

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2015044289201**

TO: Department of Enforcement  
Financial Industry Regulatory Authority (“FINRA”)

RE: Tracy Neal Wengert (“Wengert”), Respondent  
Investment Company and Variable Contracts Products Limited Representative  
CRD No. 3182678

Pursuant to FINRA Rule 9216 of FINRA’s Code of Procedure, I 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**

Wengert entered the securities industry in January 1999 and has been associated with several FINRA-regulated broker-dealers. In February 1999, Wengert became registered as a Series 6 Investment Company and Variable Contracts Products Limited Representative and a Series 63 Uniform Securities Agent. In July 2000, Wengert became registered as a Series 26 Investment Company and Variable Contracts Products Principal.

In January 2012, Wengert became associated as an Investment Company and Variable Contracts Products Limited Representative with Transamerica Financial Advisors, Inc. (the “Firm”), a FINRA-regulated broker-dealer. In a Uniform Termination Notice for Securities Industry Registration (“Form U5”) dated February 2, 2015, the Firm reported that on January 30, 2015, Wengert’s association with the Firm was terminated “in connection with a matter in which he was alleged to have managed client accounts on a discretionary basis without approval or oversight through another broker-dealer.” On September 25, 2015, the Firm amended Wengert’s Form U5 to disclose a customer arbitration filing

alleging that Wengert established accounts for the client outside of the Firm and made unsuitable trades.

Wengert is not currently associated with a FINRA-regulated broker-dealer. However, pursuant to Article V, Section 4 of FINRA's By-Laws, Wengert remains subject to FINRA's jurisdiction.

### **RELEVANT DISCIPLINARY HISTORY**

Wengert has no disciplinary history in the securities industry.

### **OVERVIEW**

Wengert violated FINRA Rules 8210 and 2010 by failing to comply with multiple FINRA Rule 8210 requests for documents and information. The FINRA Rule 8210 requests were issued in connection with an investigation by FINRA's Department of Enforcement ("Enforcement") into allegations against Wengert, including that he opened brokerage accounts outside of the Firm on behalf of Firm customers and engaged in unsuitable trading.

### **FACTS AND VIOLATIVE CONDUCT**

#### **Failure to Comply with FINRA 8210 Requests for Documents and Information**

FINRA Rule 8210(a)(1) states, in relevant part, that FINRA staff have the right to "require a member, person associated with a member, or any other person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically ... with respect to any matter involved in the investigation." FINRA Rule 8210(c) states that "[n]o member or person shall fail to provide information or testimony or to permit an inspection and copying of books, records, or accounts pursuant to this Rule." A violation of FINRA Rule 8210 is also a violation of FINRA Rule 2010, which requires persons associated with a FINRA-regulated broker-dealer to observe high standards of commercial honor and just and equitable principles of trade.

In February 2015, Enforcement began investigating allegations of misconduct by Wengert while associated with the Firm. These allegations included that Wengert opened brokerage accounts outside of the Firm on behalf of Firm customers and placed unsuitable trades in these accounts.

In connection with its investigation, on June 1, 2015, Enforcement sent a letter to Wengert pursuant to FINRA Rule 8210 requesting that Wengert provide, among other things, copies of his personal tax returns for the tax years 2011 through 2013, including the tax return itself and any corresponding schedule or enclosure, by no later than June 15, 2015. Enforcement's Rule 8210 letter was sent to Wengert's address in the Central Registration Depository by U.S. certified mail,

return receipt requested, and first-class mail, and was received by Wengert.

On June 15, 2015, Wengert sent a letter to Enforcement requesting an extension of time to respond to Enforcement's June 1, 2015 Rule 8210 request. On June 18, 2015, Wengert advised Enforcement that he had retained counsel to represent him in connection with Enforcement's investigation. On June 18, 2015, Enforcement granted Wengert's counsel's request for an extension until July 2, 2015 to respond to Enforcement's June 1, 2015 Rule 8210 request. On July 8, 2015, Wengert's counsel provided certain documents in response to Enforcement's June 1, 2015 Rule 8210 request, but failed to provide copies of Wengert's tax returns for the years 2011 through 2013.

On August 14, 2015, Enforcement sent a second Rule 8210 request to Wengert's counsel again requesting copies of the 2011 through 2013 tax returns that Wengert had failed to provide, and requesting that they be provided on or before August 21, 2015. Enforcement's August 14, 2015 Rule 8210 request stated that Wengert's failure to comply with the request could subject him to sanctions, including a bar from the securities industry.

On September 23, 2015, Wengert's counsel informed Enforcement that Wengert would not provide his 2011 through 2013 tax returns requested by Enforcement, and will not cooperate further with Enforcement's investigation of this matter. To date, Wengert has not provided Enforcement with copies of his 2011 through 2013 tax returns as requested.

By failing to provide documents requested pursuant to FINRA Rule 8210, Wengert violated FINRA Rules 8210 and 2010.

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

A bar from association with any FINRA-regulated broker-dealer in any capacity.

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 prejudice 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:

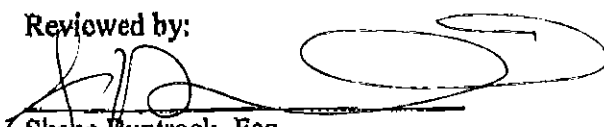
1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
3. FINRA may make a public 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 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.

10/12/2015  
Date (mm/dd/yyyy)

  
Tracy Neal Wengert, Respondent

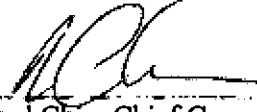
Reviewed by:

  
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Accepted by FINRA:

10/29/15  
Date

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



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