

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015047059702**

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

RE: Tye Calvin Williams, Respondent ("Williams")
General Securities Representative and Principal
CRD No. 1271046

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I submit 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 me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Williams entered the securities industry in 1986 when he became registered with a FINRA regulated broker-dealer as a Series 7 General Securities Representative ("GSR") where he worked until 1993. Between 1993 and 2008, Williams was registered with three different FINRA regulated broker-dealers. In 2000, Williams also became registered as a Series 24 General Securities Principal ("GSP"). In 2008, Williams became registered as a GSR and a GSP with NEXT Financial Group, Inc. ("NEXT"), a FINRA regulated broker-dealer, where he remained registered through at least August 4, 2016. FINRA retains jurisdiction over Williams.

RELEVANT DISCIPLINARY HISTORY

Williams has no relevant disciplinary history in the securities industry.

OVERVIEW

After initiating an investigation into Williams regarding a customer complaint that Williams converted over \$1,000,000 from the customers' accounts from 2004 through 2014, made unsuitable investment recommendations, engaged in unauthorized transactions and mismanaged their assets, FINRA repeatedly requested, pursuant to FINRA Rule 8210, that Williams produce documents and information. Williams failed to produce the requested documents and information in violation of FINRA Rules 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 8210(a)(1) requires a member, person associated with a member, or person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically and to testify at a location specified by FINRA staff, under oath or affirmation administered by a court reporter or a notary public if requested, with respect to any matter involved in the investigation, complaint, examination, or proceeding. FINRA Rule 2010 requires that members and associated persons "observe high standards of commercial honor and just and equitable principles of trade." Failure to comply with Rule 8210 is a violation of FINRA Rule 2010.

On October 8, 2015, FINRA sent Williams a letter, pursuant to FINRA Rule 8210, requesting that he produce documents and information, in connection with the staff's investigation into a customer complaint that, from 2004 through 2014, Williams converted over \$1,000,000 from the customers' accounts, made unsuitable investment recommendations, engaged in unauthorized transactions and mismanaged their assets. Williams, through counsel, responded to that letter on November 25, 2015.

On February 9, 2016, FINRA staff sent Williams, through counsel, a letter, pursuant to FINRA Rule 8210, requesting that he produce additional documents and information by no later than March 1, 2016. The letter informed Williams that if he failed to produce the requested documents and information, he could be subject to a disciplinary action and the imposition of sanctions, including a bar. Williams provided several partial responses to that request but, to date, has failed to respond completely.

On June 29, 2016, FINRA staff sent Williams, through counsel, a letter, pursuant to FINRA Rule 8210, requesting that he produce additional documents and information by no later than July 13, 2016. Williams' counsel requested an extension to respond until August 1, 2016, which was granted. To date, Williams has not produced the requested documents and information. In a telephone discussion on July 28, 2016, and in an email on July 29, 2016, Williams' counsel informed Enforcement staff that Williams would not respond to Enforcement's June 29, 2016 letter, and would not cooperate further with Enforcement's investigation.

By failing to produce the requested documents and information, Williams violated FINRA Rules 8210 and 2010.

B. I also consent to the imposition of the following sanctions:

A bar from association with any FINRA regulated broker-dealer in any capacity.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

The sanctions imposed herein shall be effective on a date set by FINRA staff. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- 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 National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive any right to claim bias or prejudice 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 acceptance or rejection of this AWC.

I further specifically and voluntarily waive 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.

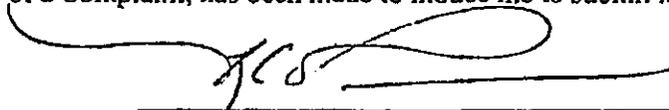
OTHER MATTERS

I understand 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 me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
 - 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 the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. I 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. I 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 my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

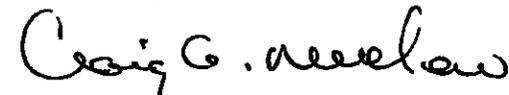
I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

08/16/2016
Date (mm/dd/yyyy)



Tye Calvin Williams, Respondent

Reviewed by:



Craig Nevelow
Counsel for Respondent
Wright & Greenhill, P.C.
900 Congress Ave., Ste. 500
Austin, Texas 78701
Phone: 512-708-5298

Accepted by FINRA:

9/6/16
Date

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



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