

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2016048946201**

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

**RE: Jon Timothy VanSlooten, Respondent  
General Securities Representative  
CRD No. 2011865**

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Jon Timothy VanSlooten ("VanSlooten"), 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**

VanSlooten entered the securities industry in November 1989 when he became associated with a FINRA-regulated broker-dealer. In July 2008, VanSlooten joined Edward Jones (the "Firm"), a FINRA-regulated broker-dealer, where he was registered as a General Securities Representative and Investment Advisor until his resignation on February 4, 2016. VanSlooten obtained his Series 7 and Series 66 securities licenses in September 2008 and October 2008, respectively.

In a Uniform Termination Notice for Securities Registration ("Form U5"), dated February 17, 2016, the Firm reported VanSlooten's resignation on February 4, 2016 while under internal review for, among other things, violations of the Firm's policies relating to discretionary trading.

On February 5, 2016, VanSlooten joined a non-FINRA-registered investment advisory firm. Although VanSlooten is not currently associated with a FINRA-regulated broker-dealer; he remains subject to FINRA's jurisdiction pursuant to Article V, Section 4(a) of FINRA's Bylaws.

## **RELEVANT DISCIPLINARY HISTORY**

VanSlooten has no prior relevant disciplinary history in the securities industry.

## **OVERVIEW**

During the period of February 2009 through February 2016 (the "Relevant Period"), while associated with the Firm, VanSlooten exercised discretionary trading authority and effected approximately 586 trades in the accounts of four Firm customers without prior written authorization from the customers and without having obtained approval from the Firm to treat the accounts as discretionary, in violation of NASD Rule 2510(b) and FINRA Rule 2010.

## **FACTS AND VIOLATIVE CONDUCT**

NASD Rule 2510(b) prohibits registered representatives from exercising discretion in a customer's account unless the customer has provided prior written authorization and the account has been accepted in writing as a discretionary account by the registered representative's member-firm employer.

FINRA Rule 2010 requires all associated persons to "observe high standards of commercial honor and just and equitable principles of trade." A violation of NASD Rule 2510(b) is also a violation of FINRA Rule 2010.

During the Relevant Period, the Firm's written supervisory procedures prohibited its registered representatives from exercising discretionary authority over client accounts.

During the Relevant Period, VanSlooten exercised discretionary trading authority in the accounts of four Firm customers, without obtaining prior written authorization from each of the customers or approval from the Firm to treat the customers' accounts as discretionary. Specifically, VanSlooten effected approximately 586 trades in the four customers' accounts without discussing and receiving approval for the trades from the customers' on the dates of the transactions.

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

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

1. A three-month suspension from association with any FINRA member-firm in any capacity; and
2. A fine in the amount of \$7,500.

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 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.

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.

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.

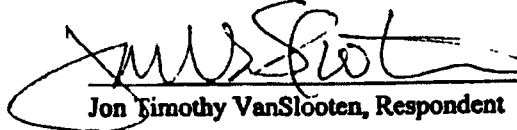
**III.**  
**OTHER MATTERS**

I understand that:

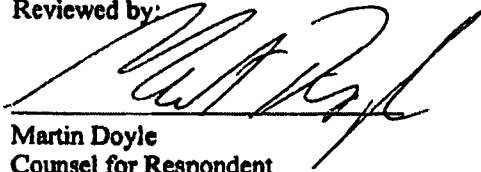
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"); pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will 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.

5/23/2017  
Date (mm/dd/yyyy)

  
Jon Timothy VanSlooten, Respondent

Reviewed by:



Martin Doyle  
Counsel for Respondent  
KOPECKY SCHUMACHER ROSENBERG PC  
120 N. LaSalle Street, Suite 2000  
Chicago, IL 60602  
Phone: 312-380-6633

Accepted by FINRA:

6/22/17  
Date

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

  
Richard Chin

Chief Counsel  
FINRA Department of Enforcement  
One Brookfield Place  
200 Liberty Street, 11th Floor  
New York, New York 10281-1003