

Nebraska. RFG is registered with the DEPARTMENT as an investment adviser. Dennis Rasmusson (“RASMUSSON”) is the president of RFG.

2. The RFG office is also a registered branch office of QA3 Financial Corporation (“QA3”), One Valmont Plaza, 4th Floor, Omaha, Nebraska. At all times relevant to this Order, QA3 was registered as a broker-dealer approved to transact a general securities business in Nebraska.

3. At all times relevant to this Order, RASMUSSON was registered as an investment adviser representative of RFG and as an agent of QA3. RASMUSSON is identified on the Central Registration Depository as the person in charge of the QA3 branch office located in the RFG office.

4. Beginning on or about November 28, 2007, the DEPARTMENT conducted a routine investment adviser examination of RFG, which included an examination of the QA3 branch office.

5. Pursuant to its examination, the DEPARTMENT reviewed correspondence and advertising for RASMUSSON in his capacity as agent of QA3. The review showed that:

- a. RASMUSSON failed to submit the correspondence to QA3 for approval prior to sending the correspondence to clients;
- b. Correspondence to clients from RASMUSSON was not dated and correspondence was sent to clients on letterhead which did not disclose that securities were offered through QA3;
- c. Business cards used by RASMUSSON did not disclose securities were offered through QA3; and

d. The telephone greeting used at the office did not disclose securities were offered through QA3.

6. During the examination, the DEPARTMENT reviewed the financial records of RFG. The review revealed that RFG's net worth was less than twenty-five thousand dollars (\$25,000.00) and that RFG did not have a surety bond in the amount of twenty-five thousand dollars (\$25,000.00).

7. Pursuant to its examination, the DEPARTMENT reviewed books and records maintained by RFG. The deficiencies in the books and records of RFG identified by the DEPARTMENT included, but were not limited to:

a. RFG and RASMUSSEN failed to maintain a log for incoming or outgoing correspondence or documentation of any conversations with clients;

b. RFG and RASMUSSEN failed to maintain Letters of Instruction/ Authorization from clients;

c. RFG and RASMUSSEN failed to maintain a folder for Option Agreements;

d. RFG and RASMUSSEN failed to maintain order tickets and trade confirmations for clients;

e. RFG and RASMUSSEN failed to reconcile order tickets and trade confirmations;

f. RFG and RASMUSSEN failed to maintain records regarding the dissemination of sales literature and prospectuses;

g. RFG and RASMUSSEN failed to maintain copies of prospectuses to provide to clients;

Between May 2005 and December 2006, subsequent to the termination of DeLong's registration, RFG paid DeLong approximately five thousand one hundred ten dollars and 19 cents (\$5,110.19) in investment adviser fees.

11. On or about September 3, 2010, the DEPARTMENT entered into Findings of Fact, Conclusions of Law and Consent Order with QA3. QA3 was ordered to pay a fine in the amount of fifteen thousand dollars (\$15,000.00) together with costs in the amount of seven thousand five hundred dollars (\$7,500.00), for failing to supervise its representatives, including RASMUSSEN.

CONCLUSIONS OF LAW

1. The DEPARTMENT has jurisdiction over this matter pursuant to the Act.
2. Neb. Rev. Stat. § 8-1103(9)(b) (Reissue 2007) provides, in part, that the Director may by order bar, censure, or impose a fine pursuant to Neb. Rev. Stat. § 8-1108.01(4) on any person if the Director finds that (a) the order is in the public interest and (b) the person has willfully failed to comply with any provision of the Act or any rule, regulation, or order adopted and promulgated pursuant to the Act.
3. Neb. Rev. Stat. § 8-1103 (7)(a) (Reissue 2007) provides that an investment adviser registered under the Act shall make and keep such accounts, correspondence, memoranda, papers, books, and other records as the director prescribes by rule and regulation or order. 48 NAC 7.002 provides that an investment adviser registered under the Act shall make and keep true, accurate and current the following certain books, ledgers and records.
4. The facts set forth in Findings of Fact #s 7 through 8, in their entirety, constitute a violation of the Act, in that RFG, a registered investment adviser, failed to

maintain books and records required by Neb. Rev. Stat. § 8-1103 (7)(a) (Reissue 2007) and 48 NAC 7.002

5. 48 NAC 12.003.06 provides that it is a dishonest and unethical business practice for an agent to fail to comply with any applicable provision of the Conduct Rules of the National Association of Securities Dealers, Inc. ("NASD"), now known as the Financial Industry Regulatory Authority ("FINRA"), or any applicable fair practice or ethical standard promulgated by the SEC or by a self-regulatory organization approved by the Securities and Exchange Commission ("SEC").

6. NASD Rule of Conduct 2210(d)(2)(C) states that all advertisements and sales literature must: (i) prominently disclose the name of the member and may also include a fictional name by which the member is commonly recognized or which is required by any state or jurisdiction; (ii) reflect any relationship between the member and any non-member or individual who is also named; and if it includes other names, reflect which products or services are being offered by the member.

7. The facts set forth in Findings of Fact # 5(b), (c) and (d) constitute a violation of the Act, in that RASMUSSEN failed to include a statement that securities were offered through QA3 in advertising and correspondence directed to clients and prospective clients, in violation of 48 NAC 12.003.06 and NASD Rule of Conduct 2210(d)(2)(C).

8. NASD Rule of Conduct 2210(b)(2) states that a member shall maintain a file containing copies of the advertisement or sales literature and the dates of first and (if applicable) last use of such material, and the name of the registered principal who approved each advertisement or sales literature and the date that approval was given.

9. The facts set forth in Findings of Fact #s 5(a) and 7(h) constitute a violation of the Act, in that RASMUSSEN failed to maintain the required records regarding the approval of advertisements, in violation of 48 NAC 12.003.06 and NASD Rule of Conduct 2210(b)(2).

10. Neb. Rev. Stat. § 8-1103(4)(b)(v) (Reissue 2007) and 48 NAC 7.008.01 provide that an investment adviser registered or required to be registered under the Act shall maintain a minimum net capital of twenty-five thousand dollars (\$25,000.00) or shall post a surety bond on a form acceptable to the Director in the amount of twenty-five thousand dollars (\$25,000.00).

11. The facts set forth in Findings of Fact # 6 constitute a violation of the Act, in that RFG failed to maintain the required net capital or post a surety bond with the DEPARTMENT, in violation of Neb. Rev. Stat. § 8-1103(4)(b)(v) and 48 NAC 7.008.01.

12. 48 NAC 7.010.03 requires an investment adviser to deliver, or offer in writing to deliver upon written request, the written disclosure statement to each of its advisory clients without charge on an annual basis.

13. The facts set forth in Findings of Fact # 8(b) constitute a violation of the Act, in that RFG failed offer the required disclosure statements to clients on an annual basis, in violation of Neb. Rev. Stat. § 8-1103(4)(b)(v) and 48 NAC 7.008.01.

14. Neb. Rev. Stat. § 8-1103(7)(a) (Reissue 2007) provides that a broker-dealer shall make and keep such accounts, correspondence, memoranda, papers, books, and other records as the director prescribes by rule and regulation. 48 NAC 6.010 provides each broker-dealer registered or required to be registered under the Act shall make, maintain and preserve books and records in compliance with SEC Rules 17a-3 (17

C.F.R. 240.17a-3), 17a-4 (17 C.F.R. 240.17a-4), 15c3-2 (17 C.F.R. 240.15c3-2), and 15c3-3 (17 C.F.R. 240.15c3-3).

15. The facts set forth in Findings of Fact # 7(d), (f) and (g) constitute a violation of the Act, in that RASMUSSEN, as an agent and as the person-in-charge of the QA3 branch office, failed to maintain the books and records required by 17 C.F.R. 240.17a-3, in violation of Neb. Rev. Stat. § 8-1103(7)(a) and 48 NAC 6.010.

16. Section 4(a) of the Investment Advisers Act of 1940 provides that an investment adviser who makes use of the mails or of any means or instrumentality of interstate commerce in connection with his or its business as an investment adviser shall establish, maintain, and enforce written policies and procedures reasonably designed to prevent the misuse of material, nonpublic information.

17. The facts set forth in Findings of Fact # 9 constitute a violation of the Investment Advisers Act of 1940, in that RFG failed to establish a policy designed to prevent the misuse of material, nonpublic information, in violation of Neb. Rev. Stat. § 8-1103(7)(a) and 48 NAC 6.010.

18. Neb. Rev. Stat. § 8-1103(2)(c)(i) (Reissue 2007) provides that it is unlawful for an investment adviser required to be registered under the Act to employ an investment adviser representative unless the investment adviser representative is registered under the Act.

19. The facts set forth in Findings of Fact #s 1 and 10 constitute a violation of the Act in that RFG employed an investment adviser representative, DeLong, who was not registered as an investment adviser representative under the Act, in violation of Neb. Rev. Stat. § 8-1103(2)(c)(i).

20. Neb. Rev. Stat. 8-1103(9) (Reissue 2007) provides, in part, that the Director may by order deny, suspend, or revoke the registration of any person, or bar, censure, or impose a fine pursuant to Neb. Rev. Stat. § 8-1108.01(4) on such person if the Director finds that (a) the order is in the public interest and (b) the person has engaged in dishonest or unethical practices in the securities business.

21. The facts set forth in Findings of Fact # 8(a) and (c) constitute a violation of the Act in that RASMUSSEN engaged in dishonest and unethical business practices by failing to obtain information necessary to make suitable recommendations to clients and by failing to comply with the policies and procedures of QA3, in violation of Neb. Rev. Stat. § 8-1103(9).

22. Under the Act's statutory framework, the Director has legal and equitable authority to fashion significant protective remedies.

23. It is in the best interest of RESPONDENTS, and it is in the public's best interest, for RESPONDENTS and the Director to resolve the issues included herein.

CONSENT ORDER

NOW THEREFORE, the parties to this Order agree as follows:

Stipulations: In connection with this Order, RESPONDENTS and the Director stipulate to the following:

- a. The DEPARTMENT has jurisdiction as to all matters herein.
- b. An Order should be entered in this matter, which shall be in lieu of all other proceedings by the DEPARTMENT, except as specifically referenced in this Order.

RESPONDENTS further represent as follows:

1. RESPONDENTS are aware of their right to a hearing on this Order at which they may be represented by counsel, present evidence, and cross-examine witnesses. The right to such a hearing and any related appeal on all matters covered by this Order, is irrevocably waived.

2. RESPONDENTS are acting free from any duress or coercion of any kind or nature.

3. This Order is executed to avoid further proceedings and constitutes an admission of violations of the Act solely for purposes of this Order and for no other purposes.

FURTHER, RESPONDENTS agree to take whatever action is necessary to ensure compliance with all provisions of the Act in the future. If, at any time, the DEPARTMENT determines that RESPONDENTS has committed any other violations of the Act, the DEPARTMENT may take any action available to it under the Act.

IT IS THEREFORE ORDERED as follows:

1. Dennis Rasmusson shall pay a fine in the amount of ten thousand dollars (\$10,000.00) and shall reimburse the DEPARTMENT for a portion of the costs of the investigation in the amount of two thousand five hundred dollars (\$2,500.00). Dennis Rasmusson shall pay the total amount of twelve thousand five dollars (\$12,500.00) by check or money order payable to the Nebraska Department of Banking and Finance within thirty (30) days of the effective date of this Order.

2. Rasmusson Financial Group, Inc. shall pay a fine in the amount of ten thousand dollars (\$10,000.00) and shall reimburse the DEPARTMENT for a portion of the costs of the investigation in the amount of two thousand five hundred dollars

(\$2,500.00). Rasmusson Financial Group, Inc. shall pay the total amount of twelve thousand five dollars (\$12,500.00) by check or money order payable to the Nebraska Department of Banking and Finance within thirty (30) days of the effective date of this Order.

3. For any person or entity not a party to this Order, this Order does not limit or create any private rights or remedies against RESPONDENTS, limit or create liability of RESPONDENTS, or limit or create defenses of RESPONDENTS to any claims.


4. Nothing herein shall preclude the State of Nebraska, its departments, agencies, boards, commissions, authorities, political subdivisions and corporations, other than the DEPARTMENT (collectively, "State Entities") and the officers, agents or employees of State Entities from asserting any claims, causes of action, or applications for compensatory, nominal and/or punitive damages, administrative, civil, criminal, or injunctive relief against RESPONDENTS in connection with the subject matter of this Order.

In the event that RESPONDENTS fails to comply with the provisions of this Order, the DEPARTMENT may commence such action as it deems necessary and appropriate in the public interest.

The effective date of this Order will be the date of the Director's signature.


DATED this 14th day of January, 2011.

Rasmusson Financial Group, Inc.

By: 
Dennis Rasmusson

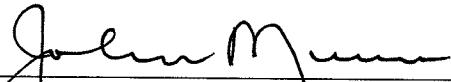
DATED this 14th day of January, 2011.

Dennis Rasmusson

By: 
Dennis Rasmusson

DATED this 18th day of January, 2011.

**STATE OF NEBRASKA
DEPARTMENT OF BANKING AND FINANCE**

By: 
John Munn, Director

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