

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



In the Matter of:

William H. Mildren (CRD 334144),

Respondent.

ODS File No. 13-065

AGREEMENT

THIS AGREEMENT, made pursuant to 660:2-5-3 of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities ("Rules"), Okla. Admin. Code §§ 660:1-1-1 through 660:25-7-1, is entered into between William H. Mildren ("Mildren") and the Administrator ("Administrator") of the Oklahoma Department of Securities ("Department") (collectively, the "Parties") as of the Effective Date set forth below.

Pursuant to Section 1-602(A) of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), and 660:2-7-3 of the Rules, the Department conducted an investigation regarding certain supervisory activities for which Mildren was responsible while employed at Sanders Morris Harris, Inc.

Based upon the Department's investigation and in order to expeditiously resolve this matter, the Parties enter into this Agreement. In addition, Mildren voluntarily waives his right to a hearing and any right to appeal as provided by the Act, the Rules, and the Oklahoma Administrative Procedures Act.

The undersigned Parties hereto agree as follows:

1. **Jurisdiction.** The Administrator has jurisdiction over Mildren and the subject matter of this action. Mildren is currently, and at all times material hereto was, registered under the Act as a broker-dealer agent and an investment adviser representative.
2. **Consent Order.** The Administrator will issue a consent order relating to Mildren in the form attached hereto as "Attachment A" ("Consent Order").
3. **Censure.** Mildren will be censured.
4. **Penalty.** Mildren shall pay to the Department a civil penalty in the amount of Twenty-Five Thousand Dollars (\$25,000) ("Civil Penalty"). The Civil Penalty shall be paid in the following manner:

- a. Within 30 days of the Effective Date, Mildren shall pay to the Department Fifteen Thousand Dollars (\$15,000);
- b. Beginning on November 1, 2013, until September 1, 2014, Mildren shall pay to the Department monthly installments of Eight Hundred Thirty-Three Dollars (\$833); and
- c. On October 1, 2014, Mildren shall pay to the Department a final payment of Eight Hundred Thirty-Seven Dollars (\$837).

Mildren shall make all payments timely and fully via a cashier or certified check or money order made payable to "Oklahoma Department of Securities".

5. **FINRA E-Learning Courses.** Mildren shall complete, and provide evidence to the Department thereof, within 45 days of the Effective Date the following Financial Industry Regulatory Authority's ("FINRA") E-Learning courses:

- a. Annual Compliance Reminders for Registered Representatives – Vol. 1 (EL-ELC190);
- b. Annual Compliance Reminders for Registered Representatives – Vol. 2 (EL-ELC203);
- c. Annual Compliance Reminders for Registered Representatives – Vol. 3 (EL-ELC218);
- d. Conflicts of Interest (EL-VLC007);
- e. Electronic Communications: What Supervisors Need to Know (EL-ELC214);
- f. Ethical Considerations for Supervisors (EL-ELC171);
- g. Retail Branch Office Supervision: Compliance With Regulations (EL-ELC126); and
- h. Retail Branch Office Supervision: Understanding Supervisory Responsibilities (EL-ELC127).

6. **Public Record.** Mildren acknowledges and understands that this Agreement and the Consent Order are public records that will be available for public examination pursuant to Section 1-607 of the Act.

7. **No Coercion.** Mildren enters into this Agreement voluntarily and without any duress, undue influence, or coercion by the Administrator, any employee of the Department, or any member of the Oklahoma Securities Commission.

8. **Consideration.** In consideration for this Agreement, the Administrator shall not take further action against Mildren in connection with the findings of fact and conclusions of law contained in the Consent Order, except as provided in Paragraph Nos. 9 and 11 below.

9. **Failure to Comply.** Mildren's failure to comply with any part of this Agreement will result in the immediate suspension of all of Mildren's registrations under the Act until compliance with the Agreement is achieved. Mildren waives his right to a hearing

and/or any appeal in connection with any order based on Mildren's failure to comply with any part of this Agreement.

10. **Entire Agreement.** 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 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 Mildren, the Administrator may assist in such action as authorized by law.

12. **Applicability.** This Agreement applies only to Mildren in connection with the findings of fact and conclusions of law contained in the Consent Order and to no others. It is further agreed that the execution of this Agreement does not mean that the Administrator has passed in any way upon the merits or qualifications of, or recommended or given approval to, the transactions or activities to which it relates or any future securities transactions.

13. **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.

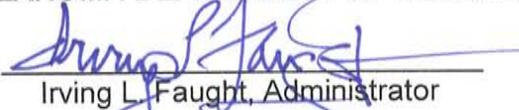
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year set forth below their signatures hereto.

WILLIAM H. MILDREN



Date: 9-9-13

OKLAHOMA DEPARTMENT OF SECURITIES

By: 
Irving L. Faught, Administrator

Date: September 17, 2013

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

In the Matter of:

William H. Mildren (CRD 334144),

Respondent.

ODS File No. 13-065

CONSENT ORDER

Pursuant to Section 1-602(A) of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), and 660:2-7-3 of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities ("Rules"), Okla. Admin. Code §§ 660:1-1-1 through 660:25-7-1, the Oklahoma Department of Securities ("Department") conducted an investigation regarding certain supervisory activities for which William H. Mildren ("Mildren") was responsible while employed at Sanders Morris Harris, Incorporated ("Firm").

In order to resolve this matter expeditiously, Mildren and the Administrator of the Department ("Administrator") (collectively, the "Parties") voluntarily executed the Agreement attached hereto as "Exhibit A" and incorporated herein by reference ("Agreement").

Wherefore, the Parties stipulate and agree to the following findings of fact and conclusions of law:

1. Mildren, at all times relevant hereto, has been registered under the Act as a broker-dealer agent and investment adviser representative.
2. Through the execution of the Agreement, Mildren consents to the entry of this Consent Order.
3. Mildren, at all times relevant hereto, was the designated supervisor over the activities of the Firm's Tulsa, Oklahoma branch office.
4. Mildren, in violation of Section 1-411 of the Act, failed to reasonably supervise a registered representative ("RR") under his charge. The RR was found to have violated Financial Industry Regulatory Authority ("FINRA") Rule 3270, National Association of Securities Dealers ("NASD") Rule 3040, 660:11-5-42(b) of the Rules and Section 1-406 of the Act ("Violations").
5. Between February 2007 and November 2011, Mildren was responsible for reviewing approximately 81 communications, including

inbound and outbound faxes and emails, involving the RR and relating to the Violations ("Communications"). Mildren did not follow up, correct or report RR's activities even though his review of the Communications would reasonably give rise to an indication the Violations had, or could have, occurred.

6. In addition, Mildren was directly informed by the RR of his participation in an outside business activity ("OBA"), a practice prohibited by NASD Rule 3030, superseded by FINRA Rule 3270, without the Firm's permission. Mildren did not inquire as to RR's disclosure to, or if RR received permission from, the Firm regarding the OBA.

7. As a result of Mildren's failure to supervise as described in Item Nos. 4 through 6 above, Mildren did not observe high standards of commercial honor and just and equitable principles of trade as required by 660:11-5-42(b) of the Rules.

8. The Administrator is authorized by law to issue this Consent Order pursuant to Section 1-411 of the Act.

9. It is in the public interest for the Administrator to issue this Consent Order.

NOW THEREFORE, IT IS HEREBY ORDERED, pursuant to Section 1-411 of the Act, 660:2-5-3 of the Rules and Paragraph No. 2 of the Agreement, that Mildren is censured.

WITNESS my Hand and the Official Seal of the Oklahoma Department of Securities this ___ day of September, 2013.

(SEAL)

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

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the ____ day of September, 2013 a true and correct copy of the above and foregoing *Consent Order* was mailed by U.S. Mail, with postage prepaid thereon, addressed to:

William H. Mildren
c/o Tom Gruber, Esq.
GableGotwals
One Leadership Square, 15th Floor
211 North Robinson
Oklahoma City, OK 73102

Brenda London, Paralegal

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



In the Matter of:

William H. Mildren (CRD 334144),

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ODS File No. 13-065

CONSENT ORDER

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In order to resolve this matter expeditiously, Mildren and the Administrator of the Department ("Administrator") (collectively, the "Parties") voluntarily executed the Agreement attached hereto as "Exhibit A" and incorporated herein by reference ("Agreement").

Wherefore, the Parties stipulate and agree to the following findings of fact and conclusions of law:

1. Mildren, at all times relevant hereto, has been registered under the Act as a broker-dealer agent and investment adviser representative.
2. Through the execution of the Agreement, Mildren consents to the entry of this Consent Order.
3. Mildren, at all times relevant hereto, was the designated supervisor over the activities of the Firm's Tulsa, Oklahoma branch office.
4. Mildren, in violation of Section 1-411 of the Act, failed to reasonably supervise a registered representative ("RR") under his charge. The RR was found to have violated Financial Industry Regulatory Authority ("FINRA") Rule 3270, National Association of Securities Dealers ("NASD") Rule 3040, 660:11-5-42(b) of the Rules and Section 1-406 of the Act ("Violations").
5. Between February 2007 and November 2011, Mildren was responsible for reviewing approximately 81 communications, including

inbound and outbound faxes and emails, involving the RR and relating to the Violations ("Communications"). Mildren did not follow up, correct or report RR's activities even though his review of the Communications would reasonably give rise to an indication the Violations had, or could have, occurred.

6. In addition, Mildren was directly informed by the RR of his participation in an outside business activity ("OBA"), a practice prohibited by NASD Rule 3030, superseded by FINRA Rule 3270, without the Firm's permission. Mildren did not inquire as to RR's disclosure to, or if RR received permission from, the Firm regarding the OBA.

7. As a result of Mildren's failure to supervise as described in Item Nos. 4 through 6 above, Mildren did not observe high standards of commercial honor and just and equitable principles of trade as required by 660:11-5-42(b) of the Rules.

8. The Administrator is authorized by law to issue this Consent Order pursuant to Section 1-411 of the Act.

9. It is in the public interest for the Administrator to issue this Consent Order.

NOW THEREFORE, IT IS HEREBY ORDERED, pursuant to Section 1-411 of the Act, 660:2-5-3 of the Rules and Paragraph No. 2 of the Agreement, that Mildren is censured.

WITNESS my Hand and the Official Seal of the Oklahoma Department of Securities this 17~~th~~ day of September, 2013.

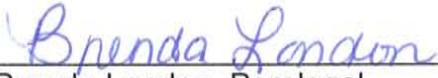
(SEAL)


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

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 17th day of September, 2013 a true and correct copy of the above and foregoing *Consent Order* was mailed by U.S. Mail, with postage prepaid thereon, addressed to:

William H. Mildren
c/o Tom Gruber, Esq.
GableGotwals
One Leadership Square, 15th Floor
211 North Robinson
Oklahoma City, OK 73102



Brenda London, Paralegal

STATE OF OKLAHOMA
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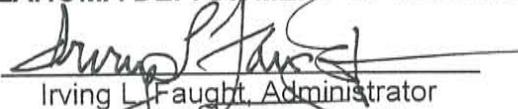
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year set forth below their signatures hereto.

WILLIAM H. MILDREN



Date: 9-9-13

OKLAHOMA DEPARTMENT OF SECURITIES

By: 
Irving L. Faught, Administrator

Date: September 17, 2013

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
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In order to resolve this matter expeditiously, Mildren and the Administrator of the Department ("Administrator") (collectively, the "Parties") voluntarily executed the Agreement attached hereto as "Exhibit A" and incorporated herein by reference ("Agreement").

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2. Through the execution of the Agreement, Mildren consents to the entry of this Consent Order.
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8. The Administrator is authorized by law to issue this Consent Order pursuant to Section 1-411 of the Act.

9. It is in the public interest for the Administrator to issue this Consent Order.

NOW THEREFORE, IT IS HEREBY ORDERED, pursuant to Section 1-411 of the Act, 660:2-5-3 of the Rules and Paragraph No. 2 of the Agreement, that Mildren is censured.

WITNESS my Hand and the Official Seal of the Oklahoma Department of Securities this ___ day of September, 2013.

(SEAL)

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