

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

BRIAN R. MITCHELL,
Limited Registered Representative
(CRD No.5205677) ,

Respondent.

**Disciplinary Proceeding
No. 2009017279501**

Hearing Officer Lawrence Bernard

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: August 26, 2011

INTRODUCTION

Disciplinary Proceeding No. 2009017279501 was filed on December 3, 2010, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Brian R. Mitchell submitted an Offer of Settlement (Offer) to Complainant dated August 15, 2011. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint, 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, to the entry of

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findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

Brian R. Mitchell entered the securities industry as an Investment Company and Variable Contracts Products Representative of State Farm Management, a FINRA registered firm, on August 28, 2006. He was registered with State Farm in such capacity until March 6, 2009. During the same period of time Mitchell was also employed by State Farm Insurance Company (State Farm Insurance). On March 29, 2011, Mitchell became registered in the same capacity with another FINRA Registered firm, and on June 2, 2011 he became registered as an Investment Company and Variable Contracts Products Principal. He is currently registered with a FINRA registered firm in such capacities, and he has no previous disciplinary history.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

1. From in or about August 2006 until at least March 2009, Mitchell engaged in outside business activities, in that he was an independent sales associate with Pre-Paid Legal Services, Inc. (Pre-Paid Legal), while failing to provide prompt written notice to his employing FINRA registered firm of this activity. These acts violated NASD Rule 3030, and prior to December 15, 2008, NASD Rule 2110, and after December 15, 2008, FINRA Rule 2010.
2. On or about February 2, and February 26, 2010, FINRA Staff (Staff) sent letters to Mitchell requesting that he respond to questions about allegations that he engaged in outside

business activities and another matter, but Mitchell failed to respond to the Staff's requests until after the Complaint in this matter was filed, in violation of FINRA Rules 2010 and 8210.

3. From on or about August 28, 2006 to on or about March 6, 2009, Mitchell was registered as an Investment Company and Variable Contracts Products Representative with State Farm VP Management Corp. (State Farm Management), a FINRA registered firm. During this time period, Mitchell was also employed by State Farm Insurance Company (State Farm Insurance), an affiliated company of State Farm Management. Mitchell is currently associated with a FINRA registered firm.

4. From in or about at least August 2006 to in or about March 2009, Mitchell was an Independent Sales Associate with Pre-Paid Legal, and he sold legal and identity theft services, which were rendered by the company. During this time he also received compensation for marketing the services to other individuals, as a network marketing representative.

5. In his position with Pre-Paid Legal, Mitchell was employed by and accepted compensation from Pre-Paid Legal for the sale of legal and identity theft services, while failing to provide prompt written notice that he was engaged in such activities to State Farm Management.

6. The acts, practices and conduct set forth above constitute separate and distinct violations of NASD Rule 3030, and prior to December 15, 2008, NASD Rule 2110, and after December 15, 2008, FINRA Rule 2010, by Mitchell.

7. On or about February 2, 2010, Staff sent Mitchell a request that he provide a written response and documentation regarding questions about his employment with Pre-Paid Legal, as described above in paragraphs 4 and 5, as well as other matters, pursuant to and in accordance with the provisions of FINRA Rule 8210. The request for information was sent by

first class mail and certified mail, return receipt requested, to Mitchell's address of record as contained in the records of the Central Registration Depository, in Streetsboro, Ohio (CRD Address). Neither the first class mailing nor the certified mailing was returned to the Staff. The certified return receipt was also not returned to the Staff. The Track and Confirm website from the United States Postal Service showed that the certified letter was delivered on February 17, 2010 in Streetsboro, Ohio.

8. Having not received a response to the request for information and documentation sent on February 2, 2010, on or about February 26, 2010, the Staff sent Mitchell a letter marked "Second Request," requesting that he provide a written response and documentation regarding questions about his employment with Pre-Paid Legal, as described above in paragraphs 4 and 5, as well as other matters, pursuant to and in accordance with the provisions of FINRA Rule 8210. The request for information was sent by first class mail and certified mail, return receipt requested, to Mitchell's CRD Address. The first class and certified mailings were not returned to the Staff. The certified return receipt was also not returned to the Staff. The Track and Confirm website from the United States Postal Service showed that the certified letter was delivered on March 3, 2010 in Streetsboro, Ohio.

9. Prior to the filing of the Complaint, Mitchell failed to respond to each and all of the requests for documents and information described in paragraphs 7 and 8 above. After the Complaint was filed, Mitchell responded to the Staff's requests for information and documentation.

10. The aforementioned acts, practices and conduct constitute separate and distinct violations of FINRA Rules 2010 and 8210 by Mitchell.

Based on the foregoing, Respondent violated NASD Rule 3030, and prior to December 15, 2008, NASD Rule 2110, and after December 15, 2008, FINRA Rule 2010, and FINRA Rule 8210. The allegations contained in the Second Cause for Complaint, are dismissed.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

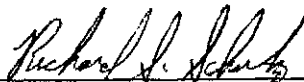
It is ordered that Respondent be suspended from association with any FINRA registered firm in any capacity for two years.¹

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

SO ORDERED.

FINRA

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



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¹ On September 20, 2010, Mitchell filed a Chapter 13 bankruptcy petition pursuant to Title 11, United States Code. Accordingly, no monetary sanction is being assessed in this matter.