

Ameriprise to pay \$4.5 million to settle SEC charges that five reps stole more than \$1 million from clients

Agency censures firm for not protecting clients from thieving brokers.



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The Securities and Exchange Commission said that Ameriprise Financial Services will pay \$4.5 million to settle charges that it failed to safeguard retail investor assets from theft by its representatives.

According to the SEC's order, five Ameriprise reps committed several fraudulent acts, including forging client documents, and stole more than \$1 million in retail client funds over a four-year period. The SEC found that Ameriprise, which also agreed to a censure, failed to adopt and implement policies and procedures "reasonably designed to safeguard investor assets against misappropriation by its representatives."

The SEC said that the five brokers were based in Minnesota, Ohio, and Virginia, and three previously pled guilty to criminal charges. Each was terminated by Ameriprise for misappropriating client funds. The SEC's order found that Ameriprise has implemented a new system to safeguard clients' money, and that Ameriprise reimbursed all clients for the losses they incurred due to the misconduct of its reps.

Ameriprise agreed to the censure and penalty payment without admitting or denying the findings.