

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2019063056701**

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

RE: Nicholas G. Baecker (Respondent)
Investment Company and Variable Contracts Products Representative
CRD No. 5618205

Pursuant to FINRA Rule 9216, Respondent Nicholas G. Baecker 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 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

Baecker entered the securities industry in December 2008 and first registered with FINRA as an Investment Company and Variable Contracts Products Representative through an association with Thrivent Investment Management, Inc. in May 2009. Thrivent discharged Baecker in November 2019 after “the Firm concluded that authentic signatures were not collected and misstatements were made on product applications including variable products.” Although Baecker has not been registered through an association with a FINRA member since December 2019, FINRA retains jurisdiction over him pursuant to Article V, Section 4, of FINRA’s By-Laws. Respondent does not have any relevant disciplinary history.

OVERVIEW

Between April 2016 and September 2018, Baecker electronically forged sixteen firm customers’ signatures on life insurance applications, in violation of FINRA Rule 2010. Eleven of the forged documents were firm records required to be made and preserved in accordance with FINRA Rules and Exchange Act Rules. As a result, Baecker also violated FINRA Rules 4511 and 2010 by causing the Firm to maintain inaccurate books and records.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 2010 requires associated persons in the conduct of their business to observe high standards of commercial honor and just and equitable principles of trade. Forging a customer's signature violates FINRA Rule 2010.

FINRA Rule 4511 requires each member to make and preserve books and records in conformity with Section 17(a) of Exchange Act and Rule 17a-3, promulgated thereunder. Implicit in the requirement to make and preserve books and records is the requirement that the information in those books and records be true and accurate. A violation of FINRA Rule 4511 is also a violation of FINRA Rule 2010.

During the relevant period, the firm's written supervisory procedures required that client signatures on firm documents always be authentic and expressly prohibited representatives from forging a customer's signature. Although Baecker was aware of the firm's procedures, he electronically forged sixteen firm customers' signatures on life insurance applications. Eleven of the forged applications were for variable universal life insurance, a securities product sold by prospectus through the broker-dealer, and therefore were firm records.

By electronically forging his customers' signatures on the life insurance applications, Baecker violated FINRA Rule 2010. Because eleven of these documents were firm records, Baecker also caused the firm to maintain inaccurate books and records in violation of FINRA Rules 4511 and 2010.

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

- a four-month suspension from association with any FINRA member firm in all capacities; and
- a fine of \$5,000.

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.

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 sanctions 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

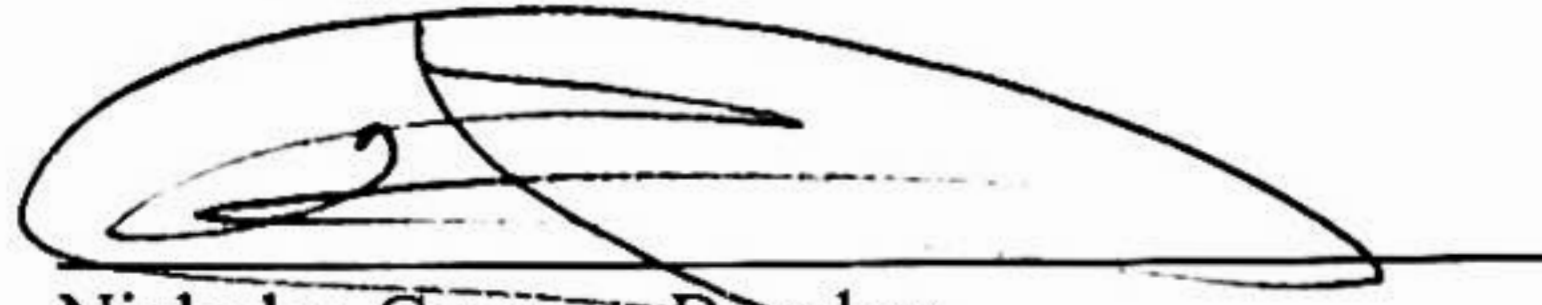
Respondent understands that:

- 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 testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- 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 understands and acknowledges that FINRA does not represent or advise him and Respondent cannot rely on FINRA for legal advice. 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.


12/8/2020
Date


Nicholas Gregory Baeker
Respondent

Accepted by FINRA:

12/09/20
Date

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


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