

# LOCAL

## Duped investors to recoup one-third

BY STEVE BUIST

More than 100 investors who lost almost \$6 million in a series of limited partnerships that became the target of an RCMP investigation will recover almost a third of their money as part of a proposed settlement of a class-action lawsuit.

The investors, many of them from the Hamilton area and many of them deeply Christian, had placed as much as \$200,000 US each in six limited partnerships promoted 12 years ago by a financial planner and former church elder named Bob Adams, who was based in Dundas at the time.

The six groups became known as the W-6 limited partnerships because the name of each one began with a W, such as Winchester or Waterford.

If a judge accepts the proposed settlement at a Nov. 2 hearing, the investors will receive a total payout of \$1.8 million, or about 30 cents for every dollar invested.

The money will come from insurance policies that covered Adams and a couple of other defendants in the case.

"My theory throughout this has been that any recovery would be manna from heaven," said David Thompson, one of two Hamilton lawyers who represented the investors.

"A number of the people we've spoken with are thrilled to hear they'll be getting back anything 12 years after they made their investments," Thompson added.

After the funds disappeared from the W-6 partnerships more than a decade ago, the RCMP conducted an investigation that lasted nine years.

The RCMP probe showed that some of the W-6 partnership money was shifted to a California-based investment company, which has been the target of several civil lawsuits in the U.S.

Some of the money from the limited partnerships was also directed to an Oakville fraud artist named Allan Huppe.

A year ago, Huppe pleaded guilty to defrauding investors out of more than \$1.2 million US and was sentenced to three years in a federal penitentiary.

Adams was never charged by the RCMP in the case. The RCMP believes that Adams was duped into turning money from the limited partnerships over to Huppe.

Investors can oppose the agreement in court at their own cost. If one or more investors objects to the agreement, it also gives the defendants the right to withdraw from the proposed settlement.

"We are strongly encouraging all class members to accept the settlement," said Thompson.

*sbuist@thespec.com*  
905-526-3226