

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

Department of Enforcement,

Complainant,

v.

Michelle R. Bennett,
CRD No. [3219787],

Respondent.

Disciplinary Proceeding
No. 2011028344701

Hearing Officer: RSH

Date: April 11, 2012

**ORDER ACCEPTING
OFFER OF SETTLEMENT**

INTRODUCTION

1. Disciplinary Proceeding No. 2011028344701 was filed on February 15, 2012, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Michelle R. Bennett submitted an Offer of Settlement (Offer) to Complainant dated March 21, 2012. 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.
2. 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

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

3. Bennett became associated with Energy Securities, Inc. ("Energy Securities") on December 23, 2009 as a non-registered person. Bennett's employment with Energy Securities was terminated on May 27, 2011. Since then, Bennett has not become associated with another FINRA member firm. While at Energy Securities, Bennett was employed as a sales assistant and performed functions that went beyond ministerial or clerical duties.
4. Although Bennett is no longer associated with a FINRA member, she remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because (1) the Complaint was filed within two years after the date upon which she ceased to be associated with a FINRA member, specifically, May 27, 2011, and (2) the Complaint charges Bennett with failing to respond to FINRA requests for information during the referenced two-year period.
5. Bennett has no prior disciplinary history.

FINDINGS AND CONCLUSIONS

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

SUMMARY

6. Michelle R. Bennett failed to respond to FINRA staff's requests for testimony in violation of FINRA Rules 8210 and 2010. Bennett's failure to cooperate impeded the staff's investigation of various matters involving Bennett's former firm, Energy Securities, Inc.

7. (“Energy Securities”),¹ including, among other things, allegations that Bennett had embezzled money from the personal accounts of Energy’s owner, and Energy Securities’ sale of a series of six investment partnerships sponsored by its affiliated company, RyHolland Fielder, Inc. (“RHF”).

BACKGROUND

8. In connection with FINRA investigation of Energy Securities, Bennett, and RHF, FINRA began an onsite examination of Energy Securities during August 2011.
9. Prior to beginning the onsite examination, FINRA staff obtained from Energy Securities a mailing address for Bennett (hereafter, the “Confirmed Address”) on July 29, 2011. There was and is no CRD address of record for Bennett.
10. FINRA staff then sent a July 29, 2011 on-the-record interview (“OTR”) request letter to Bennett at the Confirmed Address requesting that she appear for an OTR on August 30, 2011.
11. On August 1, 2011 and August 2, 2011, during two separate conversations with FINRA staff, Bennett confirmed that she had received the July 29, 2011 OTR letter at the Confirmed Address.
12. Bennett advised during the August 2, 2011 conversation with FINRA staff that she could not travel to New Orleans, Louisiana to participate in the August 30, 2011 OTR.
13. To accommodate Bennett, FINRA staff conducted an informal, “off-the-record” telephone interview with Bennett on August 30, 2011. During the informal interview, Bennett refused to answer most of staff’s questions. Thereafter, Bennett obtained an attorney to interact with FINRA directly.

¹ On November 22, 2011, Energy Securities withdrew from registration with FINRA.

CAUSE OF ACTION
(FINRA Rules 8210 and 2010 - Failure to Respond)

14. By letter dated October 27, 2011, FINRA staff requested, pursuant to FINRA Rule 8210, that Bennett provide investigative testimony during an OTR scheduled for December 1, 2011.
15. The October 27, 2011 letter was sent via certified and first class mail to both Bennett's Confirmed Address and to Bennett's attorney. The certified letter sent to Bennett's attorney was signed (signature illegible). The certified letter sent to Bennett's Confirmed Address was signed for by "M. Bennett." Neither first class letter was returned. On December 1, 2011, Bennett failed to appear and provide investigative testimony to FINRA.
16. By letter dated December 2, 2011, FINRA staff requested, pursuant to FINRA Rule 8210, that Bennett provide investigative testimony during an OTR scheduled for December 16, 2011.
17. The December 2, 2011 letter was sent via certified and first class mail to both Bennett's Confirmed Address and to Bennett's attorney. The certified letter sent to Bennett's attorney was signed for by "R. Willis" and notes a delivery date of December 5, 2011. The certified letter sent to Bennett's Confirmed Address was signed for by "M. Bennett." Neither first class letter was returned.
18. On December 14, 2011, Bennett's attorney advised certain persons in FINRA's Department of Member Regulation that his client would not appear for the interview and, on December 16, 2011, Bennett in fact failed to appear and provide investigative testimony to FINRA.
19. To date, Bennett has failed to appear to provide investigative testimony.

Based on the foregoing, Respondent Michelle R. Bennett violated FINRA Rules 8210 and 2010 as alleged in the Cause of Action.

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

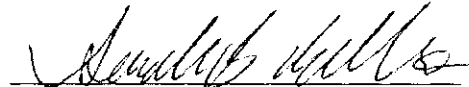
It is ordered that Respondent Michelle R. Bennett be barred from association with any FINRA member in all capacities.

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

SO ORDERED.

FINRA

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



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