

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
THE FIRST NATIONAL CENTER
120 N. ROBINSON, SUITE 860
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Rodney Larry Watkins, Jr. (CRD #3091936)

Respondent.

ODS File No. 12-058

**RESPONDENT'S RESPONSE TO ENFORCEMENT
DIVISION RECOMMENDATION**

The Respondent in this action, Rodney Larry Watkins, Jr. (CRD #3091936), in response to the Enforcement Division Recommendation that the Administrator bar Watkins registrations under the Act and impose civil penalties against him pursuant to Section 1-411 of the Oklahoma Uniform Securities Act of 2004 ("Act") does hereby offer the following in mitigation of the recommended action:

1. Respondent was a registered representative of Merrill Lynch Pierce Fenner & Smith, Inc., for approximately 11 years.
2. Upon leaving Merrill Lynch in March 2009 he became a registered Agent/Advisor with Ameriprise Financial Services, Inc. ("AFS") until his voluntary resignation on October 24, 2011.
3. Respondent cannot and does not refute the Enforcement Division's Conclusions of Law as set forth in Section 1, A through E of the Recommendation.
4. Respondent notes that the interview of Michelle Hayes who was the Office of Supervisory Jurisdiction for AFS during Respondent's affiliation with that firm until June 2010 noted in her interview conducted September 16, 2011, by David Flower, Sr. Investigator with

AFS, that she felt that the three EAR Advisors under her jurisdiction including Watkins “lacked training” in Ameriprise policies and procedures.

5. Respondent at all times during the investigation by in-house investigators with AFS was found to be fully cooperative and forthright in his responses to their interrogation.

6. There is no evidence that any customer/client of Respondent’s ever filed a complaint against Respondent or any registered broker dealer with which he has been affiliated during his brokerage career, and that there has been no disciplinary action commenced against him by any regulatory authority until the present action.

7. There has been no allegation or finding that Respondent misappropriated any customer/client funds or securities, in fact any customer/client funds which Respondent caused to be distributed were paid directly to the customer/client or to customer/client’s bank account.

8. That Respondent’s unreported outside activities were in the nature of “passive investments” in rental properties and there is no evidence that any of Respondent’s customers/clients were investor/participants in these investments.

9. That all of Respondent’s activities listed in the Enforcement Divisions’ Conclusions of Law were activities in which Respondent thought he was providing convenience and uninterrupted service to his customers/clients and that the processes and procedures for which he is accused of violating were not fully explained to him.

10. Respondent’s customer/client activities while at AFS lacked adequate supervision and support.

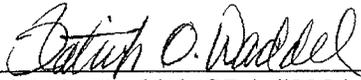
While the Administrator has the statutory and regulatory authority to impose a bar against Respondent from future registration under the Act in any capacity, such an absolute bar would not be in the public interest considering no customer/client funds or securities were

misappropriated by Respondent. Respondent's cooperation and forthrightness with the AFS investigative personnel was duly noted by the investigating personnel.

Additionally, while not condoning Respondent's breach of the Acts ethical standards, an absolute bar from registration would be unduly harsh and punitive.

Respectfully submitted,

Dated: May 15, 2012

By: 
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