

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2016050182001**

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

RE: Lawrence Randolph Roberson, Respondent
Former Registered Representative
CRD No. 1347434

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

Respondent Lawrence Randolph Roberson entered the securities industry in 1985 and has held Series 7, 63, and 65 licenses. Roberson first became registered with Capital City Securities, LLC (Capital City) in 2009. Capital City terminated Roberson's registration on January 4, 2016.

Although Roberson is no longer registered or associated with a FINRA member, he remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.

RELEVANT DISCIPLINARY HISTORY

In August 1988, the State of Michigan censured Roberson and fined him \$1,000 for making a false statement regarding whether tax deductions had been approved by the Internal Revenue Service in connection with an investment in a limited partnership.

In May 2016, the State of Michigan suspended Roberson's investment adviser representative registration for impeding the State's examination of his investment advisory firm, Wealth Management Group, Inc. and for failing to provide information necessary to comply with section 411(4) of Michigan's Securities Act, MCLS § 451.2411(4).

OVERVIEW

In July 2015, Roberson made material misrepresentations and omissions in the sale of a \$40,000 "bond debenture" to customer TT. The purported investment, however, was not a genuine security and Roberson converted TT's funds to pay Roberson's personal expenses. By doing so, Roberson willfully violated Section 10(b) of the Securities Exchange Act of 1934, Rule 10b-5 thereunder, and FINRA Rules 2020 and 2010.

FACTS AND VIOLATIVE CONDUCT

In July 2015, Roberson recommended and sold to his investment advisory customer, TT, a "WMG 2015 Bond Debenture" issued by Roberson's investment advisory firm, Wealth Management Group, Inc. Under the purported terms of the bond, TT was to invest \$40,000 for "one year or less" and to be paid interest at the rate of 25%.

Roberson, however, did not invest TT's funds in a WMG Bond Debenture—the WMG Bond Debenture did not exist. Instead, Roberson used the funds to pay for Roberson's personal expenses.

Section 10(b) of the Exchange Act makes it unlawful for any person to employ "any manipulative or deceptive device or contrivance in contravention of such rules and regulations as the Commission may prescribe." Rule 10b-5 promulgated thereunder provides, in pertinent part, that "[i]t shall be unlawful for any person, directly or indirectly, . . . [t]o make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading." FINRA Rule 2020, FINRA's antifraud rule, is similar to Rule 10b-5 and provides that a member may not "effect any transaction in, or induce the purchase or sale of, any security by any manipulative, deceptive or other fraudulent device or contrivance." FINRA Rule 2010 requires associated persons to observe high standards of commercial honor and just and equitable principles of trade.

As described above, Roberson made material misrepresentations regarding the WMG Bond Debenture, which, in fact, did not exist. Accordingly, Roberson willfully violated Section 10(b) of the Securities Exchange Act of 1934, Rule 10b-5 thereunder, and FINRA Rules 2020 and 2010.

Conversion of customer funds is a violation of Rule 2010. By obtaining \$40,000 from TT under the guise of a WMG Bond Debenture investment and using the funds to pay for personal expenses, Roberson converted customer funds in violation of FINRA Rule 2010.

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

- A bar from associating with any FINRA member in any capacity.

I understand that this settlement includes a finding that I willfully violated Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder and that under Article III, Section 4 of FINRA's By-Laws, this makes me subject to a statutory disqualification with respect to association with a member.

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 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 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.

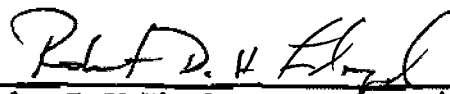
7/15/2016
Date (mm/dd/yyyy)

Lawrence Randolph Roberson
Lawrence Randolph Roberson, Respondent

Accepted by FINRA:

7/19/2016
Date

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


_____ by (FM)

Robert D. H. Floyd
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