

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

CASE NO. S-11-0207

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ARKANSAS SECURITIES DEPT

IN THE MATTER OF:

**REGISTRATION OF RONALD
J. CLAYTON, WITH FIRST FINANCIAL
EQUITY CORPORATION**

ORDER NO. S-11-0207-11-OR01

ORDER

This Order is entered pursuant to the Arkansas Securities Act, Ark. Code Ann. §§ 23-42-101 through 23-42-509, the Rules of the Arkansas Securities Commissioner, and the Arkansas Administrative Procedures Act, Ark. Code Ann. §§ 25-15-201 through 25-15-219.

FINDINGS OF FACT

1. On October 25, 2010, an application for registration was filed with the Arkansas Securities Department ("Department") for Ronald J. Clayton ("Clayton"), CRD # 817744, to be registered as an agent for First Financial Equity Corporation ("First Financial"), CRD # 16507, an Arkansas registered broker-dealer. The application disclosed certain consumer complaint filings concerning Clayton.
2. On or about December 13, 2010, the Staff of the Arkansas Securities Department discussed with First Financial and Clayton a limited registration of Clayton that may be granted upon receipt and acceptance of a suitable written plan for heightened supervision of Clayton.
3. Melissa Strouse CRD # 3200452, Chief Compliance Officer of First Financial, and Jeff Graves, CRD # 1398579, Investment Adviser Representative of First Financial, have submitted a "Plan for Heightened Supervision" of Clayton with the Department. The Plan for Heightened Supervision is attached as "Exhibit A".

CONCLUSIONS OF LAW

4. The Arkansas Securities Commissioner may by order approve a limited registration with such limitations, qualifications, or conditions as the Commissioner deems appropriate. Ark. Code Ann. § 23-42-302(a)(2).

ORDER

The application of Ronald J. Clayton for registration as an agent of First Financial is hereby approved as a limited registration based upon provisions of the attached "Plan for Heightened Supervision" being effectively carried out by all parties thereto.

IT IS SO ORDERED.



A. HEATH ABSHURE
Arkansas Securities Commissioner

January 28, 2011
DATE

January 7, 2011

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ARKANSAS SECURITIES DEPT.

Re: Heightened Supervision for Ronald Joseph Clayton to be conducted by First Financial Equity Corporation (“FFEC”).

1. Applicant and FFEC represent that, as of the date of the execution of this Undertaking, Applicant has not offered for sale, sold or participated in the sale of any security as an employee, salesman, agent or representative of FFEC within the State of Arkansas, nor will Applicant until his application is approved.
2. Applicant and FFEC undertake and agree that Applicant will not act in any direct or indirect supervisory capacity over any Arkansas customer account, and will be directly supervised by a principal of FFEC who is not subject to any statutory disqualification.
3. Applicant and FFEC further undertake and agree that Applicant will not exercise discretionary authority over any Arkansas customer accounts.
4. Applicant and FFEC further undertake and agree that, at a minimum of every six (6) months for a period of two (2) years from the date Applicant’s registration is granted, FFEC will review all of the Applicant’s Arkansas customer accounts. Such review will include, but not be limited to, a determination that there was no unauthorized or discretionary trading and that reasonable grounds existed for believing that each securities transaction was suitable for the customer given the customer’s other securities holdings, financial situation, and objectives.
5. Applicant and FFEC further undertake and agree that, at a minimum of every six (6) months for a period of two (2) years from the date Applicant’s registration is granted, FFEC will review all Arkansas customers’ correspondence in which Applicant’s name appears or in which Applicant is otherwise involved.
6. Applicant and FFEC further undertake and agree that all new Arkansas customer accounts which Applicant accepts and/or handles will be approved by the branch supervisor of FFEC prior to the Applicant’s acceptance of such accounts.
7. (A) Applicant and FFEC further undertake and agree that, for a period of two (2) years from the date Applicant’s registration is granted, Applicant and FFEC will deliver, to the Arkansas Securities Department (the “Commissioner”), any written or oral complaints, regulatory actions and civil actions in which Applicant’s name appears or in which Applicant is otherwise involved. Applicant and FFEC further undertake and agree that each relevant complaint, regulatory action and civil action will be delivered to the Commissioner within ten (10) business days of when Applicant or FFEC receives such complaint, initiation of such regulatory action or initiation of such civil action.

(B) Applicant and FFEC further undertake and agree that, for a period of two (2) years from the date Applicant's registration is granted, Applicant and FFEC will each deliver, directly to the Commissioner, signed statements responding to the issues raised in any written or oral complaints, regulatory actions and civil actions in which Applicant's name appears or in which Applicant is otherwise involved. Applicant and FFEC further undertake and agree that each signed statement will be delivered to the Commissioner within forty (40) days of when Applicant or FFEC receives a relevant complaint, relevant regulatory action or relevant civil action is initiated.

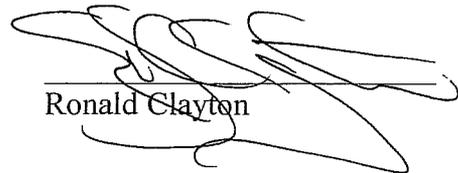
8. Applicant is currently the subject of three (3) pending litigations. Applicant and FFEC further undertake and agree to provide Commissioner, in addition to any Form U-4 amendment, with a copy of any finding, decision, settlement or other resolution ("Result") in the litigation within ten (10) business days of actual or constructive receipt of the Result.
9. Applicant is currently the subject of an IRS judgment/lien. Applicant and FFEC further undertake and agree to provide the Commissioner, in addition to any Form U-4 amendment, with a copy of any Result of the outstanding judgment/lien within ten (10) business days of actual constructive receipt of the Result.
10. FFEC further undertakes and agrees to establish, maintain and enforce written procedures for such supervision activities as are reasonably necessary to achieve compliance with this Undertaking, and to maintain written, signed and dated records of all supervision activities necessary for this Undertaking. FFEC further undertakes and agrees that upon request, FFEC will immediately provide the staff of the Arkansas Securities Department with copies of such written supervisory procedures and documentation of such supervision activities.



Melissa Strouse
Chief Compliance Officer

1/21/2011

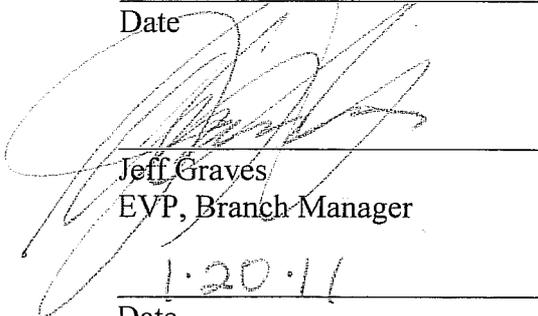
Date



Ronald Clayton

1-20-11

Date



Jeff Graves
EVP, Branch Manager

1.20.11

Date