

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2006006935302**

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

RE: Joseph D. Bailey, Respondent
General Securities Representative
CRD No. 4608681

Pursuant to NASD Rule 9216 of FINRA's Code of Procedure, Darrin M. Marion ("Marion" or "Respondent") 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 Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent 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

Joseph D. Bailey entered the securities industry and was registered with Equitrust Marketing Services from November 13, 2002 through June 14, 2005 holding General Securities Representative (Series 6) and Uniform Securities Agent (Series 63). From August 24, 2005 through August 14, 2006 he was associated with Securities Management & Research, Inc. holding the same licenses. Since August 2006 he has not registered with another FINRA member.

Bailey is not currently registered with a member firm; however, he remains subject to FINRA's jurisdiction for the purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's Bylaws, because: (i) the AWC was filed within two years following the termination of his registration with FINRA; and (ii) the AWC charges him with misconduct committed while he was associated with a FINRA member firm and with failing to respond to FINRA's requests for information made during the two-year period following his registration termination.

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RELEVANT PRIOR DISCIPLINARY HISTORY

Respondent has no prior disciplinary history.

OVERVIEW

Respondent, while associated with a FINRA member firm, received funds from insurance customers for the purposes of renewing existing insurance policies or for the issuance of a new policy. Respondent removed those funds from a premium trust account and deposited them into his personal checking account. In addition, Respondent failed to provide the staff with certain requested information; and further did not respond promptly to the staff's inquiries.

FACTS AND VIOLATIVE CONDUCT

- A. 1. In or around June 2005, Bailey deposited monies from an Oklahoma Farm Bureau premium trust account, which he knew not to be his and without the authorization, knowledge or consent of the policy holders, into his personal checking account.

Such acts, practice and course of conduct constitute a violation of NASD Rule 2110 by Respondent Bailey.

2. During the period from August 15, 2007 through the present, Bailey failed to provide bank records requested by the FINRA staff. Further, from November 14, 2006 through the present, Bailey did not respond promptly to the FINRA staff's inquiries.

Such acts, practice and course of conduct constitute separate and distinct violations of NASD Procedural Rule 8210 and NASD Conduct Rule 2110 by Respondent Bailey.

- B. Respondent consents to the imposition of the following sanctions:

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

Further, Respondent understands that if he is barred or suspended from associating with any FINRA member, he becomes 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, he 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 NASD Rule 8310 and IM-8310-1.)

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to NASD IM-8310-3(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Formal Complaint issued specifying the allegations against him;
- 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 National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondent 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.

Respondent further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of NASD Rule 9143 or the separation of functions prohibitions of NASD 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

Respondent 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 NASD Rule 9216;

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- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against him;
 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Respondent's disciplinary record;
 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-3; and
 4. Respondent 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. Respondent 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 Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that he has 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 him to submit it.

2/13/08
Date



Joseph D. Bailey, Respondent

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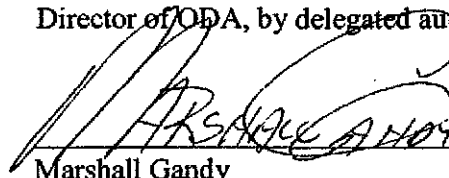
Reviewed by:

Counsel for Respondent

Accepted by FINRA:

February 19, 2008
Date

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

A handwritten signature in black ink, appearing to read "MARSHALL GANDY", is written over a horizontal line.

Marshall Gandy
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