

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

In the matter of:

Complaint No. 337031

MICHAEL JOHN WOOD
CRD# 843124

Applicant.

Issued and entered
this 6th day of March, 2019

STIPULATION AND ORDER
APPROVING CONDITIONAL REGISTRATION

A. Relevant information and statutory provisions, under the Michigan Uniform Securities Act (2002) (the "Securities Act"), 2008 PA 551, MCL 451.2101 *et seq.*:

1. Michael John Wood ("Applicant," CRD# 843124), an individual who resides in the State of Washington, has previously been registered as a securities agent and as an investment advisor representative in other states, but has never held any registration under the Securities Act in Michigan.
2. Applicant's registrations through Thrivent Investment Management, Inc. (CRD# 18387 "Thrivent") were terminated on or about July 31, 2016 for alleged signature irregularities in connection with two customers.
3. Applicant applied for registration as a securities agent in Michigan through Independent Financial Group, LLC (CRD# 7717, "Independent"), a Michigan-registered broker-dealer on or around June 5, 2018; the application became complete on or around July 25, 2018.
4. On September 5, 2018, the State of Michigan, Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau (the "Bureau") and the Director of the Bureau, who serves as Administrator of the Act (the "Administrator"), issued a Notice of Intent to Deny, Condition, or Limit Securities Agent Registration Application (the "NOI") to Applicant under MCL 451.2412(1) and MCL 451.4212(7), based on the allegations giving rise to Applicant's registration terminations through

Thrivent. In response to the NOI, Applicant requested an administrative hearing on or about October 9, 2018.

5. Michael John Wood does not admit or deny the allegations set forth in the NOI or any alleged wrongdoing that led to the termination of his registrations through Thrivent, and consents to entry of this Stipulation and Consent Order Approving Conditional Registration only for the purpose of resolving the NOI in an expeditious fashion that avoids the time and expense associated with an administrative proceeding on the Hearing Request and any appeals therefrom.

6. Applicant will be working at the following address:

Address: 4305 183rd Avenue East Lake Tapps, WA 98391

Telephone: (206) 940-3330

E-mail: michaelwood@pinnaclef.com

7. Applicant will be supervised by the following Supervisor or Compliance Officer at Independent, who works at the address indicated:

Name: Karin Wold, CRD No. 1430016

Title: Designated Supervision Principal

Address: 12671 High Bluff Drive, Suite 200 San Diego, CA 92130

Telephone: (858) 436-3180, Ext. 209

E-mail: kwold@ifgsd.com

8. The Administrator, Independent, and Applicant (collectively, "the Parties") acknowledge and agree that Applicant's alleged conduct, as set forth in the NOI, provides grounds for the Administrator to deny, condition, or limit Applicant's securities agent application, as provided in the NOI.
 9. The Parties have determined, notwithstanding the basis for disciplinary action, that: (a) protection of the investing public does not require additional disciplinary action if Applicant and Independent agree to registration subject to the terms and conditions specified in this Stipulation and Order; and (b) the conditional registration of Applicant pursuant to this Stipulation and
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Order is authorized by law and otherwise reasonable, appropriate, and in the public interest.

10. Applicant was represented by, and had the advice of, legal counsel throughout the process of resolving the NOI.

B. STIPULATION

The Parties agree to this Stipulation enabling the Administrator to conditionally register Applicant as a securities agent subject to Independent's and Applicant's compliance with the following conditions and additional terms agreed to by the Parties below:

1. The Parties agree that, effective upon entry of the attached Order, the NOI and Applicant's request for a hearing are both resolved without further action by the Parties.
2. Following entry of the attached Order, the Bureau will file a Form U6 reflecting the Parties' resolution of the NOI under this Stipulation and Order. In addition, the Bureau will update the Central Registration Depository (the "CRD") to reflect Applicant's registration as a securities agent as "APPROVED-RES [RESTRICTED]." This Stipulation and Order is a public record required to be published and made available to the public, consistent with section 11 of the Michigan Freedom of Information Act, MCL 15.241. The Bureau currently publishes copies of orders issued under the Act to the Bureau's website.

Compliance Review and Reporting

3. As described further in paragraphs B.14 and B.15, Applicant agrees to prepare and submit quarterly compliance reports to his supervisor at Independent in the form attached as Exhibit A, which Independent will then review, certify, and maintain together with all additional information required by this Stipulation and Order. "Quarter" or "quarterly," for purposes of this paragraph and as used throughout this Stipulation and Order, means the periods from January 1 to March 31; April 1 to June 30; July 1 to September 30; and October 1 to December 31.
4. Applicant's securities agent registration will remain conditional and subject to this Stipulation and Order, and Independent agrees to supervise Applicant under this Stipulation and Order, for a minimum period of one (1) year, unless extended as described in this Stipulation and Order (the "Conditional

Registration Term”). At the end of the Conditional Registration Term, Independent may submit a written request to the Bureau, at the address indicated in Paragraph B.5, that the conditions be lifted from Applicant’s registration and providing a reasonable basis for the request as described in this Section 4. Independent’s written request to lift Applicant’s conditional registration must include: (a) originals of all quarterly compliance reports required under paragraphs B.3, B.14, and B.15; and (b) any additional information specifically required by this Stipulation and Order. Applicant’s registration will remain conditional, and the Conditional Registration Term continues, until the Administrator issues an order removing the conditions imposed by this Stipulation and Order after consideration of Independent’s written request contemplated by this paragraph.

5. Any changes to Paragraphs A.6 or A.7 of this Stipulation and Order must be reported in writing to the Bureau within fifteen (15) days to the following address:

Corporations, Securities & Commercial Licensing Bureau
Securities & Audit Division – Final Order Monitoring
P.O. Box 30018
Lansing, MI 48909

6. Independent must separately report to the Bureau any: (a) customer complaints (written or verbal); (b) disciplinary actions; and (c) other changes to Applicant’s answers to the Disclosure Questions on the Form U4 (a “Reportable Event”) that arise during the Conditional Registration Term, regardless of whether Applicant is required to report this information on the Form U4, within twenty-one (21) days after receipt of the information. Reporting this information on the CRD/IARD system alone will not satisfy this requirement. Applicant must also supply the Bureau a copy of his revised Form(s) U4 upon its filing through the CRD/IARD. These items must be reported to the Bureau in writing directly at the address indicated in Paragraph B.5 and must include the following information regarding each customer complaint or Reportable Event:
 - a. Client name, address, telephone number and e-mail address, if any.
 - b. A copy of any written complaint.
 - c. A written summary of any verbal complaint or other Reportable Event.

- d. Current status of the complaint or other Reportable Event, including the resolution, if any.
 7. Applicant and Independent acknowledge that a new complaint or other reportable item may extend the supervisory period or result in other disciplinary action under the Securities Act.
 8. All new accounts for Applicant's Michigan customers will be reviewed and approved by Independent before the execution of the initial transaction(s) in any new accounts.
 9. All transactions for customer accounts will be reviewed and approved by Independent within 24 hours of execution.
 10. The firm will be required to monitor Mr. Wood's email through the established lexicon. Hard copy client correspondence, including, without limitation, U.S. mail, facsimiles, etc., both incoming and outgoing, shall be forwarded by the Applicant and reviewed by Applicant's supervisor or Independent's compliance department on no less than a monthly basis. Independent will maintain evidence of review (e.g., Supervisor or Compliance Officer's initials written on all hard copy correspondence). This review may be performed through an automated message review program.
 11. All advertising, sales literature, and other solicitation material given or sent by Applicant to any customer or potential customer shall be approved by Applicant's supervisor or Independent's compliance department before use.
 12. Independent will hold a quarterly review meeting with Applicant regarding his activities and the status of any current disciplinary actions.
 13. In conjunction with reviewing and certifying Applicant's quarterly compliance reports during the Conditional Registration Term, Independent will also conduct a monthly review with Applicant regarding Applicant's activities and the status of any current disciplinary actions. Independent's monthly review with Applicant will further assess Applicant's Michigan customer accounts for compliance with this Stipulation and Order and the Act. The monthly review requirement under this paragraph begins immediately on the date that the attached Order is entered, and the reviews must be completed within fourteen (14) calendar days after the final day of each month.
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14. Within fourteen (14) calendar days after the final day of each quarter, Applicant agrees to prepare and submit to his supervisor at Independent a quarterly compliance report in the form attached as Exhibit A. Within fourteen (14) calendar days after receiving Applicant's quarterly compliance report, Independent agrees to review the report certifying in writing whether Applicant complied with this Stipulation and Order and the Act during the applicable quarterly reporting period. The report and certification must be maintained by Independent. The reporting period for the first quarterly compliance report begins immediately on the date that the attached Order is entered and ends on the final day of that quarter. The reporting period for subsequent quarterly compliance reports begins on the first day and ends on the final day of the next applicable quarter.
15. Independent is not required to submit Applicant's quarterly compliance reports to the Bureau on a periodic basis. However, Independent must maintain all quarterly compliance reports and certifications and provide them to the Bureau: (a) to support a request to lift Applicant's conditional registration as provided in Paragraph B.4 of this Stipulation and Order; (b) upon request by the Department within ten (10) calendar days, in connection with any submission of information as required under Paragraph B.6 of this Stipulation and Order; and (c) upon request by the Bureau within ten (10) calendar days for any other reason.
16. If any monthly review or quarterly compliance report reveals that Applicant is not in compliance with this Stipulation and Order or the Act, then Independent must immediately report the non-compliance to the Bureau in writing at the address indicated in Paragraph B.5.
17. Independent will not transfer the registration of Applicant to another broker-dealer, pursuant to a mass transfer, without prior approval of the Bureau while this Stipulation and Order is in effect.

Additional Provisions

18. Applicant and Independent will fully cooperate with the Bureau in any investigation, audit, or examination relating to Registrant's activities.
 19. Applicant and Independent acknowledge and agree that upon their failure to comply with any requirements imposed by this Stipulation and Order, the Administrator is entitled to and may immediately: (a) suspend all registrations held by Applicant under the Act; (b) deny any renewal registrations submitted by him; and (c) deny any future applications for
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registration submitted by him. A summary suspension under this paragraph is effective upon written notice to Applicant given by the Administrator or her designee. In the event of such suspension, including but not limited to a suspension premised on non-compliance by Independent, Applicant will have the right to a hearing pursuant to Michigan Uniform Securities Act section 451.2412(6). Applicant and Independent further acknowledge and agree that the Administrator may pursue any other available contractual, administrative, or judicial remedies to enforce this Stipulation and Order. Applicant may voluntarily surrender or withdraw a registration under the Act; however, such surrender or withdrawal will not negate the previously mentioned actions against the relevant registration or additional disciplinary proceedings if a violation of this Stipulation and Order or the Act occurred. In the event Applicant is no longer associated with Independent, or any successor to Independent's broker dealer registration, the provisions of Michigan Uniform Securities Act section 451.2408 shall apply to Applicant's registration with a new firm.

20. Applicant further acknowledges and agrees that: (a) the Administrator has jurisdiction and authority to enter the attached Order; (b) the attached Order may be entered without any further notice to Applicant; and (c) upon entry of the attached Order, it is final and binding, and Applicant waives any right to a hearing that exists under the Act, the rules promulgated under the Act or the predecessor Act, the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.201 et seq., or other applicable law.
21. The Parties acknowledge and agree that this Stipulation and Order contains the entire understanding of the Parties and supersedes and forever terminates all prior and contemporaneous representations, promises, agreements, understandings, and negotiations, whether oral or written, with respect to its subject matter. The Parties further agree that this Stipulation and Order may only be amended, modified, or supplemented by a duly executed writing signed by each party and approved by Order of the Administrator.
22. The Parties acknowledge and represent that: (a) each party has read this Stipulation and Order in its entirety and fully understands all of its terms, conditions, ramifications, and consequences; (b) each party unconditionally consents to the terms of this Stipulation and Order; (c) each party has consulted with or had ample opportunity to consult with legal counsel of his, her, or its choosing prior to executing this Stipulation; (d) each party has

freely and voluntarily signed this Stipulation; and (e) the consideration received by each party as described in this Stipulation and Order is adequate.

23. The Parties agree that they may execute this Stipulation in any number of counterparts, each of which shall be deemed an original hereof, but which together shall constitute one and the same instrument and agreement, and that facsimile or electronically-transmitted signatures may be attached to this Stipulation and shall be binding on each party as an original signature.

24. The signatories to this Stipulation below represent and warrant that they have the legal capacity and authority to enter into this Stipulation on behalf of the named Parties and to bind the named Parties to the terms and conditions contained herein.

Through their signatures, the Bureau, Applicant, and Independent agree to comply with the above terms and conditions.

Dated: 4/14/14

Signed:

Michael John Wood
Michael John Wood, Applicant

Dated: 4/14/14

Signed:

Doug Hall
Doug Hall, Compliance Officer
Independent Financial Group, LLC

Approved by:

Dated: _____

Signed:

Timothy L. Teague
Timothy L. Teague
Securities & Audit Division Director
Corporations, Securities & Commercial
Licensing Bureau


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Through their signatures, the Bureau, Applicant, and Independent agree to comply with the above terms and conditions.

Dated: _____ Signed: _____
Michael John Wood, Applicant

Dated: 2/19/19 Signed: 
Doug Hall, Compliance Officer
Independent Financial Group, LLC

Approved by:

Dated: _____ Signed: _____
Timothy L. Teague
Securities & Audit Division Director
Corporations, Securities & Commercial
Licensing Bureau

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Through their signatures, the Bureau, Applicant, and Independent agree to comply with the above terms and conditions.

Dated: _____ Signed: _____
Michael John Wood, Applicant

Dated: _____ Signed: _____
Doug Hall, Compliance Officer
Independent Financial Group, LLC

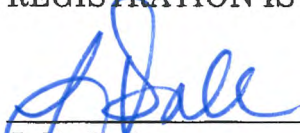
Approved by:

Dated: 3-1-19 Signed: Timothy L. Teague
Timothy L. Teague
Securities & Audit Division Director
Corporations, Securities & Commercial
Licensing Bureau

C. ORDER

NOW, THEREFORE, the Administrator ORDERS:

IN ACCORDANCE WITH THE FOREGOING FULLY EXECUTED
STIPULATION, REGISTRANT MICHAEL JOHN WOOD'S SECURITIES AGENT
REGISTRATION IS CONDITIONALLY APPROVED.



Julia Dale
Administrator and Director
Corporations, Securities & Commercial Licensing Bureau

Dated: 3/1/19

**STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU**

In the matter of:

Agency No. 337031

MICHAEL JOHN WOOD
CRD# 843124

Applicant.

_____ /

This 5th day of September, 2018
Issued and entered

**NOTICE OF INTENT TO DENY, CONDITION, OR LIMIT
SECURITIES AGENT REGISTRATION APPLICATION**

I. RELEVANT FACTS AND APPLICABLE LAW.

Relevant information and statutory provisions, under the Michigan Uniform Securities Act (2002) (“the Securities Act”), 2008 PA 551, as amended, MCL 451.2101 *et seq.*:

1. Michael John Wood (“Applicant”) has previously been registered as a securities agent and as an investment adviser representative in other states, but has never held any registrations under the Securities Act in Michigan.
2. Applicant’s registrations through Thrivent Investment Management, Inc. (CRD# 18387, “Thrivent”) were terminated on or around July 31, 2016 for alleged signature irregularities in connection with two customers. Applicant now denies that he engaged in any activities that resulted in customer signature irregularities, but did previously acknowledge in writing that the conduct occurred.
3. Applicant applied for registration as a securities agent in Michigan through Independent Financial Group, LLC (CRD# 7717, “Independent”), a Michigan-registered broker-dealer on or around June 5, 2018; the application became complete on or around July 25, 2018.
4. A review of information related to Applicant’s securities agent registration application by staff at the Corporations, Securities, and Commercial Licensing Bureau (“the Bureau”) within the State of Michigan Department of Licensing and Regulatory Affairs revealed that Applicant acknowledged in writing that he engaged in conduct that led to customer signature irregularities, which caused the termination of his registrations through Thrivent in 2016.

5. The Director of the Bureau (“Administrator”) has reviewed materials relating to the application referred to in paragraph 3, above. The Administrator finds that Applicant’s conduct in the securities industry within the previous ten years, as discussed in paragraph 2, was dishonest or unethical. Based on Applicant’s past conduct discussed above and hereafter, the Administrator has determined that the denial, conditioning, or limitation of Applicant’s securities agent registration application is authorized, appropriate, and in the public interest.
6. Section 412(1) of the Securities Act, MCL 451.2412(1), provides that if the Administrator finds that the Order is in the public interest and MCL 451.2412(4) authorizes the action, the Administrator may issue an Order denying, conditioning, or limiting an application for registration as a securities agent.
7. Section 412(4) of the Securities Act, MCL 451.2412(4) states in relevant part:

(4) A person may be disciplined under subsections (1) to (3) if any of the following apply to the person:

(m) The person has engaged in dishonest or unethical practices in the securities, commodities, investment, franchise, banking, finance, or insurance business within the previous 10 years...
8. Section 412(6) of the Securities Act, MCL 451.2412(6), authorizes the Administrator to deny a registration application pending final determination of an administrative proceeding.
9. The Administrator may deny Applicant’s securities agent registration application under sections 412(1) and 412(4)(m) of the Securities Act, MCL 451.2412(1) and MCL 451.2412(4)(m), because Applicant engaged in dishonest or unethical business practices in the securities industry within the previous ten years as he has acknowledged in writing that he engaged in activities that resulted in customer signature irregularities.

II. ORDER.

The Administrator finds that this ORDER is authorized, appropriate, and in the public interest based on the above-cited facts and law.

IT IS ORDERED as follows:

1. The Administrator intends to deny the securities agent registration application of Michael John Wood, under section 412(1) of the Securities Act, MCL 451.2412(1), because Applicant engaged in dishonest or unethical behavior in the securities industry within the previous ten years, which supports the denial, conditioning, or limitation of his registration application

under the above-cited provisions of the Michigan Uniform Securities Act (2002), 2008 PA 551, MCL 451.2101 *et seq.*

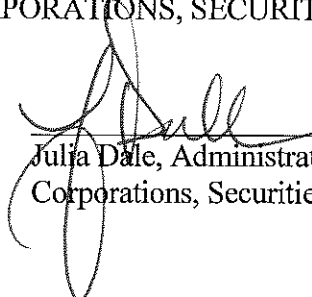
2. In accordance with sections 412(1) and (6) of the Securities Act, MCL 451.2412(1) and (6): This is NOTICE that the Administrator intends to deny Applicant's securities agent registration application, and that Applicant has thirty (30) calendar days after the date that this Order is served on Applicant to submit a written request to the Administrator that this matter be scheduled for a hearing. If the Administrator timely receives a written request, the Administrator shall schedule a hearing within 15 days after receipt of the written request. If a hearing is not requested by Applicant or is not ordered by the Administrator within 30 days after the date of service of this Order, Applicant's application for securities agent registration will be DENIED. If a hearing is requested or ordered, the Administrator, after notice of and an opportunity for hearing to Applicant, may modify or vacate this Order or extend the Order until final determination.

3. Applicant is responsible for notifying his relevant supervisor and/or the Chief Compliance Officer of his employing firm of the issuance of this Order according to firm policies or procedures. A copy of this Order will not be mailed to Applicant's supervisor or the firm's Chief Compliance Officer. Agency representatives will only discuss this Order with a representative of Applicant's employing firm when Applicant or an attorney on Applicant's behalf is also present, because the firm is not a party to this administrative proceeding.

If Applicant requests a hearing, the request must be in writing and filed with the Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau, Regulatory Compliance Division, P.O. Box 30018, Lansing, MI 48909.

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES, AND COMMERCIAL LICENSING BUREAU

By:



Julia Dale, Administrator and Director
Corporations, Securities & Commercial Licensing Bureau