

BrokerCheck Report

DOUGLAS GENE SCHMITZ

CRD# 1771132

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Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

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 <https://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.

Thank you for using FINRA BrokerCheck.



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.](http://www.finra.org)



DOUGLAS G. SCHMITZ

CRD# 1771132

Currently employed by and registered with the following Firm(s):

IA CLASSIC ASSET MANAGEMENT, LLC
1220 28TH AVENUE NORTH
FARGO, ND 58102
CRD# 122030
Registered with this firm since: 07/05/2006

B CLASSIC, LLC
1220 28TH AVE N
FARGO, ND 58102
CRD# 159357
Registered with this firm since: 11/27/2012

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 registered with:

- 1 Self-Regulatory Organization
- 8 U.S. states and territories

This broker has passed:

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

Registration History

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

- B NORTHSTAR FINANCIAL PARTNERS, INC.**
CRD# 107708
FARGO, ND
01/2010 - 12/2012
- B FINTEGRA, LLC**
CRD# 16741
FARGO, ND
10/2007 - 12/2009
- IA QUESTAR ASSET MANAGEMENT, INC.**
CRD# 133358
MINNEAPOLIS, MN
01/2005 - 10/2007

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	3
Financial	1



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 individual is currently registered with 1 SRO and is licensed in 8 U.S. states and territories through his or her employer.

Employment 1 of 2

Firm Name: **CLASSIC ASSET MANAGEMENT, LLC**

Main Office Address: **1220 28TH AVENUE NORTH
FARGO, ND 58102**

Firm CRD#: **122030**

	U.S. State/ Territory	Category	Status	Date
IA	North Dakota	Investment Adviser Representative	Approved	07/05/2006
IA	Texas	Investment Adviser Representative	Restricted Approval	10/09/2013

Branch Office Locations

This individual does not have any registered Branch Office where the individual is located.

Employment 2 of 2

Firm Name: **CLASSIC, LLC**

Main Office Address: **1220 28TH AVE N
FARGO, ND 58102**

Firm CRD#: **159357**

	SRO	Category	Status	Date
B	FINRA	General Securities Principal	Approved	11/27/2012
B	FINRA	General Securities Representative	Approved	11/27/2012

	U.S. State/ Territory	Category	Status	Date
B	Arizona	Agent	Approved	01/17/2013



Broker Qualifications

Employment 2 of 2, continued

	U.S. State/ Territory	Category	Status	Date
B	Colorado	Agent	Approved	03/21/2013
B	Iowa	Agent	Approved	01/03/2013
B	Minnesota	Agent	Approved	01/08/2013
B	Nebraska	Agent	Approved	01/20/2021
B	North Dakota	Agent	Approved	01/03/2013
B	South Dakota	Agent	Approved	01/03/2013
B	Texas	Agent	Approved	01/08/2013

Branch Office Locations

CLASSIC, LLC
 1220 28TH AVE N
 FARGO, ND 58102



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 1 principal/supervisory exam, 2 general industry/product exams, and 3 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
B General Securities Principal Examination	Series 24	07/25/2012

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	11/21/1987

State Securities Law Exams

Exam	Category	Date
B IA Uniform Combined State Law Examination	Series 66	01/09/2002
IA Uniform Investment Adviser Law Examination	Series 65	12/15/1998
B Uniform Securities Agent State Law Examination	Series 63	02/04/1988

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/.



Broker Qualifications

Professional Designations

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

No information reported.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
B 01/2010 - 12/2012	NORTHSTAR FINANCIAL PARTNERS, INC.	107708	FARGO, ND
B 10/2007 - 12/2009	FINTEGRA, LLC	16741	FARGO, ND
IA 01/2005 - 10/2007	QUESTAR ASSET MANAGEMENT, INC.	133358	FARGO, ND
B 01/2003 - 10/2007	QUESTAR CAPITAL CORPORATION	43100	FARGO, ND
IA 01/2003 - 12/2005	QUESTAR CAPITAL CORPORATION	43100	FARGO, ND
IA 01/2002 - 12/2002	MULTI-FINANCIAL SECURITIES CORPORATION	10299	FARGO, ND
B 09/1992 - 12/2002	MULTI-FINANCIAL SECURITIES CORPORATION	10299	GREENWOOD VILLAGE, CO
B 04/1990 - 08/1992	WALNUT STREET SECURITIES, INC.	15840	EL SEGUNDO, CA
B 11/1987 - 04/1990	FSC SECURITIES CORPORATION	7461	ATLANTA, GA

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	Employer Name	Position	Investment Related	Employer Location
01/2013 - Present	CLASSIC LLC	REGISTERED REPRESENTATIVE	Y	FARGO, ND, United States
09/2011 - Present	Classic Holdings LLC	Member	N	Fargo, ND, United States
06/2006 - Present	CLASSIC ASSET MANAGEMENT LLC D/B/A FINANCIAL STRATEGIES GROUP	INVESTMENT ADVISER REP	Y	FARGO, ND, United States
01/2005 - Present	SCHMITZ FINANCIAL SERVICES	OWNER	N	FARGO, ND, United States



Registration and Employment History

Employment History, continued

Employment	Employer Name	Position	Investment Related	Employer Location
03/1988 - Present	DOUGALS G. SCHMITZ INSURANCE	OTHER - INDEPENDENT AGENT	N	FARGO, ND, United States

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.

- 1)CLASSIC ASSET MANAGEMENT, LLC AS AN INVESMENT ADVSIOR REPRESENTATIVE. LOCATED AT THE SAME LOCATION AS CLASSIC, LLC.
- 2)SUNRISE APARTMENTS/TOWNHOMES AND FRONT STREET APARTMENTS. OWNER/GENERAL MANAGER. SINCE 1996. I TRANSACT BUSINESS FROM MY RESIDENCE. COLLECT RENT, PAY BILLS, HIRE MAINTENANCE. 10 TOTAL HOURS PER MONTH, UP TO 5 HOURS DURING SECURITIES TRADING HOURS.
- 3)SCHMITZ FINANCIAL SERVICES CORP. EST 1/1/2005. OWNER/MANAGER. COMMISSIONS PAID FOR INVESTMENT ACTIVITY AND PLANNING SERVICES RUN THROUGH THIS CORP.
- 4)Classic Holdings, LLC; Non-investment related; 1220 28th Ave N, Fargo, ND 58102; Holding Company; Member; Started 02/2021; 0 hours per month.



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.
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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	1	2	N/A
Financial	1	0	N/A



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 1

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	Classic, LLC
Allegations:	Clients allege a trade execution failure in February 2020.
Product Type:	No Product
Alleged Damages:	\$750,000.00
Alleged Damages Amount Explanation (if amount not exact):	Estimate of damages may exceed this amount.
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:	04/29/2020
Complaint Pending?	No
Status:	Settled
Status Date:	11/23/2020



Settlement Amount: \$275,000.00

Individual Contribution Amount: \$200,000.00

Broker Statement Clients are only clients of Classic Asset Management, LLC, the affiliated Investment Advisor firm.



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

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, 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.

Disclosure 1 of 1

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	Classic, LLC
Allegations:	Client alleges Representative did not follow direction to liquidate account.
Product Type:	Other: Managed account
Alleged Damages:	\$5,200.00
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:	07/24/2020
Complaint Pending?	No
Status:	Closed/No Action
Status Date:	09/10/2020
Settlement Amount:	
Individual Contribution Amount:	



Customer Dispute - Pending

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, 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.

Disclosure 1 of 1

Reporting Source:	Broker
Employing firm when activities occurred which led to the complaint:	Classic, LLC
Allegations:	Client alleges lack of fiduciary responsibility.
Product Type:	Other: Leveraged ETFs
Alleged Damages:	\$40,000.00
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:	08/04/2020
Complaint Pending?	Yes
Settlement Amount:	
Individual Contribution Amount:	



Financial - Pending

This type of disclosure event involves a pending bankruptcy, compromise with one or more creditors, or Securities Investor Protection Corporation liquidation involving the broker or an organization/brokerage firm the broker controlled that occurred within the last 10 years.

Disclosure 1 of 1

Reporting Source:	Broker
Action Type:	Bankruptcy
Bankruptcy:	Chapter 7
Action Date:	09/16/2015
Organization Name:	Finetgra, LLC
Individual Position:	Director
Organization Investment-Related?	Yes
Type of Court:	Federal Court
Name of Court:	U.S. Bankruptcy Court
Location of Court:	Minneapolis, MN
Docket/Case #:	15-43240
Action Pending?	Yes

End of Report



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