

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015044103101**

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

**RE: Rodney Dewayne Welch, Respondent
Investment Company and Variable Contracts Products Representative (IR)
CRD No. 5628247**

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Rodney Dewayne Welch ("Welch"), 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

On April 17, 2009, Welch became registered with FINRA as an Investment Company and Variable Contracts Products Representative (IR) through his association with State Farm VP Management Corp. (BD No. 43036) ("State Farm VP"), a FINRA regulated firm.

On January 19, 2015, State Farm VP filed a Uniform Termination Notice for Securities Industry Registration ("Form US") stating that Welch had been terminated "due to business practice concerns with policyholder premium payments and agent claim handling."

Welch is not currently registered or associated with a FINRA member firm. FINRA retains jurisdiction over Welch pursuant to Article V, Section 4 of FINRA's By-Laws.

010/16/15 PM 3:38 FIN

RELEVANT DISCIPLINARY HISTORY

Welch does not have any disciplinary history with any state securities agency, the Securities and Exchange Commission, FINRA or any other self-regulatory organization.

OVERVIEW

Welch violated FINRA Rules 8210 and 2010 by refusing to respond to an August 19, 2015 request for documents and information sent by FINRA pursuant to FINRA Rule 8210.

FACTS AND VIOLATIVE CONDUCT

During August 2015, FINRA was investigating claims that between January 2013 and December 2014, Welch had submitted fraudulent insurance claims, had diverted funds from a homeowner's escrow check to an unrelated policyholder's account and had failed to deposit at least one large customer cash deposit into his State Farm Premium Funds Account ("PFA"). As a part of its investigation, by letter dated August 19, 2015, FINRA requested that Welch provide certain documents and information by September 4, 2015.

By email sent to FINRA on August 26, 2015, counsel for Welch informed FINRA that "We have received the Rule 8210 request dated August 19, 2015. Mr. Welch will not be responding to this request or to any additional requests for information from Finra in connection with this inquiry." Welch did not provide the requested documents and information. By failing to provide the information and documents requested pursuant to FINRA Rule 8210, Welch violated FINRA Rules 8210 and 2010.

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

- A bar from associating with any FINRA member in any and all capacities.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. 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. A bar or expulsion 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 Complaint issued specifying the allegations against me;**
- 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, I specifically and voluntarily waive any right to claim bias or prejudgment of the Chief Legal Officer, 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 accordance with FINRA Rule 8313;
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: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

I, Rodney Dewayne Welch, 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.

9/10/2013
Date (09/10/2015)

Rodney Dewayne Welch
Rodney Dewayne Welch (CRD # 5628247)

Reviewed by:



Jeremy L. Bartell
Counsel for Respondent Rodney Dewayne Welch
Bartell Law PLLC
700 12th Street NW, Suite 700
Washington, DC 20005
202-430-1040

Accepted by FINRA:

October 18, 2015

Date

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



Susan Light, Esq.
Senior Vice President, Chief Counsel
FINRA Department of Enforcement
One World Financial Center
200 Liberty Street
New York, NY 10281
Telephone: 646-315-7333
Facsimile: 646-315-7425