

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20150478066-01**

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Joan Marie Larsen, Respondent
General Securities Representative
CRD No. 4504926

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A.** I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Respondent entered the securities industry as an unregistered Sales Assistant in March 1997. On February 11, 2002, Respondent became associated with a predecessor entity of Cetera Investment Services, LLC (the "Firm"), a FINRA-regulated broker-dealer where she remained employed until July 2015. Respondent received her Series 7 license in July 2002 and her Series 63 license in September 2002. On July 8, 2002, Respondent became registered with the Firm as a General Securities Representative ("GSR").

On July 8, 2015, the Firm filed a Form U5 stating that Respondent had voluntarily resigned effective July 7, 2015. On December 9, 2015, the Firm filed a Form U5 Amendment stating that Respondent "[c]urrently is, or at termination was ... under internal review for fraud or wrongful taking of property, or violating ... rules or industry standards of conduct[.]" The Form U5 Amendment further stated that the Firm had conducted an internal review of Respondent from October 1, 2015 through November 9, 2015, to investigate allegations that a Firm customer had lent Respondent \$50,000 but had only been repaid \$3,000.

On July 25, 2016, Respondent became registered with another FINRA-regulated broker-dealer as a GSR. Respondent is subject to FINRA's jurisdiction because she is currently employed by a FINRA-regulated broker-dealer.

RELEVANT DISCIPLINARY HISTORY

Respondent has no relevant disciplinary history.

OVERVIEW

Respondent, a former registered representative with the Firm, violated FINRA Rules 3240 and 2010 by accepting a \$50,000 interest-free personal loan from an elderly Firm customer in November 2014. Respondent also violated FINRA Rules 8210 and 2010 by refusing to cooperate with FINRA's investigation of this matter in January 2017.

FACTS AND VIOLATIVE CONDUCT

1. Respondent Borrowed \$50,000 from a Firm Customer in Violation of FINRA Rules 3240 and 2010.

FINRA Rule 3240(a) provides, in relevant part: No person associated with a member in any registered capacity may borrow money from . . . any customer of such person unless . . . the member has written procedures allowing the borrowing . . . of money between such registered persons and customers of the member; [and] . . . the customer is a member of such person's immediate family . . ."

FINRA Rule 2010 requires that members and associated persons observe high standards of commercial honor and just and equitable principles of trade. Conduct that violates FINRA Rule 3240 also violates FINRA Rule 2010.

On or about November 21, 2014, Respondent borrowed \$50,000 from an elderly Firm customer who was not an immediate family member. Respondent was the registered representative assigned to the customer's account. The same day, Respondent signed a notarized promissory note stating that she promised to repay the principal loan amount of \$50,000, with no interest, by December 31, 2014. The Firm did not have written procedures permitting such a loan.

Although Respondent subsequently repaid \$3,000, \$47,000 of the principal loan amount remains unpaid.

By accepting this \$50,000 loan from a Firm customer in November 2014, Respondent violated FINRA Rules 3240 and 2010.

2. Respondent Failed to Cooperate with FINRA's Investigation in Violation of FINRA Rules 8210 and 2010.

FINRA Rule 8210 authorizes FINRA, for purposes of an investigation, complaint, examination, or proceeding authorized by the FINRA By-Laws or rules, to "require a member, person associated with a member, or person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically ... with respect to any matter involved in the investigation, complaint, examination or proceeding...." Rule 8210 also specifies that "[n]o member or person shall fail to provide information or testimony...pursuant to this rule."

Conduct that violates FINRA Rule 8210 also violates FINRA Rule 2010.

On December 22, 2016, as part of its investigation herein, FINRA staff sent a letter pursuant to FINRA Rule 8210 requesting that Respondent appear and provide testimony on January 12, 2017 at 10:00 a.m. The letter informed Respondent that if she failed to appear and provide testimony, she could be subject to a disciplinary action and the imposition of sanctions, including a bar from the securities industry. On January 11, 2017, Respondent stated in a phone call and multiple e-mails with FINRA staff that she received FINRA's request and would not appear for on-the-record testimony at any time. Respondent did not appear and provide testimony on January 12, 2017.

By refusing to appear and provide on-the-record testimony as requested, Respondent violated FINRA Rules 8210 and 2010.

B. I also consent to the imposition of the following sanctions:

A bar from association with any FINRA member in any capacity.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

The sanctions imposed herein shall be effective on a date set by FINRA staff. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of

Procedure:

- A. To have a Complaint issued specifying the allegations against me;**
- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;**
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and**
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.**

Further, I specifically and voluntarily waive any right to claim bias or prejudice of the Chief Legal Officer, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

I further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

I understand that:

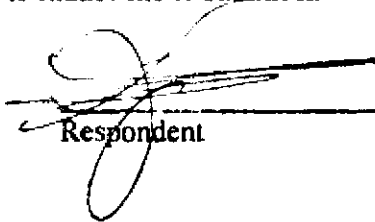
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;**
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and**
- C. If accepted:**
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;**

2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
4. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I understand and acknowledge that FINRA does not represent or advise me and I cannot rely on FINRA or FINRA staff members for legal advice; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

1-13-2017

Date (mm/dd/yyyy)




Respondent

Accepted by FINRA:

2/6/17
Date

Signed on behalf of the
Director of ODA, by delegated authority



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