

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT  
NO. 2022074043401**

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

RE: Nicholas Blake Williams (Respondent)  
General Securities Principal and General Securities Representative  
CRD No. 5836696

Pursuant to FINRA Rule 9216, Respondent Nicholas Williams 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**

Williams first became registered as a General Securities Representative in October 2010 through an association with FINRA member Advisors Asset Management, Inc. (AAM). In March 2015, Williams became registered as a General Securities Principal through his association with AAM. Williams remains associated with AAM.<sup>1</sup>

**OVERVIEW**

From September 2013 through November 2016, while associated with AAM, Williams recorded inaccurate information on at least 30 order memoranda prepared with respect to the transaction. Specifically, Williams inaccurately recorded that orders were received by a registered representative of another FINRA member who had not actually received the orders. As a result, Williams violated FINRA Rule 2010.

**FACTS AND VIOLATIVE CONDUCT**

This matter originated from a tip made to FINRA.

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<sup>1</sup> For more information about the respondent, visit BrokerCheck® at [www.finra.org/brokercheck](http://www.finra.org/brokercheck).

FINRA Rule 2010 requires associated persons to “observe high standards of commercial honor and just and equitable principles of trade” in the conduct of their business. Falsifying documents occurs when a person creates a document or entry in a firm's system that creates a false appearance by including altered or untrue information. Falsifying documents is inconsistent with just and equitable principles of trade and violates FINRA Rule 2010.

From September 2013 through November 2016, another FINRA member used AAM to obtain fixed-income securities by purchasing the securities and selling them to the other FINRA member, which would then sell the securities to its customer. In these instances, AAM prepared electronic order memoranda for the transactions including certain information related to the other FINRA member. The information on the electronic order memoranda included the identity of the other FINRA member's registered representative who received each customer order.

In at least 30 instances, Williams recorded inaccurate information on order memoranda prepared for the other FINRA member. Williams recorded these orders as being received by a registered representative who had not received them from the customer. As Williams was aware, each order was actually received by a different registered representative who was not authorized to receive them due to a conflict of interest with the other FINRA member's customer.

Therefore, Williams violated FINRA Rule 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**

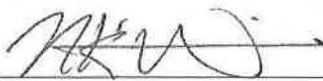
Respondent understands that:

- 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;

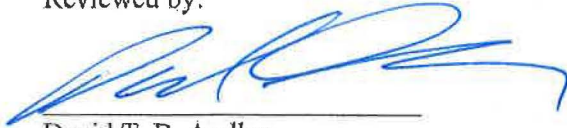
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator 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.

9/27/23  
Date

  
Nicholas Williams  
Respondent

Reviewed by:



David T. B. Audley  
Counsel for Respondent  
Chapman and Cutler LLP  
320 South Canal Street  
Chicago, IL 60606

Accepted by FINRA:

10/17/2023

Date

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



Alex Marinello  
Counsel  
FINRA  
Department of Enforcement  
Two Jericho Plaza, Suite 307  
Jericho, NY 11753


**ELECTION OF PAYMENT FORM**

Respondent intends to pay the fine set forth in the attached Letter of Acceptance, Waiver, and Consent by the following method (check one):

- A check for the full amount;
- Wire transfer for the full amount;
- Credit card authorization for the full amount;<sup>2</sup> or
- The installment payment plan (only if approved by the Department of Enforcement and the Office of Disciplinary Affairs).<sup>3</sup>

Respectfully submitted,

9-27-23  
Date

  
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Nicholas Williams  
Respondent

<sup>2</sup> Credit card payment is only available for fines of \$50,000 or less. Only Mastercard, Visa, and American Express are accepted. If this method is chosen, the appropriate forms will be mailed to Respondent by FINRA's Finance Department. Credit card information should not be included on this Election of Payment Form.

<sup>3</sup> The installment payment plan is only available for fines of \$5,000 or more. Certain interest payments, minimum initial and monthly payments, and other requirements apply. Respondent must discuss these requirements with the Department of Enforcement prior to requesting this method of payment. If this method is chosen and approved, the appropriate forms will be mailed to Respondent by FINRA's Finance Department.