

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013038033601**

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

RE: David den Boer, Respondent
General Securities Principal
CRD No. 1348962

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

David den Boer was first registered with FINRA in October 1999. While registered with FINRA, he obtained Series 7, 24, and 66 licenses. He was associated with VALIC Financial Advisors, Inc. ("VFA") for 14 years from September 15, 1999 through October 16, 2013. During his tenure at VFA, den Boer served as Chief Compliance Officer. On October 16, 2013, VFA filed a Form U5 terminating den Boer's association with the firm. Although den Boer is not currently associated with a FINRA member firm or registered with FINRA, he is subject to the jurisdiction of FINRA, pursuant to Article V, Section 4 of FINRA's By-Laws, which provides for a two-year period of retained jurisdiction over formerly registered persons.

RELEVANT DISCIPLINARY HISTORY

den Boer has no disciplinary history.

OVERVIEW

From October 2011 through October 2013 (“Relevant Period”), den Boer failed to reasonably supervise the firm’s customer complaint reporting processes with respect to ensuring the accuracy of complaint reporting in violation of NASD Rule 3010(a) and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

NASD Rule 3010(a) requires, among other things, that “each member shall establish and maintain a system to supervise the activities of each registered representative, registered principal and other associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable NASD rules.” FINRA Rule 2010 requires members and associated persons to observe high standards of commercial honor and just and equitable principles of trade in the conduct of their business.

During the Relevant Period, den Boer was VFA’s CCO and was designated in the firm’s written supervisory procedures (“WSP”) as the principal responsible for supervising the firm’s process for reporting customer complaints in compliance with FINRA Rule 4530. den Boer failed to ensure that VFA established, maintained and enforced a reasonably designed compliance reporting system relating to the accuracy of customer complaint reporting. As a result, during the Relevant Period, the firm failed to accurately report certain customer complaints, including reporting complaints that should not have been reported pursuant to FINRA Rule 4530. While den Boer delegated certain of VFA’s complaint reporting process responsibilities to one of his direct reports and provided informal training of that individual, the number and types of errors made in the firm’s Rule 4530 filings reflect that his delegation, training and supervision were not reasonable or adequate.

Specifically, den Boer failed to ensure that the VFA employees reviewing and processing customer complaints relating to both VFA and its affiliated issuer were categorized and coded correctly, and failed to ensure that VFA employees were properly disclosing customer complaints on Form U4 and Form U5 for registered representatives associated with the firm. In total, of the 932 complaints reported by the firm during the Relevant Period, 347 contained inaccuracies. Of those inaccurate filings, 224 were coded with an inaccurate problem code, half of which were inaccurately reflected as non-sales practice complaints. In addition, 24 complaints against registered representatives were not disclosed on a Form U4 or U5.

Based on the foregoing, den Boer violated NASD Rule 3010(a), and FINRA Rule 2010.

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

Suspension for 30 business days from associating with any FINRA member firm in all supervisory capacities and a deferred fine of \$15,000.

The fine shall be due and payable either immediately upon reassociation with a member firm following the 30 business day 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 imposed in this matter.

I understand that if I am barred or suspended from associating with any FINRA member in a supervisory capacity, 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 a supervisory capacity, during the period of the bar or suspension (see FINRA Rules 8310 and 8311). Furthermore, because I am subject to a statutory disqualification during the suspension, if I remain associated with a member firm in a non-suspended capacity, an application to continue that association may be required.

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 Chief Legal Officer, 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 accordance with FINRA Rule 8313;
 - 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.

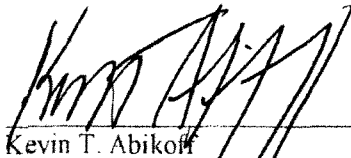
10/9/15

Date

David den Boer

David H. den Boer, Respondent

Reviewed by:

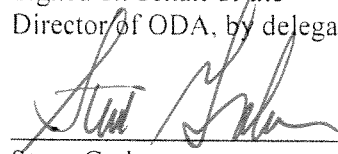


Kevin T. Abikoff
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Hughes Hubbard & Reed LLP
1775 I Street, NW, Suite 600
Washington, DC 20001
202-721-4770

Accepted by FINRA:

10/13/2015
Date

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

A handwritten signature in black ink, appearing to read "Steve Graham", written over a horizontal line.

Steve Graham
Senior Regional Counsel
FINRA Department of Enforcement
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Dallas, TX 75243
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