

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
204 NORTH ROBINSON, SUITE 400  
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

William B. Mulder (CRD #1474998),

Respondent.

ODS File 14-057

**FINAL ORDER**

The Administrator of the Oklahoma Department of Securities ("**Department**") issues this Final Order against William B. Mulder ("**Respondent**"), pursuant to Section 1-411 of the Oklahoma Uniform Securities Act of 2004 ("**Act**"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011).

**Findings of Fact**

**Procedural**

1. On June 21, 2016, the Enforcement Division of the Department filed, with the Administrator, an Enforcement Division Recommendation ("**Recommendation**") in support of the issuance of an order barring Respondent from registration in any capacity under the Act and from association with any broker-dealer or investment adviser registered under the Act.

2. On July 1, 2016, the Administrator issued a Notice of Opportunity for Hearing in accordance with 660:2-9-1 of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (effective August 1, 2013) ("**Rules**") and Section 1-411 of the Act. In the notice, Respondent was advised of his right to a hearing and his obligation to file an answer to the Recommendation within fifteen (15) days after service of the notice. Respondent was further advised in the notice that failure to file an answer and request for hearing in compliance with 660:2-9-2 of the Rules would result in the issuance of an order barring Respondent from registration under the Act and from association with a broker-dealer or investment adviser registered under the Act.

3. On July 1, 2016, the Administrator also issued a Notice of Service on the Administrator and Affidavit of Compliance in which he attested that a copy of the Notice of Opportunity for Hearing, with the Recommendation attached, and a copy of the Notice of Service on the Administrator and Affidavit of Compliance, were sent to the last

known addresses of Respondent on July 1, 2016, by certified mail, return receipt requested, delivery restricted, in compliance with Section 1-611 of the Act.

4. On July 6, 2016, Respondent signed the return receipt for the July 1<sup>st</sup> mailing sent to 6002 East 106<sup>th</sup> Street, Tulsa, Oklahoma 74137-7031.

5. Respondent's deadline for filing an answer to the Recommendation and requesting a hearing has expired, and no answer or request for hearing has been filed.

### **Background**

6. Respondent was a resident of Oklahoma at all times material hereto.

7. Respondent was registered under Oklahoma's securities laws as an agent of MetLife Securities, Inc., from 1986 until 1997, and as an agent and investment adviser representative of Merrill Lynch, Pierce, Fenner & Smith, Inc. ("**Merrill Lynch**"), from 1997 and 1995, respectively, to May 2012. Respondent is not currently registered under the Act.

8. On April 8, 2012, Merrill Lynch terminated Respondent's employment with the firm due to a "reduction in staff."

9. On May 8, 2012, Merrill Lynch filed a Form U5 for Respondent that disclosed an internal review of Respondent in connection with "potential irregularities relating to the sale of a variable life insurance policy." This internal review ended in June 2013 with the conclusion that Respondent "executed documents relating to a life insurance application [that] contained certain inaccuracies."

### **Customer Complaint**

10. On October 30, 2013, Merrill Lynch amended Respondent's Form U5 to disclose a customer complaint by two Oklahoma residents alleging "misrepresentation regarding a variable annuity issued in August 1999 and embezzlement" by Respondent ("**Customers**").

11. On April 23, 2014, Merrill Lynch amended the disclosure in Respondent's Form U5 relating to the Customers' complaint to reflect that the complaint had evolved into an arbitration proceeding with allegations of "misrepresentation and omission of material facts, embezzlement and forgery regarding a variable annuity issued in August 1999." The alleged compensatory damage amount was \$1 million.

12. On May 20, 2014, Merrill Lynch once again amended the disclosure in Respondent's Form U5 relating to the Customers' complaint to reflect that the allegations also included "involvement in an unregistered stock offering."

13. In June 2014, Respondent filed an answer in the arbitration proceeding in which he admitted that he and the Customers had participated together in a housing business and had provided multiple loans to each other, during the years Respondent was associated with Merrill Lynch.

14. In connection with an internal review of the Customers' complaint, Merrill Lynch concluded that Respondent "engaged in undisclosed financial arrangements with clients away from the firm and failed to accurately disclose outside business activities."

15. The Customers' arbitration proceeding with Merrill Lynch and Respondent was resolved through settlement in June 2015 after Merrill Lynch agreed to pay \$600,000 to the Customers.

### **FINRA Bar**

16. The Financial Industry Regulatory Authority ("**FINRA**") is a self-regulatory organization for the United States securities industry.

17. In an investigation by FINRA into the Customers' complaint regarding Respondent, FINRA sent Respondent written requests to produce documents and information, including banking statements.

18. Respondent failed to provide the requested documents and information, in violation of FINRA Rules 8210 and 2010.

19. In September 2014, FINRA barred Respondent from associating with any FINRA member, through an Acceptance, Waiver and Consent ("**AWC**") based upon the violations of FINRA Rules 8210 and 2010.

20. The AWC, executed by Respondent and accepted by FINRA, is final and constitutes a complaint, answer and decision in the relevant FINRA matter pursuant to FINRA Rule 9216.

To the extent any of these Findings of Fact are more properly characterized as Conclusions of Law, they should be so considered.

### **Conclusions of Law**

1. Respondent is the subject of an order, issued after notice and opportunity for hearing by a self-regulatory organization, barring Respondent from association with a member of the organization.

2. The Administrator is authorized under Section 1-411 of the Act to bar Respondent from registration under the Act and from association with any broker-dealer or investment adviser registered under the Act.

3. It is in the public interest for the Administrator to bar Respondent from registration under the Act and from association with any broker-dealer or investment adviser registered under the Act.

To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

**Order**

**IT IS HEREBY ORDERED** that Respondent is barred from registration in any capacity under the Act and from association with any broker-dealer or investment adviser registered under the Act.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 2<sup>nd</sup> day of August, 2016.

(SEAL)

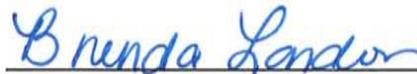


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IRVING L. FAUGHT, ADMINISTRATOR OF THE  
OKLAHOMA DEPARTMENT OF SECURITIES

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on the 2<sup>nd</sup> day of August, 2016, a true and correct copy of the above and foregoing Final Order was sent by certified mail, return receipt requested, delivery restricted, to:

William B. Mulder  
6002 E. 106<sup>th</sup> St.  
Tulsa, OK 74137-7031



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Brenda London, Paralegal

7015 0640 0004 8676 8022

U.S. Postal Service™  
CERTIFIED MAIL® RECEIPT

Domestic Mail Only FO 14-057 TB

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

OFFICIAL USE

Certified Mail Fee	\$	330
Extra Services & Fees (check box, add fee as appropriate)		
<input checked="" type="checkbox"/> Return Receipt (hardcopy)	\$	270
<input type="checkbox"/> Return Receipt (electronic)	\$	
<input checked="" type="checkbox"/> Certified Mail Restricted Delivery	\$	495
<input type="checkbox"/> Adult Signature Required	\$	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	
Postage	\$	11.41

8-2-16

Postmark  
Here

William B Mulder  
6002 E 106<sup>th</sup> St  
Tulsa OK 74137-7031


for Instructions

FO 14-057TB

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

William B Mulder  
6002 E 106<sup>th</sup> St  
Tulsa OK 74137-7031



9590 9402 1524 5362 1069 02

2. Article Number (Transfer from service label)

7015 0640 0004 8676 8022

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

8-5-16

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery