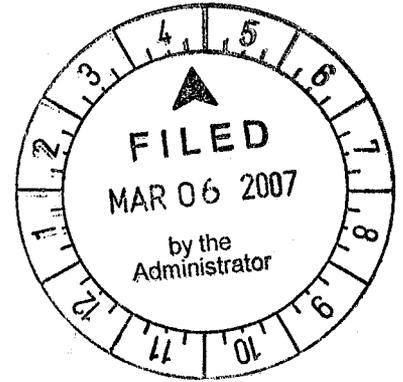


STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA



In the Matter of:

Wilbanks Securities, Inc., CRD No. 40673,  
Randall Lee Wilbanks, CRD No. 2675482, and  
Aaron Bronelle Wilbanks, CRD No. 1983697,

Respondents.

File No. ODS 05-029

**ORDER**

Pursuant to the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003), the Examination Division of the Oklahoma Department of Securities ("Department") conducted an examination of Wilbanks Securities, Inc. ("Wilbanks Securities") from May 10, 2005 to May 19, 2005 ("2005 Examination"). As a result of the 2005 Examination, the Enforcement Division of the Department filed an Enforcement Division Recommendation ("Recommendation") against Wilbanks Securities, Randall Lee Wilbanks ("Randall Wilbanks"), and Aaron Bronelle Wilbanks ("Aaron Wilbanks"), with the Administrator of the Department ("Administrator") on August 4, 2006. On August 7, 2006, the Administrator issued a Notice of Opportunity for Hearing ("Notice") allowing Respondents to request a hearing on the Recommendation. On August 29, 2006, Respondents filed a Request for Hearing with the Administrator.

In order to resolve this matter, Respondents voluntarily executed the Agreement, with the Administrator, that is attached hereto as "Attachment A" and incorporated herein by reference. Without being admitted or denied by Respondents, the Findings of Fact and Conclusions of Law in the Recommendation are incorporated herein by reference.

**NOW THEREFORE, IT IS HEREBY ORDERED** that Wilbanks Securities is censured.

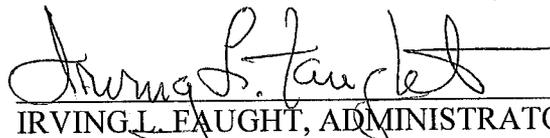
**IT IS FURTHER ORDERED** that Randall Wilbanks is hereby censured and, effective March 21, 2007, is prohibited from engaging in any activity for any broker-dealer or investment adviser that relates to training and supervision of agents, registered principals and investment adviser representatives or that relates to compliance including, but not limited to, inspections of offices of supervisory jurisdiction, branch offices and non-branch offices. Supervisory and/or compliance duties shall not be delegated to Randall Wilbanks under any circumstance. This restriction on Randall Wilbanks' principal registration shall not include the following administrative duties: wire transfers, signature guarantees, and other ministerial functions not directly involving compliance or supervision. After a period of two years from the Effective Date of the Agreement, such restriction may be removed from Randall Wilbanks' principal

registration if Randall Wilbanks' provides written notice, with supporting documentation, to the Administrator that he has completed the NASD course entitled "Compliance Essentials" or a comparable course approved by the Administrator, he has retaken and passed the Series 24 examination, and the Independent Compliance Consultant does not disapprove of such restriction being removed from Randall Wilbanks' principal registration. In no event shall Randall Wilbanks ever conduct office inspections or be appointed to, or assume, the position of Chief Compliance Officer or any comparable position for any broker-dealer or investment adviser.

**IT IS FURTHER ORDERED** that Aaron Wilbanks' registration as a principal is suspended for ten (10) business days beginning on March 7, 2007, and ending on March 20, 2007; Aaron Wilbanks must requalify as a principal by taking and successfully passing the Series 24 examination within 180 days of the effective date of the Agreement; and Aaron Wilbanks must attend the NASD course entitled "Compliance Essentials" currently scheduled on June 4-8, 2007.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 6th day of March, 2007.

(SEAL)



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

**CERTIFICATE OF MAILING**

The undersigned hereby certifies that on the 6<sup>th</sup> day of March, 2007, a true and correct copy of the above and foregoing Order was mailed by first class mail with postage prepaid thereon addressed to:

David Newsome, Esq.  
Day, Edwards, Propester & Christensen, PC  
320 S. Boston Avenue, Suite 805  
Tulsa, OK 74103

Bill V. Wilkinson, Esq.  
Wilkinson Law Firm  
7625 East 51<sup>st</sup> Street, Suite 400  
Tulsa, OK 74145-7857

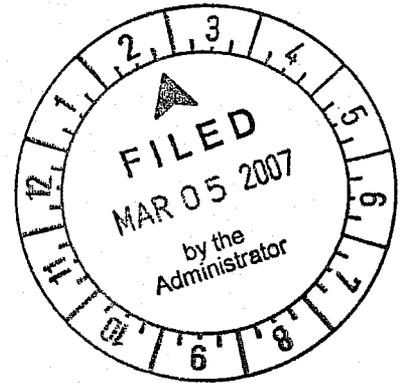
Randall Wilbanks  
4334 Northwest Expressway, Suite 222  
Oklahoma City, OK 73116

Aaron Wilbanks  
4334 Northwest Expressway, Suite 222  
Oklahoma City, OK 73116

Wilbanks Securities, Inc.  
4334 Northwest Expressway, Suite 222  
Oklahoma City, OK 73116

  
Brenda London, Paralegal

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA



In the Matter of:

Wilbanks Securities, Inc., CRD No. 40673,  
Randall Lee Wilbanks, CRD No. 2675482, and  
Aaron Bronelle Wilbanks, CRD No. 1983697,

Respondents.

File No. ODS 05-029

**AGREEMENT**

**THIS AGREEMENT** is entered into between Wilbanks Securities, Inc. ("Wilbanks Securities" or the "Firm"), Aaron Bronelle Wilbanks ("Aaron Wilbanks"), Randall Lee Wilbanks ("Randall Wilbanks"), and the Administrator ("Administrator") of the Oklahoma Department of Securities ("Department") as of the Effective Date set forth below.

Pursuant to the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003), the Examination Division of the Department ("Examination Division") conducted an examination of Wilbanks Securities from May 10, 2005 to May 19, 2005 ("2005 Examination").

As a result of an investigation prompted by the findings from the 2005 Examination, the Enforcement Division of the Department ("Enforcement Division") recommended that the Administrator sanction Respondents ("Recommendation"). The Recommendation is attached hereto as "Attachment A" and is incorporated herein by reference.

The Enforcement Division filed the Recommendation with the Administrator on August 4, 2006. On August 7, 2006, the Administrator issued a Notice of Opportunity for Hearing ("Notice") allowing Respondents twenty (20) days after service of the Notice to request a hearing on the Recommendation. On August 29, 2006, Respondents filed a Request for Hearing with the Administrator.

Respondents agree to settle this matter without admitting or denying the Findings of Fact or the Conclusions of Law in the Recommendation, and solely for the purposes of this proceeding prior to a hearing and without the adjudication of any issue of law or fact. Respondents voluntarily waive their right to a hearing provided by the Act, the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities, and the Oklahoma Administrative Procedures Act.

**NOW THEREFORE**, the undersigned parties hereto agree without the Respondents admitting or denying the Findings of Fact or the Conclusions of Law in the Recommendation, and solely for the purposes of this proceeding prior to a hearing and without the adjudication of any issue or law or fact as follows:

**1. Scope of this Agreement**

- A. Application of this Agreement is limited to the matters in the Recommendation and failures to supervise, compliance violations, and violations of the record keeping requirements occurring on or before the Effective Date of this Agreement, unless customer losses are involved or fraud or sales practice violations are alleged.
- B. This Agreement shall apply to the Respondents' failures to disclose the Department's pending administrative proceeding and the pending arbitrations on the Form BD for the Firm and the Forms U-4 for Randall Wilbanks and Aaron Wilbanks so long as proper disclosure is promptly made, but no later than 5 business days from the Effective Date of this Agreement.
- C. This Agreement applies only to the Firm, Randall Wilbanks, and Aaron Wilbanks and to no other agent or principal of the Firm.

**2. Independent Compliance Consultant**

- A. Wilbanks Securities shall retain, within 30 days of the Effective Date of this Agreement at its expense, an Independent Compliance Consultant acceptable to the Administrator. The Independent Compliance Consultant shall conduct a review of Wilbanks Securities' supervisory, compliance, and other policies and procedures designed to prevent and detect violations of federal and state securities laws, violations of NASD rules, and violations of the Rules of the Administrator of the Oklahoma Department of Securities and the Oklahoma Securities Commission (Oklahoma Rules). Wilbanks Securities shall cooperate fully with the Independent Compliance Consultant and shall provide the Independent Compliance Consultant with access to all of its files, books, records, and personnel as requested for the review.
- B. The Independent Compliance Consultant shall include in his or her review an evaluation of Wilbanks Securities' existing policies and procedures designed to prevent and detect violations of federal and state securities laws, violations of NASD rules, and violations of the Oklahoma Rules including all measures adopted by Wilbanks Securities in response to recommendations made by its outside consultants, Richard Sandow and/or Securities Advisors, LLC. The Independent Compliance Consultant shall determine whether Wilbanks Securities' existing policies and procedures

can reasonably be expected to prevent and detect violations of federal and state securities laws, violations of NASD rules, and violations of the Oklahoma Rules. Specifically, the Independent Compliance Consultant's actions should include, but not be limited to, the following:

- i. determining whether Pierre Choisnard is qualified to be Chief Compliance Officer ("CCO") and, if he is not, hiring a qualified CCO;
- ii. determining the reasonableness of the assigned duties and responsibilities of the CCO;
- iii. determining the number of registered principals and offices of supervisory jurisdiction required to implement and enforce the recommended supervisory systems and procedures and the Firm's business plan;
- iv. determining whether an internal compliance committee is needed to review compliance issues as they may arise throughout the Firm, endeavor to develop solutions to those issues, and oversee implementation of those solutions and, if an internal compliance committee is needed, to oversee the formation and membership of such committee;
- v. determining the adequacy of the composition and qualifications of the members of the Firm's compliance staff and whether any member should be required to attend outside training by the NASD; and
- vi. determining whether the Firm's current training and education is sufficient to minimize future violations of federal and state securities laws, violations of NASD rules, and violations of the Oklahoma Rules and determining whether any additional training or education is necessary for any registered agent or principal of the Firm.

C. At the conclusion of that review, which in no event shall be more than 120 days after the date of the Independent Compliance Consultant's retention, the Independent Compliance Consultant shall submit to the Wilbanks Securities, Wilbanks Securities Chief Compliance Officer, and the Administrator an Initial Report. The Initial Report shall include a description of the review performed, the conclusions reached on the adequacy of Wilbanks Securities' policies and procedures to prevent and detect federal and state securities law violations, violations of NASD rules, and violations of the Oklahoma Rules and shall include the Independent Compliance Consultant's recommended changes or additions to Wilbanks Securities' policies, procedures or controls and a procedure

for implementing the recommended changes or additions to Wilbanks Securities' policies and procedures.

- D. Wilbanks Securities shall adopt all recommendations contained in the report of the Independent Compliance Consultant. If, however, Wilbanks Securities considers a recommendation to be unduly burdensome, Wilbanks Securities shall so advise the Independent Compliance Consultant and the Administrator in writing within 30 days of transmittal of the Independent Compliance Consultant's Initial Report. With respect to any recommendation that Wilbanks Securities deems unduly burdensome, Wilbanks Securities need not adopt that recommendation at that time but shall contemporaneously propose in writing an alternative policy, procedure or system designed to achieve the same objective or purpose (Alternative Procedures).
- E. With respect to any recommendation or proposal with which Wilbanks Securities and the Independent Compliance Consultant do not agree, Wilbanks Securities and the Independent Compliance Consultant shall attempt in good faith to reach agreement within 30 days of the proposal date of the Alternative Procedures. In the event the Independent Compliance Consultant and Wilbanks Securities are unable to agree on an alternative proposal, Wilbanks Securities shall abide by the determinations of the Independent Compliance Consultant until such time that the Firm notifies the Administrator of its intention to adopt the Alternate Procedure, provides the Administrator with a second opinion from an independent qualified person in support of the Alternate Procedure within 30 days from such notice, and the Administrator fails to object to the Alternate Procedure within 10 business days of the receipt of the second opinion. If the Administrator objects to the Alternate Procedure, the Firm must adopt and implement the recommendation or proposal for which the Alternate Procedure was proposed.
- F. The Independent Compliance Consultant shall complete the aforementioned review and submit a written Final Report thereon to Wilbanks Securities, Wilbanks Securities' Chief Compliance Officer, and the Administrator within 270 days after the date of this Agreement. The Final Report shall set forth all of the Independent Compliance Consultant's recommendations and describe how Wilbanks Securities is implementing those recommendations.
- G. Wilbanks Securities shall take all necessary and appropriate steps to adopt and implement all recommendations contained in the Independent Compliance Consultant's Final Report.
- H. No later than one year after the date of this Agreement, unless extended pursuant to paragraph J, below, Wilbanks Securities shall submit to the Administrator an affidavit setting forth each recommendation contained in

the Independent Compliance Consultant's Final Report and stating whether the Firm has achieved compliance.

- I. No later than 90 days after Wilbanks Securities' submission of the affidavit described in paragraph H, above, the Independent Compliance Consultant shall conduct an examination to determine Wilbanks Securities' compliance with each of the recommendations contained in the Independent Compliance Consultant's Final Report. At the conclusion of the examination, the Independent Compliance Consultant shall submit to Wilbanks Securities, Wilbanks Securities' Chief Compliance Officer, and the Administrator an Examination Report. The Examination Report shall include a description of the examination performed and the conclusions reached by the Independent Compliance Consultant on Wilbanks Securities' compliance with each of the recommendations contained in the Independent Compliance Consultant's Final Report. The Examination Report shall be submitted by the Independent Compliance Consultant within 45 days of the conclusion of the examination.
- J. For good cause shown, and upon receipt of a timely application from the Independent Compliance Consultant or Wilbanks Securities, the Administrator may extend any of the procedural dates set forth above.
- K. To ensure the independence of the Independent Compliance Consultant, Wilbanks Securities: (1) shall not have the authority to terminate the Independent Compliance Consultant, without 10 days prior written notice to the Administrator; (2) shall compensate the Independent Compliance Consultant, and persons engaged to assist the Independent Compliance Consultant, for services rendered pursuant to this Agreement at their reasonable and customary rates; (3) shall not, without prior written consent of the Administrator, enter into any legal, business, or other financial relationship with the Independent Compliance Consultant, any firm with which he or she is affiliated or of which he or she is a member, or any person engaged to assist the Independent Compliance Consultant in the performance of his or her duties under this Agreement, during the period of their engagements and for a period of two years following the completion of their duties described in this Agreement; and (4) shall not be in and shall not have an attorney-client relationship with the Independent Compliance Consultant and shall not seek to invoke the attorney-client or any other doctrine or privilege to prevent the Independent Compliance Consultant from transmitting any information, reports, or documents to the Administrator.
- L. If the Independent Compliance Consultant withdraws from the engagement or is terminated by the Firm, Wilbanks Securities must retain a new Independent Compliance Consultant, acceptable to the Administrator, within 30 days of providing the notice to the Administrator pursuant to subsection (1) of subparagraph K above.

### **3. Compliance and Oversight Structure**

Wilbanks Securities shall maintain, beginning within 30 days after the date of this Agreement, a compliance and oversight infrastructure having the following characteristics:

- A. Wilbanks Securities agrees to maintain a Chief Compliance Officer whose responsibilities shall include the administration of policies and procedures adopted by the Firm designed to prevent federal and state securities law violations, violations of NASD rules, and violations of the Oklahoma Rules.
- B. For a period of one year from the date of the Final Report of the Independent Compliance Consultant, the Chief Compliance Officer shall report directly to the Administrator on a monthly basis. Such report shall contain a summary of the following:
  - i. the decisions of the CCO that are overridden by the CEO and the reasons for changing any compliance decisions by the CCO;
  - ii. all inspections of offices of supervisory jurisdiction, branch offices and non-branch offices and all deficiencies observed during the inspections;
  - iii. any and all customer complaints received and the manner by which each complaint was processed or handled;
  - iv. the status of any pending customer complaints previously reported by the CCO to the Department; and
  - v. any and all violations of federal and state securities law, NASD rules, and the Oklahoma Rules.

Such report shall be submitted to the Administrator no later than 10 business days after the end of the month to which the report pertains.

### **4. The Firm**

Wilbanks Securities hereby consents to the entry of an order of censure by the Administrator. Wilbanks Securities also hereby agrees that for a period of two (2) years from the Effective Date of this Agreement, it will not register a new agent who has been the subject of a regulatory action or criminal action requiring

disclosure on the agent's Form U-4 or is otherwise known by the Firm to be under investigation by a broker-dealer with whom the agent was previously associated, without written permission of the Administrator.

**5. Randall Wilbanks**

Randall Wilbanks will be allowed to maintain his principal registration for purposes of NASD Rule 1021 but shall consent to a censure and an order by the Administrator limiting his principal registration as follows: Randall Wilbanks hereby consents to an order prohibiting him from engaging in any activity for any broker-dealer or investment adviser that relates to training and supervision of agents, other registered principals and investment adviser representatives or that relates to compliance including, but not limited to, inspections of offices of supervisory jurisdiction, branch offices and non-branch offices. Supervisory and/or compliance duties shall not be delegated to Randall Wilbanks under any circumstance. This restriction on Randall Wilbanks' principal registration shall not include the following administrative duties: wire transfers, signature guarantees, and other ministerial functions not directly involving compliance or supervision. After a period of two years from the Effective Date of this Agreement, such restriction may be removed from Randall Wilbanks' principal license if Randall Wilbanks' provides written notice, with supporting documentation, to the Administrator that he has completed the NASD course entitled "Compliance Essentials" or a comparable course approved by the Administrator, he has retaken and passed the Series 24 examination, and the Independent Compliance Consultant does not disapprove of such restriction being removed from Randall Wilbanks' principal registration. In no event shall Randall Wilbanks ever conduct office inspections or be appointed to, or assume, the position of Chief Compliance Officer or any comparable position.

**6. Aaron Wilbanks**

Aaron Wilbanks hereby consents to a fine in the amount of \$2,500, and an order by the Administrator suspending his principal registration for 10 business days, requiring him to requalify as a principal by taking and successfully passing the Series 24 examination within 180 days of the Effective Date of this Agreement, and to attend the NASD course entitled "Compliance Essentials" currently scheduled on June 4-8, 2007.

**7. In-House Counsel**

Wilbanks Securities' in-house counsel shall pass the Series 24, and the Series 7 pre-requisite examination, within 120 days of the Effective Date of this Agreement.

**8. Pierre Choisnard**

If the Independent Compliance Consultant determines that Pierre Choisnard is qualified to remain CCO of Wilbanks Securities, the Firm shall require and pay for Pierre Choisnard to attend the NASD course entitled "Compliance Essentials" the first time it is offered after the determination is made.

**9. Failure to Comply**

If Wilbanks Securities, Aaron Wilbanks, and/or Randall Wilbanks fail to comply with the terms of this Agreement in any material respect, or if they have made any false or misleading statements to the Administrator in connection with the above-captioned proceeding, this Agreement shall be deemed null and void, and the parties shall proceed with a hearing in the above-captioned proceeding.

**10. Entire Agreement; Amendment.**

This writing constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations, and understandings of the parties. No supplement, modification, or amendment to this Agreement shall be binding unless executed in writing by each of the parties hereto.

**11. Limitation on Agreement**

Nothing in this Agreement shall prohibit the Administrator from conducting future examinations of any office of Wilbanks Securities. Nothing in this Agreement shall prohibit the Administrator from furnishing information to any other properly constituted agency or authority. In the event any other agency or authority commences an action in connection with information obtained by the Administrator against Wilbanks Securities, Aaron Wilbanks, and/or Randall Wilbanks, the Administrator may assist in such actions as authorized by law.

**12. Effective Date**

This Agreement shall be effective as of the date on which it is signed by the Administrator as set forth below his signature hereto.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date and year set forth below their signatures hereto.

**WILBANKS SECURITIES, INC.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**AARON WILBANKS**

Date: \_\_\_\_\_

Date: 3-2-2007

Address: 10112 Donna Court  
OKLA. City, OK 73162

Address: 4334 N.W. Expressway  
St. 222 OKC OK 73116

**RANDALL WILBANKS**

Randall Wilbanks

Date: 3-2-2007

Address: 9211 N. Council Rd #309  
OKlahoma City, OK 73132

**OKLAHOMA DEPARTMENT OF SECURITIES**

By: Irving L. Faught  
Irving L. Faught, Administrator

Date: March 5, 2007