

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20110259827-01**

TO: Office of Fraud Detection and Market Intelligence
Financial Industry Regulatory Authority ("FINRA")

RE: Michael Wade Hendry, Respondent
CRD No. 2069825

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Michael Wade Hendry ("Hendry" or "Respondent"), submit 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 me alleging violations based on the same factual findings described herein.

I.

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 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

Hendry became employed in the securities industry as a registered representative of a FINRA member firm in March 1990. He was registered with FINRA member firms from March 12, 1990 until September 28, 2010. He is not currently associated with a FINRA member firm but remains subject to FINRA's jurisdiction pursuant to Article V, Section 4(a) of the FINRA By-Laws. Hendry has no disciplinary history.

FACTS AND VIOLATIVE CONDUCT

1. From January 2010 through September 2010, Hendry was a Divisional Vice President at a FINRA-member firm. In approximately early February 2010, Hendry was informed that Boots and Coots, Inc. ("WEL") was going to be acquired by another company. Hendry knew that the ultimate source of that information was an insider of WEL. At the time, there had been no public disclosure of WEL's acquisition by another company.

2. Hendry maintained two securities accounts at a brokerage firm, an individual account and an IRA account. Hendry made the following transactions in WEL securities in his accounts while in possession of material, nonpublic information regarding WEL's acquisition by another company:

Date	Purchase or Sale	Quantity	Price Per Share
02/25/10	Purchase	10,000 shares	\$1.73
02/26/10	Purchase	10,000 shares	\$1.75
03/11/10	Purchase	20,000 shares	\$2.15
03/11/10	Purchase	13,000 shares	\$2.15/\$2.16
03/17/10	Purchase	20,000 shares	\$2.08

3. On April 9, 2010, after the market closed, WEL and the acquiring company issued a joint press release announcing that they had reached an agreement for the acquiring company to acquire WEL at a value of \$3.00 per share for WEL common stock. On April 12, 2010, following the subject news, the closing last sale price WEL increased \$0.65, or 25%, to close at \$2.95 per share.
4. Following the public announcement of WEL's acquisition, Hendry sold all of his WEL shares. On April 26, 2010, he sold 23,000 shares at \$2.94 per share. On June 25, 2010, he sold his remaining 50,000 shares at \$2.98 and \$3.00 per share. Hendry realized a profit on these sales of approximately \$69,955.
5. By purchasing the stock of WEL while in knowing possession of material, nonpublic information, Hendry in connection with the purchase or sale of a security, directly or indirectly, by use of means or instrumentalities of interstate commerce, or the mails, or the facilities of a national securities exchange, intentionally or recklessly employed a device, scheme or artifice to defraud; made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances in which they were made, not misleading; and engaged in an act, practice, or course of business which operated or would operate as a fraud or deceit upon other persons, including purchasers and sellers of securities, in willful violation of Section 10(b) of the Securities Exchange Act of 1934 and SEC Rule 10b-5 thereunder, and in violation of FINRA Rules 2010 and 2020.
6. Additionally, Hendry failed to respond truthfully in providing information that had been requested pursuant to FINRA Rule 8210. Specifically, Hendry was interviewed by the staff of FINRA's Office of Fraud Detection and Market Intelligence ("OFDMI staff") on September 23, 2010. During this interview, Hendry stated that he had purchased shares of WEL based on his own research of the company and had not been in possession of any nonpublic information when he purchased WEL shares, that he did not know anyone currently or formerly employed at WEL, and that he did not discuss his purchases of WEL with anyone and did not know of any other trading in WEL around the time of his trades. Those statements were not truthful. On October 25, 2010, during a second

interview with OFDMI staff, Hendry stated that, when he purchased shares of WEL in February and March 2010, he was in possession of material, nonpublic information regarding WEL's acquisition by another company. He also stated that, when he acquired this information, he knew that the source of the information was an insider of WEL. Finally, he stated that he had discussed his trades of WEL with three other persons, one of whom he knew had also purchased WEL shares. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rules 8210 and 2010.

B. I also consent to the imposition of the following sanctions:

A bar in all capacities and a fine of \$69,955, which includes the disgorgement of unlawful profits of \$69,955.

I agree to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. I have submitted an Election of Payment form showing the method by which I propose to pay the monetary sanction imposed.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

I understand that this settlement includes a finding that I willfully violated Sections 10(b) of the Securities Exchange Act of 1934 and SEC Rule 10b-5 promulgated thereunder. Pursuant to Article III, Section 4 of FINRA's By-Laws, this makes me subject to a statutory disqualification with respect to association with a member.

I understand that if I am barred from associating with any FINRA 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 FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. (See FINRA Rules 8310 and 8311.)

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA'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 National Adjudicatory Council ("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 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

I understand 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 me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my 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. 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. I 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 my right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

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; that I have 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 me to submit it.

Respondent

2/18/11
Date

Michael Wade Hendry
Michael Wade Hendry

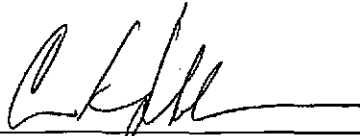
Reviewed by:

J. Zordani
Counsel for Mr. Hendry
Jennifer Zordani, Esquire
Ungarotti & Harris
3500 Three First National Plaza
70 West Madison
Chicago, IL 60602

Accepted by FINRA:

4/28/11
Date

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


Cameron K. Funkhouser
Executive Vice President
Office of Fraud Detection
and Market Intelligence