



STATE OF MISSOURI  
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF: )  
)  
THRIVENT INVESTMENT ) Case No.: AP-22-14  
MANAGEMENT INC., CRD # 18387, )  
)  
*Respondent.* )

**CONSENT ORDER**

**SUMMARY OF SECURITIES DIVISION'S  
ALLEGATIONS & SETTLEMENT OF SAME**

1. The Enforcement Section of the Missouri Securities Division of the Office of Secretary of State (“**Enforcement Section**”), through Interim Director of Enforcement, Steven M. Kretzer, alleges that Thrivent Investment Management Inc., (“**Respondent**”), a Missouri-registered broker-dealer, submitted to the Securities Division a registration application for one of its agents that failed to disclose a prior customer complaint against the agent, and did not file a correcting amendment to the application within the required thirty day period, in violation of 15 CSR 30-51.160(3)(A) and Section 409.4-411(c)(1), RSMo.<sup>1</sup> This alleged violation constitutes grounds for the Missouri Commissioner of Securities (“**Commissioner**”) to issue an order pursuant to Section 409.6-604.
2. Respondent and the Enforcement Section desire to settle the allegations and the matter raised by the Enforcement Section relating to the alleged violations of 15 CSR 30-51.160(3)(A) and Section 409.4-411(c)(1), RSMo.

**CONSENT TO JURISDICTION**

3. Respondent and the Enforcement Section stipulate and agree that the Commissioner has jurisdiction over Respondent and this matter pursuant to the Missouri Securities Act of 2003, Chapter 409, *et seq.*
4. Respondent and the Enforcement Section stipulate and agree that the Commissioner has authority to enter this Order pursuant to Section 409.6-604(h), which provides:

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<sup>1</sup> Unless otherwise indicated, all statutory citations refer to the 2016 edition of the Revised Statutes of Missouri, updated by the 2021 Cumulative Supplement.

“The commissioner is authorized to issue administrative consent orders in the settlement of any proceeding in the public interest under this act.”

#### WAIVER AND EXCEPTION

5. Respondent waives any rights to a hearing with respect to this matter.
6. Respondent waives any rights that it may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order. Respondent specifically forever releases and holds harmless the Missouri Office of the Secretary of State, Secretary of State, Commissioner, and their respective representatives and agents from any and all liability and claims arising out of, pertaining to, or relating to this matter.
7. Respondent stipulates and agrees with the Enforcement Section that, should the facts contained herein prove to be false or incomplete, the Securities Division reserves the right to pursue any and all legal or administrative remedies at its disposal.

#### CONSENT TO COMMISSIONER’S ORDER

8. Respondent and the Enforcement Section stipulate and agree to the issuance of this Consent Order without further proceedings in this matter, agreeing to be fully bound by the terms and conditions specified herein.
9. Respondent agrees not to take any action or to make or permit to be made any public statement creating the impression that this Order is without factual basis. Nothing in this paragraph affects Respondent’s (a) testimonial obligations; (b) right to take legal or factual positions in defense of litigation or in defense of other legal proceedings in which the Commissioner is not a party; or (c) right to make public statements that are factual.
10. Respondent agrees that it is not the prevailing party in this action since the parties have reached a good faith settlement.
11. Respondent neither admits nor denies the allegations made by the Enforcement Section or the Findings of the Commissioner, but consents to the Commissioner’s Findings of Fact, Conclusions of Law, and Order as set forth below solely for the purposes of resolving this proceeding and any proceeding that may be brought to enforce the terms of this Consent Order.

#### THE COMMISSIONER’S FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

##### **I. FINDINGS OF FACT**

##### **A. Respondent**

12. Respondent is a Minneapolis-based broker-dealer and investment adviser registered in the Central Registration Depository System (“**CRD**”) with CRD number 18387 and has been

registered as a broker-dealer in Missouri since 1987.

13. On April 26, 2022, Respondent received a written client complaint against one of its agents (“**Agent**”) involving an alleged misrepresentation regarding the terms of a variable annuity (“**Complaint**”). The Complaint culminated in a reportable settlement finalized with the client on May 26, 2022.
14. On May 5, 2022, Respondent submitted an application to the Securities Division to register Agent as an agent in Missouri. As part of the application, Respondent submitted a Form U-4 for Agent, which failed to disclose the Complaint in Section 14I of the form. As a result, the Securities Division approved the application the same day, May 5, 2022.
15. Respondent did not disclose the Complaint in an amended filing of Agent’s Form U-4 until June 22, 2022.
16. Missouri regulation 15 CSR 30-51.160(3)(A) provides that during pendency of any application or effectiveness of any registration, broker-dealers, agents, investment advisers, and investment adviser representatives are to immediately report material changes in any information, answers, responses, exhibits, or schedules submitted or circumstances disclosed in the most recent prior application submitted to the Securities Division, including via CRD, at the time of the occurrence or discovery of these changes, and not later than thirty (30) days following the specified event or occurrence.
17. Though Respondent had received the Complaint prior to submission of the Agent’s application to Missouri on May 5, 2022, it failed to disclose the Complaint until June 22, 2022, in contravention of 15 CSR 30-51.160(3)(A).
18. Further, the Enforcement Section alleges that the Respondent’s failure to keep current Agent’s Form U-4 constitutes sufficient grounds to also charge Respondent with a violation of Section 409.4-411(c)(1), RSMo.

## **II. CONCLUSIONS OF LAW**

19. **The Commissioner Concludes** that Respondent’s failure to disclose the Complaint in the May 5, 2022, registration application for Agent and failure to file a correcting amendment of Agent’s Form U-4 within the thirty days, constitute a violation of 15 CSR 30-51.160(3)(A) and Section 409.4-411(c)(1).
20. **The Commissioner Concludes** that the violation above is sufficient to issue an order in accordance with Section 409.6-604, RSMo.
21. The Commissioner, after consideration of the stipulations set forth above and on consent of the Respondent and the Enforcement Section, finds and concludes that the Commissioner has jurisdiction over Respondent in this matter and that the following order is in the public interest, necessary for the protection of public investors, and consistent with the purposes intended by Chapter 409.

III. ORDER

NOW, THEREFORE, it is hereby Ordered that:

22. Respondent, its agents and employees, and all other persons participating in the above-described alleged violations with knowledge of this Order, are permanently enjoined and restrained from engaging in violations of 15 CSR 30-51.160(3)(A) and Section 409.4-411(c)(1);
23. Respondent shall pay \$2,000 to the Missouri Secretary of State's Investor Education and Protection Fund. **This amount is due upon execution of this Order by Respondent and shall be made payable to the Missouri Secretary of State's Investor Education and Protection Fund** and sent to the Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101; and
24. Respondent shall pay its own costs and attorneys' fees with respect to this matter.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY, MISSOURI THIS 15<sup>th</sup> DAY OF OCTOBER, 2022.  
*November*




JOHN R. ASHCROFT  
SECRETARY OF STATE

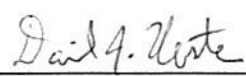
  
DOUGLAS M. JACOBY  
COMMISSIONER OF SECURITIES

Consented to by:

MISSOURI SECURITIES DIVISION

  
STEVEN M. KRETZER,  
INTERIM DIRECTOR OF ENFORCEMENT

THRIVENT INVESTMENT  
MANAGEMENT, INC.

  
Print Name: David J. Kloster  
Title: President