



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
PARKLAND SECURITIES, LLC, f/k/a)
SAMMONS SECURITIES COMPANY, LLC,) Case No. AP-15-16
)
Respondent.)

CONSENT ORDER

SUMMARY OF ENFORCEMENT SECTION'S ALLEGATIONS

1. The Enforcement Section of the Missouri Securities Division of the Office of Secretary of State ("Enforcement Section"), through Assistant Commissioner Mary S. Hosmer, has alleged that Parkland Securities, LLC, f/k/a Sammons Securities Company, LLC ("Sammons" or "Respondent"), failed to reasonably supervise Jimmy Duane Weishaar ("Weishaar"), a Missouri-registered agent who engaged in dishonest or unethical practices by selling unregistered securities in Missouri in violation of Missouri law, and that this constitutes grounds to take action against Respondent in Missouri pursuant to Section 409.4-412(d)(9), and/or Section 409.6-604, RSMo. (Cum. Supp. 2013).
2. Respondent and the Enforcement Section desire to settle the allegations and the matters raised by the Enforcement Section.

CONSENT TO JURISDICTION

3. Respondent and the Enforcement Section stipulate and agree that the Missouri Commissioner of Securities ("Commissioner") has jurisdiction over the Respondent and these matters 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), RSMo. (Cum. Supp. 2013), which provides:

"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 Respondent's right to a hearing with respect to this matter.
6. Respondent waives any right that Respondent 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 Secretary of State, the Secretary of State, the 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 Enforcement Section 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 Respondent 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, 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.

COMMISSIONER'S FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND ORDER

I. FINDINGS OF FACT

A. Respondent and Related Parties

12. Respondent Sammons has been a Missouri-registered broker-dealer since February 2002, with a main office address of 300 Parkland Plaza, Ann Arbor, Michigan 48103.

Sammons is registered in Missouri through the Central Registration Depository (“CRD”) with number 115368.

13. Sigma Planning Corporation (“SPC”) is a federal covered investment adviser, with an address of 300 Parkland Plaza, Ann Arbor, Michigan 48103. SPC notice-filed in Missouri through the CRD in January 2002 with number 110692.
14. SPC is affiliated with Sammons, and Sammons and SPC are under common control and utilize the same chief compliance officer.
15. Weishaar was a Missouri-registered broker-dealer agent with Sammons from March 2004 through June 20, 2012. Weishaar’s last known business address is 134 N. 130th St., Suite A, Bonner Springs, KS 66012. On June 20, 2012, Weishaar was discharged from Sammons for selling unapproved investments away from Sammons.
16. Weishaar was an investment adviser representative with SPC from March 2004 through June 20, 2012. On June 20, 2012, Weishaar was discharged from SPC for selling unapproved investments away from SPC.
17. Weishaar’s termination from Sammons and SPC resulted from the conduct described below.
18. All actions related to this matter occurred between January 1, 2010 and May 1, 2010.

B. Misconduct by Sammons’ Agent

19. Between January 1, 2010 and May 1, 2010, Weishaar offered and sold promissory notes issued by Professional Cleaning and Innovative Building Services, Inc. (“PCI”) to 6 clients of Sammons and/or SPC. At least 5 of these clients were Missouri residents from the Kansas City, Missouri area (“MR1, MR2, MR3, MR4 and MR5”).
20. Weishaar drafted the promissory notes that were issued by Professional Cleaning and Innovative Building Services, Inc. (“PCI”) (the “PCI Notes”). In aggregate, the 6 Sammons and/or SPC clients purchased a total of \$440,000 in PCI Notes through Weishaar.
21. The 6 clients that purchased the PCI Notes suffered significant losses due to PCI’s failure to repay the notes.
22. Weishaar did not inform Sammons and SPC that he had prepared, offered, and sold the PCI Notes. The PCI Notes were not approved by Sammons or SPC, nor were the PCI Notes carried on the books and records of either entity. Sammons and SPC did not authorize Weishaar to participate in these transactions regarding the PCI Notes. Upon learning of Weishaar’s misconduct, Sammons and SPC terminated Weishaar and explained the basis for this termination in their regulatory disclosures.

23. On March 8, 2013, the Kansas Securities Commissioner issued a Consent Order disciplining Weishaar for his actions regarding the notes issued by PCI and purchased by the 6 Sammons and/or SPC clients.
24. At least one year prior to Weishaar's termination from Sammons, MR5 met with a Sammons agent located at the same branch office as Weishaar. At that meeting, the Sammons agent was made aware that Weishaar introduced MR5 to PCI and that MR5 had loaned PCI funds.
25. The Sammons agent failed to notify anyone else at Sammons of Weishaar's involvement with MR5 and MR5's PCI loan.
26. Two other Weishaar clients, MR1 and MR2, each withdrew funds to purchase a PCI Note from their respective individual retirement accounts ("IRAs") held at a third-party money manager utilized by Weishaar and SPC.
27. The IRA withdrawal for MR1 was initiated by an "IRA Withdrawal Request" form transmitted by Weishaar to the third-party money manager. Weishaar altered this document by writing the words "Intent of return within 60 day limit" as the reason for the distribution.
28. Neither Sammons nor SPC reviewed or approved MR1's IRA Withdrawal Request form, which contained Weishaar's alteration, prior to its transmittal to the third-party money manager.
29. MR2 also withdrew funds from MR2's IRA held at the third-party money manager.
30. In addition, MR5 withdrew one hundred thousand dollars (\$100,000) from an IRA held with Sammons to purchase a \$100,000 PCI Note ("MR5 IRA Withdrawal").
31. The MR5 IRA Withdrawal represented approximately forty-four percent (44%) of MR5's IRA at the time of the withdrawal.
32. Sammons failed to reasonably supervise Weishaar by, among other things:
 - a. failing to monitor the activity in client accounts maintained at third-party money managers;
 - b. failing to monitor and review IRA withdrawals;
 - c. failing to implement policies and procedures to monitor and detect the sale of securities away from Sammons by its agents;

- d. failing to implement policies and procedures to train its agents to detect and report unauthorized outside business activities; and
 - e. failing to have policies and procedures to detect and monitor Weishaar's outside business activities.
33. Despite the red flags raised by these withdrawals, Sammons failed to conduct inquiries regarding these withdrawals that would have led to the discovery that Weishaar was engaged in private securities transactions with Sammons' clients.

C. Pursuant to Statutorily Imposed Control Person Liability,
Sammons is Responsible for the Misconduct of its Agent

34. Pursuant to Section 409.4-412(h), RSMo (Cum. Supp. 2013), a person that controls, directly or indirectly, a person not in compliance with securities laws and regulations may be disciplined to the same extent as the noncomplying person, unless the controlling person did not know, and in the exercise of reasonable care could not have known, of the conduct of the noncomplying person.
35. At the time Weishaar committed the acts that constitute selling away, Weishaar was an agent for Sammons. Therefore, Sammons directly controlled Weishaar.
36. The Sammons' agent located at the same branch office as Weishaar could have discovered Weishaar's selling away if the agent had exercised reasonable care.
37. Prior to this action, four of the Missouri investors received in excess of \$345,000 from Sammons and/or PCI.

II. CONCLUSIONS OF LAW

39. The Commissioner finds that Respondent's failures set forth above constitute grounds to take action against Respondent pursuant to Sections 409.4-412, and 409.6-604, RSMo. (Cum. Supp. 2013).
40. The Commissioner, after consideration of the stipulations set forth above and on the consent of Respondent and the Enforcement Section, finds and concludes that the Commissioner has jurisdiction over Respondent and 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, RSMo. (Cum. Supp. 2013).

III. ORDER

NOW, THEREFORE, it is hereby Ordered that:

1. Respondent is ordered to pay \$50,000 in restitution. This payment shall be sent within 10 days of the effective date of this Consent Order to the Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101, and shall be payable to the Missouri Secretary of State's Investor Restitution Fund. These payments will be distributed by that Fund to the investors in the amounts as stated in the attached Exhibit A.
2. Respondent shall pay to the Missouri Secretary of State's Investor Education and Protection Fund the sum of \$75,000. This payment shall be sent within 10 days of the effective date of this Consent Order to the Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101, and shall be payable to the Missouri Secretary of State's Investor Education and Protection Fund. The Division will send the money to the Missouri Secretary of State's Investor Education and Protection Fund.
3. Respondent will retain, at its expense, an outside consultant ("Consultant"), not unacceptable to the Commissioner, no later than 3 months after the effective date of this Consent Order. Within 6 months of the effective date of this Consent Order, the Consultant will furnish an initial report to Respondent concerning Respondent's policies and procedures as they relate to Respondent's supervision of registered representatives located at branch offices and the potential for agents to engage in selling away. In addition, the Consultant will make recommendations, if any, to improve Respondent's policies and procedures relating to the supervision of registered representatives and selling away. If the Consultant becomes unable to perform its duties, Respondent shall have 30 days to select a replacement Consultant not unacceptable to the Commissioner.
4. For a period of 18 months following the conclusion of the Consultant's work, Respondent, its affiliates, and any of its officers may not employ or hire the Consultant in any capacity.
5. Respondent will provide to the Enforcement Section copies of all reports prepared by the Consultant. The Enforcement Section may speak with the Consultant at any time during the period that the Consultant is retained by Respondent. Any costs and/or fees associated with the Enforcement Section's speaking with the Consultant shall be borne by the Enforcement Section.
6. Respondent will promptly adopt and implement the processes, procedures and practices recommended by the Consultant as they relate to Respondent's supervision of registered agents located at branch offices and the potential for agents to engage in selling away; however, Respondent may propose alternative procedures ("Alternative Procedures") designed to achieve the same objective or purpose as those that were recommended by the Consultant. Respondent may adopt the Alternative Procedures if the Consultant agrees that Respondent's proposed procedures will achieve the same objectives or

purposes as the Consultant's original recommendations. In the event that Respondent and the Consultant disagree regarding any recommendation by the Consultant, Respondent shall have 30 days to appeal such recommendation to the Commissioner and shall be bound by the decision of the Commissioner.

7. Respondent is ordered to pay \$7,500 as the cost of this investigation. This amount shall be sent within 10 days of the effective date of this Consent Order to the Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101, and shall be payable to the Missouri Secretary of State's Investor Education and Protection Fund. The Division will send the money to the Missouri Secretary of State's Investor Education and Protection Fund.
8. Respondent shall pay their 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 1st DAY OF July, 2015.



JASON KANDER
SECRETARY OF STATE

Andrew M. Hartnett

ANDREW M. HARTNETT
COMMISSIONER OF SECURITIES

Consented to by:

THE ENFORCEMENT SECTION OF THE
MISSOURI SECURITIES DIVISION

M. S. Hosmer
Mary S. Hosmer
Assistant Commissioner of Securities

PARKLAND SECURITIES, LLC, f/k/a
SAMMONS SECURITIES COMPANY, LLC

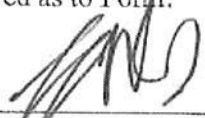
BY: *[Signature]* 6/17/15

NAME: Brendan [Signature]

TITLE: Vice President

RESPONDENT

Approved as to Form:



David B. Cosgrove
John J. Miller
Attorneys for Respondent