

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2014041525501**

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

**RE:** James Harold Rabbers, Respondent  
CRD No. 1203924

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**

James Harold Rabbers ("Rabbers") first became registered as an Investment Company Products/Variable Contracts Representative in July 1984. Thereafter, in January 1988, he obtained his Series 63 license. He worked with several FINRA registered firms prior to joining Thrivent Investment Management, Inc. in July 1999, where he was employed until May 28, 2014. Rabbers is not currently registered in any capacity with a FINRA registered firm.

**RELEVANT DISCIPLINARY HISTORY**

Rabbers has no disciplinary history.

**OVERVIEW**

Rabbers violated FINRA Rule 2010 by forging a guardian signature on a life insurance policy, submitting withdrawal request forms that had been pre-signed by a customer, and altering previously used withdrawal requests to effectuate authorized transactions in two customer accounts.

## **FACTS AND VIOLATIVE CONDUCT**

### ***Forged Signature on a Life Insurance Policy***

1. In December 2013, customers EN and RN contacted Rabbers regarding the purchase of a life insurance policy for their grandson. The policy application required a parent or guardian signature because the insured was a minor. As EN and RN's son had recently passed away, the signature of their grandson's mother, CR, was needed. Rabbers informed EN and RN of this fact prior to meeting with them about the policy, and they told him that they were not on good terms with CR and did not wish to contact her.
2. Rabbers met with EN and RN on December 30, 2013 to fill out the life insurance policy application. The customers insisted that CR not be contacted for her signature and volunteered to attest to the health of their grandson. Ultimately, Rabbers signed CR's name to the application and then signed his own name, attesting to witnessing the pertinent signatures as well as observing the insured in person. The insurance policy documentation was submitted to the firm the same day, and the policy was issued the following day.
3. Shortly after receiving a copy of the life insurance contract, CR contacted Rabbers and he admitted to having signed her name on the application without her knowledge or authorization.
4. Based on the foregoing, Rabbers violated FINRA Rule 2010.

### ***Pre-Signed and Altered Withdrawal Requests***

5. FP was an elderly customer of Rabbers. During the winter months, he resided in Arizona. In order to be able to process withdrawals requested by FP during this period, Rabbers stated he had FP sign blank forms in advance of his departure for Arizona.
6. Thereafter, Rabbers would use the pre-signed forms to effectuate the requests made by FP for his account. When Rabbers ran out of pre-signed forms, he altered withdrawal request forms that had previously been executed and submitted, through the use of white-out and/or copies, to reflect the dates and amounts requested by FP. On some occasions, Rabbers placed transactions using altered request forms due to the urgency of the request, even if FP was not in Arizona. During November 2009 through March 2014, Rabbers altered a total of at least 31 forms for FP in this manner, which he then submitted to his firm.
7. Customer KP had retirement assets with Rabbers. On November 20, 2012 and November 22, 2012, respectively, she made Required Minimum

Distribution and withdrawal requests, and executed the appropriate paperwork. For the following year, KP requested a change in the way the Required Minimum Distribution and associated withdrawal request would be processed. Rabbers re-used the two previously executed documents to effect the transactions. With KP's knowledge and consent, he utilized white-out to alter the information accordingly and date the forms for December 2013. He then submitted the forms to his firm. Rabbers stated he did so for purposes of customer convenience.

8. Based on the foregoing facts, Rabbers violated FINRA Rule 2010.

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

- A suspension of six months from association with any FINRA registered broker-dealer in any capacity; and,
- A fine in the amount of \$5,000.

The fine shall be due and payable either immediately upon reassociation with a member firm following the six 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).

## 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.

03/14/2015  
Date (mm/dd/yyyy)

James Harold Rabbers  
James Harold Rabbers

Accepted by FINRA:

3/27/15  
Date

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

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