

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20080157319**

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

RE: Andrew Ackerlund, Respondent
Former Registered Representative
CRD No. 2201801

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent 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 Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent 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

Andrew Ackerlund ("Ackerlund") entered the securities industry in 1991. From December 1991 to June 2002, he was employed as a registered representative at AAL Capital Management Corporation ("AAL Capital Management") in Hillsboro, Oregon. In or about July 2002, AAL Capital Management merged with Lutheran Brotherhood Securities Corp. to form Thrivent Investment Management Inc. ("Thrivent" or the "Firm"). In December 2008, Ackerlund was involuntarily terminated from his employment with the Firm as a result of the conduct discussed herein.

Ackerlund is not currently associated with a FINRA-registered firm and has not been associated with a FINRA-registered firm since December 16, 2008. Accordingly, FINRA retains jurisdiction over Ackerlund pursuant to Article V, Section 4(a) of the FINRA By-Laws until December 15, 2010.

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FACTS AND VIOLATIVE CONDUCT

Summary

In October 2008, Ackerlund entered mutual fund exchanges for 53 customers between positions the customers held in several mutual funds within a Thrivent family of funds and a money market fund contained within that same family of funds. The customers ranged in age from their thirties to their eighties. Ackerlund entered 84 exchanges for these 53 customers in October 2008. As the exchanges were within the same fund family, Ackerlund did not earn any compensation from the exchanges that he placed during October 2008, nor did the customers pay an exchange fee. Ackerlund engaging in discretionary trading without prior written customer authorization and without acceptance of the arrangement by the Firm in violation of NASD Rule 2510(b) and NASD Rule 2110 when he entered the exchanges for 51 of the customers. Ackerlund engaged in unauthorized trading in violation of NASD Rule 2110 and IM-2310-2 when he entered exchanges for the two other customers.

Discretionary Trades

On October 8, 2008 and October 9, 2008, Ackerlund entered 80 mutual fund exchanges in the accounts of 51 customers. These trades moved the customers from positions they held in several mutual funds within a Thrivent family of funds to the money market fund contained within that same family of funds and were in amounts ranging from \$1,613 to \$176,767. Ackerlund did not have written authorization from these 51 customers to exercise discretion in their accounts prior to entering these specific trades. However, Ackerlund did have a verbal arrangement with the 51 customers that he could enter trades in their accounts, without receiving prior express authorization from the customer for the specific trade, based on contemporaneous market conditions. Ackerlund decided to enter these mutual fund exchanges without express authorization from the customers because he was concerned about market volatility at the time. In addition, the Firm did not approve Ackerlund's discretionary arrangement with these 51 customers. In fact, the Firm's written supervisory procedures specifically prohibited registered representatives from exercising discretion in customer accounts, regardless of whether such an arrangement was in writing.

NASD Rule 2510(b) provides that "[n]o member or registered representative shall exercise any discretionary power in a customer's account unless such customer has given prior written authorization to a stated individual or individuals and the account has been accepted by the member, as evidenced in writing by the member or the partner, officer or manager, duly designated by the member, in accordance with Rule 3010."

Moreover, NASD Rule 2110 requires members and associated persons to "observe high standards of commercial honor and just and equitable principles of trade."

Accordingly, Ackerlund engaging in discretionary trading without prior written customer authorization and without acceptance of the arrangement by the Firm in the accounts of 51 customers of his firm in violation of NASD Rule 2510(b) and NASD Rule 2110.

Unauthorized Trades

In addition, during October 2008, Ackerlund entered four mutual fund exchanges in the account of two customers, specifically LR and MB. On October 8, 2008, Ackerlund transferred LR's position in the Moderately Aggressive Allocation Fund, totaling \$43,955, to the fund family's money market fund. Ackerlund did not have authorization from LR to transfer this position prior to doing so. On October 8, 2008, Ackerlund transferred MB's position in the Aggressive Allocation Fund, totaling \$50,435, to the fund family's money market fund. Thereafter, on October 17, 2008, Ackerlund transferred MB's assets in the money market fund equally to the fund family's Moderately Aggressive Allocation Fund and the Large Cap Value Fund. Ackerlund did not have authorization from MB to enter these exchanges prior to doing so. Moreover, Ackerlund did not have written or verbal authorization to exercise discretion in either LR's account or MB's account. LR and MB complained to the Firm in writing that the trades made in their accounts were not authorized.

IM-2310-2(a)(1) states that "[i]mplicit in all member and registered representative relationships with customers and others is the fundamental responsibility for fair dealing," and (b)(4)(iii) states, in relevant part, that it is a violation of fair dealing to cause "the execution of transactions which are unauthorized by customers."

Accordingly, Ackerlund engaged in unauthorized trading in the accounts of two customers of his firm in violation of NASD Rule 2110 and IM-2310-2.

B. Respondent consents to the imposition of the following sanctions:

A suspension in all capacities from association with any FINRA firm for eight months and a fine in the amount of \$10,000.

Respondent understands that if he is barred or suspended from associating with any FINRA member, he becomes 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, Respondent 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 fine shall be due and payable either immediately upon reassociation with a member firm following the eight month suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

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

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

II.

WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Complaint issued specifying the allegations against him;
- 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, Respondent 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.

Respondent 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

Respondent 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 Respondent; and

C. If accepted:

1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against him;
2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Respondent'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. Respondent 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. Respondent 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 Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

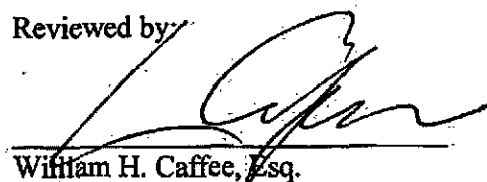
- D. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that he may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that he has 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 Respondent to submit it.

12-1-2010
Date


Andrew Ackerslund
Respondent

Reviewed by:

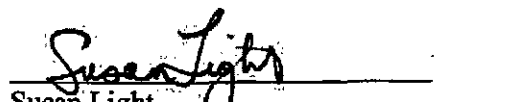


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Counsel for Respondent

Accepted by FINRA:

12/7/10
Date

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



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