

**FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA)
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20090207970**

RECEIVED
OCT 24 2011

FINRA District 4

**To: Department of Enforcement
FINRA**

**Re: James Donald Briggs
Investment Company and Variable Contracts Products Representative
CRD No. 2877401
and
Eileen Rose Briggs
Investment Company and Variable Contracts Products Representative
CRD No. 2685545**

Pursuant to FINRA Rule 9216 of FINRA Code of Procedure, we, James Donald Briggs and Eileen Rose Briggs, 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 us alleging violations based on the same factual findings described herein.

I. ACCEPTANCE AND CONSENT

- A. We 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

James Briggs entered the securities industry in April 1997. From June 1, 2004 through April 30, 2007, he was associated with FINRA broker-dealer EquiTrust Marketing Services, Inc. and was registered with FINRA as an investment company and variable contracts products representative. From June 15, 2007 through November 19, 2009, James Briggs was associated with another FINRA broker-dealer and was registered as an investment company and variable contracts products representative.

James Briggs is not currently associated with any FINRA broker-dealer. However, he remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws.

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Eileen Briggs entered the securities industry in June 1996. From April 20, 2007 through November 10, 2009, she was associated with FINRA broker-dealer Northwestern Mutual Investment Services, LLC and was registered with FINRA as an investment company and variable contracts products representative.

Eileen Briggs is not currently associated with any FINRA broker-dealer. However, she remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws.

Relevant Disciplinary History

James Briggs and Eileen Briggs have not been the subject of prior formal disciplinary action by FINRA.

Overview

James Briggs and Eileen Briggs borrowed money from a customer on two separate occasions, thereby violating NASD Conduct Rules 2370 and 2110 and FINRA Rule 2010.

Facts and Violative Conduct

**Borrowing from a Customer - James Briggs
NASD Conduct Rules 2370 and 2110**

1. On November 23, 2005, J.W. made a check payable from her checking account to Household Finance in the amount of \$15,180.29. This payment was applied to James and Eileen Briggs' mortgage at Household Finance.
2. James Briggs knew about and approved J.W. making this payment to Household Finance for the Briggs' benefit. This payment was a loan to James and Eileen Briggs, as they intended to repay this money to J.W.
3. At that time, James Briggs serviced J.W.'s securities account at EquiTrust.
4. EquiTrust had policies and procedures that generally prohibited lending arrangements between EquiTrust representatives and

customers with certain exceptions. Those exceptions do not apply to this loan between J.W. and the Briggs. Moreover, EquiTrust required that a representative receive pre-approval for any lending arrangement between the representative and an EquiTrust customer.

5. James Briggs did not notify EquiTrust of the loan from J.W. and did not obtain approval to receive the loan.
6. The Briggs have not repaid this loan from J.W.
7. Through this conduct, James Briggs violated NASD Conduct Rules 2370 and 2110.

**Borrowing from a Customer - Eileen Briggs
NASD Conduct Rule 2370 and FINRA Rule 2010**

8. On March 1, 2009, J.W. made a check payable from her checking account to HFC in the amount of \$40,000. This payment was applied to James and Eileen Briggs' mortgage at Household Finance.
9. Eileen Briggs knew about and approved J.W. making this payment to Household Finance for the Briggs' benefit. This payment was a loan to James and Eileen Briggs, as they intended to repay this money to J.W.
10. At that time, Eileen Briggs serviced J.W.'s securities account at Northwestern Mutual.
11. Northwestern Mutual had policies and procedures that generally prohibited lending arrangements between Northwestern Mutual representatives and customers, with certain exceptions. Those exceptions do not apply to the loan between J.W. and the Briggs. Moreover, Northwestern Mutual required that a representative receive pre-approval for any lending arrangement between the representative and a Northwestern Mutual customer.
12. Eileen Briggs did not notify Northwestern Mutual of the loan from J.W. and did not obtain approval to receive the loan.

13. The Briggs have not repaid this loan from J.W.
14. Through this conduct, Eileen Briggs violated NASD Conduct Rule 2370 and FINRA Rule 2010.

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

1. a three-month suspension of James Briggs from association with any FINRA broker-dealer in any capacity; and
2. a three-month suspension of Eileen Briggs from association with any FINRA broker-dealer in any capacity.¹

If we are barred or suspended from associating with any FINRA member, we become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, we may not be associated with any FINRA broker-dealer 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

We 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 us;
- 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

¹ No monetary sanction has been imposed in this matter due to the Briggs' inability to pay. The Briggs filed for Chapter 7 bankruptcy in the U.S. Bankruptcy Court for the District of Arizona on September 21, 2011.

- 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, we specifically and voluntarily waive any right to claim bias or prejudice 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.

We 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

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

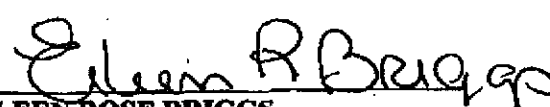
- D. We may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. We understand that we may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute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

We certify that we have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that we 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 us to submit it.

Date

10/14/2011


JAMES DONALD BRIGGS


EILEEN ROSE BRIGGS

Reviewed by:

**Counsel for James Donald Briggs
and Eileen Rose Briggs**

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James Donald Briggs and Eileen Rose Briggs
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Accepted by FINRA:

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

11-3-11
Date


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