

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2007008631401**

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REGISTRATION & DISCLOSURE

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

RE: Terry L. Edlen, Respondent
Limited Registered Representative
(CRD No. 4469076)

Pursuant to NASD Rule 9216 of FINRA's Code of Procedure, I, Terry L. Edlen, 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

Terry L. Edlen ("Edlen") entered the securities industry on January 21, 2004, as an Investment Company and Variable Contracts Products Representative of Country Capital Management ("Member"), a member of FINRA. He was registered in such capacity until April 12, 2007. Edlen is not currently registered with another member of FINRA, and has no disciplinary history.

OVERVIEW

Edlen traced a customer's signature on four documents in connection with the purchase of a term life insurance policy and paid the initial premium for the policy, without the customer's knowledge and consent. Edlen's actions violated NASD Conduct Rule 2110.

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FACTS AND VIOLATIVE CONDUCT

1. During all relevant times, KB was a member of the public.
2. On January 18, 2007, KB met Edlen to discuss the purchase of a term life insurance policy. Edlen suggested that KB fill out the application and go through the physical and underwriting process to determine his rating for a life insurance policy. KB signed the completed life insurance application. KB agreed to a face benefit amount of \$350,000 for the insurance policy, which was greater than the amount he desired, so that he would not have to be examined twice if he decided to increase his benefit at a later date.
3. On February 4, 2007, KB received a physical. During the week of February 11, 2007, Edlen reported that KB had received a preferred plus rating from his physical. KB told Edlen that he and his wife wanted to discuss the purchase of life insurance further, and that KB would contact Edlen when a decision was made regarding the purchase of the policy.
4. During the week of February 25, 2007, Edlen was informed that KB and his wife wanted to check a few things before they made a decision about purchasing the life insurance policy. KB's wife asked whether she and KB could have until March 5, 2007 to make their decision about the purchase of the insurance policy. Edlen gave them until March 14, 2007 to decide.
5. On or about February 28, or March 1, 2007, without the knowledge and consent of KB, Edlen completed and traced KB's signature on four documents that were necessary to complete the purchase of the term life insurance policy for KB. The documents that Edlen traced KB's signature on were: an electronic mail message, which stated that KB accepted the life insurance policy and consented to changing the face value of the policy from \$350,000 to \$250,000; a document entitled "Part C - Agreement/Authorization to Obtain and Disclose Information," which was an application to purchase life insurance without consenting to medical testing; a document entitled "Combined Billing Plan Agreement and Automatic Monthly Payment Authorization," which established a combined billing plan for the life insurance policy; and a document entitled "Policy Service Request Form," which changed the face value for the life insurance policy for KB from \$350,000 to \$250,000, and was dated February 28, 2007. On March 1, 2007, Edlen also wrote a check from the Terry Edlen Premium Fund Trust Account for \$24.77, endorsed the check, and sent the documents with KB's forged signature and the

check to Country Life Insurance Company, to purchase a term life insurance policy for KB, without KB's knowledge or consent. Edlen engaged in this conduct in order to increase his production and earn additional commissions. Edlen's conduct constituted a violation of NASD Conduct Rule 2110.

- B. I also consent to the imposition, at a maximum, of the sanction of a bar from association with any member of FINRA in any capacity.

The sanctions imposed herein shall be effective on a date set by NASD staff. Pursuant to NASD IM-8310-3(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

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 Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. 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 NASD Rule 8310 and IM-8310-1.

II.

WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Formal Complaint issued specifying the allegations against me;
- B. To be notified of the Formal 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 prejudgment of the General Counsel, 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 NASD Rule 9143 or the separation of functions prohibitions of NASD 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 NASD 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 response to public inquiries about my disciplinary record;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-3; 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 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 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.

3/22/08

Date

Terry L. Edlen

Terry L. Edlen

Limited Registered Representative

Reviewed by:

Counsel for Respondent

Accepted by FINRA:

04/03/08

Date

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

Richard S. Schultz

Richard S. Schultz

Senior Regional Counsel

FINRA Department of Enforcement

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