

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012034064801**

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

RE: Benjamin James Walstrom, Respondent
Former Investment Company and Variable Contracts Products Representative
CRD No. 5537305

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

Walstrom entered the securities industry in September 2007 when he became associated with Mutual of Omaha Investor Services, Inc. ("MOIS" or the Firm"), a FINRA-regulated entity, and was approved as an Investment Company and Variable Contracts Products Representative in March 2009. He remained associated with MOIS until September 2012, when he voluntarily resigned. Between October 10, 2012 and March 13, 2013, Walstrom was associated with two other FINRA-regulated firms in a registered capacity. Walstrom is not currently employed in the securities industry. Therefore, pursuant to Article V, Section 4 of the FINRA by-laws, FINRA retains jurisdiction over Walstrom until at least March 12, 2015.

RELEVANT DISCIPLINARY HISTORY

Walstrom has no relevant disciplinary history.

OVERVIEW

On March 19, 2010, Walstrom was charged in Nebraska with a felony count of Driving While Intoxicated ("DWI"). On January 27, 2011, Walstrom pled no contest to one felony count of DWI. Walstrom failed to timely amend his Uniform Application for Securities Industry Registration or Transfer ("Form U4") to reflect that he had been charged with a felony and pled no contest to a felony. Accordingly, Walstrom violated Article V, Section 2(c) of the FINRA By-Laws, and FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

Relevant Rules

FINRA By-Laws, Article V, Section 2(c) requires that registered representatives ensure that their applications for registration remain current. Further, a registered representative's application for registration is required to be updated within 30 days of a registered representative learning of the facts or circumstances giving rise to the amendment. FINRA Rule 1122 states that "no member or person associated with a member shall file with FINRA information with respect to membership or registration which is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead, or fail to correct such filing after notice thereof."

FINRA Rule 2010 states that a "member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade."

Background

On or about May 23, 2008, Walstrom signed and submitted an initial Form U4 for registration with MOIS. At that time, Walstrom responded "NO" to criminal disclosure Question 14A(1)(b), which asks, "Have you ever been *charged* with any *felony*?" (emphasis in original). Walstrom also responded "NO" to Question 14A(1)(a) which asks, "Have you ever been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign or military court to any *felony*?" (emphasis in original). Walstrom's responses to these criminal disclosure questions were accurate, as he had not yet been charged with, pled no contest or convicted of a felony. Walstrom placed his signature on the Form U4 attesting to the completeness and accuracy of the document. The attestation paragraphs included the following:

I understand and certify that the representations in this form apply to all employers with whom I seek registration . . . I agree to update this form by causing an amendment to be filed on a timely basis whenever changes occur to answers previously reported.

Further, I represent that, to the extent any information previously submitted is not amended, the information provided in this form is currently accurate and complete.

Failures to Disclose Felony Charge and Conviction

On March 19, 2010, Walstrom was charged in Douglas County, Nebraska with one felony count of DWI in violation of Section 60-6,196 of the Nebraska Revised Statute ("NRS §60-6,196") (the "DWI Charge"). For a period of approximately 20 months, from March 19, 2010 to January 13, 2012, Walstrom allowed his Form U4 to contain a false response to criminal disclosure Question 14A(1)(b). Walstrom should have amended his Form U4 to include a "YES" response to Question 14A(1)(b) within 30 days of March 19, 2010 to reflect his felony charge, but failed to timely do so. Accordingly, Walstrom violated Article V, Section 2(c) of the FINRA By-Laws, and FINRA Rules 1122 and 2010.

On January 27, 2011, Walstrom pled no contest in Douglas County, Nebraska to the DWI Charge. For a period of approximately 12 months, from January 27, 2011 to January 13, 2012, Walstrom allowed his Form U4 to contain a false response to Question 14A(1)(a). Walstrom should have amended his Form U4 to include a "YES" response to Question 14A(1)(a) within 30 days of January 27, 2011 to reflect that he pled no contest to a felony, but failed to timely do so. Accordingly, Walstrom violated Article V, Section 2(c) of the FINRA By-Laws, and FINRA Rules 1122 and 2010.

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

- a six-month suspension from association with any FINRA member in any capacity; and
- a \$5,000 fine.

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.

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

I understand that if I am barred or suspended from associating with any FINRA member, I 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, I 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 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 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.

10-2-2013
Date

Benjamin J. Walstrom
Benjamin James Walstrom, Respondent

Accepted by FINRA:

10.7.13
Date

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

R. R. Best

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