

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2008013648002**

**To: Department of Enforcement
Financial Industry Regulatory Authority (FINRA)**

**Re: Ameriprise Financial Services, Inc.
CRD No. 6363**

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Ameriprise Financial Services, Inc. submits 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 Ameriprise alleging violations based on the same factual findings described herein.

I. ACCEPTANCE AND CONSENT

- A. Ameriprise hereby accepts and consents, 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

Ameriprise has been a FINRA broker-dealer since November 1972. Ameriprise conducts a general securities business from its main office in Minneapolis, Minnesota.

Relevant Disciplinary History

Ameriprise has not been the subject of any FINRA disciplinary actions that are relevant to this matter.

Overview

Ameriprise failed to establish, maintain and enforce a supervisory system that was reasonably designed to detect and prevent misconduct by one of its brokers, thereby violating NASD Conduct Rules 3010 and 2110.

Facts and Violative Conduct

1. From January 2003 through October 2007, William Ray Collins, Jr., a broker registered with Ameriprise, forged signatures of ten customers on 34 documents that he submitted to Ameriprise for

000065093 2011

processing. These forgeries occurred on various financial documents, including cash distribution forms, mutual fund redemption forms, financial advisory service agreements, authorizations for release of health of information, variable life insurance illustrations, life and disability income insurance applications, and bank authorization forms. In addition, in May 2005, Collins agreed to pay certain fees for two customers without alerting Ameriprise in order to avoid complaints from these customers. Collins agreed to be barred from associating with any FINRA firms for this misconduct. *See* AWC No. 2008013648001 (July 2010).

2. An Ameriprise surveillance analyst became aware of potential forgeries by Collins in December 2005. However, the analyst failed to follow up with a timely investigation, and Ameriprise's supervisory system did not ensure that a timely investigation was conducted.
3. By March 2008, Ameriprise had implemented a new set of procedures for its surveillance department. Through these procedures, Ameriprise discovered that the investigation of Collins had not been completed. Ameriprise promptly reassigned the matter to other surveillance personnel.
4. Ameriprise completed its investigation of Collins in April 2008, nearly two and a half years after it first opened the investigation. Ameriprise found ample evidence of repeated forgeries by Collins and terminated Collins' employment.
5. Through its conduct described above, Ameriprise failed to establish, maintain and enforce a supervisory system that was reasonably designed to detect and prevent misconduct by one of its brokers, in violation of NASD Conduct Rules 3010 and 2110.

B. Ameriprise also consents to the imposition of the following sanctions:

1. A censure; and
2. A fine of \$50,000.

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

Ameriprise agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. Ameriprise has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

Ameriprise specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

II. WAIVER OF PROCEDURAL RIGHTS

Ameriprise specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against Ameriprise;
- 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, Ameriprise specifically and voluntarily waives 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.

Ameriprise further specifically and voluntarily waives 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

Ameriprise understands 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 Ameriprise; and
- C. If accepted:
 - 1. this AWC will become part of Ameriprise's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Ameriprise;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Ameriprise's 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. Ameriprise 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. Ameriprise 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 Ameriprise's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Ameriprise may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Ameriprise understands that it 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.

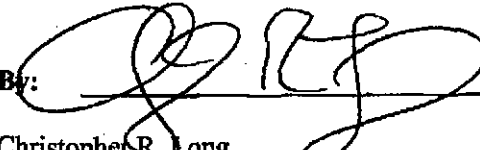
The undersigned, on behalf of Ameriprise, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Ameriprise has agreed to its provisions voluntarily;

Letter of Acceptance, Waiver and Consent No. 2008013648002
Ameriprise Financial Services, Inc.
Page 5

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 Ameriprise to submit it.

AMERIPRISE FINANCIAL SERVICES, INC.

2-11-11
Date

By: 

Christopher R. Long
Vice President and Group Counsel
Regulatory Affairs
Ameriprise Financial, Inc.
5221 Ameriprise Financial Center, H27/5221
Minneapolis, MN 55474
612-671-6362

Reviewed by:


Counsel for Ameriprise

Accepted by FINRA:

4-4-11
Date

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


James M. Stephens
Senior Regional Counsel
FINRA Department of Enforcement
120 West 12th Street, Suite 800
Kansas City, MO 64105
Telephone: (816) 802-4710
Facsimile: (816) 421-4519
Email: james.stephens@finra.org