

NASD OFFICE OF HEARING OFFICERS

DEPARTMENT OF ENFORCEMENT,

Complainant

v.

CHRISTOPHER M. VOELKER
(CRD No. 4653340),

Respondent.

Disciplinary Proceeding
No. 20050032556

Hearing Officer – RSH

DEFAULT DECISION

October 30, 2006

Respondent violated NASD Conduct Rule 2110 by forging a customer's signature on life insurance applications and NASD Procedural Rule 8210 and Conduct Rule 2110 by failing to respond to NASD requests for information. For these violations, Respondent is barred from associating with any NASD member in any capacity.

Appearances

Dale A. Glanzman, Regional Counsel, Mark A. Koerner, Regional Chief Counsel, Chicago, IL (Rory C. Flynn, Of Counsel, Washington, DC, Mark P. Dauer, Of Counsel, New Orleans, LA) for Complainant.

No appearance by or for Respondent.

DECISION

I. Introduction

Complainant Department of Enforcement filed a Complaint (attached to this Decision as Exhibit A) on June 8, 2006, alleging that Respondent Christopher M. Voelker violated NASD Conduct Rule 2110 by forging a customer's signature on five life insurance applications and Procedural Rule 8210 and Conduct Rule 2110 by failing to respond to NASD requests for information.

Respondent did not file an Answer to the Complaint. On September 1, 2006, Complainant filed a Motion for Entry of Default Decision, which was supported by the Declaration of Dale A. Glanzman and six exhibits. Respondent did not file a response to the motion. Accordingly, for the reasons set forth below, Complainant's motion is granted.¹

II. Jurisdiction

The Complaint alleges, and the Respondent's Central Registration Depository ("CRD") record shows, that Respondent was registered as an Investment Company/Variable Contracts Product Representative with Northwestern Investment Services, LLC ("Northwestern"), a member of NASD, from April 2003 to November 2005. According to Respondent's CRD record, he was permitted to resign from Northwestern during the firm's "review of a customer complaint alleging that the representative submitted a number of life insurance applications without the applicants' knowledge or consent."² Respondent is not currently registered with an NASD member firm; however, he remains subject to NASD jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of NASD's Bylaws, because (1) the Complaint was filed within two years following the termination of Respondent's employment and registration with NASD and (2) the Complaint charges him with misconduct committed while he was associated with an NASD member firm and with failing to respond to NASD requests for information made during the two-year period following his termination from Northwestern.

III. Respondent's Default

Complainant sent the Complaint and Notice of Complaint to Respondent on June 6, 2006, by first-class and certified mail to Respondent's most recent address listed in the CRD records

¹ The factual determinations in this decision are based on the allegations in the attached Complaint, which are deemed admitted, as well as the additional materials filed by Complainant with its motion.

² Complainant's Exhibit ("CX-1").

(“CRD Address”). The first class mailing was not returned to NASD staff. NASD staff received a return receipt for the certified mailing, which appears to have been signed by Beth Voelker.³

On July 6, 2006, Complainant sent the Complaint and Second Notice of Complaint by first class and certified mail to Respondent’s CRD Address. The first class mailing was not returned to NASD. NASD staff received a return receipt for the certified mailing, which appears to have been signed by Respondent. The Second Notice of Complaint required Respondent to submit an answer to the Complaint by July 24, 2006. To date, Respondent has failed to answer or otherwise respond to the Complaint.⁴

On August 31, 2006, Complainant sent the Motion for Entry of Default Decision by FEDEX overnight courier to Respondent’s CRD Address.⁵ Respondent has failed to respond to the Motion.

Complainant served the Complaint and Notices of Complaint on Respondent in accordance with Rule 9134, thereby giving him constructive notice of this proceeding. By failing to file an Answer or otherwise respond to the Complaint, Respondent defaulted. Pursuant to Procedural Rule 9269(a)(2), the Hearing Officer will deem the allegations in the Complaint admitted.

IV. Findings of Fact and Conclusions of Law

A. Forgery

The First Cause of the Complaint alleges that on or about July 13, 2004, Respondent forged client J.D.’s signature on life insurance applications for J.D. and J.D.’s husband and three children. Respondent then submitted the applications to Northwestern. J.D. and her husband told Northwestern that they had not filled out or signed the applications. Respondent later

³ CX 2-3.

⁴ CX 4-5.

⁵ Certificate of Service for Motion for Entry of Default Decision.

admitted to Northwestern that he had completed and signed J.D.'s signature on the applications and that he had paid the premiums for the policies.⁶

Complainant's allegations, which are deemed admitted, are sufficient to establish for purposes of this proceeding that Respondent forged a customer's signature on life insurance applications without the customer's consent or knowledge. Respondent therefore violated Conduct Rule 2110.

B. Failure to Respond to NASD Requests for Information

The Second Cause of the Complaint alleges that Respondent failed to respond to two NASD requests for information and documents. The Complaint alleges that pursuant to, and in accordance with, Procedural Rule 8210, Complainant sent Respondent requests for information on March 23, 2006 and April 11, 2006. Both requests were sent to Respondent's CRD Address by first class and certified mail. The first class mailings were not returned to NASD. The receipts for the certified letters were returned to the NASD staff and were apparently signed by Respondent or his wife. To date Respondent has not responded in any manner to the requests for information.⁷

These allegations, which are deemed admitted, are sufficient to establish for purposes of this proceeding that Respondent failed to respond in any manner to Complainant's requests for information and so violated NASD Procedural Rule 8210. A violation of Procedural Rule 8210 is also a violation of Conduct Rule 2110.⁸

⁶ Glanzman Decl. at ¶¶ 10-11.

⁷ Glanzman Decl. at ¶ 12c.

⁸ *DOE v. Baxter*, No. C07990016, 2000 NASD Discip. LEXIS 3, at *25 (N.A.C. Apr. 19, 2000); *Joseph P. Hannan*, Exchange Act Release No. 40,438, 1998 SEC LEXIS 1955, at *9 (September 14, 1998).

V. Sanctions

A. Forgery

Pursuant to NASD Conduct Rule 2110, members “shall observe high standards of commercial honor and just and equitable principles of trade.” Signing a customer’s name to a document without his knowledge and consent is clearly a violation of Rule 2110.⁹ For forgery, the NASD Sanction Guidelines recommend a suspension for up to two years, *if* mitigating factors exist, and in egregious cases, a bar.¹⁰

In this case, Respondent forged a customer’s signature on five life insurance applications, which he then submitted to Northwestern, all without the customer’s knowledge or consent. NASD views the falsification of records as an inherently egregious offense.¹¹

In light of the allegations deemed admitted, it is clear that Respondent’s conduct was egregious, and there do not appear to be any mitigating circumstances that would justify a sanction of less than a bar. Consequently, a bar is appropriate and will be imposed.

B. Failure to Respond to NASD Requests for Information

NASD Procedural Rule 8210 authorizes NASD to require any person subject to its jurisdiction to provide information and testimony related to any matter under investigation. The Rule serves as a key element in NASD’s oversight function and allows NASD to carry out its regulatory functions without subpoena power.¹² For failing to respond in any manner to NASD staff requests for information issued pursuant to Procedural Rule 8210, the Sanction Guidelines recommend the imposition of a bar unless mitigating circumstances exist to warrant a lesser

⁹ *Donald M. Bickerstaff*, Exchange Act Rel. No. 35607, 1995 SEC LEXIS 982 (Apr. 17, 1995); *DOE v. Sahai*, No. C9B020032, 2003 NASD Discip. LEXIS 29 at *17 (OHO, June 23, 2003).

¹⁰ NASD Sanction Guidelines at 39 (2006 Ed.).

¹¹ *DOE v. Prout*, CO1990014, 2000 NASD Discip. LEXIS 47, *16 (OHO March 20, 2000).

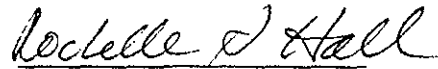
¹² See *Joseph G. Chiulli*, Exchange Act Release No. 42,359, 2000 SEC LEXIS 112, at *16; *DOE v. Benz*, No. C01020014, 2003 NASD Discip. LEXIS 11, at *18 (OHO Mar. 4, 2003), *aff’d*. 2004 NASD Discip. LEXIS 7 (NAC May 11, 2004) (“Because NASD has no subpoena power, timely and full compliance with information requests is essential to NASD’s self-regulatory function.”).

sanction.¹³ Here, there is no evidence of mitigating circumstances that would warrant a lesser sanction. Accordingly, Respondent will be barred for this violation.

VI. Conclusion

Respondent Christopher M. Voelker violated NASD Conduct Rule 2110 by forging a customer's signature on five life insurance applications and Procedural Rule 8210 and Conduct Rule 2110 by failing to respond to NASD requests for information. For each of these violations, he is barred from associating with any NASD member in any capacity. The bars will become effective immediately if this decision becomes NASD's final disciplinary action in this proceeding.

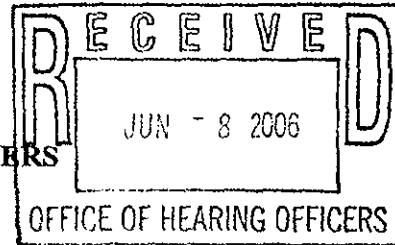
SO ORDERED.


Rochelle S. Hall
Hearing Officer

Copies to: Christopher M. Voelker *(via overnight and first class mail)*
Dale A. Glanzman, Esq. *(electronically and via first class mail)*
Mark A. Koerner, Esq. *(electronically and via first class mail)*
Mark P. Dauer, Esq. *(electronically and via first class mail)*
Rory C. Flynn, Esq. *(electronically and via first class mail)*

¹³ NASD Sanction Guidelines at 35 (2006 Ed.).

**NASD
OFFICE OF HEARING OFFICERS**



DEPARTMENT OF ENFORCEMENT,

Complainant

v.

CHRISTOPHER M. VOELKER
Registered Representative
(CRD No. 4653340)

Respondent

**Disciplinary Proceeding
No. 20050032556**

Hearing Officer

COMPLAINT

Upon information and belief, Complainant alleges as follows:

1. Between January 2005 and November 2005, Christopher M. Voelker ("Respondent") was registered as an Investment Company/Variable Contracts Products Representative with Northwestern Mutual Investment Services, LLC ("Member"), a member of NASD. Respondent therefore is subject to the jurisdiction of NASD, pursuant to Article V, Section 4 of NASD's By-Laws.

**FIRST CAUSE OF COMPLAINT
NASD Conduct Rule 2110
Forgery**

2. On or about July 13, 2004, Respondent forged the signature of J.D. on a life insurance application and submitted the life insurance application to The Northwestern Mutual Life Insurance Company.

3. On or about July 13, 2004, Respondent forged the signature of J.D. on two life

insurance applications for J.D.'s minor children and submitted the life insurance applications to The Northwestern Mutual Life Insurance Company.

4. On or about July 13, 2004, Respondent forged the signature of M.H., another child of J.D., on a life insurance application and submitted the life insurance application to The Northwestern Mutual Life Insurance Company.

5. On or about July 13, 2004, Respondent forged the signature of T.D., the spouse of J.D., on a life insurance application and submitted the life insurance application to The Northwestern Mutual Life Insurance Company.

6. The above acts, practices and conduct constitute a violation of NASD Conduct Rule 2110 by Respondent.

SECOND CAUSE FOR COMPLAINT
NASD Conduct Rule 2110 and NASD Procedural Rule 8210
Failure to Respond to Requests for Information

7. On or about March 23, 2006, NASD staff sent to Respondent a request that he provide certain documents and information, pursuant to and in accordance with the provisions of NASD Procedural Rule 8210. That request for information was sent by first class mail and by certified mail, return receipt requested, to Respondent's last known address, which was also Respondent's address of record as contained in the records of the Central Registration Depository ("CRD address"). The first class mailing was not returned. The receipt for the certified mailing was returned to NASD staff, apparently signed "Beth Voelker."

8. On or about April 11, 2006, NASD staff sent to Respondent a request that he provide certain documents and information, pursuant to and in accordance with the provisions of

NASD Procedural Rule 8210. That request for information was sent by first class mail and by certified mail, return receipt requested, to Respondent's last known address, which was also Respondent's address of record as contained in the records of the Central Registration Depository ("CRD address"). The first class mailing was not returned. The receipt for the certified mailing was returned to NASD staff, apparently signed by Respondent.

9. Respondent has failed to respond to the request for documents and information described in Paragraphs 7 and 8 above to date, and the date for responding to the request has passed.

10. The acts, practices and conduct described above constitute a violation of NASD Conduct Rule 2110 and Procedural Rule 8210 by Respondent.

PRAYER FOR RELIEF

WHEREFORE, Complainant respectfully requests:

- A. Findings of fact and conclusions of law that Respondent committed the violation charged and alleged herein;
- B. An order imposing sanctions upon Respondent in accordance with NASD Rule 8310.
- C. An order imposing such costs of any proceeding as are deemed fair and appropriate under the circumstances in accordance with NASD Rule 8330; and,

D. An order imposing any other fitting sanction.

**NASD DEPARTMENT OF
ENFORCEMENT**

Date: June 6, 2006



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