

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2007010192201**

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

RE: Alan J. Ganim, Respondent
Limited Registered Representative
(CRD No.1150852)

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Alan J. Ganim, 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

Alan J. Ganim ("Ganim") entered the securities industry on June 19, 1983, as an Investment Company and Variable Contracts Products Representative of a member of FINRA. On October 15, 1993, Ganim became registered in the same capacity with ING Financial Advisers, LLC ("Member"), a member of FINRA. Ganim is currently registered with the Member in the same capacity. Ganim has no history of disciplinary action.

OVERVIEW

From August 20, 1997 to May 3, 2006, a total of thirteen tax liens were issued against Ganim for his failure to pay his federal or state taxes. He failed to disclose the liens on his Form U4 Uniform Application for Securities Industry Registration or Transfer ("Form U4"), until July 27, 2007. Such conduct was a

willful violation of Article V, Section 2 (c) of the FINRA By-Laws, and NASD Conduct Rule 2110.

FACTS

1. On August 20, 1997, Ganim met with his Compliance Supervisor, and reviewed and signed a form entitled "Registered Representative Annual Interview." The Form contained a statement that Ganim understood that he was "required to update and keep current all information on [his] U4 form."
2. On September 22, 1997, a federal tax lien was entered against Ganim for his failure to pay federal income taxes in the amount of \$11,191.46. Even though Ganim learned about the federal tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.
3. On July 20, 1998, Ganim met with his Compliance Supervisor, and completed, reviewed and signed a form entitled "NASD Registered Person 1998 Annual Interview Form." The Form contained the following questions:

Do you understand it is your responsibility to annually review the information on the NASD Form U4? Have you provided information to the Home Office of changes to any questions that were asked of you? These include but are not limited to: change of name, address, and bankruptcy filing?

Ganim checked the box marked "Yes," under the question.

4. On December 2, 1998, a State of Ohio tax lien was entered against Ganim for his failure to pay state income taxes in the amount of \$10,790.22. Even though Ganim learned about the state tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.
5. On April 19, 1999, Ganim met with his Compliance Supervisor, and reviewed and signed a form entitled "NASD Registered Person 1999 Annual Interview Form." The Form contained a question whether Ganim understood that it was his "responsibility to annually review the NASD Form U4?" Ganim checked the box marked "Yes," under the question.
6. On February 10, 2000, a State of Ohio tax lien was entered against Ganim for his failure to pay state income taxes in the amount of \$11,201.01.

Even though Ganim learned about the state tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.

7. On July 11, 2000, Ganim met with his Compliance Supervisor, and reviewed and signed a form entitled "NASD Registered Person 2000 Annual Interview Form." The Form contained the following question:

Have you filed a bankruptcy petition or incurred any judgments or liens?

Ganim checked the box marked "No," next to the question. The Form also contained the question, "If so, have you disclosed the details on Form U4?" Nothing was checked next to that question.

8. On September 10, 2001, Ganim met with his Compliance Supervisor, and reviewed and signed a form entitled "NASD Registered Person 2001 Annual Interview Form." The Form contained the following statement:

I have an ongoing obligation to amend my Form U4 and notify my Compliance Supervisor whenever any of the information contained therein changes (i.e., criminal charges/convictions, regulatory disciplinary actions, civil judicial actions, customer complaints, arbitration, employment termination, changes in address, and financial proceedings such as unsatisfied bankruptcies or judgments/liens.) I understand notice of such changes must be provided via e-mail to P&FS, Workplace (ING) [REDACTED] [REDACTED] or via telephone to [REDACTED]

Ganim checked the line marked "Yes," under the statement, confirming that he understood and confirmed his compliance with the statement.

9. On October 1, 2001, a State of Ohio tax lien was entered against Ganim for his failure to pay state income taxes in the amount of \$7,565.94. Even though Ganim learned about the state tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.
10. On March 20, 2002, a federal tax lien was entered against Ganim for his failure to pay federal income taxes in the amount of \$84,342.58. Even though Ganim learned about the federal tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.
11. On April 8, 2002, a State of Ohio tax lien was entered against Ganim for his failure to pay state income taxes in the amount of \$2,287.53. Even

though Ganim learned about the state tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.

12. On August 30, 2002, Ganim met with his Compliance Supervisor, and reviewed and signed a form entitled "NASD Registered Person 2002 Annual Interview Form." The Form contained the following statement:

I have an ongoing obligation to amend my Form U-4 and notify my Compliance Supervisor whenever any of the information contained therein changes (i.e., criminal charges/convictions, regulatory disciplinary actions, civil judicial actions, customer complaints, arbitration, employment termination, changes in address, and financial proceedings such as unsatisfied bankruptcies or judgments/liens.) I understand notice of such changes must be provided via e-mail to P&FS, Workplace (ING) [REDACTED] or via telephone to [REDACTED]

Ganim checked the line marked "Yes," under the statement, confirming that he understood and confirmed his compliance with the statement.

13. On February 13, 2003, a federal tax lien was entered against Ganim for his failure to pay federal income taxes in the amount of \$10,896.59. Even though Ganim learned about the federal tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.
14. On May 23, 2003, a State of Ohio tax lien was entered against Ganim for his failure to pay state income taxes in the amount of \$7,090.61. Even though Ganim learned about the state tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.
15. On June 4, 2003, Ganim met with his Compliance Supervisor, and reviewed and signed a form entitled "NASD Registered Person 2003 Annual Interview Form." The Form contained the following statement:

I have an ongoing obligation to amend my Form U-4 and notify my Compliance Supervisor whenever any of the information contained therein changes (i.e., criminal charges/convictions, regulatory disciplinary actions, civil judicial actions, customer complaints, arbitration, employment termination, changes in address, and financial proceedings such as unsatisfied bankruptcies or judgments/liens.) I understand notice of such changes must be provided via e-mail to P&FS, Workplace (ING) [REDACTED] or via telephone to [REDACTED]

Ganim checked the line marked "Yes," under the statement, confirming that he understood and confirmed his compliance with the statement.

16. On June 26, 2003, a State of Ohio tax lien was entered against Ganim for his failure to pay state income taxes in the amount of \$3,063.34. Even though Ganim learned about the state tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.
17. On July 14, 2004, Ganim met with his Compliance Supervisor, and reviewed and signed a form entitled "NASD Registered Person 2004 Annual Interview Form." The Form contained the following statement:

I have an ongoing obligation to amend my Form U-4 and notify my Compliance Supervisor whenever any of the information contained therein changes (i.e., criminal charges/convictions, regulatory disciplinary actions, civil judicial actions, customer complaints, arbitration, employment termination, changes in address, and financial proceedings such as unsatisfied bankruptcies or judgments/liens.) I understand notice of such changes must be provided via e-mail to P&FS, Workplace (ING) [REDACTED] or via telephone to [REDACTED]

Ganim checked the line marked "Yes," under the statement, confirming that he understood and confirmed his compliance with the statement.

18. On August 4, 2004, a federal tax lien was entered against Ganim for his failure to pay federal income taxes in the amount of \$10,974.69. Even though Ganim learned about the federal tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.
19. On August 29, 2005, Ganim met with his Compliance Supervisor, and reviewed and signed a form entitled "NASD Registered Person 2004 Annual Interview Form." The Form contained the following statement:

I have an ongoing obligation to amend my Form U-4 and notify my Compliance Supervisor whenever any of the information contained therein changes (i.e., criminal charges/convictions, regulatory disciplinary actions, civil judicial actions, customer complaints, arbitration, employment termination, changes in address, and financial proceedings such as unsatisfied bankruptcies or judgments/liens.) I understand notice of such changes must be

provided via e-mail to P&FS, Workplace (ING) [REDACTED]
[REDACTED] or via telephone to [REDACTED]

Ganim checked the line marked "Yes," under the statement, confirming that he understood and confirmed his compliance with the statement.

20. On November 4, 2005, a State of Ohio tax lien was entered against Ganim for his failure to pay state income taxes in the amount of \$5,404.07. Even though Ganim learned about the state tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.
21. On November 30, 2005, a State of Ohio tax lien was entered against Ganim for his failure to pay state income taxes in the amount of \$1,104.87. Even though Ganim learned about the state tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.
22. On May 3, 2006, a State of Ohio tax lien was entered against Ganim for his failure to pay state income taxes in the amount of \$3,501.88. Even though Ganim learned about the state tax lien shortly thereafter, he willfully failed to disclose it on his Form U4 until July 27, 2007.
23. On September 28, 2006, Ganim completed a form entitled "2006 Annual Interview Form." The Form contained the following statement:

I have an ongoing obligation to amend my Form U-4 and notify my Compliance Supervisor whenever any of the information contained therein changes (i.e., criminal charges/convictions, regulatory disciplinary actions, civil judicial actions, customer complaints, arbitration, employment termination, changes in address, and financial proceedings such as unsatisfied bankruptcies or judgments/liens.) I understand notice of such changes must be provided via e-mail to P&FS, Workplace (ING) [REDACTED]
[REDACTED] or via telephone to [REDACTED] ext. 3).

Ganim typed on the Form "Yes, I agree." under the statement, confirming that he understood and confirmed his compliance with the statement.

24. Since Ganim was aware of the fact that there were thirteen unsatisfied tax liens entered against him, he was required to amend his Form U4 to disclose those tax liens. He failed to promptly inform the Member about

the tax liens until July 27, 2007, long after the time allowed to disclose the tax liens had passed.

VIOLATIVE CONDUCT BY RESPONDENT

Ganim's failure to disclose the 13 Federal and State tax liens on his Form U4 over a period of up to 10 years was a willful failure to amend his Form U4 to disclose the material facts and a violation of Article V, Section 2 (c) of the FINRA By-Laws, and NASD Conduct Rule 2110.

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

Respondent has submitted a sworn financial statement and demonstrated an inability to pay. In light of the financial status of Respondent, no monetary sanctions have been imposed.

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 FINRA Rules 8310 and 8311).

The sanctions imposed herein shall be effective on a date set by FINRA staff.

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 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 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 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 right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

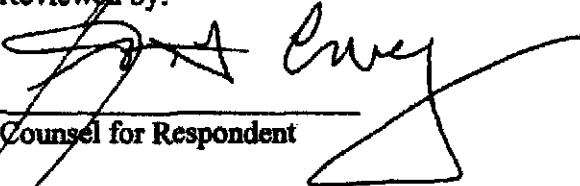
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.
- E. I understand that this settlement includes a finding that, from about October 1997 to July 2007, I willfully failed to disclose material facts on a Form U4, and that under Section 15(b)(4)(A) of the Securities Exchange Act of 1934 and Article III, Section 4 of the FINRA By-Laws, this nondisclosure makes me subject to a statutory disqualification with respect to association with a member.

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.

January 20, 2009
Date


Alan J. Ganim
Limited Registered Representative

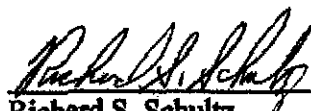
Reviewed by:


Counsel for Respondent

Accepted by FINRA:

March 4/2009
Date

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


Richard S. Schultz
Senior Regional Counsel
FINRA Department of Enforcement
55 West Monroe Street, Suite 2700
Chicago, Illinois 60603-5052
(312)899-4334