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NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2006004809002

TO: Department of Enforcement
NASD

RE: Billy Joe Lawson, Respondent
Investment Company and Variable Contracts Products Representative
CRD No. 4440200

Pursuant to Rule 9216 of NASD Code of Procedure, I, Billy Joe Lawson, submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described in Part II below. This AWC is submitted on the condition that, if accepted, NASD will not bring any future actions against me alleging violations based on the same factual findings.

I understand that:

1. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by NASD's Department of Enforcement and National Adjudicatory Council ("NAC") Review Subcommittee or Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
3. If accepted:
 - a. This AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by NASD or any other regulator against me;
 - b. This AWC will be made available through NASD's public disclosure program in response to public inquiries about my disciplinary record;
 - c. NASD may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-2; and
 - d. 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. Nothing in this provision affects my testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

I also understand that my experience in the securities industry and disciplinary history may be factors that will be considered in deciding whether to accept this AWC. That experience and history are as follows:

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From on or about August 2001 through March 2006, Lawson was associated with NASD member Farmers Financial Solutions, LLC ("FFS") as an investment company and variable contracts products representative. Lawson is not currently associated with any NASD member and has not been the subject of prior disciplinary action by NASD, other self-regulatory organizations, the Securities and Exchange Commission, or any state regulator.

I.

WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Formal Complaint issued specifying the allegations against me;
- B. To be notified of the Formal 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 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 General Counsel, 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 Rule 9143 or the separation of functions prohibitions of 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.

II.

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 NASD, or to which NASD 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 NASD:

1. Improper and Misuse of Client Funds

Lawson was employed as an insurance agent with FFS' affiliated insurance company. In or about October 2005, Lawson received insurance premium payments from insurance clients which he did not promptly remit to FFS' affiliated insurance company. Lawson further used newly received premium payments to make the premium payments for other customers.

Such acts, practices and conduct by Lawson violated NASD Conduct Rule 2110.

2. Failure to Testify

During the course of the NASD's examination, the NASD determined that it needed Lawson to appear and give sworn testimony regarding the circumstances surrounding the misuse of client funds.

By letter dated July 27, 2006, the NASD sent a letter via first class and certified mail to Lawson at his CRD address. This letter requested that, pursuant to Procedural Rule 8210, Lawson appear for an on-the-record sworn statement on August 11, 2006 at 10:00a.m. at the Atlanta District Office. Lawson failed to appear for the OTR on August 11, 2006.

By such failure to appear and testify as requested, Lawson violated NASD Conduct Rule 2110 and NASD Procedural Rule 8210.

B. I also consent to the imposition, at a maximum, of the following sanctions:

A bar from association with any NASD member in any capacity.

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

III.

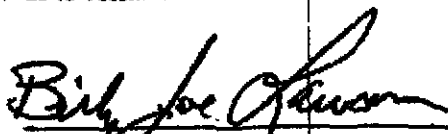
OTHER MATTERS

- A. I understand that 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 NASD, nor does it reflect the views of NASD or its staff.
- B. I understand that if I am barred or suspended from associating with any NASD member, I become subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, I may not be associated with any NASD member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. (See NASD Rule 8310 and IM-8310-1.)

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, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce me to submit it.

Date

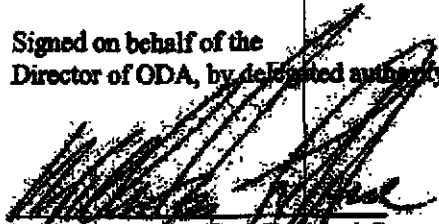
July 5, 2007


Billy Lee Lawson
Respondent

Accepted by NASD:

7/18/07
Date

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



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