

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

BLAIR OLSEN
(CRD No. 1545765),

Respondent.

Disciplinary Proceeding
No. 2018058798802

Hearing Officer–MC

AMENDED DEFAULT DECISION¹

October 29, 2021

Respondent Blair Olsen is barred from associating with any FINRA member firm in any capacity for (i) failing to provide information and documents; and (ii) failing to give on-the-record testimony. Because of the bar, no additional sanctions are imposed for willfully failing to disclose or make timely disclosures of reportable events on his Form U4.

Appearances

For the Complainant: David Newman, Esq., and Kevin Hartzell, Esq., Department of Enforcement, Financial Industry Regulatory Authority

For the Respondent: No appearance

DECISION

I. Introduction

On March 5, 2018, Respondent Blair Olsen was indicted on seven charges of felony aggravated assault. He was arrested on the indictment on March 22. Olsen did not amend his answer to the question on FINRA’s Uniform Application for Securities Industry Registration or Transfer (Form U4) asking if he had ever been charged with a felony. In May 2018, his member firm employer learned of the arrest and on May 17, filed an amended Form U4 on Olsen’s behalf to disclose that he had been charged with a felony. However, Olsen represented falsely on the form that the indictment consisted of only a single count. The following July, the firm again amended Olsen’s Form U4 to reflect accurately that the indictment contained seven counts.

¹ This Amended Default Decision corrects the date of the Complaint.

In the meantime, on May 18, 2018, Olsen was indicted a second time. This indictment charged him with a single count of felony aggravated harassment. He appeared in court in connection with this indictment on multiple occasions beginning in August 2018 but did not amend his Form U4 to disclose it.

On May 30, 2019, FINRA sent Olsen a request pursuant to FINRA Rule 8210 for information about both indictments. Receiving no response, on June 28, FINRA sent a second Rule 8210 request. Because Olsen still did not respond, FINRA suspended him from associating with any FINRA member firm in any capacity. In November 2019, Olsen provided FINRA with a late partial response.

In early September 2020, FINRA sent Olsen a Rule 8210 request to provide testimony in an on-the-record interview (OTR) on September 17. When he did not attend the OTR, FINRA sent a second request to appear for an OTR and scheduled it on December 4, 2020. Again, Olsen failed to appear.

In June 2021, the Department of Enforcement filed and served the Complaint and a Notice of Complaint on Olsen. He did not file an Answer by the deadline. In July, Enforcement repeated the process, serving him with the Complaint and a Second Notice of Complaint. Olsen still did not file an Answer or any other response. Consequently, Enforcement filed a Motion for Entry of Default Decision (“Default Motion”) with a Memorandum of Law and Request for Sanctions (“Enforcement’s Memorandum”), accompanied by exhibits and a supporting Declaration of Enforcement Senior Counsel David Newman.

Olsen has not responded to the Default Motion. Therefore, I find him in default and deem the allegations in the Complaint admitted. After considering the facts, Enforcement’s Memorandum, and the applicable FINRA Sanction Guidelines, I find it appropriate to bar Olsen from associating with any FINRA member firm in any capacity.

II. Findings of Fact and Conclusions of Law

A. Respondent’s Background and FINRA’s Jurisdiction

Olsen initially registered with FINRA in November 1986. On January 3, 2017, he became registered with FINRA through member firm Lincoln Investment as an Investment Company and Variable Contracts Products Representative.² He held that registration until July 18, 2019, when Lincoln Investment filed a Uniform Termination Notice for Securities Industry Registration (Form U5) ending Olsen’s association with that firm. The explanation given for Olsen’s termination on the Form U5 was that he failed “to provide information requested” to FINRA under FINRA Rule 8210 by the “stated deadline.”³

² Complaint (“Compl.”) ¶ 4.

³ Compl. ¶ 5.

Olsen is no longer registered with FINRA or associated with a member firm. Nonetheless, FINRA maintains jurisdiction over him for the purposes of this proceeding. Enforcement filed the Complaint on June 16, 2021, less than two years after Lincoln Investment's termination of Olsen's registration took effect. Furthermore, the Complaint charges Olsen with (a) misconduct that occurred while he was registered with FINRA, and (b) failing to comply with FINRA's requests to provide information and documents and failing to testify at an OTR within two years after Lincoln Investment terminated his association with the firm.⁴

B. Origin of the Investigation

It was not until May 11, 2018, that Lincoln Investment learned from a firm customer that Olsen had been arrested on felony charges more than a month earlier.⁵ On May 17, Lincoln Investment amended Olsen's Form U4 to disclose his pending criminal case for the first time.⁶ On the following day, FINRA asked Lincoln Investment to provide documentation relating to the case, to help it determine whether Olsen had failed to make a timely amendment to his Form U4 to disclose the charges.⁷ This proceeding arose from the subsequent requests FINRA made pursuant to Rule 8210 for Olsen to provide information and testimony, and Olsen's failures to comply with those requests.⁸

C. The Default

On June 16, 2021, Enforcement served Olsen with the Complaint and Notice of Complaint in compliance with the requirements of FINRA Rules 9131 and 9134, by mailing the documents through the United States Postal Service by Express Mail to his residential address listed in the Central Registration Depository ("CRD Address"). The Postal Service confirmed delivery of the mailing on June 17, 2021.⁹

The Notice of Complaint informed Olsen that his Answer should be filed no later than July 14, 2021. When Olsen did not file an Answer by the deadline,¹⁰ Enforcement served Olsen with the Complaint and Second Notice of Complaint as before.¹¹ The Postal Service confirmed it delivered the mailing to Olsen's CRD address on the morning of July 17, 2021, and that the mailing remained there until the afternoon of July 28. It was returned to Enforcement on August

⁴ FINRA By-Laws, Article V, Section IV.

⁵ Compl. ¶¶ 8, 13.

⁶ Compl. ¶ 15.

⁷ Compl. ¶ 16.

⁸ Declaration of David Newman in Support of the Department of Enforcement's Motion for Entry of Default Decision and Request for Imposition of Sanctions ("Newman Decl.") ¶¶ 5-7.

⁹ Newman Decl. ¶ 22; Complainant's Exhibit ("CX-") 5.

¹⁰ Newman Decl. ¶¶ 24, 25.

¹¹ Newman Decl. ¶ 26.

5, marked “RETURN TO SENDER UNCLAIMED” and “UNABLE TO FORWARD.”¹² The deadline for Olsen to file his Answer was August 2, 2021. He did not file one.¹³

By serving the Complaint and the First and Second Notices of Complaint by Express Mail on Olsen’s CRD Address, Enforcement complied with FINRA Rules 9131(b) and 9134(b) governing the service of complaints. Because Olsen failed to file an Answer, he defaulted.¹⁴

D. Rule Violations

1. Olsen Failed to Make Timely Disclosures of Criminal Charges by Amending Form U4, in Violation of FINRA Rules 1122 and 2010, and Article V, Section 2(c) of FINRA’s By-Laws

Article V, Section 2(c) of FINRA’s By-Laws mandates that associated persons keep their Forms U4 current by amending them within 30 days of learning of a change in “facts or circumstances” that must be disclosed on the form. FINRA Rule 1122 forbids filing information on a Form U4 that “is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead, or fail to correct” a filing when made aware that it could mislead. The long-standing rationale is that FINRA relies on Form U4 “to monitor and determine the fitness of securities professionals”¹⁵ and the “effectiveness of the form depends on applicants’ candid disclosures.”¹⁶

Question 14A(1)(b) on Form U4 specifically asks if an associated person has ever been charged with a felony. On March 5, 2018, in the Superior Court of Maricopa County, Arizona, Olsen was indicted on seven counts of felony aggravated harassment. He was arrested on the charges on March 22.¹⁷ Olsen did not update his Form U4 by amending his answer to Question 14A(1)(b) within 30 days of being charged, or within 30 days of his arrest, an event that, had he been unaware of the indictment when it was handed down, indisputably informed him that he had been charged with the felonies.

Lincoln Investment was unaware of these matters until May 11, 2018, when it learned of the arrest from a customer.¹⁸ By then, Olsen had appeared in Maricopa County’s Superior Court twice—on March 27 and May 8—in connection with the indictment.¹⁹ Lincoln Investment prepared a draft amendment to his Form U4 for Olsen to make the disclosures. On May 15,

¹² Newman Decl. ¶¶ 31, 32.

¹³ Newman Decl. ¶¶ 34, 35.

¹⁴ Olsen may move to set aside the default pursuant to FINRA Rule 9269(c) by showing good cause.

¹⁵ *Rosario R. Ruggiero*, Exchange Act Release No. 37070, 1996 SEC LEXIS 990, at *8-9 (Apr. 5, 1996).

¹⁶ *Jason A. Craig*, Exchange Act Release No. 59137, 2008 SEC LEXIS 2844, at *15 (Dec. 22, 2008).

¹⁷ Compl. ¶¶ 7, 8, 10.

¹⁸ Compl. ¶ 13.

¹⁹ Compl. ¶ 9.

Olsen questioned the need for the amendment, pointing out that he had not entered a guilty plea to the charges. Nonetheless, on May 17, Lincoln Investment filed the amendment. The amendment changed Olsen’s answer to Question 14A(1)(b) to “yes,” and accurately identified the court docket number of the case. However, it incorrectly stated that the indictment had only a single count.²⁰

On June 7, 2018, after obtaining a copy of the March 5 indictment, FINRA asked Lincoln Investment to correct Olsen’s Form U4 to accurately disclose all seven counts. On July 3, the correction was made.²¹

In the meantime, on May 18, 2018, the Maricopa County Superior Court issued a second indictment charging Olsen with an additional felony charge of aggravated harassment, with a new docket number. Despite making eight court appearances in connection with the second indictment—from his arraignment on August 3, 2018 through May 1, 2019—Olsen did not amend his Form U4 to disclose the new criminal charge.²² And although Lincoln Investment amended Olsen’s Form U4 five times, from December 26, 2018 to June 6, 2019, none of the amendments disclosed the new indictment.²³

In sum, Olsen failed to amend his Form U4 to disclose that he had been charged with seven felonies within 30 days after he became aware of the charges. It was not until May 17, 2018, 56 days after his arrest on March 22, that Lincoln Investment filed an amended Form U4 for Olsen acknowledging that he had been charged with a felony. And even then, Olsen failed to fulfill his obligation under FINRA Rule 1122 to ensure that his filing was “complete and accurate,” because he incorrectly represented that the indictment had but one count. He did not correct the misleading entry on the Form U4 until July 3, 2019, 103 days after his arrest.

From May 18, 2019 forward, Olsen’s Form U4 continued to be inaccurate and incomplete because he did not amend his Form U4 to disclose the new charge in his second indictment, and thus Olsen continued to violate FINRA’s By-Laws and Rules 1122 and 2010.

a. Timely Disclosures Were Required

As noted above, Article V, Section 2(c) of FINRA’s By-Laws requires associated persons to amend their Forms U4 to keep them current and accurate. To ensure updates are made in a timely manner, the By-Laws require associated persons to file them within 30 days of becoming aware of any event, fact, or circumstance that should be disclosed. As Question 14A(1)(b) makes clear, by asking whether an associated person has ever been charged with a felony, an associated person must answer “yes” within 30 days of becoming aware of being charged with a felony. Certainly by the time of his arrest, Olsen was required to disclose within 30 days that he was

²⁰ Compl. ¶¶ 14, 15.

²¹ Compl. ¶¶ 17, 18.

²² Compl. ¶¶ 19-22.

²³ Compl. ¶ 24.

charged with seven felonies. And once he knew of the second indictment, he was required to disclose within 30 days that he had been charged with the new felony.

A failure to update Form U4 to disclose criminal charges contravenes clearly stated requirements on the form.²⁴ By his late disclosure of the first indictment, his tardy correction to disclose that it contained seven counts, and failure to disclose the second indictment, Olsen failed to satisfy his reporting responsibilities, violating Article V, Section 2(c) of the By-Laws, and FINRA Rules 1122 and 2010.²⁵

b. The Charges Were Material and the Failures to Disclose Them Were Willful

The Complaint alleges that the criminal charges Olsen failed to disclose were material, and that his omissions were willful. When present, these two elements—materiality and willfulness—subject Olsen to statutory disqualification.²⁶

First, it is well-established that an associated person’s criminal record is material.²⁷ Furthermore, Form U4’s Question 14A(1)(b) asks directly whether the associated person has ever been charged with a felony. A failure to respond on Form U4 “to a question specifically asking him to disclose such information” constitutes a material omission.²⁸ Finally, information is material if it would have significance to an associated person’s customers, employers, and regulators.²⁹ The existence of pending indictments charging Olsen with felony offenses is something that would be significant to Olsen’s “investors, as well as employers and regulators” and therefore is material.³⁰

Second, Olsen’s failures to make timely, accurate disclosures were willful. As an experienced securities industry professional, Olsen had “a responsibility to understand [his] duties to the investing public and to comply with the applicable rules and regulations” governing

²⁴ *Craig*, 2008 SEC LEXIS 2844, at *13.

²⁵ *Joseph S. Amundsen*, Exchange Act Release No. 69406, 2013 SEC LEXIS 1148, at *26-27 (Apr. 18, 2013), *petition for review denied*, 575 F. App’x 1 (D.C. Cir. 2014), *reh’g denied*, No. 13-1252, 2014 U.S. App. LEXIS 20153 (D.C. Cir. Oct. 21, 2014).

²⁶ Section 3(a)(39) of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. § 78c(a)(39); Section 15(b)(4)(A) of the Exchange Act, 15 U.S.C. § 78o(b)(4)(A); FINRA By-Laws Art. III, § 4; *Michael Earl McCune*, Exchange Act Release No. 77375, 2016 SEC LEXIS 1026, at *14 (Mar. 15, 2016), *aff’d* 672 F. App’x 865 (10th Cir. 2016). Form U4 is a required application to FINRA within the meaning of Sections 3(a)(39) and 15(b)(4)(A) of the Exchange Act.

²⁷ *Dep’t of Enforcement v. Kraemer*, No. 2006006192901, 2009 FINRA Discip. LEXIS 39, at *15 n.5 (NAC Dec. 18, 2009).

²⁸ *Scott Mathis*, Exchange Act Release No. 61120, 2009 SEC LEXIS 4376, at *32 (Dec. 7, 2009), *aff’d*, 671 F.3d 210 (2d Cir. 2012).

²⁹ *Id.* at *29.

³⁰ *Id.* at *31.

the behavior of associated persons.³¹ The record in this case provides direct evidence that Olsen understood what he was required to do and consciously decided not to do it. As shown above, Olsen was certainly aware of the first indictment by the time he was arrested on its seven felony charges, and he was aware of the second indictment when he made his first court appearance in connection with it.

It is clear that Olsen understood the need to amend his Form U4 to disclose the charges. After questioning Lincoln Investment about whether it was necessary, he made the disclosure—albeit partially incorrect and misleading—that was filed on May 17, 2019. These facts suffice to establish that he knew of his obligation to keep his Form U4 current and accurate. Yet he did not make a timely amendment to disclose accurately the charges against him in the first indictment, and he failed completely to disclose the charge in the second indictment. Thus, his failures to comply with his disclosure obligations were willful.

2. Olsen Failed to Provide Information to FINRA When Requested, and Failed to Appear and Testify When Requested, in Violation of FINRA Rules 8210 and 2010

Because FINRA does not possess authority to issue subpoenas to compel members to provide information, it depends on Rule 8210 to obtain information in the investigations it conducts to fulfill the regulatory responsibilities that are central to its mission.³² Rule 8210 states plainly that FINRA can require an associated person “to provide information orally, in writing, or electronically . . . and to testify at a location specified by FINRA staff under oath or affirmation . . . with respect to any matter” in connection with an investigation. Thus, associated persons must give FINRA the information it requests pursuant to Rule 8210.

a. The Requests for Information and Documents

On May 30, 2019, investigating whether Olsen had failed to disclose his felony charges on his Form U4, FINRA issued the first of several requests by letter pursuant to Rule 8210 to Olsen through his attorney. In it, FINRA asked Olsen to provide information and specific documents by June 13. The letter included requests FINRA enumerated as Items No. 6 through 12:

Item No 6: communications between Olsen and his firm relating to the second indictment and to disclosures of the felony charge on Olsen’s Form U4;

Item No. 7: a copy of the second indictment;

³¹ *Christopher LaPorte*, Exchange Act Release No. 39171, 1997 SEC LEXIS 2058, at *8 n.2 (Sept. 30, 1997).

³² *Shawn D. Baldwin*, Exchange Act Release No. 59325, 2009 SEC LEXIS 215, at *15 (Jan. 30, 2009).

- Item No. 8: Olsen's explanation for not amending his Form U4 to disclose the felony charge in the second indictment;
- Item No. 9: all documents in Olsen's possession, custody, and control relating to the first indictment;
- Item No. 10: all documents in Olsen's possession, custody, and control relating to the second indictment;
- Item No. 11: Olsen's explanation as to whether he was in Maricopa County Superior Court when the first indictment was issued; and
- Item No. 12: Olsen's explanation as to whether he was in court when the second indictment was issued.³³

After receiving this initial Rule 8210 request letter, Olsen's attorney asked FINRA for an extension of the response deadline. FINRA granted the request and set a new deadline of June 21, 2019.³⁴

When Olsen did not respond, FINRA sent him a second Rule 8210 request letter through his attorney, asking for the same information and documents, with a new deadline for production of July 12, 2019.³⁵

Receiving no response from Olsen or his attorney, on July 25, 2019, FINRA sent Olsen a notice that his FINRA registration would be suspended on August 19 unless he complied with the Rule 8210 requests by that date. The notice also informed Olsen that he could request a hearing on the suspension.³⁶ Olsen did not comply with the request, did not respond in any way, and did not ask for a hearing.³⁷

On August 19, FINRA notified Olsen that he was suspended from associating with any FINRA member in any capacity. FINRA also informed Olsen that on October 28, 2019, he would be barred in all capacities unless, by October 25, he had complied fully with the Rule 8210 requests and asked in writing for his suspension to be terminated.³⁸ Instead, on October 28, Olsen asked for a ten-day extension of the deadline; FINRA consented and gave Olsen until November 8 to respond.³⁹

³³ Compl. ¶ 26.

³⁴ Compl. ¶ 29.

³⁵ Compl. ¶¶ 31-34.

³⁶ Compl. ¶ 36.

³⁷ Compl. ¶ 37.

³⁸ Compl. ¶ 38.

³⁹ Compl. ¶ 39.

On November 8, 2019, for the first time, Olsen provided a response to the Rule 8210 requests, but it was incomplete: he responded only to one item, Item No. 9, which sought documents relating to the first indictment. He did not provide information or responses to Item Nos. 6-8 and 10-12.⁴⁰

Consequently, on November 18, 2019, FINRA notified Olsen that he was barred. Acting on his own behalf, on December 11, Olsen applied to the Securities and Exchange Commission for a review of the bar. A little more than seven months later, on July 6, 2020, FINRA informed Olsen that it had vacated his bar, but his suspension would remain in effect until he fully complied with the Rule 8210 requests.⁴¹ FINRA notified Olsen by sending the letter to his CRD Address by certified mail, return receipt requested, and by first-class mail; the certified mailing was returned unclaimed by the Postal Service. The first-class mailing was not returned.⁴²

Olsen has not satisfied FINRA's Rule 8210 requests for information. First, Olsen did not provide his late, partial response until November 8, 2019, more than four months after he was required to do so. Second, his response did not constitute substantial compliance with the requests. By his noncompliance, Olsen deprived FINRA of information that it describes as "integral" to its investigation into whether he willfully failed to amend his Form U4 to disclose the felony charges on which he had been indicted.⁴³ Consequently, Olsen's misconduct hindered FINRA's investigation.⁴⁴ His failures to provide information and documents in response to the Rule 8210 requests violated FINRA Rules 8210 and 2010, as the Complaint charges in the second cause of action.

b. The Requests to Appear and Provide Testimony

On September 10, 2020, FINRA sent Olsen a request pursuant to Rule 8210 for him to testify at an OTR on September 17. FINRA sent the request through the Postal Service in a letter by certified and first-class mail to Olsen's CRD Address. The Postal Service reported that it was unclaimed and returned it to FINRA. The first-class mailing, however, was not returned.⁴⁵ Olsen did not contact FINRA staff and did not attend the interview scheduled for September 17.⁴⁶

On November 23, 2020, FINRA made a second effort to obtain Olsen's testimony by sending another request pursuant to Rule 8210 to appear for an interview set for December 4, 2020. Once again, FINRA sent the letter through the Postal Service by certified and first-class

⁴⁰ Compl. ¶ 40.

⁴¹ Compl. ¶¶ 41-44.

⁴² Compl. ¶¶ 45-46.

⁴³ Newman Decl. ¶ 41.

⁴⁴ Newman Decl. ¶ 42.

⁴⁵ Compl. ¶¶ 49-51.

⁴⁶ Compl. ¶ 53.

mail to Olsen's CRD Address. Neither was returned.⁴⁷ As before, Olsen did not contact FINRA or appear for the interview.⁴⁸

By sending both OTR requests pursuant to Rule 8210 by certified mail to Olsen's CRD Address, FINRA properly served them. FINRA deemed the testimony to be material to its investigation of Olsen's failures to make timely and accurate disclosures on his Form U4 of the felony charges on which he had been indicted.⁴⁹ By ignoring the requests, Olsen frustrated FINRA's investigation. His two failures to appear and provide testimony therefore violated FINRA Rules 8210 and 2010, as the Complaint charges in the third cause of action.

III. Sanctions

A. The Failures to Make Timely, Accurate Amendments to Form U4 (First Cause of Action)

For failing to make timely, accurate amendments to Form U4, as charged in the Complaint's first cause of action, FINRA's Sanction Guidelines recommend imposing a fine between \$2,500 and \$39,000; when aggravating factors are present, the Guidelines recommend a suspension in all capacities from ten business days to six months.⁵⁰

Several of the Principal Considerations in Determining Sanctions enumerated in the Guidelines are applicable here. One relevant aggravating factor is the intentionality of Olsen's delay and concealment of information from FINRA.⁵¹ As discussed above, Olsen acted willfully. Olsen apparently also acted intentionally. His disclosure of the first indictment came 26 days late and only after his firm presented him with a draft Form U4 amendment. Even then his disclosure was misleading because he acknowledged only one felony count when he knew there were seven, evidence that he intended to mislead by concealing the number of charges. His failure to disclose the charge in the second indictment was apparently intended to conceal it as well.

Another aggravating consideration is the nature and significance of the information Olsen disclosed belatedly, inaccurately, or not at all.⁵² The existence of multiple pending felony charges against a broker is, as noted above, information that Olsen's customers, employer, and regulators would find significant.

Enforcement argues that Olsen should be barred for his Rule 8210 violations. If he is barred, Enforcement seeks no additional penalties for the Form U4 disclosure violations. If Olsen is not barred, then Enforcement recommends a three-month suspension and fine of \$5,000,

⁴⁷ Compl. ¶¶ 54-56.

⁴⁸ Compl. ¶ 58.

⁴⁹ Compl. ¶ 94.

⁵⁰ FINRA Sanction Guidelines (Guidelines) at 71 (Oct. 2020), <http://www.finra.org/sanctionguidelines>.

⁵¹ *Id.* (Principal Consideration in Determining Sanctions No. 3).

⁵² *Id.* (Principal Consideration in Determining Sanctions No. 2).

sanctions Enforcement believes to be appropriately near the middle of the range recommended by the Guidelines.⁵³

Enforcement's recommendations have merit. However, the intentionality of Olsen's decision to conceal the criminal charges against him from disclosure on Form U4, despite his firm's efforts to prompt him to make timely, accurate disclosures, elevates the seriousness of his misconduct and calls for more significant sanctions. Therefore, I find a six-month suspension in all capacities and a fine of \$15,000 better calculated to achieve the remedial objectives of the Sanction Guidelines, and to deter Olsen and others who may be similarly situated from engaging in similar misconduct. However, as explained below, since I find a bar to be the appropriate sanction for Olsen's Rule 8210 violations, I find it unnecessary to impose sanctions for Olsen's disclosure violations. Of course, because Olsen acted willfully, his misconduct automatically subjects him to statutory disqualification with or without imposition of additional sanctions for the Form U4 violations.

B. Failures to Provide Information and Documents and Appear for Testimony (Second and Third Causes of Action)

For partial or incomplete responses, like Olsen's belated production of information and documents, the Guidelines state that "a bar is standard unless the person can demonstrate that the information provided substantially complied with all aspects of the request."⁵⁴ Here, the facts preclude a finding that Olsen substantially complied with all aspects of FINRA's Rule 8210 requests for information and documents; thus, a bar is called for.

Olsen's misconduct was aggravated by his several acts of omission.⁵⁵ As discussed above, after issuing the Rule 8210 requests for information and documents, FINRA suspended and barred Olsen. When FINRA vacated the bar, it informed Olsen that the suspension would remain in place until he provided the information sought in the Rule 8210 requests. Olsen still refused to supplement his partial response.

The events charged in both the second and third causes of action unfolded over a lengthy period, an additional aggravating factor.⁵⁶ FINRA's requests for information and documents began in May 2018 and continued to November 8, 2019, when he submitted his partial, limited response. Enforcement's efforts to obtain Olsen's OTR were initiated on September 10, 2020 and continued until his failure to attend the second scheduled OTR on December 4, 2020.

Furthermore, as with his Form U4 violations, Olsen's failures to produce information and to testify were not the products of mere negligence; they were intentional. Informed repeatedly of what he needed to produce to comply with the information requests and when he needed to

⁵³ Enforcement Memorandum at 25-26.

⁵⁴ Guidelines at 33.

⁵⁵ Guidelines at 7 (Principal Consideration No. 8).

⁵⁶ *Id.* (Principal Consideration No. 9).

attend the OTRs, Olsen refused to comply.⁵⁷ Finally, there are no mitigating factors present to counter the aggravating factors.

By his conduct, Olsen violated Rule 8210 and failed to honor his responsibility to “observe high standards of commercial honor and just and equitable principles of trade” as required by Rule 2010. Refusals to comply with Rule 8210 requests for information or testimony are “serious violations because they subvert [FINRA’s] ability to carry out its regulatory responsibilities.”⁵⁸ In consideration of these facts, applying the applicable principles contained in the Guidelines, and given the absence of mitigating factors, I conclude that a bar is required to achieve the remedial objectives of FINRA’s Sanction Guidelines, and to deter Olsen and others who may be similarly situated from refusing to respond to Rule 8210 requests for information and testimony under circumstances such as these.⁵⁹

Finally, although it would be permissible to impose a separate bar for the violations charged in causes two and three, they derive from a single basic cause: Olsen’s refusal to comply with Rule 8210 requests for information and testimony FINRA needed for its investigation into his Form U4 violations. Therefore, I conclude that a unitary sanction is appropriate to impose for the violations in the second and third causes of action.⁶⁰

IV. ORDER

Respondent Blair Olsen is barred from associating with any FINRA member firm in any capacity for violating FINRA Rules 8210 and 2010 by failing to provide information, documents, and on-the-record testimony requested pursuant to FINRA Rule 8210, as charged in the Complaint’s second and third causes of action. The bar shall become effective immediately if this Default Decision becomes the final disciplinary action of FINRA.

Because of the bar, no additional sanctions are imposed for Olsen’s willful failures to disclose or timely disclose reportable events on his Form U4, in violation of Article V, Section 2(c) of FINRA’s By-Laws and FINRA Rules 1122 and 2010.

SO ORDERED.



Matthew Campbell
Hearing Officer

⁵⁷ Guidelines at 8 (Principal Consideration No. 13).

⁵⁸ *Joseph Patrick Hannan*, Exchange Act Release No. 40438, 1998 SEC LEXIS 1955, at *9 (Sept. 14, 1998).

⁵⁹ *Siegel v. SEC*, 592 F.3d 147, 158 (D.C. Cir. 2010) (deterrence is an appropriate consideration as part of the remedial inquiry when determining sanctions).

⁶⁰ *See Blaire C. Mielke*, Exchange Act Release No. 75981, 2015 SEC LEXIS 3927, at *59 (Sept. 24, 2015) (affirming imposition of a unitary sanction for more than one violation when the violations are related and arise from the same set of circumstances).

Copies to:

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