

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015047070601**

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

RE: Patricia G. Peterson, Respondent
General Securities Representative
CRD No. 1962901

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

Patricia G. Peterson first entered the securities industry when she associated with a FINRA member firm in 1989. Peterson received her Series 6 license in 1989, Series 63 in 1999, Series 65 in 2001, and her Series 7 in 2002. She was associated with multiple FINRA member firms thereafter. In November 2009, Peterson associated with WFG Investments, Inc., as a general securities representative. Peterson remained there until September 2015 when WFG filed a Uniform Termination Notice for Securities Industry Registration (Form U5) terminating her association. Starting in October 2015 and continuing to the present, she has been employed by another FINRA member firm. Peterson is subject to FINRA’s jurisdiction because she is currently associated with and registered through a FINRA member. Peterson has no prior disciplinary history.

FACTS AND VIOLATIVE CONDUCT

NASD Rule of Conduct 2510(b) provides that: “[n]o member or registered representative shall exercise any discretionary power in a customer’s account

unless such customer has given prior written authorization to a stated individual ... and the account has been accepted by the member” A violation of Rule 2510 is also a violation of FINRA Rule 2010.

At various times from April 14, 2015 through August 21, 2015, Peterson used discretion to place a total of 21 trades in the accounts of nine different customers of WFG. Although Peterson had verbal permission from the customers to use discretion in their accounts, Peterson did not receive written authorization to use discretion from any of the customers. WFG also had not accepted these customers’ accounts as discretionary.

By virtue of the foregoing, Respondent violated NASD Rule 2510(b) and FINRA Rule 2010.

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

A 20 business-day suspension from associating with any FINRA member firm in all capacities and a \$7,500 fine.

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

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 to submit it.

10-20-2017
Date (mm/dd/yyyy)


Patricia G. Peterson

Reviewed by:


Kimberly P. Stein, Esq.
Counsel for Respondent
Holley Driggs Walch Fine Wray
Puzey & Thompson
400 S 4th Street
Third Floor
Las Vegas NV 89101
(702) 791-0308

Accepted by FINRA:

11/9/2017
Date

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



John F. Guild
Senior Regional Counsel
FINRA Department of Enforcement
12801 N. Central Expressway
Dallas, TX 75243
Phone 972-716-7608
Fax 972-716-7612
Email: John.Guild@finra.org