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BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO. S-12-0144
ORDER NO. S-12-0144-12-OR01

IN THE MATTER OF:

**MICHAEL WHITE AND
WHITE INVESTMENT MANAGEMENT**

RESPONDENTS

CONSENT ORDER

This Consent Order (“Order”) is entered pursuant to the Arkansas Securities Act, Ark. Code Ann. §§ 23-42-101 through 23-42-509 (“Act”), the Rules of the Arkansas Securities Commissioner (“Rules”), and the Arkansas Administrative Procedures Act, Ark. Code Ann. §§ 25-15-101 through 25-15-219, in accordance with an agreement by and between the Staff of the Arkansas Securities Department (“Staff”) and the Respondents, Michael A. White (“White”), CRD # 1281593, and White Investment Management (“WIM”), CRD # 151497.

I. INTRODUCTION

1. Respondents have advised the Staff of their agreement to resolve the investigation of these matters, to consent to the entry of this Order, and to abide by its terms.
2. Respondents admit the jurisdiction of the Act and the Arkansas Securities Commissioner (“Commissioner”) and voluntarily and permanently waive any right to a hearing and appeal under the Act and the Arkansas Administrative Procedures Act with respect to this Order.

II. STATEMENT OF FACTS

3. The Arkansas Securities Department received an application for registration for WIM as an investment adviser in Arkansas. WIM is located in Texarkana, Texas and is currently

registered as an investment adviser in Texas. White is the sole proprietor and only registered representative of WIM.

4. A review of the application of WIM by the Staff of the Arkansas Securities Department (“Staff”) indicated that the application filing was incomplete in material respects and that White had a number of serious regulatory disclosures.

5. A FINRA order was issued on July 23, 2008 that addressed actions of White while registered as an agent of a broker-dealer, Morgan Stanley Dean Witter, Inc. The order found that White accepted loans totaling \$504,000 from customers without permission from his firm and that White failed to disclose the activities to his firm. The order also found that White engaged in outside business activities, including real-estate investment partnerships, without providing written notice to his firm. White’s registrations, in any capacity, were suspended for a period of one year and he was ordered to pay a fine in the amount of \$20,000.

6. FINRA issued a letter of revocation to White in October 2009 when White failed to pay the \$20,000 fine levied by the July 23, 2008 order.

7. A second FINRA order was issued on August 3, 2010 that addressed actions of White while registered as an agent of a broker-dealer, Stifel, Nicolaus & Company, Inc. The order found that White made unsuitable trades and exercised discretion without written authorization in a customer’s IRA account. White’s registrations, in any capacity, were suspended for a period of two months and he was ordered to pay a fine in the amount of \$10,000.

8. Registration records maintained on the CRD reflect that White has not been registered as an agent of a broker-dealer with FINRA or any state jurisdiction after his registrations were suspended on August 18, 2008 by the FINRA order issued on July 23, 2008.

III. CONCLUSIONS OF LAW

9. The Commissioner has jurisdiction over this matter pursuant to Ark. Code Ann. §§ 23-42-308.

10. Ark. Code Ann. § 23-42-308(a)(2)(F) provides in part that the Securities Commissioner may by order deny a registration if he finds that an applicant or any person directly or indirectly controlling the investment adviser is the subject of an order entered within the past five years by any securities self-regulatory organization. White, the sole proprietor and only registered representative of WIM, has been the subject of two orders issued by FINRA, a securities self-regulatory organization, within the past five years.

11. Ark. Code Ann. § 23-42-308(h) allows for an informal disposition of a proceeding or allegations by settlement or consent.

IV. ORDER

On the basis of the Statement of Facts, Conclusions of Law, and Respondent's consent to the entry of this Order, IT IS HEREBY ORDERED:

1. This Order concludes the investigation by the Department and any other action that the Department could commence under applicable Arkansas law on behalf of the State of Arkansas relating to the application for registration by White Investment Management.

2. The application for registration as an investment adviser in Arkansas by White Investment Management is hereby denied. White Investment Management will not reapply for registration as an investment adviser in Arkansas for a period of three years. At the end of a three year time period neither the herein referenced FINRA orders, nor this consent order may be used as the sole basis to deny a new registration application.

3. Michael White will not apply for registration as an investment adviser

representative or broker-dealer agent in Arkansas for a period of three years. At the end of a three year time period neither the herein referenced FINRA orders, nor this consent order may be used as the sole basis to deny a new registration application.

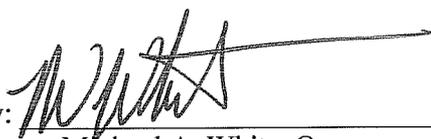
4. Respondents enter into this Consent Order voluntarily and represent that no threats, offers, promises, or inducements of any kind have been made by the Department or any member, officer, employee, agent, or representative of the Department to induce Respondents to enter into this Order.

IT IS SO ORDERED on this 13th day of August, 2012.


A. HEATH ABSHURE
Arkansas Securities Commissioner

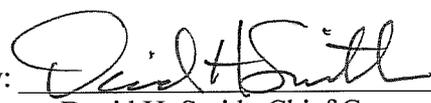
CONSENT TO ENTRY OF ORDER

Michael A. White, on behalf of White Investment Management and himself, hereby acknowledges that he has been served with a copy of this Order, has read the foregoing, is aware of the right to a hearing and appeal in this matter, and has waived the same.

By: 
Michael A. White, Owner
White Investment Management

DATE: 8-6-12

Submitted on behalf of the Staff of the Arkansas Securities Department.

By: 
David H. Smith, Chief Counsel

DATE: 8-13-2012