

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT**

NO. 2012032439601

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

RE: Kevin G. Kolz, Respondent
Registered Representative
CRD No. 4031249

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Kevin G. Kolz ("Respondent" or "Kolz") 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 him alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent hereby accepts and consents, 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

In November 1999, Kolz first became registered with FINRA as an Investment Company Products/Variable Contracts Representative through his association with a member firm. In January 2004, Kolz joined Sigma Financial Corporation (BD No. 14303) ("Sigma" or "the Firm"). While employed at Sigma, Kolz was registered as an IR, a Corporate Securities Representative and Direct Participation Representative. On April 27, 2012, Sigma filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") disclosing that Kolz had been discharged for failing to appear for a scheduled compliance examination. Kolz is not currently registered or associated with a FINRA member firm.

Kolz is not currently registered or associated with any FINRA member firm. FINRA retains jurisdiction over Kolz pursuant to Article V, Section 4 of FINRA's By-Laws until April 25, 2014.

RELEVANT DISCIPLINARY HISTORY

On June 7, 2012, the State of Illinois Secretary of State, Securities Department, issued an Order of Prohibition and Revocation (the "Illinois Order") to Kolz finding that he failed to fully disclose on his Form U4 that, while employed at Sigma, he solicited purported investments in an undisclosed business in Nigeria. The Illinois Order revoked Kolz's state securities registration and registration as an investment adviser representative in Illinois.

On October 10, 2012 the State of Wisconsin Department of Financial Institutions, Division of Securities, issued an Order of Bar (the "Wisconsin Order") through which Kolz was permanently barred from registration in the state as an investment adviser representative and broker-dealer agent. The Wisconsin Order found that Kolz had failed to respond to requests for information and had failed to disclose his purported Nigerian business to Sigma and on his Form U4.

OVERVIEW

This matter concerns Kolz's failure to appear for an on-the-record interview ("OTR") requested in connection with an investigation into the circumstances surrounding his termination from the Firm and allegations of potential misappropriation and unapproved outside business activities. Kolz's failure to appear for his OTR violated FINRA Rules 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

Violation of FINRA Rules 8210 and 2010 – Failure to Appear for an OTR

In a letter dated July 15, 2013, FINRA staff requested that Kolz appear for an OTR in Milwaukee, Wisconsin, on August 2, 2013. The request was made pursuant to FINRA Rule 8210. Kolz's appearance was requested in connection with a FINRA investigation into allegations that he may have misappropriated funds and liquidated securities positions for an outside investment. Kolz failed to appear for this requested OTR.

By failing to appear for his OTR, Kolz violated FINRA Rules 8210 and 2010.

B. Respondent also consents to the imposition of the following sanctions:

- Kolz shall be barred from associating with any FINRA member in any and all capacities.

Respondent understands that if he is barred or suspended from associating with any FINRA member, he becomes 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, Respondent 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 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

Respondent specifically and voluntarily waives 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, Respondent specifically and voluntarily waives any right to claim bias or prejudgment 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.

Respondent further specifically and voluntarily waives 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.

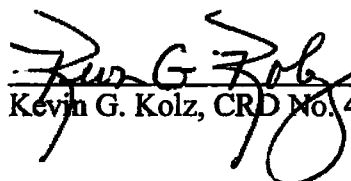
OTHER MATTERS

Respondent 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. Respondent 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.

Respondent certifies that he has and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has 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 Respondent to submit it.

8-12-13
Date


Kevin G. Kolz, CRD No. 4031249

Accepted by FINRA:

August 22, 2013
Date

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

Susan Light

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