

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20090180934-02**

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

RE: Joey James Warmenhoven, Respondent
General Securities Representative
Equity Trader Limited Representative
Operations Professional
CRD No. 2749033

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Joey James Warmenhoven ("Warmenhoven") 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

Warmenhoven was registered with three FINRA member firms as a General Securities Representative from July 6, 1996 through August 20, 2007. He was registered as an Equity Trader Limited Representative with one member firm from February 8, 2001 through August 20, 2007. Warmenhoven started at McAdams Wright Ragen, Inc. ("McAdams"), his employer during all times relevant to the violations described below, in August 2007. He renewed his registrations as a General Securities Representative and as an Equity Trader Limited Representative through McAdams on August 15, 2007 and also became registered as an Operations Professional on October 20, 2011. Warmenhoven remains employed at McAdams and all three of his registrations remain in effect.

DISCIPLINARY HISTORY

Warmenhoven has no disciplinary history.

SUMMARY

This AWC concerns matters arising out of a review by the Trading Analysis Team of FINRA's Department of Market Regulation (the "staff") of the markups and markdowns charged by Warmenhoven to institutional customers during October 2008 (the "Review Period"). In the course of the review, the staff discovered books and records and short sales deficiencies, which are described below.

FACTS AND VIOLATIVE CONDUCT

1. During the Review Period, Warmenhoven entered trade tickets and other information into McAdams' systems for trades he executed with institutional customers. In the course of entering the orders, Warmenhoven: (1) failed to show the correct time of execution on the memorandum of 17 brokerage orders; (2) failed to show the correct order receipt time on the memorandum of 17 brokerage orders; and (3) incorrectly marked 11 orders as solicited when they were in fact unsolicited. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 3110.
2. During the Review Period, Warmenhoven executed 22 short sale transactions and failed to report each of these transactions to the FINRA/Nasdaq Trade Reporting Facility with a short sale modifier. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 6130.

B. I also consent to the imposition of the following sanctions:

A censure and a fine in the amount of \$20,000 (consisting of \$10,000 for violations of NASD Rule 3110 and \$10,000 for violations of NASD Rule 6130).

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

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

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 Complaint issued specifying the allegations against me;

- 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, 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: (i) testimonial obligations; or (ii) 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.

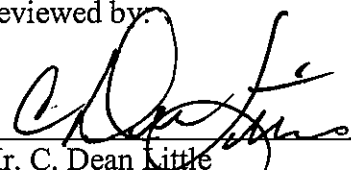
I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

4/23/13
Date

Respondent


Joey James Warmenhoven

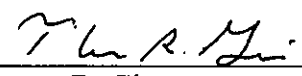
Reviewed by:


Mr. C. Dean Little
Counsel for Respondent
Blank Law & Technology, PS
157 Yesler Way
Third Floor
Seattle, Washington 98104
(206) 415-0156

Accepted by FINRA:

6/14/13
Date

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


Thomas R. Gira
Executive Vice President
Department of Market Regulation