

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

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**CASE NO. S-17-0076
ORDER NO. S-17-0076-17-OR01**

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

**REGISTRATION OF DANIEL S.
HOLOM WITH ALLSTATE
FINANCIAL SERVICES, LLC**

ORDER

This Order is entered pursuant to the Arkansas Securities Act (“Act”), codified at Ark. Code Ann. §§ 23-42-101 through 23-42-509, the Rules of the Arkansas Securities Commissioner, and the Arkansas Administrative Procedures Act, Ark. Code Ann. §§ 25-15-201 through 25-15-219.

FINDINGS OF FACT

1. On December 9, 2016, the Arkansas Securities Department (“Department”) received an application for registration from Daniel S. Holom (“Holom”), CRD No. 1175901, to be a broker-dealer agent in Arkansas with Allstate Financial Services, LLC (“AFS”), CRD No. 18272 an Arkansas registered broker-dealer.
2. While reviewing the registration application, the Staff of the Arkansas Securities Department (“Staff”) found that Holom had several unsatisfied tax liens filed against him for unpaid income taxes, fees, and interest to the State of Arkansas that were not disclosed to the Department.
3. Holom has negotiated an agreement with the Arkansas Department of Finance and Administration to resolve the matter of unpaid taxes, fees, and interest owed to the state.

4. Holom has agreed to resolve his unpaid tax liens with the State of Arkansas with a monthly payment until the tax lien has been satisfied. AFS agrees to monitor his tax payments to ensure that Holom is in compliance with his agreement with the Arkansas Department of Finance and Administration. Additionally, AFS will ensure that Holom's CRD records are accurate.

5. John Boudreau, CCO of AFS, has submitted a "Heightened Supervision Plan" for Holom with the Department. The Heightened Supervision Plan is attached as "Exhibit A."

CONCLUSIONS OF LAW

6. Ark Code Ann. § 23-42-302(a)(2) provides that the Arkansas Securities Commissioner may, by order, approve a limited registration with such limitations, qualifications, or conditions as the Commissioner deems appropriate.

ORDER

The Heightened Supervision Plan of Daniel S. Holom for registration as a broker-dealer agent for AFS, is hereby approved.

IT IS SO ORDERED.



B. Edmond Waters
Arkansas Securities Commissioner

7-12-17

DATE

HEIGHTENED SUPERVISION PLAN
For Daniel Holom
Personal Financial Representative

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ARKANSAS SECURITIES DEPT.

This document spells out the Heightened Supervisory Plan for Daniel Holom, a Personal Financial Representative ("PFR") with Allstate Financial Services, LLC ("AFS, LLC"). The Plan shall be in effect for the period April 20, 2017 through April 20, 2018 ("the Plan Period"), and may be extended with prior written notice to all signatories to the Plan. By signing below Susan Ford – Designated Supervisory Principal ("DSP"), Jerry Coleman – Field Compliance Principal ("FCP") and Jerry Heiple – Regional Financial Sales Leader ("RFSL") for the Southern Region, acknowledge that they agree to the following:

1. DSP will conduct four Supervisory Contact Checklist ("SCC") reviews during the Plan period. One of these must be conducted within the next 3 months. At least one of the SCCs must be conducted on an unannounced basis. The SCCs will include the use of the Customer Account Transaction Review Form ("CATR"). During these visits, DSP will review the lesser of 10 files or 50% of all new customer files and additional inquiries related to U-4 matters including judgments, liens, bankruptcies and criminal matters will be made and the answers documented.
2. FCP will conduct two audit inspections during the Plan Period, at which time the PFR's sales practices and books and records will be reviewed. One of these inspections must be conducted on an unannounced basis. These visits are to be done separately from the DSP visits in #1 above. Inquiries related to U-4 matters including judgments, liens, bankruptcies and criminal matters will be made and the answers documented.
3. PFR is responsible for making payments to the Arkansas Department of Finance and the Internal Revenue Service. PFR will forward a copy of said payments to DSP and FCP. PFR will contact FCP and DSP immediately if a payment is late or missed. PFR will contact DSP and FCP immediately if a disclosure needs to be updated.
4. DSP will submit to RFSL and TCO within 10 days of each visit, a report detailing the results of each visit. If any irregularities in the PFRs sales practices, records, payments or disclosures are noted, RFSL must contact TCO within 48 hours of the visit to allow further investigation into such matters.
5. AFS Compliance reserves the right to retrieve and periodically review Holom's public records to review his current financial condition.



6. Upon successful completion of the terms and conditions of the Plan, and compliance audit results, the PFR will be removed from Heightened Supervision.

If, at any time during or at the end of the Plan Period it is determined that the PFR has not met the terms and conditions of the Plan, or is found to have violated any AFS policies and procedures, including those beyond the scope of the Plan, the PFR's registration as a representative of AFS may be terminated for cause.

Nothing contained herein shall alter or amend the terms of the Personal Financial Representative's L2000 contract or any Affiliation Agreement between the PFR and AFS or any of its affiliates, except that a failure by the PFR to cooperate with the Plan may constitute a breach of those contracts. Nothing contained herein or elsewhere shall be construed to create an employer/employee relationship between AFS or any of its affiliates.


Daniel Holom, PFR

06-15-2017
Date


Susan Ford, DSP

6-22-2017
Date


Jerry Coleman, FCP

6/20/2017
Date


Jerry Heiple, RFSL

6/13/17
Date


John Boudreau, CCO

6/30/17
Date