

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014043721701**

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

RE: Nickolus William Finley
Former General Securities Representative
CRD No. 5710732

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

Respondent Nickolus William Finley first associated with a FINRA member firm in September 2009. From November 2011 through December 3, 2014, Finley was associated with Waddel & Reed, Inc. as a General Securities Representative. Respondent is not currently associated with a FINRA member firm. Finley has no disciplinary history.

OVERVIEW

Finley copied and pasted a customer's signature without her authorization in a Waddel & Reed document. Finley also used the signature stamp of a registered representative on seventeen firm documents without the representative's authorization. As a result of the foregoing conduct, Finley violated FINRA Rules 4511 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 4511 requires member firms to make and preserve books and records as required under the FINRA rules, the Securities Exchange Act of 1934 and the applicable Exchange Act rules. FINRA Rule 2010 requires associated persons to observe high standards of commercial honor and just and equitable principles of trade. Falsification of a firm's books and records, such as affixing a non-genuine signatures to a firm document, violates FINRA Rules 4511 and 2010.

During the relevant period, Finley was a licensed assistant working for EB, a registered representative of Waddel & Reed. As a part of his duties, Finley assisted with the completion of customer new account documentation.

On or about October 29, 2014, Finley copied customer BT's signature from her Financial Planning Services Agreement and pasted the signature to the section of the agreement that authorized BT's credit card to be charged \$1,500. Although BT in fact intended to pay the fee with her credit card and verbally authorized the credit-card payment, she did not authorize Finley to paste her signature onto the signature line.

Between August 2014 and October 2014, Finley signed EB's name to seventeen customer-related documents using EB's signature stamp, without EB's authorization or consent. The documents included six new account forms and related documents. EB had authorized the use of the signature stamp to sign checks for payroll and office expenses when he was unavailable. Not only was Finley's use of the stamp unauthorized on customer-related documents, the Firm also prohibited the use of a signature stamp on customer documents. The customers had signed the forms and authorized the transactions.

As a result of the foregoing conduct, Finley violated FINRA Rules 4511 and 2010.

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

- A \$5,000 fine; and
- A suspension from association with any FINRA member firm in any capacity for three months.

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

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

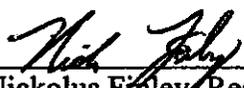
I understand that:

- 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 [the Firm] to submit it.

06/07/2016
Date (mm/dd/yyyy)

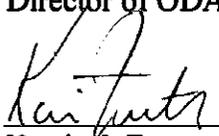


Nickolus Farley, Respondent

Accepted by FINRA:

7/12/16
Date

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



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