

STATE OF NEW HAMPSHIRE
DEPARTMENT OF STATE
BUREAU OF SECURITIES REGULATION
25 CAPITOL STREET
CONCORD, NH 03301

CONSENT ORDER
IN THE MATTER OF:

Ameriprise Financial Services, Inc. CRD # 6363

C-2013000009

- I. For purposes of settling the above-captioned matter, and in lieu of further administrative proceedings, Ameriprise Financial Services, Inc. (“Ameriprise”) has submitted an offer of settlement which the State of New Hampshire, Department of State, Bureau of Securities Regulation (the “Bureau”) has determined to accept. Accordingly, without admitting or denying the facts or allegations contained herein, Ameriprise does hereby consent to the following undertakings and sanctions:

THE FACTS

1. Ameriprise is a national broker-dealer serving individuals and businesses across the United States. Ameriprise maintains its principal place of business at 707 2nd Avenue South, Minneapolis, Minnesota 55402 with, according to the Central Registration Depository (“CRD”), thirty-seven (37) branch offices within New Hampshire and approximately 3,500 branch offices across the country. As a broker-dealer, Ameriprise has been registered with the Securities and Exchange Commission (“SEC”) since November 25, 1971 and has been registered with New Hampshire since February 2, 1983. Ameriprise is also a member of the Financial Industry Regulatory Authority (“FINRA”) and thus subject to FINRA rules that apply to broker-dealers.
2. Since the inception of the Federal Trade Commission’s National Do Not Call Registry (the “National Do Not Call Registry”), according to the Federal Trade Commission’s (“FTC’s”) 2013 National Do Not Call Registry Data Book, approximately 1,177,000 New Hampshire telephone numbers have been placed on the registry. This ranks New Hampshire, with a population of just over 1.3 million, number one in active registrations per capita in the nation, as it translates to approximately 89 registrations for every 100 New Hampshire residents.

3. The relevant time period for the Bureau's investigation was January 1, 2012 to the present.

Telemarketing Procedures

4. In terms of the prohibition on initiating outbound telephone calls to telephone numbers on the National Do Not Call Registry, applicable telemarketing rules generally provide three exceptions to this prohibition. Applicable telemarketing rules provide that a party initiating outbound telephone calls will not be liable for violating the prohibition against calling telephone numbers on the FTC's National Do Not Call Registry if: 1) the party initiating the outbound telephone call has an established business relationship with the recipient of the call; 2) the party initiating the outbound telephone call has prior written consent from the recipient of the call; or 3) the party initiating the outbound telephone call has a personal relationship with the recipient of the call, meaning the recipient of the call is either a family member, friend, or acquaintance of the caller.
5. In light of the high percentage of New Hampshire registrations on the National Do Not Call Registry, Ameriprise agents licensed in New Hampshire often make outbound telephone calls to New Hampshire telephone numbers on the National Do Not Call Registry where exceptions to the rules may not apply. However, during its investigation, the Bureau determined that Ameriprise agents licensed in New Hampshire were provided with policies and procedures that were inaccurate and did not clearly outline applicable telemarketing restrictions or the exceptions to them, as outlined above.

Supervision of Ameriprise Agents Licensed in New Hampshire

6. According to policies and procedures in the area of telemarketing made available or distributed to Ameriprise agents licensed in New Hampshire, Ameriprise placed the onus of compliance with applicable telemarketing rules on those agents. Based on the documents and other information provided by Ameriprise during the course of the Bureau's investigation, the Bureau determined, as outlined above, that Ameriprise failed to maintain accurate telemarketing policies and procedures and therefore did not maintain or enforce policies and procedures that adequately provided for review of the telemarketing activities of its agents licensed in New Hampshire.

THE LAW

1. Ameriprise is a "person" within the meaning of N.H. RSA 421-B:2, XVI, a "broker-dealer" within the meaning of N.H. RSA 421-B:2, III, and is a registered member of FINRA.

2. Pursuant to N.H. RSA 421-B:8, X, persons licensed under this chapter to conduct securities business shall abide by the rules of the SEC, National Association of Securities Dealers (NASD, now FINRA), national and regional stock exchanges, and other self-regulating organizations which have jurisdiction over the licensee, which set forth standards of conduct in the securities industry. Ameriprise is subject to these provisions.
3. FINRA Rule 3230(m)(16) defines an “outbound telephone call” as a “telephone call initiated by a telemarketer to induce the purchase of goods or services or to solicit a charitable contribution from a donor.”
4. FINRA Rule 3230(m)(17) defines the term “person” as “any individual, group, unincorporated association, limited or general partnership, corporation, or other business entity.”
5. FINRA Rule 3230(m)(20) defines “telemarketing” as “consisting of or relating to a plan, program or campaign involving at least one outbound telephone call, for example cold-calling.”
6. FINRA Rule 3230(a)(2) states that “no member or person associated with a member shall initiate any outbound telephone call to . . . [a]ny person that previously has stated that he or she does not wish to receive an outbound telephone call made by or on behalf of the member. . . .” Ameriprise is subject to this provision.
7. FINRA Rule 3230(a)(3) states that “no member or person associated with a member shall initiate any outbound telephone call to . . . [a]ny person who has registered his or her telephone number on the Federal Trade Commission’s national do-not-call registry.” However, there are three possible exceptions to this prohibition. Ameriprise is subject to this provision.
8. Further, N.H. RSA 421-B:10, I(b)(10), the secretary of state may by order deny, suspend, or revoke any license or application, or bar any person from licensure if he or she finds that the applicant or licensee or, in the case of a broker-dealer, issuer-dealer, or investment adviser, any partner, officer or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer, issuer-dealer, or investment adviser has failed reasonably to supervise his agents if he is a broker-dealer, issuer-dealer, or his employees if he is an investment adviser. Further, N.H. RSA 421-B:10, VI, in lieu of, or in addition to, any such order to suspend or revoke any license or application, the secretary of state may, upon hearing, assess an administrative fine of not more than \$2,500 per violation. Ameriprise is subject to these provisions.

9. Pursuant to N.H. RSA 421-B:26, III, any person who, either knowingly or negligently, violates any provisions of this chapter may, upon hearing, and in addition to any other penalty provided for by law, be subject to such suspension, revocation or denial of any registration or license, including the forfeiture of any application fee, or an administrative fine not to exceed \$2,500, or both. Each of the acts specified shall constitute a separate violation, and such administrative action or fine may be imposed in addition to any criminal penalties imposed pursuant to RSA 421-B:24 or civil liabilities imposed pursuant to RSA 421-B:25. Ameriprise is subject to this provision.
10. Pursuant to N.H. RSA 421-B:23, whenever it appears to the secretary of state that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any rule or order under this chapter, the secretary of state shall have the power to issue and cause to be served upon such person an order requiring the person to cease and desist from violations of this chapter. Ameriprise is subject to this provision.
11. Pursuant to N.H. RSA 421-B:22, IV, in any investigation to determine whether any person has violated or is about to violate this title or any rule or order under this title, upon the secretary of state's prevailing at hearing, or the person charged with the violation being found in default, or pursuant to a consent order issued by the secretary of state, the secretary of state shall be entitled to recover the costs of the investigation, and any related proceedings, including reasonable attorney's fees, in addition to any other penalty provided for under this chapter. Ameriprise is subject to this provision.

II. In view of the foregoing, Ameriprise agrees to the following undertakings and sanctions:

1. Ameriprise agrees to cease and desist from further violations of N.H. RSA 421-B.
2. Ameriprise agrees that that it has voluntarily consented to the entry of this Consent Order and represents and avers that no employee or representative of the Bureau has made any promise, representation or threat to induce its execution.
3. Ameriprise agrees to waive its right to an administrative hearing and any appeal therein under this chapter.
4. Ameriprise agrees that this Order is entered into for the purpose of resolving only the matter as described herein. This Consent Order shall have no collateral estoppel effect in any other lawsuit, proceeding, or action, not described herein. Likewise, this Consent Order shall not be construed to restrict the Bureau's right to initiate an administrative investigation or proceeding relative to conduct by Ameriprise which the Bureau has no knowledge at the time of the date of final entry of this Consent Order.

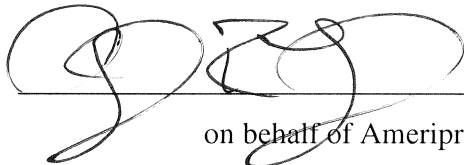
5. Ameriprise agrees not to take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation in this Consent Order or create the impression that the Consent Order is without factual basis. Nothing in this provision affects Ameriprise's testimonial obligations or right to take any legal positions in administrative proceedings or in litigation in which the State of New Hampshire is not a party.
6. Since the initiation of the Bureau's investigation, Ameriprise has endeavored to complete enhancements to its telemarketing policies and procedures and therefore agrees to maintain and enforce such enhancements including, but not limited to:
 - a. Utilizing a system that clearly differentiates between New Hampshire telephone numbers on the National Do Not Call Registry and Ameriprise's firm-specific do not call list;
 - b. Utilizing a system to block or otherwise compare outbound telephone calls to New Hampshire numbers on the National Do Not Call Registry or Ameriprise's firm-specific do not call list unless an applicable exception is available and subsequently clearly documented;
 - c. Reviewing, on at least a monthly basis, the telemarketing records of Ameriprise agents licensed in New Hampshire to ensure compliance with applicable telemarketing rules;
 - d. Reviewing, on at least a monthly basis, the usage records of the call blocking system or other tool utilized by Ameriprise agents licensed in New Hampshire to ensure its consistent and proper use by Ameriprise agents licensed in New Hampshire as well as compliance with applicable telemarketing rules; and
 - e. Providing Ameriprise agents licensed in New Hampshire with policies and procedures consistent with applicable telemarketing rules that clearly outline when a telephone numbers must be checked against the various do not call lists maintained by Ameriprise.
7. Ameriprise agrees, within thirty (30) days of execution of this Consent Order, to pay the Bureau's costs of investigation in the amount of Ten Thousand Dollars (\$10,000) and an administrative fine in the amount of Eighty Thousand Dollars (\$80,000). Ameriprise agrees to pay the total amount of Ninety Thousand Dollars (\$90,000) to the State of New Hampshire, which will be applied to settlement of the above-captioned matter. Payment must be made by 1) business check, certified check, or postal money order; 2) made payable to the State of New Hampshire; and 3) mailed to the Bureau of Securities

Regulation, Department of State, State House, Room 204, Concord, New Hampshire, 03301.

III. Based on the foregoing, the Bureau deems it appropriate and in the public interest to accept and enter into this Order. **THEREFORE, IT IS HEREBY ORDERED THAT:**

1. Ameriprise cease and desist from further violations of N.H. RSA 421-B pursuant to RSA 421-B:23.
2. Ameriprise pay the Bureau's costs of investigation in the amount of Ten Thousand Dollars (\$10,000) and an administrative fine in the amount of Eighty Thousand Dollars (\$80,000).
3. Ameriprise comply with all other undertakings and sanctions outlined herein.

Executed this 22nd day of December, 2014.

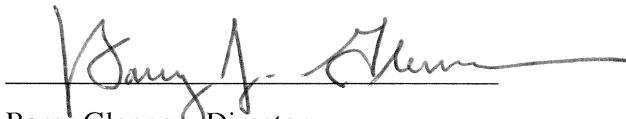


on behalf of Ameriprise

(Please print name below)

Christopher R. Long, VP and Chief Counsel, Regulatory Affairs

Entered this 29th day of December, 2014.



Barry Glennon, Director
N.H. Bureau of Securities Regulation