

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013038139501**

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

RE: Dick T. Vandermolen, Respondent
Registered Representative
CRD No. 4442110

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

Dick T. Vandermolen ("Vandermolen") first entered the securities industry in August 2001. From September 2001 through September 2010, he was registered as a General Securities Representative (Series 7) at four different FINRA member firms. On September 29, 2010, Vandermolen became registered as a Series 7 with Securities America, Inc. On August 29, 2013, Securities America filed a Form U5 terminating his registration. Since October 23, 2013, Vandermolen has been registered as Series 7 with J.W. Cole Financial, Inc. He has no relevant disciplinary history.

OVERVIEW

Vandermolen willfully failed to disclose in a Form U4, and also failed to amend his Form U4 to disclose, three Internal Revenue Service ("IRS") liens and one civil judgment totaling \$286,523.72. By virtue of the foregoing conduct, Vandermolen willfully violated Article V, Section 2 of the FINRA By-Laws and FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of the FINRA By-Laws requires registered persons to keep their Form U4 "current at all times," and that amendments to Forms U4 be filed "not later than 30 days after learning of the facts or circumstances giving rise to the amendment." Registered persons have an affirmative obligation to fully disclose all material facts in response to the questions on Form U4, and a false response on a Form U4 or failing to amend a Form U4, when there has been a material change in a disclosure, is a violation of FINRA Rules 1122 and 2010.

On February 3, 2011, the IRS recorded a \$282,245.81 lien against Vandermolen for unpaid taxes for the tax years 2004, 2005, 2006 and 2007. Subsequently, the IRS recorded two additional tax liens against Vandermolen – an \$898.68 lien on January 9, 2012 for unpaid taxes in the tax year 2010 and a \$528.23 lien on August 31, 2012 for unpaid taxes in the tax year 2008. Separately, on May 17, 2012, a \$2,851 civil judgment was entered against Vandermolen for unpaid credit card debt.

Vandermolen received notice of the IRS liens and the civil judgment on or about the dates they were recorded and entered. Neither the liens nor the civil judgment have been satisfied.

Question 14M on the Form U4 asks "[d]o you have any unsatisfied judgments or liens against you?" From February 2011 through July 2015, Vandermolen's response to this question has been "no." During this time, Vandermolen never amended his Form U4 to disclose the three IRS liens or civil judgment. He also inaccurately responded "no" to Question 14M on his initial Form U4 filed with J.W. Cole on October 10, 2013, thereby failing to disclose his outstanding IRS liens and civil judgment.

As a result of the foregoing, Vandermolen willfully violated Article V, Section 2 of the FINRA By-Laws and FINRA Rules 1122 and 2010.

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

- A three-month suspension from association with any FINRA member in any capacity; and
- A fine in the amount of \$5,000.

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 propose to pay the fine imposed.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or 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, I become subject to a statutory disqualification as that term is defined in Article II, 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).

I understand that this settlement includes a finding that I willfully omitted to state a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 and Article III, Section 4 of FINRA's By-Laws, this omission makes me subject to a statutory disqualification with respect to association with a member.

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

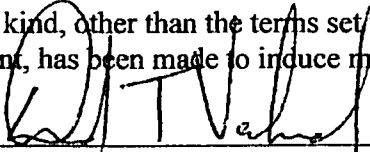
I understand that:

- 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.

08/24/2015
Date (mm/dd/yyyy)

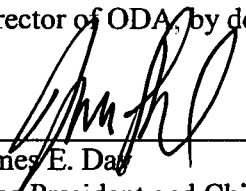


Dick T. Vandermolen, Respondent

Accepted by FINRA:

9/18/15
Date

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



James E. Day
Vice President and Chief Counsel
FINRA Department of Enforcement
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