

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

Donald Edward Roughan,
CRD No. 2246466,

Respondent.

Disciplinary Proceeding
No. 2007011816801

Hearing Officer: AHP

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: February 28, 2013

INTRODUCTION

Disciplinary Proceeding No. 2007011816801 was filed on June 23, 2010, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Donald Edward Roughan submitted an Offer of Settlement (Offer) to Complainant dated February 13, 2013. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint, 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, to the entry of

findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanction set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

1. Donald Edward Roughan entered the securities industry in May 1992 as an associated person of Ameriprise Financial Services, Inc., aka IDS Financial Services, Inc. ("the Firm") and another FINRA member firm. From on or about July 30, 1992, until on or about May 31, 2007, he was registered through the Firm as a General Securities Representative.
2. On or about May 31, 2007, the Firm filed a Form U5 on behalf of Respondent Roughan. The Form U5 disclosed that Respondent Roughan had voluntarily terminated his registration on May 24, 2007.
3. On or about April 30, 2009, within two years after the original Form U5 was filed, the Firm filed an Amended Form U5 on behalf of Respondent Roughan. The Amended Form U5 disclosed that the Firm had received a complaint against Respondent Roughan from customer GR, who stated that the signatures on two account applications were not authentic.
4. Respondent Roughan is not currently registered or associated with any member firm; however, pursuant to Article V, Section 4 of the FINRA By-Laws, FINRA retains jurisdiction over him for purposes of this disciplinary proceeding.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

5. In or about December 2007, FINRA initiated an investigation concerning alleged violations by Respondent Roughan. The investigation focused on whether Respondent Roughan had affixed customer signatures to documents, or had caused them to be affixed, without the customers' knowledge or authorization; whether he had effected unauthorized securities transactions; and whether he had made unsuitable recommendations to customers. In connection with that investigation, FINRA staff requested information from Respondent Roughan.
6. On or about January 8, 2008, the FINRA staff received a letter from the law firm of T&ALLP indicating that the firm represented Respondent Roughan. T&ALLP's mailing address is 2777 Jefferson Street, Suite 203, Carlsbad, CA 92008 ("the Attorneys' Address"). T&ALLP continued to represent Respondent Roughan until the date of the Complaint.

First Request for Information

7. On February 27, 2009, FINRA staff sent a request for information pursuant to FINRA Rule 8210 relating to the subject matter of the FINRA investigation, via U.S. Postal Service first class mail and certified mail, return receipt requested, to Respondent Roughan, in care of T&ALLP at the Attorneys' Address. The letter requested a response no later than March 27, 2009.
8. The envelope sent to the Attorneys' Address via first class mail on February 27, 2009, was not returned by the U.S. Postal Service. FINRA staff received confirmation from

the U.S. Postal Service, through its website, that the envelope sent to the Attorneys' Address via certified mail on February 27, 2009, was delivered to the Attorneys' Address on March 2, 2009.

9. On or about March 25, 2009, FINRA staff received a letter from NA, one of the attorneys in the law firm of T&ALLP, on behalf of Respondent Roughan, requesting an extension of time to respond to the staff's request for information. The letter shows that T&ALLP had received the staff's request for information on behalf of Respondent Roughan. In a telephone conversation, the staff agreed to extend the time for Respondent Roughan's response to April 27, 2009.
10. On or about April 27, 2009, FINRA staff received another letter from NA on behalf of Respondent Roughan, stating that Respondent Roughan would need at least another 45 days to respond to the staff's request for information as a result of his military duties. In a letter to NA dated June 11, 2009, the staff agreed to further extend the time for Respondent Roughan's response to July 23, 2009.
11. On or about July 23, 2009, FINRA staff received another letter from NA on behalf of Respondent Roughan, stating that Respondent Roughan, due to his service in the U.S. Army and compulsory mobilization Orders, had not been able to respond to the staff's request for information.
12. Respondent Roughan did not provide any of the information requested in the staff's first request for information.

Second Request for Information

13. On July 29, 2009, FINRA staff sent a second request for information pursuant to FINRA Rule 8210 relating to the subject matter of the FINRA investigation, via U.S. Postal Service first class mail and certified mail, return receipt requested, to Respondent Roughan, in care of T&ALLP at the Attorneys' Address. The second request letter requested a response no later than August 12, 2009.
14. The envelope sent to the Attorneys' Address via first class mail on July 29, 2009, was not returned by the U.S. Postal Service. For the envelope sent to the Attorneys' Address via certified mail on July 29, 2009, FINRA staff received a domestic return receipt, bearing the signature of LP.
15. On or about August 12, 2009, FINRA staff received a letter from NA on behalf of Respondent Roughan, stating that Respondent Roughan was under military mobilization Orders from the United States Army and would not be able to respond to the staff's requests for information until his Orders changed and he was released from his duties. The letter shows that T&ALLP had received the staff's second request for information on behalf of Respondent Roughan. The staff did not agree to any additional extensions of time for Respondent Roughan to respond to its requests for information.
16. Respondent Roughan did not provide any of the information requested in the staff's second request for information.
17. To date, FINRA has not received any further response from Respondent Roughan to the foregoing requests for information.

Based on the foregoing, Respondent violated FINRA Rules 8210 and 2010.

Based on these considerations, the sanction hereby imposed by the acceptance of the Offer is in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

It is ordered that Respondent be barred from associating with any FINRA member firm in any capacity.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA

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



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