

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2016052567201**

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

RE: Ronald Wayne Nabors, Respondent  
General Securities Representative  
CRD No. 5632332

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Ronald Wayne Nabors ("Nabors") submits 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**

Nabors entered the securities industry in 2009 and has been associated with Thrivent Investment Management ("Thrivent" or the "Firm"), a FINRA-registered broker-dealer, from January 2009 to September 2016. Nabors obtained his Series 7 (General Securities Representative) and Series 66 (Uniform Combined State Law) securities licenses in January and March 2009 respectively.

Thrivent filed a Uniform Termination Notice for Securities Registration ("Form U5") dated September 1, 2016, reporting Nabors' voluntary termination on August 25, 2016. The Firm subsequently filed a Form U5 Amendment dated December 15, 2016 (the "Form U5 Amendment"), reporting that on January 27, 2016, Nabors was charged with the federal offense of Theft of Property, a felony. The Form U5 Amendment further reported that on September 29, 2016, a federal district court sentenced Nabors to a two year term of probation and \$123,251.13 in restitution, payable in \$100 monthly increments. The Form U5 Amendment also stated that "Nabors failed to inform the Firm of his felony charge or guilty plea."

Although Nabors is not currently associated with a FINRA-regulated broker-dealer, he remains subject to FINRA's jurisdiction, pursuant to Article V, Section 4 of FINRA's By-Laws.

## **RELEVANT DISCIPLINARY HISTORY**

Nabors has no relevant disciplinary history in the securities industry.

## **OVERVIEW**

While associated with Thrivent, Nabors engaged in an outside business activity involving an office supply business between January 2009 and January 2013 (the "Relevant OBA Period") without providing prior written notice to Thrivent. By engaging in this misconduct, Nabors violated NASD Rule 3030 (for conduct before December 15, 2010), FINRA Rule 3270 (for conduct on or after December 15, 2010) and FINRA Rule 2010.

In addition, Nabors willfully failed to amend his Uniform Application for Securities Industry Registration and Transfer ("Form U4") to disclose his: (a) receipt of letter dated February 18, 2015 from the U.S. Attorney's Office for the District of Maryland that he was the subject of an investigation by a federal grand jury for possible felony charges, (b) being charged with a theft-related felony on January 27, 2016 and (c) pleading guilty to a theft-related felony on March 25, 2016. Nabors' felony charges related to his undisclosed outside business activities. As a result, Nabors violated Article V, Section 2(c) of FINRA's By-Laws, and FINRA Rules 1122 and 2010.

## **FACTS AND VIOLATIVE CONDUCT**

### *Outside Business Activities*

FINRA Rule 3270, effective December 15, 2010, provides, in relevant part: "No registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person as a result of any business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member, in such form as specified by the member." Likewise FINRA Rule's predecessor, NASD Rule 3030, which was effective through December 14, 2010, also prohibits outside business activities, stating that, "[n]o person associated with a member in any registered capacity shall be employed by, or accept compensation from, any other person as a result of any business activity, other than a passive investment, outside the scope of his relationship with his employer firm, unless he has provided prompt written notice to the member.

FINRA Rule 2010 requires that each FINRA member and its associated persons "observe high standards of commercial honor and just and equitable principles of trade." A violation of FINRA Rule 3270 and NASD Rule 3030 is also a violation of FINRA Rule 2010.

During the Relevant OBA Period, Thrivent's Broker-Dealer Compliance Policies Corporate manual ("WSPs") stated that Firm registered personnel must request and receive written approval from Thrivent prior to engaging in an outside business activity. The WSPs stated that all outside business activities must be reviewed and approved by a supervising Manager Partner

at Thrivent and emphasized that all Firm registered representatives must obtain pre-approval and be aware of any conditions the Managing Partner or the Firm places on them prior to engaging in the activity.

During the Relevant Period, Nabors was the owner, manager and sales person of Vision Enterprises (“Vision”), an office supply business. Nabors received compensation from the sales of products from Vision. For example, between February 2011 and January 2013, Nabors received \$28,000 from his outside business activities with Vision. Nabors, however, did not disclose his outside business activities with Vision when he became associated with the Firm in 2009 or at any time thereafter.

By engaging in an outside business activity without providing prior notice to Thrivent, Nabors violated NASD Rule 3030 (for conduct between January 2009 and December 14, 2010), as well as FINRA Rules 3270 (for conduct between December 15, 2010 and January 2013) and 2010.

#### *Willful Failure to File Form U4 Amendments*

Article V, Section 2(c) of FINRA’s By-Laws requires an associated person to keep his Form U4 “current at all times,” and to file amendments to Forms U4 within 30 days of learning of the “facts or circumstances giving rise to the amendment.”

FINRA Rule 1122 states that “[n]o member or person associated with a member shall file with FINRA information with respect to membership or registration which is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead, or fail to correct such filing after notice thereof.”

A violation of Article V, Section 2(c) of FINRA’s By-Laws and FINRA Rule 1122 constitutes a violation of FINRA Rule 2010.

Thrivent’s WSPs stated throughout 2015 and 2016 that “[i]ndividual registered representatives...are under a continuing obligation to amend and update information required by a Form U4 as changes occur. Amendment must be electronically filed by the member firm within 30 days of being notified of the event triggering the amendment.”

During all times relevant to this matter, Form U4 Disclosure Question 14A asked, “Have you ever... pled guilty...in a domestic...court to any *felony*.... [or] been *charged* with any *felony*?” Additionally, Form U4 Disclosure Question 14G(2) asked, “Have you been notified, in writing, that you are now the subject of any...investigation that could result in a ‘yes’ answer to any part of 14A...?”

By letter dated February 18, 2015 (the “February 18<sup>th</sup>” letter), Nabors was advised by the U.S. Attorney’s Office for the District of Maryland that a federal grand jury was investigating whether Nabors violated certain federal criminal laws in connection with the possible theft of government funds, access device fraud, wire fraud and money laundering. The crimes under investigation were felonies. Nabors received the February 18<sup>th</sup> letter and was required to update his response to Form U4 Disclosure Question 14G(2) within 30 days of his receipt of the letter. Nabors, however, failed to file any Form U4 Amendment.

On January 27, 2016, an Information was filed in the United States District Court for the District of Maryland, charging Nabors with one count of Theft of Public Money, a felony. The Information alleged that between February 1, 2011 and January 2013, Nabors embezzled, stole, purloined and knowingly converted to his use \$123,251.13 of United States Treasury Department funds.

Nabors was aware that on January 27, 2016, he was charged with a felony and was required to update his response to Form U4 Disclosure Question 14A within 30 days thereafter. Nabors, however, failed to file any Form U4 Amendment.

On March 25, 2016, Nabors pled guilty to Theft of Public Money in federal district court. Nabors was required to update his response to Question 14A with 30 days thereafter. Nabors, however, failed to file any Form U4 Amendment.

By willfully failing to amend his Form U4, Nabors violated Article V, Section 2(c) of FINRA's By-Laws, as well as FINRA Rules 1122 and 2010.

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

1. A 12-month suspension from association with any FINRA-regulated broker-dealer in any capacity; and
2. A deferred fine in the amount of \$10,000.

I understand that this settlement includes a finding that I willfully omitted to state a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 and Article III, Section 4 of FINRA's By-Laws, this omission 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 fine shall be due and payable either immediately upon reassociation with a member firm, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

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 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

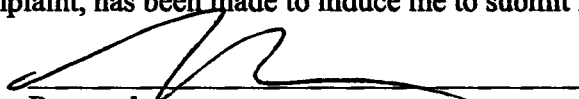
C. If accepted:

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.

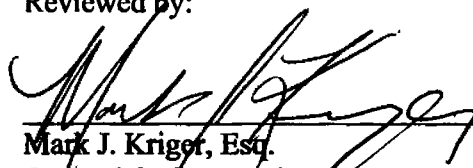
D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute 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 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.

07/19/2017  
Date (mm/dd/yyyy)

  
Respondent


Reviewed by:

  
Mark J. Kriger, Esq.  
Counsel for Respondent  
LaRene & Kriger, PLC  
645 Griswold Street, Suite 1717  
Detroit, Michigan 48226  
(313) 967-0100

Accepted by FINRA:

8/9/17  
Date

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

  
Richard Chin, Esq.  
Chief Counsel  
FINRA Department of Enforcement  
One Brookfield Place  
200 Liberty Street, 11<sup>th</sup> Floor  
New York, N.Y. 1028-1003  
Phone Number: (646) 317-7322  
Fax Number: (202) 689-3415