

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2016048456401**

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

RE: Larry Charles Wolfe, Respondent
Municipal Securities Representative and General Securities Representative
CRD No. 502361

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

Larry Charles Wolfe (“Wolfe”) entered the securities industry in March 1978, when he was employed by a FINRA member firm. Wolfe was first registered as a municipal securities representative in March 1978. Wolfe was also registered as a general securities representative. Wolfe was employed by several FINRA member firms from March 1978 through February 2000. Wolfe was then associated with Herbert J. Sims & Co., Inc. (“HJS”) in February 2000. Wolfe remained with HJS until December 2015. Wolfe was then associated with another FINRA member firm from January 2016 to March 2016. On April 25, 2016, Wolfe became associated with yet another FINRA member firm where he remains associated. Therefore, Wolfe is subject to FINRA’s jurisdiction pursuant to Article V, Section 4 of FINRA’s By-Laws. Furthermore, Wolfe does not have a relevant disciplinary history.

OVERVIEW

Between November 10, 2015 and November 16, 2015, Wolfe exercised discretion in the accounts of 39 customers without obtaining prior written authorization from the customers or written approval of the accounts as discretionary from his employing member firm, in violation of Municipal Securities Rulemaking Board (“MSRB”) Rules G-8 and G-17.

FACTS AND VIOLATIVE CONDUCT

MSRB Rule G-8 requires brokers, dealers and municipal securities dealers to maintain a customer’s written authorization to exercise discretionary power or authority with respect to discretionary accounts.

Additionally, MSRB Rule G-17 requires that each broker or dealer in municipal securities to deal fairly with customers and prohibits registered representatives from engaging “in any deceptive, dishonest, or unfair practice.”¹

Between November 10, 2015 and November 16, 2015, Wolfe exercised discretion in 39 customer accounts by submitting sell orders to sell one particular security in each customer account without obtaining prior written authorization from the customers to exercise discretion in their accounts and having the 39 customer accounts approved by HJS for discretionary trading.

By virtue of the foregoing, Wolfe violated MSRB Rules G-8 and G-17.

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

- A \$5,000 fine; and
- A 15 business-day suspension from associating with any FINRA member firm in all capacities

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).

I agree to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. I have submitted an Election of Payment form showing the method by which I propose to pay the fine imposed.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

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 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

¹ MSRB Rule G-17.

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.

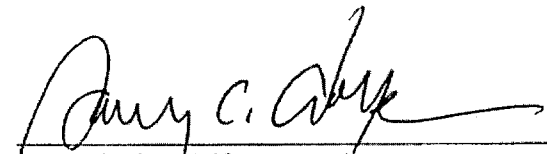
OTHER MATTERS

I understand that:

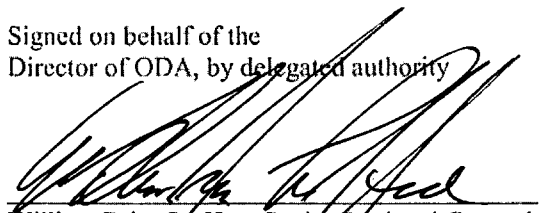
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will 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.
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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 or its staff.

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 understand and acknowledge that FINRA does not represent or advise me and I cannot rely on FINRA or FINRA staff members for legal advice; 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.

5/25/2017
Date


Larry Charles Wolfe, Respondent

Accepted by FINRA:
6/21/2017
Date

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

William Brice La Hue, Senior Regional Counsel
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