

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2022074181501**

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

RE: Adam Bruce Anderson (Respondent)
General Securities Representative
CRD No. 5157882

Pursuant to FINRA Rule 9216, Respondent Adam Bruce Anderson 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 Respondent alleging violations based on the same factual findings described in this AWC.

I.

ACCEPTANCE AND CONSENT

A. Respondent accepts and consents to the following findings by FINRA without admitting or denying them:

BACKGROUND

Anderson first became registered with FINRA through an association with a FINRA member firm in 2006. Since May 2018, he has been registered as a General Securities Representative through an association with Ameriprise Financial Services, LLC (CRD No. 6363).¹

OVERVIEW

Between August 2021 through July 2023, Anderson failed to provide prior written notice of an outside business activity to Ameriprise in violation of FINRA Rules 3270 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 3270 prohibits registered persons from acting as an employee, independent contractor, sole proprietor, officer, director, or partner of another person, or be compensated, or having the reasonable expectation of compensation, from any other person as a result of any business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member in such form as specified by the member.

¹ For more information about the respondent, visit BrokerCheck® at www.finra.org/brokercheck.

A violation of FINRA Rule 3270 also constitutes a violation of FINRA Rule 2010 which requires members to observe high standards of commercial honor and just and equitable principles of trade.

Throughout Anderson's association with Ameriprise, the firm had written supervisory procedures that prohibited associated individuals from engaging in any outside business activity without first providing written notice to the firm.

Between August and September 2021, Anderson engaged in an outside business activity by assisting in the creation of a reinsurance company and entering into a contract as the President of that company to provide reinsurance coverage on enterprise risk management insurance policies that Anderson's separate limited liability company purchased from an insurance company. In December 2021, the insurance company paid Anderson's reinsurance company \$197,500 in premiums. This was a tax savings arrangement for Anderson under Internal Revenue Code section 831(b).

Anderson did not provide prior written notice to Ameriprise before engaging in the above-described outside business activity. In January 2022, he falsely stated on his Ameriprise annual attestation that he had disclosed all current outside business activities. Anderson did not provide written notice to Ameriprise of his outside business activity until July 2023. Ameriprise evaluated and did not approve Anderson's outside business activity.

Therefore, Respondent violated FINRA Rules 3270 and 2010.

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

- a one-month suspension from associating with any FINRA member in all capacities and
- a \$5,000 fine

Respondent agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. Respondent has submitted an Election of Payment form showing the method by which he proposes to pay the fine imposed.

Respondent specifically and voluntarily waives any right to claim an inability to pay, now or at any time after the execution of this AWC, the monetary sanction imposed in this matter.

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, he 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 in this AWC shall be effective on a date set by FINRA.

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 him;
- 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 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 its acceptance or rejection.

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 understands 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 Respondent; and

- C. If accepted:
1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator against Respondent;
 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 its subject matter 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. Respondent 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 Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.
- D. Respondent may attach a corrective action statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that he 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.

Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; Respondent has agreed to the AWC's provisions voluntarily; and no offer, threat, inducement, or promise of any kind, other than the terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce him to submit this AWC.


September 22, 2023

Date



Adam Bruce Anderson
Respondent

Reviewed by:




Keith Woodwell
Counsel for Respondent
Clyde Snow
One Utah Center, 22nd Floor
201 South Main Street
Salt Lake City, Utah 84111

Accepted by FINRA:

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

September 25, 2023

Date



John Sheehan
Principal Counsel
FINRA
Department of Enforcement
100 Pine Street, Suite 1800
San Francisco, CA 94111