

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2016049123501**

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

RE: Alex Drawve, Respondent
Former Registered Representative
CRD No. 6557680

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent submits 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

Alex Drawve entered the securities industry in September 2015 when he became associated with FINRA member Horace Mann Investors, Inc. ("Horace Mann"). On November 20, 2015, Horace Mann filed an initial Form U4 on Drawve's behalf. On April 15, 2016, the firm filed a Form U5 terminating Drawve's registrations with the firm following his voluntary resignation. Prior to his termination, Drawve held Series 6 and Series 63 licenses with Horace Mann.

Although Drawve is no longer associated with a FINRA member firm, FINRA maintains jurisdiction over him pursuant to Article V, Section 4 of FINRA's By-Laws.

OVERVIEW

Between November 20, 2015 and February 29, 2016 (the "relevant period"), Drawve willfully failed to timely disclose that he was charged with and convicted of a non-investment-related felony in violation of Article V, Section 2(c) of

FINRA's By-Laws and FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

In or about December 2013, Drawve was charged with a non-investment-related felony. On or about March 31, 2014, Drawve pleaded guilty to and was convicted of the felony.

In September 2015, Drawve became associated with Horace Mann in a non-registered capacity. At the time, Drawve was already employed with a non-FINRA member affiliate of Horace Mann and the firm did not separately inquire about his criminal history. However, Drawve was subject to statutory disqualification due to his March 2014 felony conviction. On November 20, 2015, Horace Mann filed an initial Form U4 on Drawve's behalf. Drawve did not disclose that he had been charged and convicted of a felony in that initial Form U4, or in three Form U4 amendments filed between December 1, 2015 and February 8, 2016. After FINRA initiated an inquiry regarding Drawve's criminal history, Drawve disclosed on his Form U4 for the first time that he had been charged and convicted of a felony in an amendment filed on February 29, 2016. After Horace Mann determined it was unwilling to continue his registrations with the firm, Drawve voluntarily resigned on April 13, 2016. On April 15, 2016, the firm filed a Form U5 terminating Drawve's registrations.

Article V, Section 2(c) of FINRA's By-Laws provides that "[e]very application for registration [Form U4] filed with the Corporation shall be kept current at all times by supplementary amendments ... not later than 30 days after learning of the facts or circumstances giving rise to the amendment. If such amendment involves a statutory disqualification ... such amendment shall be filed not later than ten days after such disqualification occurs." FINRA Rule 1122 provides that "[n]o 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."

At all times during the relevant period, Question 14A of the Form U4 asked: "Have you ever been convicted of or pled guilty ... to any felony [or] been charged with any felony?"

As described above, Drawve willfully failed to timely disclose on his Form U4 his felony charge and subsequent guilty plea and conviction and, as a result, Drawve was associated with Horace Mann while he was subject to statutory disqualification. Therefore, Drawve violated Article V, Section 2(c) of FINRA's By-Laws and FINRA Rule 1122. By virtue of those violations, Drawve also violated FINRA Rule 2010.

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

- A six-month suspension in all capacities; and
- A \$5,000 fine.

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

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.

7/18/16

Date (mm/dd/yyyy)



Alex Drawve, Respondent

Accepted by FINRA:

7/27/16
Date

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



Michael J. Rogal
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