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**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20060068317-01**

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

RE: WFG Investments, Inc., Respondent
Broker-Dealer
CRD No. 22704

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, WFG Investments, Inc. (the "firm") 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 the firm alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. The firm hereby accepts and consents, 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

The firm entered the securities industry on August 24, 1988, as a member of FINRA and its registration remains in effect.

RELEVANT DISCIPLINARY HISTORY

The firm does not have any relevant disciplinary history.

SUMMARY

In connection with 20060068317, the staff of FINRA's Department of Market Regulation (the "staff") reviewed the firm's compliance with the rules applicable to Order Audit Trail System ("OATS") reporting during the period April 1, 2006 through June 30, 2006.

In connection with 20070106592, the staff reviewed the firm's compliance with the rules applicable to trade reporting in listed securities during the period January 1, 2007 through April 30, 2007.

In connection with 20070106640, the staff reviewed the firm's compliance with the rules applicable to trade reporting in Nasdaq securities during the period January 1, 2007 through April 30, 2007.

In connection with 20080149748, the staff reviewed the firm's compliance with Municipal Securities Rulemaking Board ("MSRB") rules applicable to trade reporting in the Real-time Transaction Reporting System ("RTRS") during the period April 1, 2008 through June 30, 2008.

FACTS AND VIOLATIVE CONDUCT

20060068317

1. During the review period, the firm transmitted to OATS 12,783 Reportable Order Events ("ROEs") that were rejected by OATS for context or syntax errors. The firm failed to repair 11,575 of the rejected ROEs, representing 91 percent of all rejected ROEs. The firm also failed to timely report to OATS 1,208 ROEs. These late ROEs represented nine percent of all ROEs (12,783) that the firm transmitted to OATS during the review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 6955(a).

20070106592

2. The firm failed, within 90 seconds after execution, to transmit to the NASD/Nasdaq Trade Reporting Facility ("NASD/Nasdaq TRF") 122 last sale reports of transactions in designated securities. These transactions constitute 15 percent of the transactions reviewed that the firm reported to the NASD/Nasdaq TRF during the review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 4632(a) and a pattern or practice of late reporting without exceptional circumstances in violation of NASD Rule 2110.
3. The firm transmitted to the NASD/Nasdaq TRF 110 last sale reports of transactions in designated securities, constituting 13 percent of the transactions that the firm reported to the NASD/Nasdaq Trade Reporting Facility during the review period, and failed to designate through the NASD/Nasdaq TRF such last sale reports as reflecting a price different from the current market when the execution was based on a prior reference point in time. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 4632(a)(5)(G).

4. The firm failed to report to the NASD/Nasdaq Trade Reporting Facility the correct time of execution for 92 transactions in Reportable Securities, constituting 11 percent of the transactions that the firm reported to the NASD/Nasdaq Trade Reporting Facility during the review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 6130(d).
5. The firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations, and the Rules of FINRA, concerning trade reporting. Specifically, the firm's supervisory system did not include written supervisory procedures providing for: (1) a statement of the supervisory step(s) to be taken by the identified person(s); (2) a statement as to how often such person(s) should take such step(s); and (3) a statement as to how the completion of the step(s) included in the written supervisory procedures should be documented. The conduct described in this paragraph constitutes a violation of NASD Rules 2110 and 3010.

20070106640

6. The firm transmitted to the NASD/Nasdaq TRF 148 last sale reports of transactions in designated securities, constituting 23 percent of the transactions that the firm reported to the NASD/Nasdaq Trade Reporting Facility during the review period, and failed to designate through the NASD/Nasdaq TRF such last sale reports as reflecting a price different from the current market when the execution was based on a prior reference point in time. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 4632(a)(5)(G).
7. The firm failed to report to the NASD/Nasdaq Trade Reporting Facility the correct time of execution for 100 transactions in Reportable Securities, constituting 16 percent of the transactions that the firm reported to the NASD/Nasdaq Trade Reporting Facility during the review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 6130(d).
8. The firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations, and the Rules of FINRA, concerning trade reporting. Specifically, the firm's supervisory system did not include written supervisory procedures providing for: (1) a statement of the supervisory step(s) to be taken by the identified person(s); (2) a statement as to how often such person(s) should take such step(s); and (3) a statement as to how the completion of the step(s) included in the written supervisory procedures should be documented. The conduct described in this paragraph constitutes a violation of NASD Rules 2110 and 3010.

20080149748

9. During the review period, the firm failed to report information regarding 143 purchase and sale transactions effected in municipal securities to the RTRS in the manner prescribed by Rule G-14 RTRS Procedures and the RTRS Users Manual. Specifically, the firm failed to report information about such transactions within 15 minutes of Time of Trade to an RTRS Portal. These transactions constituted four percent of the transactions that the firm reported to the RTRS during the review period. The conduct described in this paragraph constitutes separate and distinct violations of MSRB Rule G-14.
10. The firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations, and the MSRB rules, concerning trade reporting. Specifically, the firm's supervisory system did not include written supervisory procedures providing for: (1) a statement as to how often such person(s) should take such step(s); and (2) a statement as to how the completion of the step(s) included in the written supervisory procedures should be documented. The conduct described in this paragraph constitutes a violation of MSRB Rule G-27.

B. The firm also consents to the imposition of the following sanctions:

A censure and a fine of \$37,500 (consisting of a \$7,500 fine for OATS violations in 20060068317; a \$7,500 fine for trade reporting violations in 20070106592; a \$7,500 fine for trade reporting violations in 20070106640; a \$5,000 fine for supervision violations in 20070106592 and 20070106640; and a \$5,000 fine for municipal bond trade reporting violations and a \$5,000 fine for supervision violations in 20080149748) and an undertaking to revise the firm's written supervisory procedures with respect to the areas described in paragraphs I.A. 5, 8 and 10.

Within 30 business days of acceptance of this AWC by the NAC, a registered principal of the Respondent shall submit to the **COMPLIANCE ASSISTANT, LEGAL SECTION, MARKET REGULATION DEPARTMENT, 9509 KEY WEST AVENUE, ROCKVILLE, MD 20850**, a signed, dated letter, or an e-mail from a work-related account of the registered principal to MarketRegulationComp@finra.org, providing the following information: (1) a reference to this matter; (2) a representation that the firm has revised its written supervisory procedures to address the deficiencies described in paragraphs I.A. 5, 8 and 10; and, (3) the date the revised procedures were implemented.

The firm agrees to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. It has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

The firm specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

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

II.

WAIVER OF PROCEDURAL RIGHTS

The firm specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against the firm;
- 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, the firm specifically and voluntarily waives 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.

The firm further specifically and voluntarily waives 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

The firm understands 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 the firm; and
- C. If accepted:
 - 1. this AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against the firm;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about the firm's disciplinary record;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. The firm 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. The firm 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 the firm's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. The firm may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The firm understands that it 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.

The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that it has agreed to the AWC's 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 the firm to submit it.

10/5/09
Date

Date _____

Respondent
WFG Investments, Inc.

By: William W. Lomax

Name: Wilson Williams

Title: CEO

Reviewed by:

Counsel for Respondent

Accepted by FINRA:

12/8/09
Date

Date _____

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

Thomas R. Gira
Thomas R. Gira
Executive Vice President
Department of Market Regulation

Thomas R. Gira

Executive Vice President

Department of Market Regulation