industry standards of conduct; (2) fraud or the wrongful taking of property; or (3) failure to supervise in connection with investment-related statutes, regulations, rules, or industry standards of conduct.

Disclosure 1 of 1

Reporting Source:	Firm
Employer Name:	CUSO FINANCIAL SERVICES, LP
Termination Type:	Discharged
Termination Date:	04/28/2014
Allegations:	REPRESENTATIVE FAILED TO DISCLOSE SURRENDER OF A FIXED ANNUITY TO FUND A VARIABLE ANNUITY PURCHASE.
Product Type:	Annuity-Fixed Annuity-Variable

End of Report



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