

FILED 2014 NOV 13 PM 3:00

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013035893601**

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

RE: Brian James Eslinger, Respondent
Investment Company Products/Variable Contracts Representative
CRD No. 5889918

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I 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

Brian James Eslinger ("Eslinger") entered the securities industry in February 2011, when he became registered with Farmers Financial Solutions, LLC ("FFS"). At the time of his association with FFS, he was also an independent contractor of FFS's affiliate, FIG, where he had worked as an insurance agent since September 2009.

On February 8, 2013, FFS filed a Uniform Termination Notice for Securities Industry Registration, disclosing that it allowed Eslinger to voluntarily terminate his association with FFS on February 1, 2013. While Eslinger is not currently associated with a FINRA member, he remains subject to FINRA's jurisdiction until February 1, 2015 pursuant to Article V, Section 4 of the FINRA By-Laws.

RELEVANT DISCIPLINARY HISTORY

Eslinger does not have any relevant disciplinary history.

OVERVIEW

In June 2012, while registered with FFS and contracted with its affiliate FIG, Eslinger cheated on a Life Underwriter Training Council ("LUTC") examination by allowing the moderator of the course to take the examination on his behalf. Eslinger also falsely stated on a proctor affirmation that he completed his LUTC examination without assistance. Eslinger then submitted the false affirmation to the Wisconsin Office of the Commissioner of Insurance to obtain unearned state insurance continuing education credits.

FACTS AND VIOLATIVE CONDUCT

1. The LUTC Courses and Examinations

The Life Underwriter Training Council Fellowship ("LUTCF") is a designation conferred jointly by AB and CD. At all times relevant to this matter, an individual could obtain the LUTCF designation by successfully completing six LUTC courses and satisfying certain other requirements. To successfully complete an LUTC course, a student had to pass a final examination with a score of 70% or greater. The LUTC program courses were designed for insurance professionals and taught product knowledge, marketing and sales, customer service and ethics. Neither the LUTC courses nor the LUTCF designation are required to sell any specific insurance or securities products.

In 2012, each online LUTC course was administered by a moderator via the Blackboard Learning System ("Blackboard"), a learning management system that allowed students to access a virtual learning environment. MZ, who was FGI's Life and Financial Services Specialist in Wisconsin, moderated the LUTC courses offered to FGI and FFS employees and contractors in Wisconsin and scheduled the final examinations.

AB required that students designate a proctor for their final examination. After the student designated a proctor, AB sent an email to the designated proctor containing the proctor's user identification and a password, which would be used to log into the examination. At the conclusion of the examination, a student had to complete a proctored examination affirmation ("Proctor Affirmation"), attesting that he or she completed the examination independently.

To take an LUTC examination, the student had to log into the Blackboard system and then separately log into the examination. A student would log into the Blackboard system using their login user identification and password. The designated proctor would then log the student into the examination using the proctor's user identification and password.

2. Obtaining Continuing Education Credit for LUTC Courses

Insurance agents could obtain state insurance continuing education credit for successfully completing a LUTC examination. To obtain continuing education credit in the state of Wisconsin, the examinations had to be administered by a disinterested party and the student had to submit a Proctor Affirmation to AB, who then reported the student's continuing education credits to the Wisconsin Office of the Commissioner of Insurance.

3. Eslinger Allowed MZ to Take an Examination for Him

On April 2, 2012, Eslinger took an examination for an LUTC course. A training and administrative assistant, DP, acted as his proctor for the examination. MZ was not present during the examination. Eslinger failed the examination.

Eslinger decided to retake his LUTC examination and consulted with MZ on how to do that. MZ told him to contact AB to schedule the examination and to register DP as his proctor. MZ also instructed Eslinger to call him on the day of his examination prior to starting the examination.

Eslinger was scheduled to retake the examination in his office on June 14, 2012, with DP acting as his proctor. The morning of June 14, Eslinger logged into the Blackboard system to begin the process of accessing the examination. Before Eslinger logged into the examination, DP emailed the proctor user identification and password for Eslinger's examination to MZ. Eslinger then called MZ, who instructed Eslinger to provide him with his Blackboard login user identification and password and to log off of his Blackboard account. Eslinger logged off of Blackboard without accessing the examination and sent MZ his login information. MZ then logged into the examination as Eslinger and took the examination for him. After completing the examination, MZ called Eslinger and told him that he had passed his examination.

By allowing MZ to take the examination for him, Eslinger violated FINRA Rule 2010.

4. Eslinger Made a False Attestation on the Proctor Affirmation

After learning from MZ that he had passed the examination, Eslinger presented DP with a Proctor Affirmation, which they both signed. By signing the Proctor Affirmation, Eslinger attested that he completed the examination independently. This statement was false because MZ – not Eslinger – had taken the examination. Eslinger received insurance continuing education credits for Wisconsin for this LUTC course.

By making a false attestation on the Proctor Affirmation, Eslinger violated FINRA Rule 2010.

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

- A two-month suspension from association with any FINRA member firm in all capacities; and
- a \$10,000 fine.

I understand that if I am 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 fine shall be due and payable either immediately upon reassociation with a member firm following the two-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.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

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 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.

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:

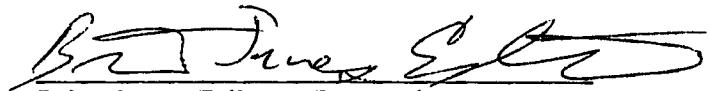
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will 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 [the Firm] to submit it.

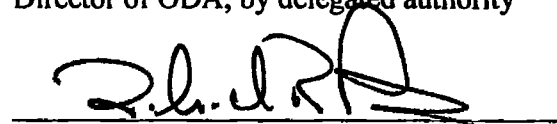
1/6/2014
Date


Brian James Eslinger, Respondent

Accepted by FINRA:

1.15.14
Date

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


Richard R. Best, Chief Counsel
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