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FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2019063696201

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

RE: Ameriprise Financial Services, LLC (Respondent)
Member Firm
CRD No. 6363

Pursuant to FINRA Rule 9216, Respondent Ameriprise Financial Services, LLC 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

Ameriprise has been a FINRA member since 1972. The firm is headquartered in Minneapolis, Minnesota, has almost 15,000 registered representatives and over 4,000 branches. The firm conducts a general securities business and offers investment products and services, including variable annuities, to retail customers.

OVERVIEW

Between January 2015 and December 2018, Ameriprise failed to establish and maintain a supervisory system, including written supervisory procedures, reasonably designed to supervise recommendations of certain variable annuity exchanges involving contracts with guaranteed lifetime withdrawal benefit (GLWB) riders. Specifically, Ameriprise did not provide sufficient guidance to registered principals for determining whether certain customers would benefit sufficiently from the rider's growth credit feature before commencing withdrawals to justify the higher fees, which applied for the duration of the contract. Accordingly, Ameriprise violated FINRA Rules 3110, 2330(c) and (d), and 2010. For these violations, Ameriprise is censured, fined $450,000, and ordered to pay restitution of $993,950.47.

[redacted]

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 3110(a) provides that "[e]ach member shall establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules." FINRA Rule 3110(b) requires each of its members to "establish, maintain, and enforce written procedures to supervise the types of business in which it engages and the activities of its associated persons that are reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules."

Variable annuities are complex, generally long-term investments that offer tax-deferred treatment of earnings and contain securities and insurance features. These features may include guaranteed periodic income payments as well as a guaranteed death benefit. FINRA has established specific responsibilities for firms and their associated persons regarding recommended purchases and exchanges of variable annuities.

FINRA Rule 2330(c) provides that "a registered principal shall review and determine whether he or she approves of the recommended purchase or exchange of [a] deferred variable annuity" and shall approve a transaction "only if he or she has determined that there is a reasonable basis to believe that the transaction would be suitable based on the factors delineated in [FINRA Rule 2330(b)]. . . ." With respect to variable annuity exchanges, FINRA Rule 2330(b) provides that this determination must take into consideration, among other things, whether the customer would be "subject to increased fees or charges" and whether the "customer would benefit from product enhancements and improvements."

FINRA Rule 2330(d) provides that, in addition to the general supervisory requirements of FINRA Rule 3110, members must "establish and maintain specific written supervisory procedures reasonably designed to achieve compliance with the standards set forth in [FINRA Rule 2330]."

Violations of FINRA Rules 3110 and 2330 also constitute violations of FINRA Rule 2010, which requires members, in the conduct of their business, to observe high standards of commercial honor and just and equitable principles of trade.

Between January 2015 and December 2018 Ameriprise failed to establish and maintain a supervisory system, including written supervisory procedures, reasonably designed to supervise recommendations of certain variable annuity exchanges where both the original and replacement variable annuities included optional GLWB riders.[1]

Prior to 2010, Ameriprise sold certain variable annuities, which offered an optional GLWB rider for an additional fee. These riders provided customers who attained a certain age with guaranteed annual withdrawals for the customer's lifetime, with the guaranteed withdrawal amount determined using a guaranteed income base that reflected premiums and account value growth.

[1] Ameriprise discontinued selling the GLWB riders at issue after June 2022.

[redacted]

During the relevant period, Ameriprise representatives recommended that certain customers replace their existing annuities and the linked GLWB rider with a variable annuity which featured a newer GLWB rider that included an annual growth credit feature. This feature provided that, if the customer had not commenced withdrawals, the customers' benefit base (but not the contract value) would increase by a minimum guaranteed percentage, typically 6% per year, irrespective of subaccount performance. However, with this additional feature, the newer GLWB riders were generally more expensive than their predecessors.

Ameriprise failed to establish a system, including written supervisory procedures, reasonably designed to supervise recommendations of certain variable annuity exchanges involving contracts with the newer GLWB riders that included an annual growth credit. Specifically, Ameriprise did not provide sufficient guidance to registered principals for determining whether certain customers would benefit sufficiently from the growth credit before commencing withdrawals to justify the higher fees, which applied for the duration of the contract.

Ameriprise recommended and sold these exchanges to 114 customers who were eligible to commence lifetime withdrawals from their original annuity and either intended to commence or did actually commence an income stream on the new annuity shortly after the exchange. On average, the incremental cost of these exchanges was $8,718.86 per customer. Ameriprise failed to reasonably supervise these recommendations.

Therefore, Respondent violated FINRA Rules 3110, 2330(c) and (d), and 2010.

B. Respondent also consents to the imposition of the following sanctions:

- a censure
- a $450,000 fine and
- restitution of $993,950.47.

Respondent agrees to pay the monetary sanctions 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 it proposes to pay the fine imposed.

Restitution is ordered to be paid to the customers listed on Attachment A to this AWC (Eligible Customers) in the total amount of $993,950.47.

A registered principal on behalf of Respondent shall submit satisfactory proof of payment of restitution (separately specifying the date and amount of each paid to each Eligible Customer) or of reasonable and documented efforts undertaken to effect restitution. Such proof shall be submitted by email to EnforcementNotice@FINRA.org from a work-related account of the registered principal of Respondent. The email must identify

Respondent and the case number and include a copy of the check, money order, or other method of payment. This proof shall be provided by email to EnforcementNotice@FINRA.org no later than 120 days after the date of the notice of acceptance of the AWC.

The restitution amount to be paid to each Eligible Customer shall be treated by the Respondent as the Eligible Customer's property for purposes of state escheatment, unclaimed property, abandoned property, and similar laws. If after reasonable and documented efforts undertaken to effect restitution Respondent is unable to pay all Eligible Customers within 120 days after the date of the notice of acceptance of the AWC, Respondent shall submit to FINRA in the manner described above a list of the unpaid Eligible Customers and a description of Respondent's plan, not unacceptable to FINRA, to comply with the applicable escheatment, unclaimed property, abandoned property, or similar laws for each such Eligible Customer.

The imposition of a restitution order or any other monetary sanctions in this AWC, and the timing of such ordered payments, does not preclude customers from pursuing their own actions to obtain restitution or other remedies.

Restitution payments to customers shall be preceded or accompanied by a letter, not unacceptable to FINRA, describing the reason for the payment and the fact that the payment is being made pursuant to a settlement with FINRA and as a term of this AWC.

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 sanctions imposed in this matter.

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 it;

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 NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

[redacted]

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.

[redacted]

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 it 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.

The undersigned, on behalf of Respondent, certifies that a person duly authorized to act on Respondent's behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has agreed to the AWC's provisions voluntarily; and that 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 Respondent to submit this AWC.

April 1, 2026
Date

Ameriprise Financial Services, LLC
Respondent

Print Name: Christopher R. Long

Title: Senior Vice President and
Assistant General Counsel

Reviewed by:

Susan Schroeder

Susan Schroeder
Counsel for Respondent
WilmerHale
7 World Trade Center
250 Greenwich Street
New York, NY 10007

Accepted by FINRA:

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

April 2, 2026
Date

Catherine L. Hoge

Catherine Hoge
Principal Counsel
FINRA
Department of Enforcement
Brookfield Place
200 Liberty Street
New York, NY 10281

[redacted]

Attachment A

Customer	Transaction Date	Restitution
Customer 1	12/14/2017	$2,831.69
Customer 2	4/21/2017	$8,852.31
Customer 3	2/12/2015	$1,801.01
Customer 4	1/18/2018	$36,266.63
Customer 5	7/12/2018	$5,127.15
Customer 6	5/24/2017	$27,843.35
Customer 7	9/26/2017	$3,010.03
Customer 8	1/2/2018	$5,994.73
Customer 9	3/10/2016	$12,553.72
Customer 10	8/2/2017	$20,083.11
Customer 11	4/6/2017	$7,613.64
Customer 12	10/4/2016	$7,951.43
Customer 13	6/22/2017	$12,228.76
Customer 14	6/20/2017	$13,064.46
Customer 15	4/6/2015	$4,201.41
Customer 16	1/30/2018	$8,880.31
Customer 17	8/7/2017	$10,202.42
Customer 18	9/4/2018	$3,723.42
Customer 19	1/27/2016	$15,486.95
Customer 20	5/7/2015	$4,189.84
Customer 21	6/21/2018	$4,006.79
Customer 22	12/16/2016	$2,794.25
Customer 23	12/7/2017	$8,109.08
Customer 24	2/22/2018	$4,363.64
Customer 25	6/12/2015	$2,764.41
Customer 26	6/11/2015	$5,727.83
Customer 27	11/29/2017	$2,409.16
Customer 28	8/31/2017	$3,885.00
Customer 29	11/3/2017	$8,657.56
Customer 30	11/16/2017	$10,203.19
Customer 31	7/14/2017	$6,792.33
Customer 32	7/18/2018	$6,463.25
Customer 33	11/27/2017	$6,007.38
Customer 34	11/9/2015	$2,514.97
Customer 35	1/22/2018	$5,950.70
Customer 36	2/21/2018	$10,666.37
Customer 37	5/23/2018	$4,658.43
Customer 38	8/14/2015	$6,487.41
Customer 39	5/13/2015	$4,570.85
Customer 40	2/27/2018	$1,822.21
Customer 41	11/21/2017	$9,441.81
Customer 42	12/3/2015	$13,773.81
Customer 43	12/14/2017	$6,842.78
Customer 44	9/25/2017	$8,361.46
Customer 45	9/22/2016	$2,327.98
Customer 46	5/29/2018	$6,201.99
Customer 47	11/8/2018	$7,902.26
Customer 48	5/22/2018	$5,334.86
Customer 49	5/23/2016	$7,921.19
Customer 50	4/5/2018	$7,968.49

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Customer	Transaction Date	Restitution
Customer 51	4/6/2018	$1,678.27
Customer 52	8/10/2018	$13,170.70
Customer 53	9/13/2016	$1,306.20
Customer 54	2/20/2018	$44,289.03
Customer 55	6/6/2018	$4,197.41
Customer 56	11/6/2018	$17,586.97
Customer 57	4/9/2018	$8,393.56
Customer 58	11/18/2015	$9,002.61
Customer 59	2/23/2018	$13,542.77
Customer 60	6/10/2016	$7,164.15
Customer 61	8/8/2016	$4,133.02
Customer 62	6/15/2018	$3,395.08
Customer 63	3/24/2017	$1,642.04
Customer 64	12/7/2017	$7,267.24
Customer 65	1/30/2018	$15,830.43
Customer 66	6/28/2018	$15,828.04
Customer 67	9/15/2017	$20,425.48
Customer 68	6/26/2018	$1,052.07
Customer 69	6/24/2016	$9,313.02
Customer 70	8/10/2017	$14,774.97
Customer 71	2/25/2015	$8,160.30
Customer 72	6/15/2015	$1,569.11
Customer 73	3/23/2017	$6,020.38
Customer 74	2/26/2018	$13,542.50
Customer 75	5/7/2018	$6,041.49
Customer 76	5/16/2018	$1,260.77
Customer 77	9/7/2018	$15,073.45
Customer 78	9/27/2017	$6,731.34
Customer 79	7/17/2017	$3,463.08
Customer 80	12/11/2015	$7,899.07
Customer 81	1/29/2018	$18,346.43
Customer 82	3/5/2018	$24,121.20
Customer 83	12/21/2017	$25,208.92
Customer 84	10/24/2017	$19,234.46
Customer 85	2/7/2018	$4,498.20
Customer 86	5/23/2016	$1,667.47
Customer 87	12/9/2016	$2,721.58
Customer 88	9/21/2017	$2,722.01
Customer 89	2/21/2017	$5,638.25
Customer 90	6/8/2017	$12,176.34
Customer 91	8/21/2015	$196.53
Customer 92	5/31/2017	$10,188.68
Customer 93	1/21/2016	$4,183.33
Customer 94	2/22/2018	$14,400.51
Customer 95	10/6/2017	$1,555.01
Customer 96	7/10/2018	$11,881.10
Customer 97	8/27/2018	$8,749.83
Customer 98	8/27/2018	$10,722.60
Customer 99	10/19/2015	$1,429.21
Customer 100	6/7/2017	$4,425.14

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Customer	Transaction Date	Restitution
Customer 101	8/3/2016	$4,937.35
Customer 102	4/18/2017	$7,771.02
Customer 103	12/2/2016	$4,627.06
Customer 104	3/7/2018	$11,172.29
Customer 105	1/16/2018	$21,575.04
Customer 106	3/14/2016	$2,917.50
Customer 107	7/25/2018	$24,850.32
Customer 108	3/7/2017	$5,530.74
Customer 109	9/19/2018	$12,032.74
Customer 110	12/12/2017	$3,584.72
Customer 111	6/26/2017	$20,304.93
Customer 112	11/22/2017	$2,839.91
Customer 113	10/20/2016	$3,564.95
Customer 114	12/16/2016	$3,582.73
	Total:	**$993,950.47**