

3-16209

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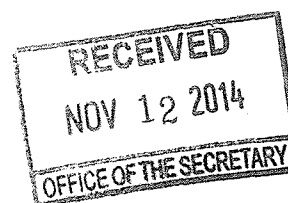
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* ALSO ADMITTED IN CALIFORNIA
§ ALSO ADMITTED IN OREGON
‡ ALSO ADMITTED IN NEVADA

November 10, 2014

Via Federal Express



The Office of the Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549
Attn: Jill Peterson

Re: In the Matter of Application of WD Clearing, LLC, et al.
FINRA Application No. 20140398963
Application for Review submitted October 15, 2014

Dear Ms. Peterson:

The purpose of this correspondence is to follow-up on our telephone conference last week concerning the above referenced matter. As you are aware, Clyde Snow & Sessions represents WD Clearing, LLC, WDMC Trust d/t/d September 18, 2013, WDJJ Trust d/t/d September 18, 2013, WDCHUM Trust d/t/d September 18, 2013, and WDDPOP Trust d/t/d September 18, 2013 (collectively "Petitioners") in the attempted purchase of Wilson-Davis & Co, Inc. ("Wilson-Davis") from its principals (collectively, "Sellers").

On December 2, 2013, Petitioners entered into a contract with Sellers to purchase ownership of Wilson-Davis, a FINRA member broker-dealer. A copy of the parties' contract (the "Purchase Agreement") was previously provided to the Commission in connection with Petitioner's Application for Review dated October 14, 2014 (the "Application for Review"), which has been re-enclosed herewith.

In contemplation of the change in ownership, and as a material covenant under the Purchase Agreement, Wilson-Davis agreed to file a continuing membership application pursuant to FINRA Rule 1017 (the “CMA”). Rule 1017(c)(1) reads:

A member shall file an application for approval of a change in ownership or control at least 30 days prior to such change. **A member may effect a change in ownership or control prior to the conclusion of the proceeding**, but [FINRA] may place new interim restrictions on the member based on the standards in Rule 1014, pending final Department action. (Emphasis added.)

On February 25, 2014, FINRA advised Wilson-Davis that the CMA was substantially complete.” Although the plain language of Rule 1017(c)(1) allows a party to change ownership of a FINRA-member firm 30 days following the submission of a substantially complete CMA, FINRA imposed an “interim restriction” that forbade the parties from completing the ownership transfer.

The “interim” time period contemplated by Rule 1017(c)(1) is the time between the change in ownership of a FINRA-member firm and final FINRA acceptance or denial of the CMA. Accordingly, the “interim restriction” FINRA imposed on Wilson-Davis was improper because it came *before* any change in Wilson-Davis’ ownership. In other words, FINRA used the exception, which allows it to impose interim restrictions, to swallow the rule that explicitly permits parties to transfer ownership within 30 days following receipt of a substantially complete CMA.

It is worth noting that the FINRA Rules were specifically amended to allow parties to consummate a change in ownership *without* FINRA’s approval. Prior to the enactment of the current Rule 1017, FINRA Rule 1018 governed changes in control and read as follows:

The Department shall review a change in ownership, control, or operations described in paragraph (a) **prior to the change taking place**. The Department may maintain existing restrictions on the member’s business activities and place new interim restriction on the member based on the standards in Rule 1014, pending final Department action.

65 FR 36760 at 36870 (emphasis added.)

In other words, Rule 1017 was specifically revised to allow parties contemplating a change in ownership to consummate the transaction *without* FINRA’s permission or interference. When Rule 1017 was amended, the commentary explaining the purpose of the amendments made clear that FINRA approval was not required prior to effecting a change in ownership: “Proposed **Rule 1017** . . . **clarifies** when the application should be filed and **what changes can be effected prior to obtaining [FINRA’s] approval.**”

Id. at 36875 (emphasis added).

Seven months later, on September 17, 2014, Petitioners received correspondence from counsel for Wilson-Davis, a copy of which was attached as Exhibit D to the Application for Review. According to that correspondence, FINRA spoke with counsel for Wilson-Davis on September 15, 2014, and advised them that they served John Hurry (“Hurry”), a member-manager of WD Clearing, LLC, with a Wells Notice. On this basis alone, FINRA advised Wilson-Davis that the CMA would be denied and requested that it be withdrawn. Upon FINRA’s instruction, Wilson-Davis withdrew the CMA.

The purpose of the Wells process is to provide a prospective respondent with an opportunity to submit a response to both the factual and legal averments being considered before instituting a public enforcement proceeding. Here, FINRA used the existence of its own Wells notice as the basis for denying the CMA, without identifying any specific facts related thereto that would justify such action.

Because FINRA denied Petitioners participation in, and limited their access to its services, Petitioners filed their Request for Review on October 14, 2014. The Commission subsequently denied Petitioner’s Request for Review, citing that the “matter [was] not ripe for Commission review,” and advising Petitioners that they could “pursue a final decision on a continuing membership application with FINRA.” Although Petitioners’ understand the Commission’s initial impression, they respectfully submit that (a) this matter is actually ripe for review, and (b) they cannot, in fact, pursue this matter with FINRA.

FINRA effectively denied Petitioner’s access to its services when it advised Wilson-Davis to withdraw the CMA on September 15, 2014. Under FINRA rules, only the CMA “applicant” (i.e., Wilson-Davis) can appeal an adverse decision from FINRA (*see* Rule 1017(j)), and only a FINRA member can file an application (*see* Rule 1017(a)). In other words, Wilson-Davis—the FINRA member firm and applicant—is the only party entitled to seek administrative relief from FINRA’s decision to deny the CMA, *even though* it is Petitioners that have been harmed by FINRA’s conduct. At this juncture, Petitioners have exhausted all available administrative remedies through FINRA and seek relief from the Commission.

Petitioners seek relief from FINRA’s final determination concerning the CMA filed by Wilson-Davis. Petitioners were denied access to services offered by a self-regulatory organization in violation of Section 19 of the Securities Exchange Act of 1934 when FINRA advised Wilson-Davis to withdraw the CMA, stating that it would be denied based on the fact that FINRA had issued a Wells Notice to Hurry. Petitioners were also treated unfairly when FINRA failed to follow its own rules, and expanded the use of its authority to issue “interim restrictions” to prevent Petitioners and Sellers from transferring ownership of Wilson-Davis 30 days after filing a substantially complete CMA. (*See* Section 19(g)(1) “Every self-regulatory organization shall comply with . . .

its own rules.”) Accordingly, the controversy at hand is ripe for review, and therefore, Petitioners respectfully request that the Commission reconsider their Application for Review.

Very truly yours,

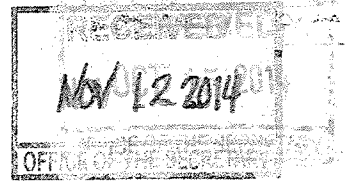
CLYDE SNOW & SESSIONS

A handwritten signature in black ink, appearing to read "B. Lebrecht", with a long horizontal flourish extending to the right.

Brian A. Lebrecht

Enclosure

3-16209



Brian A. Lebrecht (Utah Bar #: 10993)
Jacob L. Fannesbeck (Utah Bar #: 14176)
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Attorneys for Petitioners

UNITED STATES OF AMERICA

SECURITIES AND EXCHANGE COMMISSION

<p>In the Matter of the Application of</p> <p>WD CLEARING, LLC, a Nevada limited liability company; WDMC TRUST d/t/d SEPTEMBER 18, 2013; WDJJ TRUST d/t/d SEPTEMBER 18, 2013; WDCHUM TRUST d/t/d SEPTEMBER 18, 2013; and WPOPOP TRUST d/t/d SEPTEMBER 18, 2013</p> <p>For Review of Adverse Action Taken By</p> <p>FINRA</p>	<p>APPLICATION FOR REVIEW</p> <p>FINRA Application No. 20140398963</p> <p>Oral Argument Requested</p>
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To: The Office of the Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

PLEASE TAKE NOTICE that WD Clearing, LLC, WDMC Trust d/t/d September 18, 2013, WDJJ Trust d/t/d September 18, 2013, WDCHUM Trust d/t/d September 18, 2013, and WPOPOP Trust d/t/d September 18, 2013 (collectively, "**Petitioners**") hereby apply for review, of pursuant to Section 19(d) of Securities Exchange Act of 1934, from the denial of Wilson-Davis & Co., Inc.'s ("**Wilson-Davis**") Continuing Membership Application by the Financial Industry Regulatory Authority's ("**FINRA**"), as follows:

APPLICATION FOR REVIEW

On December 2, 2013, Petitioners entered into a contract to purchase ownership of Wilson-Davis, a FINRA member broker-dealer. A copy of the Securities Purchase Agreement (“SPA”) is attached hereto as Exhibit A. In connection with the change in ownership, a continuing membership application (“CMA”) was submitted to FINRA pursuant to FINRA Rule 1017. On February 25, 2014, the parties were advised that the CMA was “substantially complete.”

Although the plain language of Rule 1017(c)(1)¹ allows parties to change ownership of a FINRA-member firm 30 days following the submission of a “substantially complete” CMA, FINRA imposed “interim restrictions” that forbade the parties from completing the ownership transfer. *See* Exhibit B. The “interim” contemplated by Rule 1017 is the time between the change in ownership of a FINRA-member firm and final FINRA acceptance or denial of the CMA. Thus, FINRA’s “interim restriction” was improper because it came *before* any ownership changes relating to Wilson-Davis were effected (i.e., before the “interim”). In other words, FINRA used the exception, which allows it to impose interim restrictions, to swallow the rule that explicitly permits parties to transfer ownership within 30 days following receipt of a substantially complete CMA.

FINRA claimed that the “interim restriction” was imposed so it could further investigate “an article relating to an investigation” involving two other FINRA member firms (the “**Investigation**”) controlled by John Hurry (“**Hurry**”)—a member-manager of WD Clearing, LLC. Remarkably, nothing in subsequent comment letters from FINRA

¹ Rule 1017(c)(1) reads: “A member shall file an application for approval of a change in ownership or control at least 30 days prior to such change. **A member may effect a change in ownership or control prior to the conclusion of the proceeding**, but the Department may place new interim restrictions on the member based on the standards in Rule 1014, pending final Department action.” (Emphasis added.)

sought additional information concerning the Investigation, and yet, FINRA refused to lift the interim restriction and allow the parties to transfer ownership of Wilson-Davis. See Exhibit C.

Then, on September 17, 2014, counsel for Petitioners received correspondence from counsel for Wilson-Davis, a copy of which is attached hereto as Exhibit D. As this correspondence reflects, FINRA spoke with counsel for Wilson-Davis on September 15, 2014, and advised them that they served Hurry²—a non-party to the SPA—with a Wells Notice. On this basis alone, FINRA advised Wilson-Davis that the CMA would be denied and requested that it be withdrawn. See Exhibit D. Upon FINRA's instruction, the CMA was withdrawn. Notably, the Wells Notice was unrelated to the Investigation.

The purpose of the Wells process is to provide a prospective respondent with an opportunity to submit a response to both the factual and legal averments being considered before instituting a public enforcement proceeding. In this case, FINRA used the existence of its own Wells Notice as the basis for denying the CMA, without identifying any specific facts related thereto that would justify such action. As a result of the foregoing, FINRA has inconsistently—and in violation of the plain language of Rule 1017—denied Petitioners participation in, and limited their access to services offered by, a self-regulatory organization.³ Accordingly, Petitioners request review of FINRA's denial of the CMA and request that the Commission order FINRA to admit Petitioners, upon re-application, to membership.

DATED: October 14, 2014



Brian A. Lebrecht

² As mentioned above, Hurry is a member-manager of WD Clearing, LLC, and indirect owner of two other FINRA-member firms: Scottsdale Capital Advisors Corporation and Alpine Securities Corporation.

³ This is not the first time FINRA and NASD have been accused of manipulating the membership application procedures. See 62 FR 25226, Rel. No. 34-38545; File No. SR-NASD-97-28.

Exhibit A

Securities Purchase Agreement

Exhibit B

February 25, 2014, Correspondence from FINRA

Exhibit C
FINRA Comment Letters

Exhibit D
Denial of CMA

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 14 day of October 2014, I caused a true and correct copy of the foregoing **APPLICATION FOR REVIEW** to be served on the following persons /entities via Federal Express, Overnight Delivery:

The Office of the Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

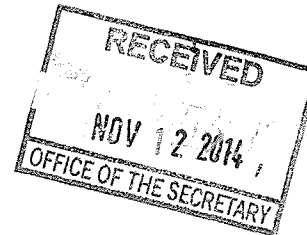
FINRA
One World Financial Center
200 Liberty Street
New York, NY 10281
Attn: Leyna Goro



Brian A. Lebrecht

3-16209

Brian A. Lebrecht (Utah Bar #: 10993)
Jacob L. Fannesbeck (Utah Bar #: 14176)
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Attorneys for Petitioners



UNITED STATES OF AMERICA

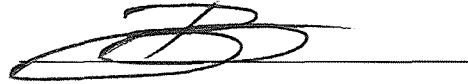
SECURITIES AND EXCHANGE COMMISSION

<p>In the Matter of the Application of</p> <p>WD CLEARING, LLC, a Nevada limited liability company; WDMC TRUST d/t/d SEPTEMBER 18, 2013; WDJJ TRUST d/t/d SEPTEMBER 18, 2013; WDCHUM TRUST d/t/d SEPTEMBER 18, 2013; and WDPOP TRUST d/t/d SEPTEMBER 18, 2013</p> <p>For Review of Adverse Action Taken By</p> <p>FINRA</p>	<p>NOTICE OF REPRESENTATION</p> <p>FINRA Application No. 20140398963</p>
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Notice is hereby given of the entry of the undersigned as counsel for Petitioners WD Clearing, LLC, WDMC Trust d/t/d September 18, 2013, WDJJ Trust d/t/d September 18, 2013, WDCHUM Trust d/t/d September 18, 2013, and WDPOP Trust d/t/d September 18, 2013, in the above-entitled action. All further notice and copies of pleadings, papers and other material relevant to this action should be directed to and served upon:

Clyde Snow & Sessions
201 South Main Street, Suite 1300
Salt Lake City, UT 84111
Phone: (801) 322-2516
Fax: (801) 521-6280
Attn: Brian A. Lebrecht
bal@clydesnow.com

DATED: October 14, 2014

A handwritten signature in black ink, consisting of a stylized 'B' and 'L' intertwined, followed by a horizontal line extending to the right.

Brian A. Lebrecht

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 14 day of October 2014, I caused a true and correct copy of the foregoing **NOTICE OF REPRESENTATION** to be served on the following persons /entities via Federal Express, Overnight Delivery:

The Office of the Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

FINRA
One World Financial Center
200 Liberty Street
New York, NY 10281
Attn: Leyna Goro



Brian A. Lebrecht

Exhibit “A”

SECURITIES PURCHASE AGREEMENT

by and between

Wilson-Davis & Co., Inc.,
a Utah corporation,

and

each of the shareholders of
Wilson-Davis & Co., Inc.

on the one hand

and

each of the Purchasers
set forth on the signature page hereof

on the other hand

SECURITIES PURCHASE AGREEMENT

THIS SECURITIES PURCHASE AGREEMENT (this “**Agreement**”) is entered into on December 2, 2013 (the “**Effective Date**”), by and between Wilson-Davis & Co., Inc., a Utah corporation (“**WDCO**” or the “**Company**”), and Byron B. Barkley as Trustee of the Byron B. Barkley Pension Trust/Profit Sharing Plan (the “**Barkley Trust**”), Lyle W. Davis (“**LDavis**”), Paul N. Davis (“**PDavis**”), James C. Snow, and William L. Walker, each an individual and collectively all of the shareholders of the Company having the respective ownership in WDCO set forth on Exhibit A (each a “**Seller**” and collectively the “**Sellers**”), on the one hand, and WD Clearing, LLC, a Nevada limited liability company (“**WD Clearing**”), Tim Hurry, as Independent Trustee of the WDMC Trust dated September 18, 2013, Marry Woods, as Independent Trustee of the WDJJ Trust dated September 18, 2013, Perry White, as Independent Trustee of the WDCHUM Trust dated September 18, 2013, and Christine Hurry, as Independent Trustee of the WDPOP Trust dated September 18, 2013 (each a “**Purchaser**” and collectively the “**Purchasers**”), on the other hand. Each of WDCO, the Sellers, and the Purchasers may be referred to as a “**Party**” and collectively as the “**Parties.**”

RECITALS

WHEREAS, the Sellers collectively own three hundred fifty thousand (350,000) shares of common stock of the Company, which represents one hundred percent (100%) of the issued and outstanding shares of common stock of the Company (the “**Shares**”).

WHEREAS, the Sellers, the Company, and John Hurry, an individual (“**Hurry**”) entered into that certain Financing Agreement dated April 30, 2013 (the “**Financing Agreement**”), pursuant to which Sellers granted to Hurry the option to purchase the Company on the terms and conditions set forth therein. Hurry has advised WDCO and the Sellers that he has assigned such rights to purchase the Company to the Purchasers as set forth on Exhibit B and has provided copies of the applicable instruments of such assignment to Sellers. This Agreement is entered into to effectuate the transactions contemplated by Section 1.3 of the Financing Agreement.

WHEREAS, the Sellers desire to sell to the Purchasers, and the Purchasers desire to purchase from the Sellers, the Shares upon the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the premises and respective mutual agreements, covenants, representations, and warranties herein contained, it is agreed between the Parties hereto as follows:

ARTICLE 1 SALE OF THE SHARES

1.1 Sale of the Shares. At the Closing, subject to the terms and conditions set forth herein, and on the basis of the representations, warranties, and agreements herein contained, the Sellers shall sell to the Purchasers, and the Purchasers shall purchase from the Sellers, the Shares.

1.2 Purchase Price. As consideration for the purchase of the Shares, the Purchasers shall deliver, or cause to be delivered, to the Sellers at the Closing the purchase price as follows:

1.2.1 Cash Payment. Cash in an amount equal to the adjusted regulatory net capital of the Company, calculated only recognizing cash and balances in customer cash accounts and not proprietary securities or accounts receivable, after giving effect to the repayment of the specific subordinated indebtedness, all as more specifically calculated in accordance with Schedule 1.2.1 (the “**Adjusted Regulatory Net Capital**”), on the last business day of the first month subsequent to the passage of at least 30 days following the filing of a “substantially complete” CMA (as defined in Section 2.1) in accordance with Section 2.1 (the “**Purchase Price Calculation Date**”), less one hundred thousand dollars (\$100,000) as an agreed liquidated amount attributable to full and final resolution of the contingent liabilities arising out of the disclosures in Schedule 3.1.8 (the “**Purchase Price**”), subject to adjustment as contemplated by Section 1.2.2, with a maximum Purchase Price of two million seven hundred fifty thousand dollars (\$2,750,000). The Purchase Price shall be calculated by the Parties immediately preceding the Closing Date, which shall in any event be within seven business days following the Purchase Price Calculation Date. There will be no short positions in the WDCO trading accounts as of the Closing Date. For example purposes only, the Adjusted Regulatory Net Capital as of October 31, 2013, is set forth in Schedule 1.2.1 attached hereto and made a part hereof. The Adjusted Regulatory Net Capital shall be calculated in accordance with the methodology set forth in Schedule 1.2.1. Although not a part of the Purchase Price:

(a) at the Closing or as soon thereafter as required regulatory approval is obtained, WDCO shall repay the principal of and interest on all outstanding subordinated loans as provided in Schedule 1.2.1;

(b) if not received prior to the Closing, the principal of and interest on the \$892,484 net receivable from Anthony Kerrigone due on or before December 31, 2013, shall be credited, immediately upon receipt, against and paid to certain of the Sellers who acquired from the Company the rights to such reimbursement referred to in Note 16 of the Notes to the 2013 audited financial statements; and

(c) the free credit balances in any customer accounts in the name of Sellers or their affiliates at WDCO shall not be used in the business of WDCO, but shall become customer accounts under applicable net capital rules (SEC Rule 15c3-1, 15c3-2, and 15c3-3), and may be withdrawn by them as customer free credit balances at their absolute discretion.

1.2.2 Purchase Price Adjustment. Within 30 days after the Closing (the “**Adjustment Date**”), WDCO shall review with the Purchasers the items included in or excluded from the Purchase Price as of the Purchase Price Calculation Date that, based on financial results subsequent to such Purchase Price Calculation Date and prior to the Adjustment Date, were included in Adjusted Regulatory Net Capital as of the Purchase Price Calculation Date, but should be reclassified as other than cash or cash items, or were excluded from Adjusted Regulatory Net Capital, but should be reclassified as cash

or cash items. Following the foregoing calculations, the Purchase Price shall be appropriately adjusted, and the amount of any overpayment of the Purchase Price at Closing shall be repaid by the Sellers as their respective interests appear (or if not paid within 30 days, deducted from compensation due any of them under their employment agreements) or the amount of any underpayment of the Purchase Price at Closing shall be paid by the Purchasers (or if not paid within 30 days, paid by WDCO to such Sellers as their respective interests appear).

ARTICLE 2
PRE-CLOSING COVENANTS, CLOSING, AND DELIVERIES

2.1 Preparation and Filing of CMA. As promptly as practicable after the Effective Date, WDCO shall, with diligence and dispatch, prepare and file with the Financial Industry Regulatory Authority, Inc. (“FINRA”) Department of Member Regulations (the “Department”) a Continuing Membership Application, including all attachments, exhibits, schedules, appendices, amendments, or supplements thereto (“CMA”) in accordance with FINRA Rule 1017. If the Department determines, within 30 days after filing the CMA, that the CMA is not “substantially complete” and rejects the CMA as not having been filed, all in reliance on FINRA Rule 1017(d), WDCO shall submit a new CMA at the earliest practicable date, but in any event within fifteen (15) days following the receipt of such advice. WDCO shall use its best efforts, with the assistance and collaboration of the Purchasers, to take all actions necessary in accordance with FINRA rules, particularly including Rule 1017, to file a “substantially complete” CMA at the earliest practicable date and, thereafter, to obtain approval from the Department for the sale and purchase of all of the issued and outstanding common stock of WDCO to the Purchasers as contemplated by this Agreement (the “Transaction”). If the Department notifies the Parties of requirements that need to be satisfied or changes that need to be made, the Parties will use their reasonable best efforts to comply. WDCO and each of the Purchasers shall use their best efforts to cause the CMA, as amended and supplemented from time to time, to be approved by the Department as promptly as practicable without the imposition of covenants or conditions that would materially impair the continuation of the business and operations of WDCO consistent with past practice; take any action reasonably required to satisfy applicable terms, covenants, and conditions proposed by the Department in order to obtain its approval; and not perform any act or fail or refrain from any action that would materially impair or prevent such Department approval from being obtained.

2.2 Purchasers Information for CMA. Each Purchaser shall furnish to WDCO all information concerning it, the holders of its trust interests, its officers and managers, the Persons designated by such Purchaser to be officers and directors of WDCO following the Closing as set forth on Exhibit C and its other affiliates, and the proposed business, operations, activities, management, supervision, relationships, contracts, and other relevant matters following the consummation of the purchase and sale contemplated by this Agreement as WDCO or the Department may reasonably request in connection with the preparation and filing of the CMA and the review and approval by the Department. For purposes of this Agreement, “Person” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof), or other entity of any kind. The information supplied by the

Purchasers for inclusion in the CMA shall not, at the time the CMA or any amendment or supplement thereto, as the case may be, is transmitted to the Department, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading. If, at any time prior to the approval by the Department of the CMA, any event or circumstance relating to any Purchaser or any of the holders of its trust interests, its officers and managers, or its other affiliates, is discovered by WDCO that should be set forth in an amendment or supplement to the CMA, such Purchaser shall promptly inform WDCO thereof in writing. Subject to the limitations of Section 5.5.1, each Purchaser agrees to indemnify WDCO and hold it harmless from and against any and all Losses for any breach by such Purchaser of this section.

2.3 Closing Date. Upon the terms and subject to the conditions set forth herein, the consummation of the Transaction (the “Closing”) shall be held on and as of 3:00 p.m. on the seventh business day of the first month subsequent to the passage of at least 30 days following the filing of a “substantially complete” CMA as provided in Section 2.1 (the “Closing Date”). For example, if a “substantially complete” CMA is filed January 15, the 30-day waiting period would expire on February 14, the Purchase Price Calculation Date would be February 28, the Purchase Price would be calculated after March 7 (five business days after February 28), and the Closing Date would be March 11 (seven business days after February 28) at 3:00 p.m. The Closing shall take place at the offices of WDCO or by the exchange of documents and instruments by mail, courier, facsimile, and wire transfer to the extent mutually acceptable to the Parties hereto.

2.4 Delivery at Closing. At the Closing:

(a) The Sellers shall deliver to the Purchasers:

(i) stock certificates representing the Shares, duly endorsed for transfer or accompanied by a stock power or other instruments of transfer duly executed to the Purchasers;

(ii) a representation certificate, in the form attached hereto as Exhibit D, wherein each Seller confirms certain representations and warranties made herein; and

(iii) a document terminating the stockholders agreement included in Schedule 3.1.5(b).

(b) The Purchasers shall deliver to the Sellers:

(i) the Purchase Price, to be distributed to the Sellers in accordance with their percentage ownership as set forth in Exhibit A; and

(ii) a representation certificate for each Purchaser in the form attached hereto as Exhibit E.

- (c) The Company shall deliver to the Purchasers:
 - (i) an officers certificate in the form attached hereto as Exhibit F; and
 - (ii) the Adjusted Regulatory Net Capital calculation as of the Closing Date.

2.5. Termination Penalty. If the Transaction is not consummated on or before September 16, 2014, Sellers shall pay to Hurry, on or before September 17, 2014, one million dollars (\$1,000,000), as set forth in the Financing Agreement, which shall remain in full force and effect. Payment of this Termination Penalty shall not limit Purchasers' remedies under this Agreement. Upon consummation of the Closing as provided in Article I, the Financing Agreement shall terminate.

2.6 Indemnification. The Purchasers shall, jointly and severally, to the maximum extent permitted by law, indemnify and hold harmless the Sellers, from and against any and all Damages (as defined below) that arise out of, relate to, or are in connection only with the facts that the Closing of the Transaction took place following the passage of at least 30 days after the filing of a "substantially complete" CMA as provided in Section 2.1 or that FINRA fails to approve the CMA or the Transaction. The term "**Damages**" shall mean all losses, payments, assessments, fines, sanctions, costs, and expenses, including reasonable attorney's, consultant's, and expert's fees and similar costs, incurred in connection with any appearance, testimony, claim, suit, inquiry, proceeding, or investigation, or appeal taken from any of the foregoing (including costs incurred in enforcing this Section 2.6), by or before any court, administrative agency, self-regulatory authority, or other governmental or regulatory authority, whether pending or threatened, and whether or not WDCO or a Seller is or may be a party thereto, arising only out of an action brought by FINRA or the SEC against the Sellers based on a violation of FINRA Rule 1017. The amount of any such Damages shall be the amount necessary to restore the indemnified party to the position in which it would have been (economically and otherwise), including any costs or expenses incident to such restoration, had the event, occurrence, or condition occasioning such Damage never occurred. Such attorney's fees and expenses shall be paid by the Purchasers, jointly and severally, as they are incurred. The termination of any proceeding by settlement shall not be deemed to create a presumption that the Person involved in such settlement acted in a manner that constituted bad faith, gross negligence, intentional misconduct, or knowing violation of applicable law by any Seller. The indemnification provisions of this Section 2.6 may be asserted and enforced by, and shall be for the benefit of, each Seller, each of whom is hereby specifically empowered to assert and enforce such right; *provided* that any Person that enters into a settlement of any proceeding without the prior approval of WD Clearing (which shall not be unreasonably withheld) shall not be entitled to the indemnification provided in this section. The right of any Seller to the indemnification provided herein shall be cumulative of, and in addition to, any and all rights to which such Person may otherwise be entitled by contract or as a matter of applicable law or at equity and shall extend to his, her, or its heirs, successors, assigns, and legal representatives.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF
THE COMPANY AND THE SELLERS

3.1 Representations and Warranties of the Company and the Sellers. To induce the Purchasers to enter into this Agreement and to consummate the Transaction contemplated hereby, the Company and the Sellers, and each of them, jointly and severally with respect to the Barkley Trust, PDavis, and LDavis (collectively, the “**Controlling Shareholders**”), and severally and not jointly with respect to James C. Snow and William L. Walker (collectively, the “**Minority Shareholders**”), except as disclosed in the Company’s disclosure schedules, represent and warrant as of the Effective Date and as of the Closing, as follows. Throughout this Agreement, in each instance where a statement is made as to a Party’s “**Knowledge**,” Knowledge shall mean: (a) actual knowledge of any of the Sellers or officers or directors of the Company or Purchasers (the “**Disclosing Party**”), as applicable; and (b) any knowledge that could have been acquired by the Disclosing Party as a result of: (i) inquiries of one or more of its employees, officers, directors, or shareholders, (ii) reasonable investigation, or (iii) review of any writing received by a Disclosing Party. For purposes of this definition of “**Knowledge**,” inquiries of employees or a review of any writing received by an employee shall refer only to an employee that would be expected to have knowledge of such subject matter in the course of performing his/her duties.

3.1.1 Authority of the Company. The Company has the full right, power, and authority to enter into this Agreement and to carry out and consummate the Transaction contemplated herein, subject to compliance with FINRA Rule 1017. This Agreement, and all of the exhibits attached hereto, constitutes the legal, valid, and binding obligation of the Company.

3.1.2 Authority of the Sellers. The Sellers have the full right, power, and authority to enter into this Agreement and to carry out and consummate the Transaction contemplated herein, subject to compliance with FINRA Rule 1017. This Agreement, and all of the exhibits attached hereto, constitutes the legal, valid, and binding obligation of the Sellers.

3.1.3 Corporate Existence of the Company. The Company is a corporation duly organized, validly existing, and in good standing under the laws of the state of Utah. The Company has all requisite corporate power, franchises, licenses, permits, and authority to own its properties and assets and to carry on its business as it has been and is being conducted.

3.1.4 Execution of Agreement. Except as set forth in Schedule 3.1.4, the execution and delivery of this Agreement does not, and the consummation of the Transaction contemplated hereby will not: (a) violate, conflict with, modify, or cause any default under or acceleration of (or give any Party any right to declare any default or acceleration upon notice or passage of time or both), in whole or in part, any charter, article of incorporation, bylaw, mortgage, lien, deed of trust, indenture, lease, agreement, instrument, order, injunction, decree, judgment, law, or any other restriction of any kind

to which the Company or the Sellers are a party or by which any of them or any of their properties are bound; (b) result in the creation of any security interest, lien, encumbrance, adverse claim, proscription or restriction on any property or asset (whether real, personal, mixed, tangible or intangible), right, contract, agreement, or business of the Company or the Sellers; (c) violate any law, rule, or regulation of any federal or state regulatory agency; or (d) permit any federal or state regulatory agency to impose any restrictions or limitations of any nature on the Company or the Sellers or any of their respective actions.

3.1.5 Capitalization.

(a) The authorized capital stock of the Company consists of one million (1,000,000) shares of common stock, par value \$0.10 per share, of which 350,000 Shares are issued and outstanding. All of the outstanding Shares have been duly authorized and validly issued, are fully paid and nonassessable, and were not issued in violation of any preemptive or similar rights. All of the issued and outstanding Shares have been offered, issued, and sold by the Company in compliance with all applicable federal and state securities laws. No securities of the Company are entitled to preemptive or similar rights, and no Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the Transaction contemplated hereby. Except those already issued and outstanding to Purchaser pursuant to that certain Financing Agreement, there are no outstanding options, warrants, script rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exchangeable for, or giving any Person any right to subscribe for or acquire, any securities of the Company, or contracts, commitments, understandings or arrangements by which the Company is or may become bound to issue additional securities or securities or rights convertible or exchangeable into securities. The sale of the Shares will not obligate the Company to issue securities to any Person and shall not result in a right of any holder of Company securities to adjust the exercise, conversion, exchange, or reset price under such securities.

(b) Except as set forth in Schedule 3.1.5(b), there are no shareholder agreements, voting trusts, or other agreements or understandings to which the Company or the Sellers are a party or by which any of them are bound relating to the voting of any shares of the capital stock of the Company.

(c) The Shares, when delivered in accordance with the terms of this Agreement, shall be validly issued, fully paid, and nonassessable. Each Seller represents, only respecting the Shares to be transferred by him or it, that such Shares, when delivered in accordance with the terms of this Agreement, shall not be subject to any lien, charge, security interest or other encumbrance, or preemptive or other similar right.

3.1.6 Subsidiary. The Company has no Subsidiaries. “**Subsidiary**” or “**Subsidiaries**” means all corporations, trusts, partnerships, associations, joint ventures,

or other Persons of which a corporation or limited liability company or any other Subsidiary of such corporation or limited liability company owns not less than twenty percent (20%) of the voting securities or other equity or of which such corporation or limited liability company or any other Subsidiary of such corporation or limited liability company possesses, directly or indirectly, the power to direct or cause the direction of the management and policies, whether through ownership of voting shares, management contracts, or otherwise.

3.1.7 Taxes.

(a) All taxes, assessments, fees, penalties, interest, and other governmental charges with respect to the Company that have become due and payable on the Effective Date have been paid in full or adequately reserved against by the Company, as applicable (including without limitation, income, property, sales, use, franchise, capital stock, excise, added-value, employees' income withholding, social security, and unemployment taxes).

(b) There are no: (i) agreements, waivers, or other arrangements providing for an extension of time with respect to the assessment of any tax or deficiency against the Company; (ii) actions, suits, proceedings, investigations, or claims now pending against the Company in respect of any tax or assessment; or (iii) matters under discussion with any federal, state, local, or foreign authority relating to any taxes or assessments, or any claims for additional taxes or assessments asserted by any such authority; and to the Knowledge of the Company and the Sellers, there is no basis for the assertion of any additional taxes or assessments against the Company.

(c) The Company has filed all 2012 federal and state tax returns with the appropriate taxing agency. Copies of the 2012 federal and state returns have been provided to the Purchasers.

(d) The Company and the Purchasers agree that the Company will pay for the preparation of all full year tax returns for the fiscal years ended June 30, 2013 and 2014, by an accountant of its choosing, will file said returns within the allowable extension period, and will pay all state and federal income taxes that accrue from revenues generated by the Company through the Closing Date.

(e) No audit or other proceeding by any governmental authority is pending or, to the Knowledge of the Company and the Sellers, threatened with respect to any taxes due from or with respect to the Company, no governmental authority has given written or other notice of any intention to assert any deficiency or claim for additional taxes against the Company, no claim in writing or otherwise has been made by any governmental authority in a jurisdiction where the Company files tax returns that the Company is or may be subject to taxation by that jurisdiction, and all deficiencies for taxes asserted or assessed in writing

against the Company have been fully and timely paid, settled, or properly reflected in the Financial Statements (as herein defined).

(f) There are no liens for taxes upon the assets or properties of the Company, except for statutory liens for current taxes not yet due.

(g) The Company is not a party to any agreement relating to the sharing, allocation, or indemnification of taxes, or any similar agreement, contract, or arrangement, and has no liability for taxes of any Person under Treasury Regulation § 1.1502-6, Treasury Regulation § 1.1502-78, or similar provision of state, local, or foreign tax law, as a transferee or successor, by contract, or otherwise.

(h) No power of attorney has been granted by the Company with respect to any matter relating to taxes of the Company that is currently in force.

3.1.8 Disputes and Litigation. Except as set forth in Schedule 3.1.8: (a) there is no suit, action, litigation, proceeding, investigation, claim, complaint, or accusation pending, threatened against, or affecting the Company or any of its properties, assets, or business, or to which it is a party, in any court or before any arbitrator of any kind or before or by any governmental agency (including, without limitation, any federal, state, local, foreign, or other governmental department, commission, board, bureau, agency, or instrumentality), and to the Knowledge of the Company and the Sellers, there is no basis for such suit, action, litigation, proceeding, investigation, claim, complaint, or accusation; (b) to the Knowledge of the Company and the Sellers, there is no pending or threatened change in any environmental, zoning, or building laws, regulations, or ordinances that affect or could affect the Company or any of its properties, assets, or businesses; and (c) there is no outstanding order, writ, injunction, decree, judgment, or award by any court, arbitrator, or governmental body against or affecting the Company or any of its properties, assets, or business. There is no litigation, proceeding, investigation, claim, complaint, accusation, or arbitration, formal or informal, pending or threatened, or any contingent liability that would give rise to any right of indemnification or similar right on the part of any director or officer of the Company or any such person's heirs, executors, or administrators as against the Company.

3.1.9 Compliance with Laws. Except as set forth in Schedule 3.1.9, to the Knowledge of the Company and the Sellers, the Company has at all times been, and presently is, in full compliance with, and has not received written notice of any claimed violation of, any applicable federal, state, local, foreign, and other laws, rules, and regulations. The Company has filed all returns, reports, and other documents and furnished all information known by the Company to be required or that has been requested by any federal, state, local, or foreign governmental agency (excluding tax returns, which are covered by Section 3.1.7), and all such returns, reports, documents, and information are true and complete in all material respects. All permits, licenses, orders, franchises, and approvals of all federal, state, local, or foreign governmental or regulatory bodies known by the Company to be required of the Company for the conduct

of its business have been obtained, no violations are or have been recorded in respect of any such permits, licenses, orders, franchises, and approvals, and there is no litigation, proceeding, investigation, arbitration, claim, complaint, or accusation, formal or informal, pending or threatened, that may revoke, limit, or question the validity, sufficiency, or continuance of any such permit, license, order, franchise or approval. Such permits, licenses, orders, franchises, and approvals are valid and sufficient for all activities presently carried on by the Company.

3.1.10 No Conflicts. Except as set forth in Schedule 3.1.10, the execution, delivery, and performance of this Agreement and consummation of the Transaction contemplated hereby do not and will not: (a) conflict with or violate any provision of the Company's articles of incorporation, bylaws, or other organizational or charter documents; (b) conflict with, constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration, or cancellation (with or without notice, lapse of time, or both) of any agreement, credit facility, debt, or other instrument (evidencing a Company debt or otherwise) or other understanding to which the Company is a party or by which any property or asset of the Company is bound or affected; and (c) result in a violation of any law, rule, regulation, order, judgment, injunction, decree, or other restriction of any court or governmental authority to which the Company is subject (including federal and state securities laws and regulations) or by which any property or asset of the Company is bound or affected.

3.1.11 Guaranties. Except as set forth in Schedule 3.1.11, the Company has not guaranteed any dividend, obligation, or indebtedness of any Person; nor has any Person guaranteed any dividend, obligation, or indebtedness of the Company.

3.1.12 Books and Records. The Company keeps its books, records, and accounts (including, without limitation, those kept for financial reporting purposes and for tax purposes) in accordance with good business practice and in sufficient detail to reflect the transactions and dispositions of its assets, liabilities, and equities. The minute books of the Company contain records of its shareholders' and directors' meetings and of action taken by such shareholders and directors. The meetings of shareholders and directors referred to in such minute books were duly called and held, and the resolutions appearing in such minute books were duly adopted. The signatures appearing on all documents contained in such minute books are the true signatures of the Persons purporting to have signed the same. Schedule 3.1.12 contains the Company's audited financial statements for the fiscal years ended June 30, 2011, 2012, and 2013, and unaudited financial statements as of and for the four months ended October 31, 2013 (the "**Financial Statements**").

3.1.13 Insurance. Schedule 3.1.13 contains a list of all insurance policies presently in force covering or relating to the Company.

3.1.14 Assets. All of the material assets of the Company, including cash in bank accounts and certain noncash assets, are listed on Schedule 3.1.14. Except as listed on

Schedule 3.1.14, the Company has good and marketable title to all of the assets, properties, and rights (including all intellectual property rights) that it owns or holds or purports to own or to hold in connection with the operation of its business and reflected on its Financial Statements, and to the extent any of the assets, properties, or rights of or used by the Company are licensed or leased by the Company, such assets, properties and rights, together with a description of each such license or lease, are identified as such in Schedule 3.1.14. None of the Sellers, nor any affiliate or member of the respective families of any of the Sellers, has or claims any right, title, or interest in or to any of the intellectual property rights or other assets, properties, or rights of the Company. Except as listed on Schedule 3.1.14 or in the Financial Statements, the Company holds all of the assets free and clear of all mortgages, pledges, charges, hypothecations, liens, claims, licenses, sublicenses, and encumbrances of any kind, nature, or description.

3.1.15 Accounts Receivable. All of the accounts receivable of the Company as of the Effective Date are listed on Schedule 3.1.15. The Company and the Sellers make no representations or warranties with respect to the collectability of the accounts receivable of the Company. Prior to Closing, such schedule shall be updated as of the Purchase Price Calculation Date.

3.1.16 Accounts Payable. All of the accounts payable of the Company as of the Effective Date are listed on Schedule 3.1.16. Prior to Closing, such schedule shall be updated as of the Purchase Price Calculation Date.

3.1.17 Material Contracts. Attached as Schedule 3.1.17 is a list of all material contracts of the Company as of the Effective Date.

3.1.18 Domain Names. As of the Closing, the Company owns and has all right, title, and interest in and to the identified domain names listed on Schedule 3.1.18, including any trademark rights and goodwill associated with the domain name itself and all Internet traffic to the domain name and all website content.

3.1.19 Compensation. Attached as Schedule 3.1.19 is a list of all compensation, whether salary, bonus, draw, or otherwise, paid to all Persons by the Company during the fiscal years ended June 30, 2012 and 2013, and the period from July 1, 2013, through the Effective Date.

ARTICLE 4 REPRESENTATIONS OF THE PURCHASERS

4.1 Representations and Warranties of the Purchasers. To induce the Company and the Sellers to enter into this Agreement and to consummate the Transaction contemplated hereby, the Purchasers, jointly and severally, except as expressly set forth, represent and warrant as of the Effective Date and as of the Closing, as follows:

4.1.1 Authority of the Purchasers. The Purchasers have the full right, power, and authority to enter into this Agreement and to carry out and consummate the

Transaction contemplated herein. This Agreement, and all of the exhibits attached hereto, constitutes the legal, valid, and binding obligation of the Purchasers.

4.1.2 Existence of Trust Purchasers. Each Purchaser, other than WD Clearing, is a trust duly organized, validly existing, and in good standing under the laws of the state of Nevada. WD Clearing is a corporation duly organized, validly existing, and in good standing under the laws of the state of Nevada. Each Purchaser has all requisite power, franchises, licenses, permits, and authority to own its properties and assets and to carry on its business as it has been and is being conducted.

4.1.3 Execution of Agreement. The execution and delivery of this Agreement does not, and the consummation of the Transaction contemplated hereby will not: (a) violate, conflict with, modify, or cause any default under or acceleration of (or give any Party any right to declare any default or acceleration upon notice or passage of time or both), in whole or in part, any charter, declaration of trust or other trust instrument, mortgage, lien, deed of trust, indenture, lease, agreement, instrument, order, injunction, decree, judgment, law, or any other restriction of any kind to which any Purchaser is a party or by which its properties are bound; (b) result in the creation of any security interest, lien, encumbrance, adverse claim, proscription or restriction on any property or asset (whether real, personal, mixed, tangible or intangible), right, contract, agreement, or business of any Purchaser; (c) violate any law, rule, or regulation of any federal or state regulatory agency; or (d) permit any federal or state regulatory agency to impose any restrictions or limitations of any nature on any Purchaser or any of its respective actions.

4.1.4 Investment Purpose. Each Purchaser is purchasing the Shares for its own account, with the intention of holding the Shares, with no present intention of dividing or allowing others to participate in this investment or of reselling or otherwise participating, directly or indirectly, in a distribution of the Shares, and shall not make any sale, transfer, or pledge thereof without registration under the Securities Act of 1933 (the "**Securities Act**") and any applicable securities laws of any state unless an exemption from registration is available under those laws.

4.1.5 Investment Experience. Each Purchaser has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Shares.

4.1.6 Further Limitations on Disposition. Purchasers further acknowledge that the Shares are restricted securities under Rule 144 of the Securities Act and, therefore, when transferred to the Purchasers will contain a restrictive legend substantially similar to the following:

The securities represented by this certificate have not been registered under the Securities Act of 1933, as amended ("Act"), and may not be offered or sold except pursuant to: (i) an effective registration statement under the Act; (ii) to the extent applicable, Rule 144 under the Act (or any similar rule under such Act relating to the disposition of securities); or (iii) an opinion of counsel, licensed to practice law within the United States,

reasonably satisfactory to counsel to the issuer, that an exemption from registration under such Act is available.

ARTICLE 5 COVENANTS OF THE PARTIES

5.1 Public Announcements. The Parties shall consult with each other before issuing any press release or making any public statement with respect to this Agreement or the Transaction contemplated hereby and, except as may be required by applicable statutes, laws, and regulations, including rules and regulations of FINRA, will not issue any such press release or make any such public statement prior to such consultation and without the consent of the other Parties. The Parties shall not make any public announcement or press release respecting the execution of this Agreement. The Parties do not anticipate any public announcement prior to the Closing.

5.2 Notices of Certain Events. In addition to any other notice required to be given by the terms of this Agreement, each of the Parties shall promptly notify the other Parties hereto of:

(a) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the Transaction contemplated by this Agreement;

(b) any notice or other communication from any governmental or regulatory agency or authority in connection with the Transaction contemplated by this Agreement; and

(c) any actions, suits, claims, investigations, or proceedings commenced or, to such Party's Knowledge, threatened against, relating to, involving, or otherwise affecting such Party that, if pending on the Effective Date, would have been required to have been disclosed pursuant to Article 3 or Article 4 (as the case may be) or that relate to the consummation of the Transaction contemplated by this Agreement.

5.3 Access to Information. Following the Effective Date, until consummation of the Transaction contemplated hereby, the Company shall give to the Purchasers and their counsel, financial advisers, auditors, and other authorized representatives reasonable access to its offices, properties, books and records, and financial and other data as the Purchasers and their respective representatives may reasonably request.

5.4 The Company's Business. The Company will not, without the prior written consent of the Purchasers, except as set forth herein and as required to complete the Transaction contemplated by this Agreement: (a) make any material change in the type or nature of its business or in the nature of its operations, except for the payment prior to Closing of subordinated loans and closing of trading account positions; (b) create or suffer to exist any material debt, other than that currently shown in the Financial Statements or incurred in the ordinary course of business consistent with past practice; (c) issue any capital stock; or (d) enter into any new material agreements of any kind (other than those contemplated by this Agreement

or such agreements as constitute ordinary business consistent with past practice) or undertake any material new obligations or liabilities.

5.5 Indemnification.

5.5.1 Indemnity of Sellers. Purchasers, jointly and severally, agree to indemnify, defend, and hold the Sellers, and each and all of their present and former trustees, agents, officers, managers, directors, attorneys, and employees, harmless from and against any and all Losses (as hereinafter defined) arising out of or resulting from the breach by Purchasers of any representation, warranty, covenant, or agreement contained in this Agreement or the schedules and exhibits hereto. For purposes of Section 5.5, the term "Losses" shall mean all damages, costs, and expenses (including reasonable attorneys' fees) of every kind, nature, or description, it being the intent of the Parties that the amount of any such Loss shall be the amount necessary to restore the indemnified party to the position it would have been in (economically or otherwise), including any costs or expenses incident to such restoration, had the breach, event, occurrence, or condition occasioning such Loss never occurred. Amounts payable by Purchasers under this section shall be paid to the Sellers, as appropriate, within ninety (90) days following request therefor from the Sellers. Notwithstanding the foregoing provisions of this section, no claim for indemnification shall be made by Sellers under this section unless and until the aggregate amount of all Losses by the Sellers (as a group) in respect thereof shall exceed \$50,000, but then such indemnified parties shall be entitled to all indemnifiable Losses above and below such threshold.

5.5.2 Indemnity of Purchasers. The Sellers, jointly and severally with respect to the Controlling Shareholders, and severally and not jointly with respect to the Minority Shareholders, hereby agree to indemnify, defend, and hold each Purchaser, and each and all of its present and former trustees, agents, officers, managers, directors, attorneys, and employees, harmless from and against any and all Losses arising out of or resulting from the breach by the Sellers of any representation, warranty, agreement, or covenant contained in this Agreement or the exhibits and schedules hereto. Amounts payable by the Sellers, as appropriate, under this section shall be paid to Purchasers within ninety (90) days following request therefor from Purchasers. Notwithstanding the foregoing provisions of this section, no claim for indemnification shall be made by Purchasers under this section: (a) for any Losses arising from the matters disclosed in Schedule 3.1.8, because Purchaser has already been compensated for such Losses as provided in Section 1.2.1; (b) unless and until the aggregate amount of all Losses of Purchasers in respect thereof shall exceed \$50,000, but then such indemnified parties shall be entitled to all indemnifiable Losses above and below such threshold; or (c) for any actual or threatened action by any governmental entity, whether federal, state, or local, that might arise as a result of the Sellers' failure to disclose said actual or threatened action pursuant to Article 3 hereof, and the maximum amount of liability under this Agreement for the Controlling Shareholders, jointly and severally, for any claim, cause of action, action, or remedy arising hereunder or in connection herewith shall not exceed the portion of the Purchase Price received by them in the aggregate and for each Minority Shareholder for any claim, cause of action, action, or remedy arising hereunder or in connection herewith

shall not exceed an amount equal to the portion of the Purchase Price paid to such Minority Shareholder.

5.5.3 Indemnification Procedure.

(a) An indemnified party shall notify the indemnifying party of any claim of such indemnified party for indemnification under this Agreement within thirty (30) days of the date on which such indemnified party or an executive officer or representative of such indemnified party first becomes aware of the existence of such claim. Such notice shall specify the nature of such claim in reasonable detail and the indemnifying party shall be given reasonable access to any documents or properties within the control of the indemnified party as may be useful in the investigation of the basis for such claim. The failure to so notify the indemnifying party within such thirty (30) day period shall not constitute a waiver of such claim, but an indemnified party shall not be entitled to receive any indemnification with respect to any additional Loss that occurred as a result of the failure of such Person to give such notice.

(b) In the event any indemnified party is entitled to indemnification hereunder based upon a claim asserted by a third party (including a claim arising from an assertion or potential assertion of a claim for taxes), the indemnifying party shall be given prompt notice thereof, in reasonable detail. The failure to so notify the indemnifying party shall not constitute a waiver of such claim, but an indemnified party shall not be entitled to receive any indemnification with respect to any Loss that occurred as a result of the failure of such Person to give such notice. The indemnifying party shall have the right (without prejudice to the right of any indemnified party to participate at its expense through counsel of its own choosing) to defend or prosecute such claim at its expense and through counsel of its own choosing if it gives written notice to the indemnified party of its intention to do so not later than twenty (20) days following notice of the claim to the indemnifying party or such shorter period as required so that the interests of the indemnified party would not be materially prejudiced as a result of its failure to have received such notice from the indemnifying party; provided, however, that if the defendants in any action shall include both an indemnifying party and an indemnified party and the indemnified party shall have reasonably concluded that counsel selected by the indemnifying party has a conflict of interest because of the availability of different or additional defenses to the indemnified party, the indemnified party shall have the right to select separate counsel to participate in the defense of such action on its behalf, at the expense of the indemnifying party. If the indemnifying party does not so choose to defend or prosecute any such claim asserted by a third party for which any indemnified party would be entitled to indemnification hereunder, then the indemnified party shall be entitled to recover from the indemnifying party, on a monthly basis, all of its attorneys' reasonable fees and other costs and expenses of litigation of any nature whatsoever incurred in the defense of such claim. Notwithstanding the assumption of the defense of any claim by an indemnifying party pursuant to this

paragraph, the indemnified party shall have the right to approve the terms of any settlement of a claim (which approval shall not be unreasonably withheld).

(c) The indemnifying party and the indemnified party shall cooperate in furnishing evidence and testimony and in any other manner that the other may reasonably request, and shall in all other respects have an obligation of good faith dealing, one to the other, so as not to unreasonably expose the other to an undue risk of Loss. The indemnified party shall be entitled to reimbursement for out-of-pocket expenses reasonably incurred by it in connection with such cooperation.

5.6 Reasonable Efforts. Each Party agrees to use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or advisable to consummate and make effective as promptly as practicable the Transaction contemplated by this Agreement, to prepare and file a CMA, to obtain any Department approvals and consents required, whether before or after the Closing, and to cooperate with the other Parties in connection with the foregoing. Each Party further agrees not to undertake any course of action inconsistent with the satisfaction of the conditions to Closing set forth herein, and to do all such acts and take all such measures as may be reasonable to comply, and be in compliance, with the representations, warranties, covenants, and agreements contained in this Agreement.

5.7 Adverse Department Action. If, notwithstanding the collaborative efforts of all Parties in accordance with their covenants set forth in this Agreement, the Department denies the CMA application, the Parties shall further collaborate, as they may mutually agree, to request review or modification of such determination.

5.8 CMA Covenants Respecting Post-Closing Activities. In order to form a reasonable basis for the representations to be set forth by WDCO in the CMA respecting the business, management, operation, and supervision of WDCO after the Closing, the Purchasers covenant and agree, in good faith and their sole discretion as of the date of Closing, to continue the business, management, operation, and supervision of WDCO, as follows:

5.8.1 A majority of WDCO's board of directors shall consist of Persons identified in the CMA, including the designees of Purchasers set forth on Exhibit C.

5.8.2 The Purchasers will interview and review the file of each employee of WDCO and will, in good faith and their sole discretion, cause WDCO to offer employment to those employees they desire to continue in employment following the Closing Date. The employment of each employee who accepts such WDCO offer shall be effective as of the Closing Date (or such later date as WDCO and such employee shall agree), on an "at-will" basis unless otherwise agreed by WDCO, subject to WDCO's terms, conditions, and policies of employment, if any, including benefits as WDCO and employee shall agree. The Sellers will use their reasonable efforts to cause WDCO's employees to whom an offer of employment is given by WDCO after the Closing to accept such employment offer. This section sets forth the agreement among the Sellers, WDCO, and the Purchasers only and shall not confer any benefit or rights to any Person not a Party to this Agreement, including any employees of WDCO.

5.8.4 WDCO shall enter into compensation agreements reasonably acceptable to the Purchasers, to become effective at the Closing, with the following individuals under the following terms:

(a) Paul N. Davis shall retire from employment but shall be available informally on a limited basis, without compensation.

(b) Lyle W. Davis shall be available, at no less than his current salary, for transition training for at least 90 days immediately following the Closing and thereafter as mutually acceptable.

(c) James C. Snow shall continue employment in his current position, at no less than his current salary, for 18 months and thereafter unless terminated by such employee on not less than 30 days' prior written notice.

(d) William L. Walker shall continue employment in his current position, at no less than his current salary, for 18 months and thereafter unless terminated by such employee on not less than 30 days' prior written notice.

(e) Byron B. Barkley shall continue employment in his current position as a securities trader on terms to be agreed upon between him and WDCO.

Prior to Closing, WDCO shall enter into written employment agreements with James C. Snow and William L. Walker in the forms included in Exhibit G attached hereto and incorporated herein by reference containing the foregoing terms, with the individual salaries as set forth therein. Such employment agreements shall include provisions for the continuation of existing health insurance and other benefits, provide for termination by WDCO for good reason as defined therein, and provide for severance benefits in the case of termination by WDCO without good reason for sixty (60) days.

5.8.5 Purchasers shall cause WDCO to continue to operate its business substantially and materially in accordance with the representations respecting such operation contained in the CMA submitted to the Department in accordance with Rule 1017.

5.9 Other Third-Party Consents and Approvals. WDCO shall give any notices to third parties, and use all reasonable efforts to obtain any third-party consents: (a) necessary, proper, or advisable to consummate the Transaction contemplated by this Agreement; (b) otherwise required under any contracts, licenses, leases, or other agreements in connection with the consummation of the Transaction contemplated hereby; or (c) required to prevent a WDCO material adverse effect (defined for purposes hereof as any condition, circumstance, or situation that has resulted in, or would reasonably be expected to result in: (i) a material adverse effect on the legality, validity, or enforceability of this Agreement or the Transaction contemplated herein; (ii) a material adverse effect on the results of operations, assets, business,

or condition (financial or otherwise) of the Company, taken as a whole; or (iii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under this Agreement) from occurring prior to the Effective Time or a similar material adverse effect from occurring after the Effective Time. In the event that WDCO shall fail to obtain any third-party consent described above, WDCO shall use all reasonable efforts, and shall take any such actions reasonably requested by the other Party, to limit the adverse effect upon the Purchasers and WDCO, and their respective businesses, resulting or that could reasonably be expected to result, after the consummation of the Transaction contemplated by this Agreement, from the failure to obtain such consent.

ARTICLE 6 CONDITIONS PRECEDENT

6.1 Conditions of Obligations of the Purchasers. The obligations of the Purchasers are subject to the satisfaction on or prior to the Closing of the following conditions, any or all of which may be waived in whole or in part by the Purchasers:

(a) Representations and Warranties. Each of the representations and warranties of the Sellers and the Company set forth in this Agreement shall be true and correct in all material respects as of: (i) the Effective Date (except to the extent such representations and warranties speak as of an earlier date); and (ii) the Closing Date, as though made on and as of all of such dates.

(b) Board of Directors Resolutions. The Purchasers shall have received executed resolutions of the Board of Directors of the Company approving the Transaction contemplated herein, including the appointment of officers and directors pursuant to Exhibit C.

(c) Performance. The Sellers and the Company shall have performed and complied with all agreements, obligations, and conditions contained in this Agreement that are required to be performed or complied with by them on or before the Closing.

(d) FINRA Condition. A minimum of 30 days shall have passed after the filing of a "substantially complete" CMA as provided in Section 2.1.

6.2 Conditions of Obligations of the Sellers. The obligations of the Sellers to effect the sale of the Shares are subject to the satisfaction on or prior to the Closing of the following conditions, any or all of which may be waived in whole or in part by the Sellers:

(a) Representations and Warranties. Each of the representations and warranties of the Purchasers set forth in this Agreement shall be true and correct in all material respects as of the Effective Date and (except to the extent such representations and warranties speak as of an earlier date) as of the Closing Date as though made on and as of the Closing Date.

(b) Performance. The Purchasers shall have performed and complied with all agreements, obligations, and conditions contained in this Agreement that are required to be performed or complied with by them on or before the Closing.

ARTICLE 7 TERMINATION

7.1 Termination. This Agreement may be terminated and the purchase and sale of the Shares may be abandoned at any time prior to the Closing:

- (a) by mutual written consent of the Parties hereto;
- (b) by either the Sellers or the Purchasers if the Closing shall not have occurred on or before the date that is one (1) year from the Effective Date;
- (c) by the Purchasers if a “substantially complete” CMA shall not have been filed on or before the date that is 45 days after the Effective Date;
- (d) by the Purchasers if: (i) the Sellers or the Company shall have failed to comply in any material respect with any of the covenants, conditions, terms, or agreements contained in this Agreement to be complied with or performed by the Sellers or the Company; or (ii) any representations and warranties of Sellers or the Company contained in this Agreement shall not have been true when made or on and as of the Closing Date as if made on and as of Closing Date (except to the extent it relates to a particular date); or
- (e) by the Sellers if: (i) the Purchasers shall have failed to comply in any material respect with any of the covenants, conditions, terms, or agreements contained in this Agreement to be complied with or performed by them; or (ii) any representations and warranties of the Purchasers contained in this Agreement shall not have been true when made or on and as of the Closing Date.

7.2 Effect of Termination. In the event of the termination of this Agreement pursuant to this Article 7, all further obligations of the Parties under this Agreement, except the Termination Penalty set forth in Section 2.5, shall forthwith be terminated without any further liability of any Party to the other Parties; provided, however, that nothing contained in this Section 7.2 shall relieve any Party from liability for any breach of this Agreement.

ARTICLE 8 MISCELLANEOUS

8.1 Expenses. Except as otherwise specifically provided for herein, whether or not the Transaction contemplated hereby is consummated, each of the Parties hereto shall bear the cost of all fees and expenses relating to or arising from its compliance with the various provisions of this Agreement and such Party’s covenants to be performed hereunder, and except as otherwise specifically provided for herein, each of the Parties hereto agrees to pay all of its

own expenses (including, without limitation, attorneys and accountants' fees and printing expenses) incurred in connection with this Agreement, the Transaction contemplated hereby, the negotiations leading to the same, and the preparations made for carrying the same into effect, and all such fees and expenses of the Parties hereto shall be paid prior to Closing. Notwithstanding the foregoing, the Parties acknowledge and agree that the expenses of the Sellers until and through the Closing are being paid by the Company.

8.2 Notices. Any notice, request, instruction, or other document required by the terms of this Agreement, or deemed by any of the Parties hereto to be desirable, to be given to any other Party hereto shall be in writing and shall be delivered by facsimile or overnight courier to the following addresses:

To the Company:

Wilson-Davis & Co., Inc.
236 South Main Street
Salt Lake City, UT 84101
Attn: Lyle W. Davis
Facsimile: (801) 578-2823

To Sellers:

Byron B. Barkley as Trustee of the Byron B.
Barkley Pension Trust/Profit Sharing Plan
5600 South Holladay Blvd.
Salt Lake City, UT 84121

Lyle W. Davis
551 East 250 North
Centerville, UT 84014

Paul N. Davis
2351 Hintze Drive
Salt Lake City UT 84124

James C. Snow
5808 Cove Creek Lane
Salt Lake City, UT 84104

William L. Walker
409 West 325 South
Layton, UT 84041

with a copy to:

Kruse Landa Maycock & Ricks, LLC
Attn: James R. Kruse
136 East South Temple Street, Suite 2100
Salt Lake City, UT 84111
Facsimile: (801) 531-7091

To Purchasers or WD Clearing: WD Clearing, LLC
Tim Hurry, WDMC Trust
Marry Woods, WDJJ Trust
Perry White, WDCHUM Trust
Christine Hurry, WDPOP Trust
c/o John Hurry
7170 E. McDonald Drive, Suite 4
Scottsdale, AZ 85253
Facsimile: (480) 717-5040

with a copy to: Clyde Snow & Sessions, PC
201 S. Main Street, 13th Floor
Salt Lake City, UT 84111
Attn: Brian A. Lebrecht
Facsimile: (801) 521-6280

with an additional copy to: Kenneth R. Jillson, Esq.
276 Kingsbury Grade, Suite 2000
P.O. Box 3390
Lake Tahoe, NV 89449

The Persons and addresses set forth above may be changed from time to time by a notice sent as aforesaid. Notice shall be conclusively deemed given at the time of delivery if made during normal business hours, otherwise notice shall be deemed given on the next business day.

8.3 Entire Agreement. This Agreement, together with the schedules and exhibits hereto, sets forth the entire agreement and understanding of the Parties hereto with respect to the Transaction contemplated hereby and supersedes all prior agreements, arrangements, and understandings related to the subject matter hereof, specifically including the Financing Agreement. No understanding, promise, inducement, statement of intention, representation, warranty, covenant, or condition, written or oral, express or implied, whether by statute or otherwise, has been made by any Party hereto that is not embodied in this Agreement or exhibits hereto or the written statements, certificates, or other documents delivered pursuant hereto or in connection with the Transaction contemplated hereby, and no Party hereto shall be bound by or liable for any alleged understanding, promise, inducement, statement, representation, warranty, covenant, or condition not so set forth. The Parties covenant and agree that all the terms and conditions of the Financing Agreement are hereby merged with and into, and are superseded by, this Agreement, and no right or remedy shall be based on or arise under such Financing Agreement, which shall have no further force or effect.

8.4 Survival of Representations. All statements of fact (including Financial Statements) contained in the schedules, the exhibits, the certificates, or any other instrument delivered by or on behalf of the Parties hereto, or in connection with the Transaction contemplated hereby, shall be deemed representations and warranties by the respective Party hereunder. Other than as specifically set forth herein, all representations, warranties, agreements, and covenants hereunder shall survive the Closing and remain effective regardless

of any investigation or audit at any time made by or on behalf of the Parties or of any information a Party may have in respect thereto for a period of one year following the Closing. Consummation of the Transaction contemplated hereby shall not be deemed or construed to be a waiver of any right or remedy possessed by any Party hereto, notwithstanding that such Party knew or should have known at the time of Closing that such right or remedy existed.

8.5 Incorporated by Reference. All documents (including, without limitation, all Financial Statements) delivered as part hereof or incident hereto are incorporated as a part of this Agreement by reference.

8.6 Remedies Cumulative. No remedy herein conferred upon any Party is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise.

8.7 Execution of Additional Documents. Each Party hereto shall make, execute, acknowledge, and deliver such other instruments and documents, and take all such other actions as may be reasonably required, in order to effectuate the purposes of this Agreement and to consummate the Transaction contemplated hereby.

8.8 Finders' and Related Fees. Each of the Parties hereto is responsible for, and shall indemnify the other against, any claim by any third party to a fee, commission, bonus, or other remuneration arising by reason of any services alleged to have been rendered to or at the instance of said Party to this Agreement with respect to this Agreement or the Transaction contemplated hereby.

8.9 Governing Law. This Agreement has been negotiated and executed in the state of Utah and shall be construed and enforced in accordance with the laws of such state.

8.10 Forum. Each of the Parties hereto agrees that any action or suit that may be brought by any Party hereto against any other Party hereto in connection with this Agreement or the Transaction contemplated hereby may be brought only in a federal or state court in Salt Lake County, Utah.

8.11 Attorneys' Fees. Except as otherwise provided herein, if a dispute should arise between the Parties, including arbitration, the prevailing Party shall be reimbursed by the nonprevailing Party for all reasonable expenses incurred in resolving such dispute, including reasonable attorneys' fees exclusive of such amount of attorneys' fees as shall be a premium for result or for risk of loss under a contingency fee arrangement.

8.12 Binding Effect and Assignment. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, administrators, legal representatives, and assigns.

8.13 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same

instrument. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

[remainder of page intentionally left blank; signature page to follow]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written hereinabove.

“Company”

Wilson-Davis & Co., Inc.,
a Utah corporation

By: James C. Snow
Its: President

“Sellers”

Byron B. Barkley Pension Trust / Profit
Sharing Plan

By: Byron B. Barkley
Its: Trustee

Lyle W. Davis

Paul N. Davis

James C. Snow

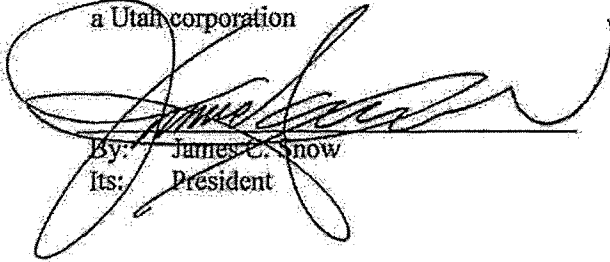
William L. Walker

[signatures continued on next page]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written hereinabove.

"Company"


Wilson-Davis & Co., Inc.,
a Utah corporation



By: James C. Snow
Its: President

"Sellers"

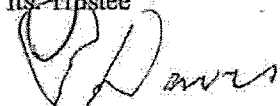
Byron B. Barkley Pension Trust / Profit
Sharing Plan



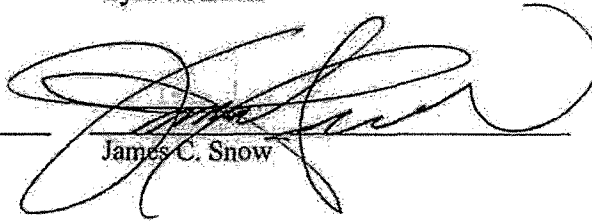
By: Byron B. Barkley
Its: Trustee



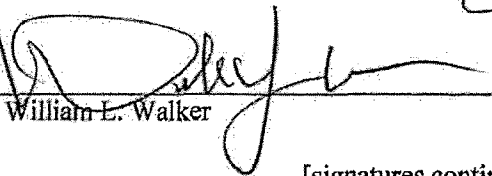
Lyle W. Davis



Paul N. Davis



James C. Snow



William L. Walker

[signatures continued on next page]

“Purchasers”

WDMC Trust

WDJJ Trust

By: Tim Hurry, as Independent Trustee of
the WDMC Trust dated September 18,
2013

By: Marry Woods, as Independent
Trustee of the WDJJ Trust dated
September 18, 2013

WDCHUM Trust

WDPOP Trust

By: Perry White, as Independent Trustee
of the WDCHUM Trust dated September
18, 2013

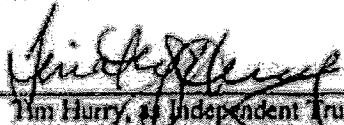
By: Christine Hurry, as Independent
Trustee of the WDPOP Trust dated
September 18, 2013

WD Clearing, LLC,
a Nevada limited liability company


By: John Hurry
Its: Managing Member

"Purchasers"


WDMC Trust


By: Tim Hurry, as Independent Trustee of
the WDMC Trust dated September 18,
2013

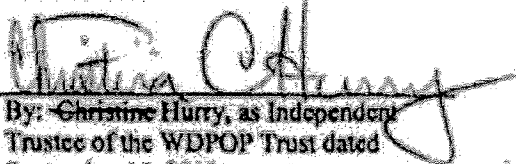
WDJJ Trust


By: Mary Woods, as Independent MARY WOODS
Trustee of the WDJJ Trust dated
September 18, 2013

WDCHUM Trust


By: Perry White, as Independent Trustee
of the WDCHUM Trust dated September
18, 2013

WDPOP Trust


By: Christina Hurry, as Independent
Trustee of the WDPOP Trust dated
September 18, 2013 CHRISTINA HURRY

WD Clearing, LLC,
a Nevada limited liability company


By: John Hurry
Its: Managing Member

Schedules:

Schedule 1.2.1Adjusted Regulatory Net Capital
Schedule 3.1.4Execution of Agreement
Schedule 3.1.5(b)Shareholder Agreements, Voting Trusts or Other Agreements
Schedule 3.1.8Litigation
Schedule 3.1.9Compliance with Laws
Schedule 3.1.10No Conflicts
Schedule 3.1.11Guaranties
Schedule 3.1.12Financial Statements
Schedule 3.1.13Insurance
Schedule 3.1.14Assets
Schedule 3.1.15Accounts Receivable
Schedule 3.1.16Accounts Payable
Schedule 3.1.17Material Contracts
Schedule 3.1.18Domain Names
Schedule 3.1.19Compensation

Exhibits:

Exhibit A WDCO Shareholders
Exhibit B Allocation of Shares to Purchasers
Exhibit C Purchasers' Designees as Officers and WDCO Directors
Exhibit D Form of Representation Agreement
Exhibit E Form of Certificate
Exhibit F Form of Officers Certificate
Exhibit G Forms of Employment Agreement

Exhibit A

WDCO Shareholders

Name	No. of Shares	Percentage
Lyle Davis	122,500	35%
Paul Davis	122,500	35%
Byron B. Barkley, as Trustee of the Byron B. Barkley Pension Trust/Profit Sharing Plan	70,000	20%
Jim Snow	17,500	5%
William Walker	17,500	5%
Total:	350,000	100%

Exhibit B

Allocation of Shares to Purchasers

Purchaser	No. of Shares	Percentage
WDMC Trust	65,730	18.78%
WDJJ Trust	65,730	18.78%
WDCHUM Trust	65,730	18.78%
WDPOP Trust	65,730	18.78%
WD Clearing	87,080	24.88%
Total	350,000	100%

Exhibit C

Purchasers' Designees as Officers and WDCO Directors

Name		Position
James C. Snow		President and Director
Lyle W. Davis		Secretary, Treasurer and Director
Byron B. Barkley		VP of Trading and Director
William L. Walker		VP of Operations and Director
To be Appointed at a Later Date		Director

Exhibit D
Form of Representation Agreement

SELLERS REPRESENTATION CERTIFICATE

The undersigned, each on their own behalf, hereby certify, pursuant to that certain Securities Purchase Agreement dated December 2, 2013 (the "**Securities Purchase Agreement**"), by and among the Wilson-Davis & Co., Inc., a Utah corporation ("**WDCO**") and the undersigned, each an individual and collectively all of the shareholders of the WDCO (each a "**Seller**" and collectively the "**Sellers**"), on the one hand, and WD Clearing, LLC, a Nevada limited liability company ("**WD Clearing**"), Tim Hurry, as Independent Trustee of the WDMC Trust dated September 18, 2013, Marry Woods, as Independent Trustee of the WDJJ Trust dated September 18, 2013, Perry White, as Independent Trustee of the WDCHUM Trust dated September 18, 2013, and Christine Hurry, as Independent Trustee of the WDPOP Trust dated September 18, 2013 (each a "**Purchaser**" and collectively the "**Purchasers**"), on the other hand, that:

1. The representations and warranties of each of the Sellers set forth in the Securities Purchase Agreement are true and correct as of the date hereof as though made on and as of the date hereof (except for any representation or warranty that expressly relates to an earlier date, in which case such representation or warranty shall have been true and correct as of such earlier date).

2. All of the terms, covenants and conditions of the Securities Purchase Agreement to be complied with or performed by each of the Sellers at or prior to the date hereof have been complied with and performed by each of the Sellers in all material respects.

3. The Sellers are each a party to that certain Shareholders' Agreement dated effective as of September 20, 2011 (the "**Shareholders' Agreement**"), and hereby confirm and agree that the transactions contemplated by the Securities Purchase Agreement are not subject to the provisions of the Shareholders' Agreement or, in the alternative, each Seller hereby waives any rights he may have under the Shareholders' Agreement arising out of the transactions contemplated by the Securities Purchase Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Certificate as of [insert], 2014.

Byron B. Barkley Pension Trust / Profit
Sharing Plan

By: Byron B. Barkley
Its: Trustee

Lyle W. Davis

Paul N. Davis

James C. Snow

William L. Walker

Exhibit E
Form of Certificate

**WDMC TRUST
TRUSTEES CERTIFICATE**

The undersigned hereby certifies on behalf of WDMC Trust, a trust duly organized, validly existing, and in good standing under the laws of the State of Nevada (the "Trust"), pursuant to that certain Securities Purchase Agreement dated December 2, 2013 (the "Securities Purchase Agreement"), by and among Wilson-Davis & Co., Inc., a Utah corporation ("WDCO") and Byron B. Barkley as Trustee of the Byron B. Barkley Pension Trust/Profit Sharing Plan ("Barkley"), Lyle W. Davis ("LWDavis"), Paul N. Davis ("PNDavis"), James C. Snow ("Snow"), and William L. Walker ("Walker"), each an individual and collectively all of the shareholders of WDCO (each a "Seller" and collectively the "Sellers"), on the one hand, and the Trust and certain other purchasers, on the other hand, that he is the duly appointed Sole Independent Trustee of the Trust, and further certifies on behalf of the Trust that:

1. The representations and warranties of the Trust set forth in the Securities Purchase Agreement are true and correct as of the date hereof as though made on and as of the date hereof (except for any representation or warranty that expressly relates to an earlier date, in which case such representation or warranty shall have been true and correct as of such earlier date).

2. All of the terms, covenants and conditions of the Securities Purchase Agreement to be complied with or performed by the Trust at or prior to the date hereof have been complied with and performed by the Trust in all material respects.

3. Attached hereto as Exhibit A is a true, correct and complete copy of a Certificate of Trust Existence and Authority dated September 18, 2013, which has not been modified, amended, rescinded or revoked in any way and remains in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of [insert], 2014.

Tim Hurry, as Independent Trustee of the
WDMC Trust dated September 18, 2013

Exhibit A
Certificate of Trust Existence and Authority

{00458075-1 }

**WDCHUM TRUST
TRUSTEES CERTIFICATE**

The undersigned hereby certifies on behalf of WDCHUM Trust, a trust duly organized, validly existing, and in good standing under the laws of the State of Nevada (the "Trust"), pursuant to that certain Securities Purchase Agreement dated December 2, 2013 (the "Securities Purchase Agreement"), by and among Wilson-Davis & Co., Inc., a Utah corporation ("WDCO") and Byron B. Barkley as Trustee of the Byron B. Barkley Pension Trust/Profit Sharing Plan ("Barkley"), Lyle W. Davis ("LWDavis"), Paul N. Davis ("PNDavis"), James C. Snow ("Snow"), and William L. Walker ("Walker"), each an individual and collectively all of the shareholders of WDCO (each a "Seller" and collectively the "Sellers"), on the one hand, and the Trust and certain other purchasers, on the other hand, that he is the duly appointed Sole Independent Trustee of the Trust, and further certifies on behalf of the Trust that:

1. The representations and warranties of the Trust set forth in the Securities Purchase Agreement are true and correct as of the date hereof as though made on and as of the date hereof (except for any representation or warranty that expressly relates to an earlier date, in which case such representation or warranty shall have been true and correct as of such earlier date).

2. All of the terms, covenants and conditions of the Securities Purchase Agreement to be complied with or performed by the Trust at or prior to the date hereof have been complied with and performed by the Trust in all material respects.

3. Attached hereto as Exhibit A is a true, correct and complete copy of a Certificate of Trust Existence and Authority dated September 18, 2013, which has not been modified, amended, rescinded or revoked in any way and remains in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of [insert], 2014.

Perry White, as Independent Trustee of the
WDCHUM Trust dated September 18,
2013

Exhibit A
Certificate of Trust Existence and Authority

**WDJJ TRUST
TRUSTEES CERTIFICATE**

The undersigned hereby certifies on behalf of WDJJ Trust, a trust duly organized, validly existing, and in good standing under the laws of the State of Nevada (the "**Trust**"), pursuant to that certain Securities Purchase Agreement dated December 2, 2013 (the "**Securities Purchase Agreement**"), by and among Wilson-Davis & Co., Inc., a Utah corporation ("**WDCO**") and Byron B. Barkley as Trustee of the Byron B. Barkley Pension Trust/Profit Sharing Plan ("**Barkley**"), Lyle W. Davis ("**LWDavis**"), Paul N. Davis ("**PNDavis**"), James C. Snow ("**Snow**"), and William L. Walker ("**Walker**"), each an individual and collectively all of the shareholders of WDCO (each a "**Seller**" and collectively the "**Sellers**"), on the one hand, and the Trust and certain other purchasers, on the other hand, that she is the duly appointed Sole Independent Trustee of the Trust, and further certifies on behalf of the Trust that:

1. The representations and warranties of the Trust set forth in the Securities Purchase Agreement are true and correct as of the date hereof as though made on and as of the date hereof (except for any representation or warranty that expressly relates to an earlier date, in which case such representation or warranty shall have been true and correct as of such earlier date).

2. All of the terms, covenants and conditions of the Securities Purchase Agreement to be complied with or performed by the Trust at or prior to the date hereof have been complied with and performed by the Trust in all material respects.

3. Attached hereto as Exhibit A is a true, correct and complete copy of a Certificate of Trust Existence and Authority dated September 18, 2013, which has not been modified, amended, rescinded or revoked in any way and remains in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of [insert], 2014.

Marry Woods, as Independent Trustee of
the WDJJ Trust dated September 18, 2013

Exhibit A

Certificate of Trust Existence and Authority

**WDPOP TRUST
TRUSTEES CERTIFICATE**

The undersigned hereby certifies on behalf of WDDPOP Trust, a trust duly organized, validly existing, and in good standing under the laws of the State of Nevada (the "Trust"), pursuant to that certain Securities Purchase Agreement dated December 2, 2013 (the "Securities Purchase Agreement"), by and among Wilson-Davis & Co., Inc., a Utah corporation ("WDCO") and Byron B. Barkley as Trustee of the Byron B. Barkley Pension Trust/Profit Sharing Plan ("Barkley"), Lyle W. Davis ("LWDavis"), Paul N. Davis ("PNDavis"), James C. Snow ("Snow"), and William L. Walker ("Walker"), each an individual and collectively all of the shareholders of WDCO (each a "Seller" and collectively the "Sellers"), on the one hand, and the Trust and certain other purchasers, on the other hand, that she is the duly appointed Sole Independent Trustee of the Trust, and further certifies on behalf of the Trust that:

1. The representations and warranties of the Trust set forth in the Securities Purchase Agreement are true and correct as of the date hereof as though made on and as of the date hereof (except for any representation or warranty that expressly relates to an earlier date, in which case such representation or warranty shall have been true and correct as of such earlier date).

2. All of the terms, covenants and conditions of the Securities Purchase Agreement to be complied with or performed by the Trust at or prior to the date hereof have been complied with and performed by the Trust in all material respects.

3. Attached hereto as Exhibit A is a true, correct and complete copy of a Certificate of Trust Existence and Authority dated September 18, 2013, which has not been modified, amended, rescinded or revoked in any way and remains in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of [insert], 2014.

Christine Hurry, as Independent Trustee of
the WDDPOP Trust dated September 18,
2013

Exhibit A
Certificate of Trust Existence and Authority

WD CLEARING, LLC

OFFICERS CERTIFICATE

The undersigned hereby certifies on behalf of WD Clearing, LLC, a Nevada limited liability company (the "**Company**"), pursuant to that certain Securities Purchase Agreement dated December 2, 2013 (the "**Securities Purchase Agreement**"), by and among Wilson-Davis & Co., Inc., a Utah corporation ("**WDCO**") and Byron B. Barkley as Trustee of the Byron B. Barkley Pension Trust/Profit Sharing Plan ("**Barkley**"), Lyle W. Davis ("**LWDavis**"), Paul N. Davis ("**PNDavis**"), James C. Snow ("**Snow**"), and William L. Walker ("**Walker**"), each an individual and collectively all of the shareholders of WDCO (each a "**Seller**" and collectively the "**Sellers**"), on the one hand, and the Company, Tim Hurry, as Independent Trustee of the WDMC Trust dated September 18, 2013, Marry Woods, as Independent Trustee of the WDJJ Trust dated September 18, 2013, Perry White, as Independent Trustee of the WDCHUM Trust dated September 18, 2013, and Christine Hurry, as Independent Trustee of the WDPOP Trust dated September 18, 2013 (each a "**Purchaser**" and collectively the "**Purchasers**"), on the other hand, that he is the duly appointed Sole Manager of the Company, and further certifies on behalf of the Company that:

1. The representations and warranties of the Company set forth in the Securities Purchase Agreement are true and correct as of the date hereof as though made on and as of the date hereof (except for any representation or warranty that expressly relates to an earlier date, in which case such representation or warranty shall have been true and correct as of such earlier date).

2. All of the terms, covenants and conditions of the Securities Purchase Agreement to be complied with or performed by the Company at or prior to the date hereof have been complied with and performed by the Company in all material respects.

3. Attached hereto as Exhibit A is a true, correct and complete copy of resolutions adopted by unanimous written consent by the sole Member and Manager of the Company on [insert], 2014, which resolutions have not been modified, amended, rescinded or revoked in any way and remain in full force and effect as of the date hereof. Such resolutions constitute the only resolutions adopted by the sole Member and Manager of the Company relating to the Securities Purchase Agreement.

4. The following is a list of those executive officers of the Company who may be signing any document or certificate in connection with the Securities Purchase Agreement and their respective positions; (ii) each such executive officer has been duly elected and qualified and continues to act in and hold that position; and (iii) the signatures of those appearing adjacent to their respective names and positions below are the genuine and original signatures of such officers:

Name	Position	Signature
John Hurry	Sole Manager	_____

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of [insert], 2014.

John Hurry, Sole Manager

Exhibit A
Manager Resolution

**UNANIMOUS WRITTEN CONSENT OF
SOLE MEMBER AND MANAGER
OF
WD CLEARING, LLC**

Pursuant to the authority granted to members and managers to take action by unanimous written consent without a meeting, the undersigned sole member and manager (the "**Member/Manager**") of WD Clearing, LLC, a Nevada limited liability company (the "**Company**"), does hereby consent to, adopt, ratify, confirm and approve, as of the date indicated below, the following recitals and resolutions, as evidenced by his signature hereunder.

SECURITIES PURCHASE AGREEMENT

WHEREAS, the Member/Manager has been presented with a Securities Purchase Agreement, dated December 2, 2013 (the "**Agreement**"), by and among Wilson-Davis & Co., Inc., a Utah corporation ("**WDCO**") and Byron B. Barkley as Trustee of the Byron B. Barkley Pension Trust/Profit Sharing Plan ("**Barkley**"), Lyle W. Davis ("**LWDavis**"), Paul N. Davis ("**PNDavis**"), James C. Snow ("**Snow**"), and William L. Walker ("**Walker**"), each an individual and collectively all of the shareholders of WDCO (each a "**Seller**" and collectively the "**Sellers**"), on the one hand, and the Company, Tim Hurry, as Independent Trustee of the WDMC Trust dated September 18, 2013, Marry Woods, as Independent Trustee of the WDJJ Trust dated September 18, 2013, Perry White, as Independent Trustee of the WDCHUM Trust dated September 18, 2013, and Christine Hurry, as Independent Trustee of the WDPOP Trust dated September 18, 2013 (each a "**Purchaser**" and collectively the "**Purchasers**") on the other hand, pursuant to which the Purchasers will purchase from the Sellers One Hundred Percent (100%) of the issued and outstanding shares of common stock of WDCO in exchange for a purchase price of up to Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000), on the terms and conditions set forth in the Agreement (the "**Acquisition**"). A copy of the Agreement is attached hereto as Exhibit A;

WHEREAS, the Manager believes it is in the best interest of the Company to authorize and approve the Agreement and the transactions contemplated thereby, including the Acquisition.

NOW, THEREFORE, BE IT RESOLVED, THAT the Manager hereby authorizes and approves the Agreement and the transactions contemplated thereby, including the Acquisition.

GENERAL RESOLUTION

BE IT RESOLVED FURTHER, THAT the Manager of the Company is hereby authorized and instructed to take whatever steps necessary to effectuate the above described resolutions.

IN WITNESS WHEREOF, the undersigned has set forth his hand on [insert],
2014.

John Hurry, Sole Member

John Hurry, Sole Manager

Exhibit A
Securities Purchase Agreement

Exhibit F
Form of Officers Certificate

WILSON-DAVIS & CO., INC.

OFFICERS CERTIFICATE

The undersigned hereby certify on behalf of Wilson-Davis & Co., Inc., a Utah corporation (the "**Company**"), pursuant to that certain Securities Purchase Agreement, dated December 2, 2013 (the "**Securities Purchase Agreement**"), by and among the Company and Byron B. Barkley as Trustee of the Byron B. Barkley Pension Trust/Profit Sharing Plan ("**Barkley**"), Lyle W. Davis ("**LWDavis**"), Paul N. Davis ("**PNDavis**"), James C. Snow ("**Snow**"), and William L. Walker ("**Walker**"), each an individual and collectively all of the shareholders of the Company (each a "**Seller**" and collectively the "**Sellers**"), on the one hand, and WD Clearing, LLC, a Nevada limited liability company ("**WD Clearing**"), Tim Hurry, as Independent Trustee of the WDMC Trust dated September 18, 2013, Marry Woods, as Independent Trustee of the WDJJ Trust dated September 18, 2013, Perry White, as Independent Trustee of the WDCHUM Trust dated September 18, 2013, and Christine Hurry, as Independent Trustee of the WDPOP Trust dated September 18, 2013 (each a "**Purchaser**" and collectively the "**Purchasers**"), on the other hand, that they are the duly appointed President and Secretary of the Company, and further certify on behalf of the Company that:

1. The representations and warranties of the Company set forth in the Securities Purchase Agreement are true and correct as of the date hereof as though made on and as of the date hereof (except for any representation or warranty that expressly relates to an earlier date, in which case such representation or warranty shall have been true and correct as of such earlier date).
2. All of the terms, covenants and conditions of the Securities Purchase Agreement to be complied with or performed by the Company at or prior to the date hereof have been complied with and performed by the Company in all material respects.
3. The credit agreements with Key Bank National Association identified in Section (b) of Disclosure Schedule 3.1.10 have been satisfied in full as of the Closing Date.
4. The obligations of the Company identified as subordinated loans on the Financial Statements, in the principal amount of \$735,000, have been satisfied in full as of the Closing Date.
5. Attached hereto as Exhibit A is a true, correct and complete copy of resolutions adopted by unanimous written consent of the Board of Directors of the Company on [insert], 2014, which resolutions have not been modified, amended, rescinded or revoked in any way and remain in full force and effect as of the date hereof. Such resolutions constitute the only resolutions adopted by the Board of Directors of the Company relating to the Securities Purchase Agreement.

6. Attached hereto as Exhibit B is a true, correct and complete copy of resolutions adopted by unanimous written consent of the shareholders of the Company on [insert], 2014, which resolutions have not been modified, amended, rescinded or revoked in any way and remain in full force and effect as of the date hereof. Such resolutions constitute the only resolutions adopted by the shareholders of the Company relating to the Securities Purchase Agreement.

7. The following is a list of those executive officers of the Company who may be signing any document or certificate in connection with the Securities Purchase Agreement and their respective positions; (ii) each such executive officer has been duly elected and qualified and continues to act in and hold that position; and (iii) the signatures of those appearing adjacent to their respective names and positions below are the genuine and original signatures of such officers:

Name	Position	Signature
James C. Snow	President	_____
Lyle W. Davis	Secretary	_____

IN WITNESS WHEREOF, the undersigned have executed this Certificate as of [insert], 2014.

James C. Snow, President

Lyle W. Davis, Secretary

Exhibit A
Directors Resolution

Exhibit B
Shareholders Resolution

Exhibit G
Forms of Employment Agreement

EXECUTIVE EMPLOYMENT AGREEMENT

THIS EXECUTIVE EMPLOYMENT AGREEMENT (this "Agreement") is entered into closing date, 2014 (the "Effective Date"), by and between WILSON-DAVIS & CO., INC., a Utah corporation ("Employer"), and WILLIAM L. WALKER, an individual and resident of Salt Lake County, Utah ("Executive").

Premises:

WHEREAS, Executive has been employed by Employer for over 10 years on an at-will basis;

WHEREAS, Employer has undergone a change in ownership pursuant to that certain Securities Purchase Agreement dated as of November, 2013 (the "Purchase Agreement"), whereby the Executive has sold his ownership interest in the Employer to the several purchasers that are parties to such Purchase Agreement ("Buyers") and, as a result of the transaction, the prospect of Executive's continuing employment with Employer has been reviewed by Employer and Buyers;

WHEREAS, Employer and Executive are entering into this Agreement in consideration of such Purchase Agreement; and

WHEREAS, Executive desires to continue to be employed by Employer, and Employer desires to continue to employ Executive, effective as of the Effective Date under the terms and conditions hereof.

NOW THEREFORE, upon the foregoing premises and in consideration of the mutual covenants herein contained, the parties agree as follows:

Article I Association and Relationship

1.01 Nature of Employment. Employer hereby employs Executive, and Executive hereby accepts employment from Employer, upon the terms and conditions set forth herein.

1.02 Full-Time Services. Executive shall devote his full working time, attention, and services to the business and affairs of Employer and shall not, without Employer's written consent, be engaged during the term of this Agreement in any other substantial business activity, other than personal investment activities, whether or not such business activity is pursued for gain, profit, charitable, or religious purposes or other pecuniary advantages, that significantly interferes or conflicts with the reasonable performance of his duties hereunder.

1.03 Duties. During the term of this Agreement, Executive agrees to continue to serve in the offices and positions with Employer in which he currently serves and such substitute or further offices or positions, if any, of substantially consistent rank and authority as shall, from time to time, be determined by Employer's board of directors. Executive agrees to perform such duties appropriate for an officer of Employer as may be assigned to him from time to time by Employer and as described in Employer's bylaws and written supervisory procedures ("WSPs"), as amended and revised by Employer from time to time. Employer shall direct, control, and supervise the duties and work of Executive.

1.04 Satisfaction of Employer. Executive agrees that he will, at all times faithfully, promptly, and to the best of his ability, experience, and talent, perform all of the duties that may be required of him pursuant to the express and implicit terms hereof. Such duties shall be rendered at Employer's regular

principal place of business in Salt Lake City, Utah, or such other reasonable location located in Salt Lake County, Utah.

1.05 Compliance. Executive shall observe and comply with the WSPs and other policies and procedures of Employer respecting its business and shall carry out and perform orders, directions, and policies of Employer as they may from time to time be communicated to Executive either orally or in writing.

1.06 Fees for Services. All income or other compensation generated by Executive, other than from Employer, for any services performed by him during the term of this Agreement in connection with the business of Employer, including management fees, consulting fees, advisory fees, commissions, or similar items, shall belong to Employer, whether paid to Employer, Executive, or an affiliate of Executive, either directly or indirectly. Executive agrees to remit to Employer any such income or other compensation received by him or his affiliates within 10 days after receipt of such income or other compensation. Executive agrees, upon request by Employer, to render an accounting of all transactions relating to his business endeavors related to the business of Employer during the term of his employment hereunder. Such fees paid to Employer shall be included in revenue generated by Executive if he has any agreement with Employer pursuant to which Executive shares in revenues generated by him.

Article II Compensation and Benefits

2.01 Compensation. For all services rendered by Executive pursuant to this Agreement, Employer shall compensate Executive as follows:

(a) Salary. Executive shall be paid a monthly salary at the rate of \$120,000 per annum during the term of this Agreement, payable in accordance with Employer's normal payroll practice.

(b) Salary Escalation. From time to time, the annual salary payable to Executive pursuant to Section 2.01(a) above may be increased as the board of directors may deem appropriate.

(c) Bonus. Executive shall participate in an executive-level cash bonus pool (the "Bonus Pool") to be established and maintained by Employer during the term of this Agreement. Employer shall fund such Bonus Pool and award cash bonuses therefrom at least annually, not later than 90 days after the end of each fiscal year. If Employer's fiscal year does not coincide with an anniversary of the Effective Date and this Agreement has expired or terminated prior to the end of a particular fiscal year, the bonus award from the Bonus Pool for such year shall be appropriately prorated to reflect the portion of such fiscal year during which Executive was employed. The amount of a cash bonus to Executive from such Bonus Pool or otherwise shall be determined in the sole discretion of Employer's board of directors, taking into consideration the profitability of Employer, the relative contribution by Executive to the business of Employer, and such other factors as the board of directors deems relevant, without regard to amounts paid from the Bonus Pool in prior periods.

(d) Other Benefits. Employer shall continue major medical and related health and disability insurance coverage and benefits, at its cost, consistent with the coverage provided Executive as of the Effective Date. Employer shall additionally provide to Executive incentive, health, medical, parking, and other employee benefit plans that are consistent with, and similar to,

such plans provided by Employer to its employees generally. All costs of such plans shall be an expense of Employer and shall be paid by Employer.

2.02 Working Facilities. Employer shall provide to Executive offices and facilities, at Employer's principal office, appropriate for his position and suitable for the performance of his responsibilities.

2.03 Vacation and Personal Leave. Executive shall be entitled each year to a paid vacation of 15 working days. Such leave shall be taken by Executive at a time and with starting and ending dates mutually convenient to Employer and Executive, unless such prior notice and coordination is not practicable because of exigent circumstances. Executive shall also be entitled to reasonable paid personal leave of up to 10 working days per year for personal or family illness or death or other emergencies that cannot reasonably be scheduled in advance. Vacation and personal leave shall expire if not used within such year.

2.04 Expenses. Employer will reimburse Executive for expenses incurred in connection with Employer's business, including expenses for travel, lodging, meals, beverages, entertainment, and other items in accordance with Employer's travel policies.

2.05 Dues and Memberships. Employer shall pay reasonable dues of Executive in local, state, and national societies and associations, and in such other organizations, as may be approved and authorized by Employer.

2.06 Payroll Taxes. Employer shall withhold from Executive's compensation hereunder all federal and state payroll taxes and income taxes on compensation paid to Executive and shall provide an accounting to Executive for such amounts withheld.

Article III Special Covenants

3.01 Licensure. Executive represents and warrants that he is, and covenants that he will be during the term of this Agreement, a member in good standing of the Financial Institution Regulatory Authority, Inc. ("FINRA"), with the requisite licenses to perform his duties and responsibilities as set forth in this Agreement. Executive is or will become registered or licensed as required in each state in which the nature of his business and activities requires such registration or licensure and will maintain such registrations and licenses during the term of this Agreement.

3.02 FINRA Filings. Executive will promptly inform Employer of any and all respects in which the FINRA Form U4, Uniform Application for Securities Industry Registration or Transfer, on file with FINRA is inaccurate or incomplete at the Effective Date or becomes inaccurate or incomplete at any time during the term of this Agreement. Executive is solely responsible for monitoring such filed U4 and promptly providing all such information to Employer that may be required to update or correct the information set forth therein.

3.03 Protection of Goodwill. Executive acknowledges that in the course of carrying out, performing, and fulfilling his responsibilities to Employer, Executive will be given access to, and be entrusted with, information in written or electronic form, including customer lists, balances, positions, trading histories, suitability information, and other customer-specific information excluding Client Information as defined in Section 3.05 ("Confidential Information"), that is the exclusive property of Employer. Executive recognizes that: (a) the goodwill of Employer depends upon, among other things,

Executive keeping the Confidential Information confidential and that unauthorized disclosure of the Confidential Information would irreparably damage Employer; and (b) disclosure of any Confidential Information to competitors of Employer or to the general public would be highly detrimental to Employer. Executive further acknowledges that in the course of performing his obligations to Employer, he will be a representative of Employer to many clients or other persons and, in some instances, Employer's primary contact with such clients or other persons, and as such will be responsible for maintaining or enhancing the business and/or goodwill of Employer with those clients or other persons.

3.04 Covenants Regarding Confidential Information. In further consideration of the employment of Executive by Employer and in consideration of the compensation to be paid to Executive during his employment, Executive hereby agrees as follows:

(a) Nondisclosure of Confidential Information. Except as provided in Section 3.05, Executive will not, during his employment with Employer or at any time after termination of his employment, irrespective of the time, manner, or cause of termination, use, disclose, copy, or assist any other person or firm in the use, disclosure, or copying, of any Confidential Information.

(b) Return of Confidential Information. All files, records, documents, drawings, equipment, and similar items, whether in written or electronic form, relating to the business of Employer, whether prepared by Executive or otherwise coming into his possession, shall remain the exclusive property of Employer and shall not be removed from the premises of Employer, except when necessary in carrying out the business of Employer, without the prior written consent of Employer. Upon termination of Executive's employment, Executive agrees to deliver to Employer all Confidential Information and all copies thereof along with any and all other property belonging to Employer whatsoever.

3.05 Executive Use of Client Information. Attached hereto as Exhibit A and incorporated herein by reference is a list of all family members and friends for which Executive is the assigned registered representative. Upon the termination of Executive's employment, Executive is not authorized to take any information respecting customer accounts other than the information respecting customers for which he is the assigned registered representative as set forth on Exhibit A ("Client Information"). In addition, Executive is authorized to provide, prior to his resignation or termination, to another broker-dealer, information related to Executive's business, other than account statements, so long as that information does not reveal client identity.

3.06 Relief. Each of Executive and Employer agrees that a breach or threatened breach on his or its part of any covenant contained in this Article III will cause irreparable damage to the other party, and for that reason, each party further agrees that the other party shall be entitled as a matter of right to an injunction out of any court of competent jurisdiction restraining any further violation of such covenants by the party violating the covenant.

3.07 Indemnification. Employer shall, to the fullest extent permitted by the Utah Business Corporation Act and Employer's articles of incorporation and bylaws as now in effect, indemnify Executive for serving as an officer, director, supervisor, fiduciary, or agent of Employer, excluding any losses in any trading account of Executive as customer or trader for Employer.

3.08 Survival of Covenants. The covenants set forth in this Article III, Sections 3.03, 3.04, 3.05, 3.06, and 3.07, shall survive the expiration or termination of this Agreement or Executive's employment, for any reason.

Article IV
Term and Termination

4.01 Initial Term. The “Initial Term” of this Agreement and Executive’s employment shall commence on the Effective Date and is intended to continue for a period of 18 months after the Effective Date, unless Executive’s employment terminates during the Initial Term of his employment consistent with the provisions in this Agreement.

4.02 At-Will Employment.

(a) Initial Term. Executive acknowledges that notwithstanding Section 4.01 or any other section in this Agreement, Executive’s Initial Term of employment is at-will and each party has the right to terminate this Agreement and Executive’s employment, with or without cause, and with or without notice, subject only to the Initial Term termination payment provisions set forth in Section 4.04, which shall be the sole and exclusive remedy, if applicable, to Executive’s separation from employment.

(b) Employment Post-Initial Term. Executive acknowledges and agrees that notwithstanding Section 4.01 or any other section in this Agreement, Executive’s employment after the Initial Term remains at-will and each party retains the right to terminate this Agreement and Executive’s employment, with or without cause, upon 30 days’ prior written notice. Executive acknowledges and agrees that after the expiration of the Initial Term of employment, the termination payment provisions set forth in Section 4.04, and the other sections in this Agreement that apply solely to Executive’s Initial Term of employment (sections 4.01, 4.03, 4.04), immediately become null and void and of no force or effect whatsoever.

4.03 Termination of Initial Term. Notwithstanding the above, Executive’s Initial Term of employment hereunder may be terminated by either party without any breach of this Agreement only under the following circumstances:

(a) Termination for Cause. Employer shall have the right, without further obligation to Executive other than for compensation previously accrued, to terminate Executive’s Initial Term of employment for cause (“Cause”) by showing that: (i) Executive has materially breached the terms hereof; (ii) Executive, in the sole and exclusive determination of a majority of the members of Employer’s board of directors, has been grossly negligent in the performance of his duties or has committed an act of fraud against Employer; (iii) Executive has substantially failed to meet written standards established by Employer for the performance of his duties after written notice of such failure has been provided to Executive and Executive has been provided at least 20 days to cure such failure and has failed to do so; (iv) Executive has engaged in material willful or gross misconduct in the performance of his duties hereunder; (v) Executive has been *found* in a *disciplinary action* to have been *involved* in the violation of *investment-related* laws and regulations, as such italicized terms are defined in the Form U5 Explanation of Terms respecting Form U5, Uniform Termination Notice for Securities Industry Registration (including any applicable successor form) adopted by FINRA; (vi) Executive has committed a crime involving moral turpitude or other act of material dishonesty, material act of disloyalty, or fraud with respect to Employer or any of its affiliates; (vii) Executive has engaged in conduct that brings the Employer or any of its affiliates into substantial public disgrace or disrepute, or repeated and willful conduct by the Executive that is reasonably likely to bring the Employer or any of its affiliates into substantial public disgrace or disrepute; or (viii) Executive has been convicted of, after the exhaustion of appeals, or has entered a plea of guilty or nolo contendere to, a felony or misdemeanor involving fraud, embezzlement, theft, dishonesty, or other criminal conduct against

Employer. Notwithstanding the foregoing, Executive shall not be deemed to have been terminated for Cause, without reasonable notice to Executive setting forth the reasons for Employer's intent to terminate for Cause and delivery to Executive of a written notice of termination setting forth the finding that in the good-faith opinion of the board of directors, Executive was guilty of Cause and specifying the particulars thereof in detail.

(b) Termination upon Death or Disability of Executive. This Agreement shall terminate immediately upon Executive's death or upon the disability of Executive, unless Executive is capable of performing the essential function of his job, with or without accommodation, as defined under the Americans With Disabilities Act, as amended (the "ADA"). For purposes of this Agreement, Executive shall be deemed to be disabled if he is substantially unable to perform his duties under this Agreement for more than 90 days, whether or not continuous, in any 12-month period, due to medical or mental illness or injury, as determined by Executive's physician.

(c) Termination by Executive for Good Reason. Executive shall have the right to terminate his Initial Term of employment for good reason ("Good Reason") in the event of: (i) Employer's intentional breach of any covenant or term of this Agreement, but only if Employer fails to cure such breach within 20 days following the receipt of notice by Executive setting forth the conditions giving rise to such breach; (ii) an assignment to Executive of any duties inconsistent with, or a significant change in the nature or scope of, Executive's authorities or duties from those authorities and duties held by Executive as of the date hereof and as increased from time to time, including a change in supervisory responsibilities or the personnel or areas supervised that, in Executive's good-faith opinion, materially increase Executive's supervisory responsibilities or risks; (iii) any relocation of Employer's principal place of business outside of Salt Lake City, Utah; or (iv) the failure by Employer to obtain the assumption of the commitment to perform this Agreement by any successor corporation.

4.04 Termination Payments. In all cases of Executive's termination of employment, Employer agrees to pay to Executive all wages and salary amounts accrued under this Agreement through the date of termination, any unreimbursed expenses incurred pursuant to Section 2.03 of this Agreement, and any other benefits specifically provided to Executive under any benefit plan, payable within 10 days after the termination date.

(a) Termination Other than for Cause. In the event that Executive's employment is terminated by Employer during the Initial Term hereof for reasons other than Cause as defined in Section 4.03(a) or Executive terminates his Initial Term of employment for Good Reason in accordance with Section 4.03(c), Employer shall continue to pay to Executive an amount equal to: (i) Executive's health insurance premium at the monthly rate in effect for Executive at the time of termination, payable in regular installments at Employer's regular payroll payment date for employees, for a period of 90 days after the termination date; and (ii) Executive's regular salary as provided in Section 2.01(a) for a period of 90 days after the date of notice of termination.

(b) Termination upon Death of Executive. If Executive dies or becomes disabled and is unable to work, with or without reasonable accommodation as defined under the ADA, during the Initial Term of this Agreement, Employer shall pay to the estate of Executive or Executive, as the case may be, the following:

(i) all amounts accrued through the date of termination, any unreimbursed expenses incurred pursuant to Section 2.04 of this Agreement, and any other benefits

specifically provided to Executive under any benefit plan, payable in one lump sum within 30 days after Executive's death or disability; and

(ii) an amount equal to 60 days of Executive's regular salary as provided in Section 2.01(a) (calculated by averaging Executive's monthly salary for the [six] months prior to the date of termination), payable in one lump sum within 30 days after Executive's death or disability.

4.05 No Severance. Executive acknowledges and agrees that he is not entitled to any severance payment following the termination of his Employment except as expressly provided for in this Agreement.

4.06 Resignation upon Termination. Upon the termination of this Agreement for any reason, Executive hereby agrees to resign from all positions held in Employer or an affiliate of Employer, including any position as a director, officer, manager, agent, trustee, or consultant of Employer or any affiliate of Employer.

Article V **Noncompetition/Nonsolicitation/Noninterference**

5.01 Noncompetition. The parties recognize that an important part of Executive's duties hereunder and the value to be received by Employer from Executive's services is the preservation and improvement of the goodwill and customer relationships of Employer. The parties desire to protect Employer against any attempt by Executive to compete with Employer so as to appropriate the goodwill and customer relationships of Employer. Accordingly, Executive agrees that during the Initial Term and for a period of six months after the termination of Executive's employment by the Employer for Cause or by the Executive for any reason other than for Good Reason, he will not, directly or indirectly, whether or not for compensation, be engaged in or have any financial interest in any securities broker-dealer located in the greater Salt Lake City metropolitan area that competes with, either directly or indirectly, Employer's securities broker-dealer business as it exists on the Effective Date. For purposes of this Agreement, Executive will be deemed to be "engaged in or to have a financial interest in" a broker-dealer if Executive is an owner, shareholder, employee, officer, director, partner, agent, representative, salesperson, adviser, investor, principal, joint venturer, independent contractor, or member of or to any person or entity that is engaged in such a business, or if Executive directly or indirectly receives remuneration from or performs services for such a person or entity, or if a member of Executive's immediate family beneficially owns an equity interest, or interest convertible into equity, in any such entity; provided, however, that the foregoing will not prohibit Executive from owning, for the purpose of passive investment, less than 5% of any class of securities of a publicly held corporation actively traded on a national securities exchange, from acting as a public accountant employed by any accounting firm providing accounting or auditing services to securities broker-dealers, or from acting as registered representatives for the family members and friends listed on Exhibit A attached hereto and incorporated herein by reference.

5.02 Nonsolicitation/Noninterference. During the Initial Term and for a period of six months after the termination of Executive's employment by the Employer for Cause or by the Executive for any reason other than for Good Reason, Executive shall not, directly or indirectly, acting as an employee, owner, shareholder, partner, member, joint venturer, contractor, adviser, representative, officer, director, agent, salesperson, consultant, service provider, investor, independent contractor, or principal of any person or entity:

(a) solicit, advise, provide, or sell, directly or indirectly, any services or products of the same or similar nature to services or products of Employer's business to any client or prospective client of Employer. For purposes of this Agreement, the term "prospective client" shall mean any person or entity, or group of associated persons or entities, whose business Employer has solicited at any time from the Effective Date to the termination of this Agreement;

(b) solicit, request, or otherwise attempt to induce or influence, directly or indirectly, any present client or customer, or prospective client or customer, of Employer, or other persons or entities sharing a business relationship with Employer, to cancel, limit, or postpone their business with Employer or otherwise take action that might be to the disadvantage of Employer; or

(c) hire or solicit for employment, directly or indirectly, or induce or actively attempt to influence any employee, officer, director, agent, representative, contractor, or other business associate of Employer, or of any other party, if such person's primary responsibilities were related to Employer's business as it exists on the Effective Date, to terminate his or her employment or discontinue such person's consultant, contractor, or other business association with Employer.

5.03 Consideration. Executive acknowledges and agrees that the restrictive covenants contained in Article V are being agreed to by the parties: (a) in order to induce Buyers to enter into the Purchase Agreement and to consummate the transactions contemplated thereby; (b) in consideration of the purchase price to be paid by Buyers for Executive's indirect ownership interest in Employer; (c) to preserve the goodwill associated with Employer's business; and (d) in consideration of Executive's continued employment with Employer.

5.04 Violation of Covenants. If Executive violates any of the restrictive covenants contained in Article V, Buyers may pursue any and all remedies available to it at law and/or in equity to enforce, and recover damages for the breach of, the restrictive covenants contained in Article V, including demanding injunctive relief under Section 5.05.

5.05 Injunctive Relief. Executive acknowledges and agrees that in the event of a breach or threatened breach of the restrictive covenants of Article V by Executive, Employer may suffer irreparable harm and money damages alone would not afford Employer an adequate remedy, and therefore, Employer shall be entitled to obtain immediate injunctive relief, including a temporary restraining order and a preliminary and permanent injunction, in any court of competent jurisdiction (without being obligated to post a bond or other collateral) restraining Executive from such breach or threatened breach of the restrictive covenants contained in this Article V. Nothing herein shall be construed as prohibiting Employer from pursuing any other remedies available to it for such breach or threatened breach, including the recovery of monetary damages from Executive.

Article VI Miscellaneous

6.01 Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the validity and enforceability of any other provisions hereof. Further, should any provisions within this Agreement ever be reformed or rewritten by a judicial body, those provisions as rewritten shall be binding upon Employer and Executive.

6.02 Right of Setoff. Employer and Executive shall each be entitled, at their option and not in lieu of any other remedies to which they may be entitled, to set off any amounts due from the other or any affiliate of the other against any amount due and payable by such person or any affiliate of such person pursuant to this Agreement or otherwise.

6.03 Representations and Warranties of Executive. Executive represents and warrants to Employer that: (a) Executive understands and voluntarily agrees to the provisions of this Agreement; and (b) Executive is free to enter into this Agreement and has no commitment, arrangement, or understanding to or with any third party that restrains or is in conflict with this Agreement or that would operate to prevent Executive from performing the services to Employer that Executive has agreed to provide hereunder.

6.04 Succession. This Agreement and the rights and obligations hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives and shall also bind and inure to the benefit of any successor of Employer by merger or consolidation or any assignee of all or substantially all of its property.

6.05 Assignment. Except to any successor or assignee of Employer as provided in Section 6.04, neither this Agreement nor any rights or benefits hereunder may be assigned by either party hereto without the prior written consent of the other party. Executive, Executive's spouse, Executive's designated contingent beneficiary, and their estates shall not have any right to anticipate, encumber, or dispose of any payment due under this Agreement. Such payments and other rights are expressly declared nonassignable and nontransferable, except as specifically provided herein.

6.06 Reimbursement of Expenses and Attorney's Fees. In the event that it shall be necessary or desirable for Executive to incur costs and expenses in connection with the enforcement of any and all of Executive's rights under this Agreement, including retaining legal counsel, Executive shall be entitled to recover from Employer the reasonable attorneys' fees, costs, and expenses incurred by Executive in connection with the enforcement of said rights if Executive prevails in such enforcement action. However, in the event that it shall be necessary or desirable for Employer to incur costs and expenses in connection with the enforcement of any and all of Employer's rights under this Agreement, including retaining legal counsel, Employer shall be entitled to recover from Executive the reasonable attorneys' fees, costs, and expenses incurred by Employer in connection with the enforcement of said rights if Employer prevails in such enforcement action. Fees payable hereunder shall be in addition to any other damages, fees, or amounts provided for herein.

6.07 Notices. Any notice, demand, request, or other communication permitted or required under this Agreement shall be in writing and shall be deemed to have been given as of the date so delivered, if personally delivered; as of the date so sent, if transmitted by facsimile and receipt is confirmed by the facsimile operator of the recipient; as of the date so sent, if sent by electronic mail and receipt is acknowledged by the recipient; and one day after the date so sent, if delivered by overnight courier service; addressed as set forth on the signature page hereto or such other addresses as shall be furnished in writing by any party in the manner for giving notices hereunder.

6.08 Entire Agreement. This Agreement contains the entire Agreement between the parties hereto respecting the subject matter contained herein. No change, addition, or amendment shall be made except by written agreement signed by the parties hereto.

6.09 Waiver of Breach. The failure by any party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or the failure to exercise any right or remedy consequent upon a breach hereof shall not constitute a waiver of any such breach or of any covenant,

agreement, term, or condition, and the waiver by either party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any party.

6.10 Duplicate Counterparts. This Agreement has been executed in duplicate counterparts, each of which for all purposes is to be deemed an original, and both of which constitute, collectively, one agreement. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

6.11 Descriptive Headings. In the event of a conflict between titles to articles and paragraphs and the text, the text shall control.

6.12 Governing Law. The laws of the state of Utah shall govern the validity, construction, enforcement, and interpretation of this Agreement.

Signed and delivered to be effective as of the Effective Date set forth above.

EMPLOYER:
WILSON-DAVIS & CO., INC.

EXECUTIVE:
WILLIAM L. WALKER

By: _____
Name: _____
Title: _____

Signature

Street Address

City, State, and Zip Code

Facsimile Number

E-mail address

Exhibit A to
Executive Employment Agreement
of William L. Walker

List of Customer Accounts of Family and Friends

191809	Donald Walker
191832	Tom Walker

EXECUTIVE EMPLOYMENT AGREEMENT

THIS EXECUTIVE EMPLOYMENT AGREEMENT (this "Agreement") is entered into closing date, 2014 (the "Effective Date"), by and between WILSON-DAVIS & CO., INC., a Utah corporation ("Employer"), and JAMES C. SNOW, an individual and resident of Salt Lake County, Utah ("Executive").

Premises:

WHEREAS, Executive has been employed by Employer for over 10 years on an at-will basis;

WHEREAS, Employer has undergone a change in ownership pursuant to that certain Securities Purchase Agreement dated as of November, 2013 (the "Purchase Agreement"), whereby the Executive has sold his ownership interest in the Employer to the several purchasers that are parties to such Purchase Agreement ("Buyers") and, as a result of the transaction, the prospect of Executive's continuing employment with Employer has been reviewed by Employer and Buyers;

WHEREAS, Employer and Executive are entering into this Agreement in consideration of such Purchase Agreement; and

WHEREAS, Executive desires to continue to be employed by Employer, and Employer desires to continue to employ Executive, effective as of the Effective Date under the terms and conditions hereof.

NOW THEREFORE, upon the foregoing premises and in consideration of the mutual covenants herein contained, the parties agree as follows:

Article I Association and Relationship

1.01 Nature of Employment. Employer hereby employs Executive, and Executive hereby accepts employment from Employer, upon the terms and conditions set forth herein.

1.02 Full-Time Services. Executive shall devote his full working time, attention, and services to the business and affairs of Employer and shall not, without Employer's written consent, be engaged during the term of this Agreement in any other substantial business activity, other than personal investment activities, whether or not such business activity is pursued for gain, profit, charitable, or religious purposes or other pecuniary advantages, that significantly interferes or conflicts with the reasonable performance of his duties hereunder.

1.03 Duties. During the term of this Agreement, Executive agrees to continue to serve in the offices and positions with Employer in which he currently serves and such substitute or further offices or positions, if any, of substantially consistent rank and authority as shall, from time to time, be determined by Employer's board of directors. Executive agrees to perform such duties appropriate for an officer of Employer as may be assigned to him from time to time by Employer and as described in Employer's bylaws and written supervisory procedures ("WSPs"), as amended and revised by Employer from time to time. Employer shall direct, control, and supervise the duties and work of Executive.

1.04 Satisfaction of Employer. Executive agrees that he will, at all times faithfully, promptly, and to the best of his ability, experience, and talent, perform all of the duties that may be required of him pursuant to the express and implicit terms hereof. Such duties shall be rendered at Employer's regular

principal place of business in Salt Lake City, Utah, or such other reasonable location located in Salt Lake County, Utah.

1.05 Compliance. Executive shall observe and comply with the WSPs and other policies and procedures of Employer respecting its business and shall carry out and perform orders, directions, and policies of Employer as they may from time to time be communicated to Executive either orally or in writing.

1.06 Fees for Services. All income or other compensation generated by Executive, other than from Employer, for any services performed by him during the term of this Agreement in connection with the business of Employer, including management fees, consulting fees, advisory fees, commissions, or similar items, shall belong to Employer, whether paid to Employer, Executive, or an affiliate of Executive, either directly or indirectly. Executive agrees to remit to Employer any such income or other compensation received by him or his affiliates within 10 days after receipt of such income or other compensation. Executive agrees, upon request by Employer, to render an accounting of all transactions relating to his business endeavors related to the business of Employer during the term of his employment hereunder. Such fees paid to Employer shall be included in revenue generated by Executive if he has any agreement with Employer pursuant to which Executive shares in revenues generated by him.

Article II Compensation and Benefits

2.01 Compensation. For all services rendered by Executive pursuant to this Agreement, Employer shall compensate Executive as follows:

(a) Salary. Executive shall be paid a monthly salary at the rate of \$120,000 per annum during the term of this Agreement, payable in accordance with Employer's normal payroll practice.

(b) Salary Escalation. From time to time, the annual salary payable to Executive pursuant to Section 2.01(a) above may be increased as the board of directors may deem appropriate.

(c) Bonus. Executive shall participate in an executive-level cash bonus pool (the "Bonus Pool") to be established and maintained by Employer during the term of this Agreement. Employer shall fund such Bonus Pool and award cash bonuses therefrom at least annually, not later than 90 days after the end of each fiscal year. If Employer's fiscal year does not coincide with an anniversary of the Effective Date and this Agreement has expired or terminated prior to the end of a particular fiscal year, the bonus award from the Bonus Pool for such year shall be appropriately prorated to reflect the portion of such fiscal year during which Executive was employed. The amount of a cash bonus to Executive from such Bonus Pool or otherwise shall be determined in the sole discretion of Employer's board of directors, taking into consideration the profitability of Employer, the relative contribution by Executive to the business of Employer, and such other factors as the board of directors deems relevant, without regard to amounts paid from the Bonus Pool in prior periods.

(d) Other Benefits. Employer shall continue major medical and related health and disability insurance coverage and benefits, at its cost, consistent with the coverage provided Executive as of the Effective Date. Employer shall additionally provide to Executive incentive, health, medical, parking, and other employee benefit plans that are consistent with, and similar to,

such plans provided by Employer to its employees generally. All costs of such plans shall be an expense of Employer and shall be paid by Employer.

2.02 Working Facilities. Employer shall provide to Executive offices and facilities, at Employer's principal office, appropriate for his position and suitable for the performance of his responsibilities.

2.03 Vacation and Personal Leave. Executive shall be entitled each year to a paid vacation of 15 working days. Such leave shall be taken by Executive at a time and with starting and ending dates mutually convenient to Employer and Executive, unless such prior notice and coordination is not practicable because of exigent circumstances. Executive shall also be entitled to reasonable paid personal leave of up to 10 working days per year for personal or family illness or death or other emergencies that cannot reasonably be scheduled in advance. Vacation and personal leave shall expire if not used within such year.

2.04 Expenses. Employer will reimburse Executive for expenses incurred in connection with Employer's business, including expenses for travel, lodging, meals, beverages, entertainment, and other items in accordance with Employer's travel policies.

2.05 Dues and Memberships. Employer shall pay reasonable dues of Executive in local, state, and national societies and associations, and in such other organizations, as may be approved and authorized by Employer.

2.06 Payroll Taxes. Employer shall withhold from Executive's compensation hereunder all federal and state payroll taxes and income taxes on compensation paid to Executive and shall provide an accounting to Executive for such amounts withheld.

Article III Special Covenants

3.01 Licensure. Executive represents and warrants that he is, and covenants that he will be during the term of this Agreement, a member in good standing of the Financial Institution Regulatory Authority, Inc. ("FINRA"), with the requisite licenses to perform his duties and responsibilities as set forth in this Agreement. Executive is or will become registered or licensed as required in each state in which the nature of his business and activities requires such registration or licensure and will maintain such registrations and licenses during the term of this Agreement.

3.02 FINRA Filings. Executive will promptly inform Employer of any and all respects in which the FINRA Form U4, Uniform Application for Securities Industry Registration or Transfer, on file with FINRA is inaccurate or incomplete at the Effective Date or becomes inaccurate or incomplete at any time during the term of this Agreement. Executive is solely responsible for monitoring such filed U4 and promptly providing all such information to Employer that may be required to update or correct the information set forth therein.

3.03 Protection of Goodwill. Executive acknowledges that in the course of carrying out, performing, and fulfilling his responsibilities to Employer, Executive will be given access to, and be entrusted with, information in written or electronic form, including customer lists, balances, positions, trading histories, suitability information, and other customer-specific information excluding Client Information as defined in Section 3.05 ("Confidential Information"), that is the exclusive property of Employer. Executive recognizes that: (a) the goodwill of Employer depends upon, among other things,

Executive keeping the Confidential Information confidential and that unauthorized disclosure of the Confidential Information would irreparably damage Employer; and (b) disclosure of any Confidential Information to competitors of Employer or to the general public would be highly detrimental to Employer. Executive further acknowledges that in the course of performing his obligations to Employer, he will be a representative of Employer to many clients or other persons and, in some instances, Employer's primary contact with such clients or other persons, and as such will be responsible for maintaining or enhancing the business and/or goodwill of Employer with those clients or other persons.

3.04 Covenants Regarding Confidential Information. In further consideration of the employment of Executive by Employer and in consideration of the compensation to be paid to Executive during his employment, Executive hereby agrees as follows:

(a) Nondisclosure of Confidential Information. Except as provided in Section 3.05, Executive will not, during his employment with Employer or at any time after termination of his employment, irrespective of the time, manner, or cause of termination, use, disclose, copy, or assist any other person or firm in the use, disclosure, or copying, of any Confidential Information.

(b) Return of Confidential Information. All files, records, documents, drawings, equipment, and similar items, whether in written or electronic form, relating to the business of Employer, whether prepared by Executive or otherwise coming into his possession, shall remain the exclusive property of Employer and shall not be removed from the premises of Employer, except when necessary in carrying out the business of Employer, without the prior written consent of Employer. Upon termination of Executive's employment, Executive agrees to deliver to Employer all Confidential Information and all copies thereof along with any and all other property belonging to Employer whatsoever.

3.05 Executive Use of Client Information. Attached hereto as Exhibit A and incorporated herein by reference is a list of all family members and friends for which Executive is the assigned registered representative. Upon the termination of Executive's employment, Executive is not authorized to take any information respecting customer accounts other than the information respecting customers for which he is the assigned registered representative as set forth on Exhibit A ("Client Information"). In addition, Executive is authorized to provide, prior to his resignation or termination, to another broker-dealer, information related to Executive's business, other than account statements, so long as that information does not reveal client identity.

3.06 Relief. Each of Executive and Employer agrees that a breach or threatened breach on his or its part of any covenant contained in this Article III will cause irreparable damage to the other party, and for that reason, each party further agrees that the other party shall be entitled as a matter of right to an injunction out of any court of competent jurisdiction restraining any further violation of such covenants by the party violating the covenant.

3.07 Indemnification. Employer shall, to the fullest extent permitted by the Utah Business Corporation Act and Employer's articles of incorporation and bylaws as now in effect, indemnify Executive for serving as an officer, director, supervisor, fiduciary, or agent of Employer, excluding any losses in any trading account of Executive as customer or trader for Employer.

3.08 Survival of Covenants. The covenants set forth in this Article III, Sections 3.03, 3.04, 3.05, 3.06, and 3.07, shall survive the expiration or termination of this Agreement or Executive's employment, for any reason.

Article IV
Term and Termination

4.01 Initial Term. The "Initial Term" of this Agreement and Executive's employment shall commence on the Effective Date and is intended to continue for a period of 18 months after the Effective Date, unless Executive's employment terminates during the Initial Term of his employment consistent with the provisions in this Agreement.

4.02 At-Will Employment.

(a) Initial Term. Executive acknowledges that notwithstanding Section 4.01 or any other section in this Agreement, Executive's Initial Term of employment is at-will and each party has the right to terminate this Agreement and Executive's employment, with or without cause, and with or without notice, subject only to the Initial Term termination payment provisions set forth in Section 4.04, which shall be the sole and exclusive remedy, if applicable, to Executive's separation from employment.

(b) Employment Post-Initial Term. Executive acknowledges and agrees that notwithstanding Section 4.01 or any other section in this Agreement, Executive's employment after the Initial Term remains at-will and each party retains the right to terminate this Agreement and Executive's employment, with or without cause, upon 30 days' prior written notice. Executive acknowledges and agrees that after the expiration of the Initial Term of employment, the termination payment provisions set forth in Section 4.04, and the other sections in this Agreement that apply solely to Executive's Initial Term of employment (sections 4.01, 4.03, 4.04), immediately become null and void and of no force or effect whatsoever.

4.03 Termination of Initial Term. Notwithstanding the above, Executive's Initial Term of employment hereunder may be terminated by either party without any breach of this Agreement only under the following circumstances:

(a) Termination for Cause. Employer shall have the right, without further obligation to Executive other than for compensation previously accrued, to terminate Executive's Initial Term of employment for cause ("Cause") by showing that: (i) Executive has materially breached the terms hereof; (ii) Executive, in the sole and exclusive determination of a majority of the members of Employer's board of directors, has been grossly negligent in the performance of his duties or has committed an act of fraud against Employer; (iii) Executive has substantially failed to meet written standards established by Employer for the performance of his duties after written notice of such failure has been provided to Executive and Executive has been provided at least 20 days to cure such failure and has failed to do so; (iv) Executive has engaged in material willful or gross misconduct in the performance of his duties hereunder; (v) Executive has been *found* in a *disciplinary action* to have been *involved* in the violation of *investment-related* laws and regulations, as such italicized terms are defined in the Form U5 Explanation of Terms respecting Form U5, Uniform Termination Notice for Securities Industry Registration (including any applicable successor form) adopted by FINRA; (vi) Executive has committed a crime involving moral turpitude or other act of material dishonesty, material act of disloyalty, or fraud with respect to Employer or any of its affiliates; (vii) Executive has engaged in conduct that brings the Employer or any of its affiliates into substantial public disgrace or disrepute, or repeated and willful conduct by the Executive that is reasonably likely to bring the Employer or any of its affiliates into substantial public disgrace or disrepute; or (viii) Executive has been convicted of, after the exhaustion of appeals, or has entered a plea of guilty or nolo contendere to, a felony or misdemeanor involving fraud, embezzlement, theft, dishonesty, or other criminal conduct against

Employer. Notwithstanding the foregoing, Executive shall not be deemed to have been terminated for Cause, without reasonable notice to Executive setting forth the reasons for Employer's intent to terminate for Cause and delivery to Executive of a written notice of termination setting forth the finding that in the good-faith opinion of the board of directors, Executive was guilty of Cause and specifying the particulars thereof in detail.

(b) Termination upon Death or Disability of Executive. This Agreement shall terminate immediately upon Executive's death or upon the disability of Executive, unless Executive is capable of performing the essential function of his job, with or without accommodation, as defined under the Americans With Disabilities Act, as amended (the "ADA"). For purposes of this Agreement, Executive shall be deemed to be disabled if he is substantially unable to perform his duties under this Agreement for more than 90 days, whether or not continuous, in any 12-month period, due to medical or mental illness or injury, as determined by Executive's physician.

(c) Termination by Executive for Good Reason. Executive shall have the right to terminate his Initial Term of employment for good reason ("Good Reason") in the event of: (i) Employer's intentional breach of any covenant or term of this Agreement, but only if Employer fails to cure such breach within 20 days following the receipt of notice by Executive setting forth the conditions giving rise to such breach; (ii) an assignment to Executive of any duties inconsistent with, or a significant change in the nature or scope of, Executive's authorities or duties from those authorities and duties held by Executive as of the date hereof and as increased from time to time, including a change in supervisory responsibilities or the personnel or areas supervised that, in Executive's good-faith opinion, materially increase Executive's supervisory responsibilities or risks; (iii) any relocation of Employer's principal place of business outside of Salt Lake City, Utah; or (iv) the failure by Employer to obtain the assumption of the commitment to perform this Agreement by any successor corporation.

4.04 Termination Payments. In all cases of Executive's termination of employment, Employer agrees to pay to Executive all wages and salary amounts accrued under this Agreement through the date of termination, any unreimbursed expenses incurred pursuant to Section 2.03 of this Agreement, and any other benefits specifically provided to Executive under any benefit plan, payable within 10 days after the termination date.

(a) Termination Other than for Cause. In the event that Executive's employment is terminated by Employer during the Initial Term hereof for reasons other than Cause as defined in Section 4.03(a) or Executive terminates his Initial Term of employment for Good Reason in accordance with Section 4.03(c), Employer shall continue to pay to Executive an amount equal to: (i) Executive's health insurance premium at the monthly rate in effect for Executive at the time of termination, payable in regular installments at Employer's regular payroll payment date for employees, for a period of 90 days after the termination date; and (ii) Executive's regular salary as provided in Section 2.01(a) for a period of 90 days after the date of notice of termination.

(b) Termination upon Death of Executive. If Executive dies or becomes disabled and is unable to work, with or without reasonable accommodation as defined under the ADA, during the Initial Term of this Agreement, Employer shall pay to the estate of Executive or Executive, as the case may be, the following:

(i) all amounts accrued through the date of termination, any unreimbursed expenses incurred pursuant to Section 2.04 of this Agreement, and any other benefits

specifically provided to Executive under any benefit plan, payable in one lump sum within 30 days after Executive's death or disability; and

(ii) an amount equal to 60 days of Executive's regular salary as provided in Section 2.01(a) (calculated by averaging Executive's monthly salary for the [six] months prior to the date of termination), payable in one lump sum within 30 days after Executive's death or disability.

4.05 No Severance. Executive acknowledges and agrees that he is not entitled to any severance payment following the termination of his Employment except as expressly provided for in this Agreement.

4.06 Resignation upon Termination. Upon the termination of this Agreement for any reason, Executive hereby agrees to resign from all positions held in Employer or an affiliate of Employer, including any position as a director, officer, manager, agent, trustee, or consultant of Employer or any affiliate of Employer.

Article V

Noncompetition/Nonsolicitation/Noninterference

5.01 Noncompetition. The parties recognize that an important part of Executive's duties hereunder and the value to be received by Employer from Executive's services is the preservation and improvement of the goodwill and customer relationships of Employer. The parties desire to protect Employer against any attempt by Executive to compete with Employer so as to appropriate the goodwill and customer relationships of Employer. Accordingly, Executive agrees that during the Initial Term and for a period of six months after the termination of Executive's employment by the Employer for Cause or by the Executive for any reason other than for Good Reason, he will not, directly or indirectly, whether or not for compensation, be engaged in or have any financial interest in any securities broker-dealer located in the greater Salt Lake City metropolitan area that competes with, either directly or indirectly, Employer's securities broker-dealer business as it exists on the Effective Date. For purposes of this Agreement, Executive will be deemed to be "engaged in or to have a financial interest in" a broker-dealer if Executive is an owner, shareholder, employee, officer, director, partner, agent, representative, salesperson, adviser, investor, principal, joint venturer, independent contractor, or member of or to any person or entity that is engaged in such a business, or if Executive directly or indirectly receives remuneration from or performs services for such a person or entity, or if a member of Executive's immediate family beneficially owns an equity interest, or interest convertible into equity, in any such entity; provided, however, that the foregoing will not prohibit Executive from owning, for the purpose of passive investment, less than 5% of any class of securities of a publicly held corporation actively traded on a national securities exchange, from acting as a public accountant employed by any accounting firm providing accounting or auditing services to securities broker-dealers, or from acting as registered representatives for the family members and friends listed on Exhibit A attached hereto and incorporated herein by reference.

5.02 Nonsolicitation/Noninterference. During the Initial Term and for a period of six months after the termination of Executive's employment by the Employer for Cause or by the Executive for any reason other than for Good Reason, Executive shall not, directly or indirectly, acting as an employee, owner, shareholder, partner, member, joint venturer, contractor, adviser, representative, officer, director, agent, salesperson, consultant, service provider, investor, independent contractor, or principal of any person or entity:

(a) solicit, advise, provide, or sell, directly or indirectly, any services or products of the same or similar nature to services or products of Employer's business to any client or prospective client of Employer. For purposes of this Agreement, the term "prospective client" shall mean any person or entity, or group of associated persons or entities, whose business Employer has solicited at any time from the Effective Date to the termination of this Agreement;

(b) solicit, request, or otherwise attempt to induce or influence, directly or indirectly, any present client or customer, or prospective client or customer, of Employer, or other persons or entities sharing a business relationship with Employer, to cancel, limit, or postpone their business with Employer or otherwise take action that might be to the disadvantage of Employer; or

(c) hire or solicit for employment, directly or indirectly, or induce or actively attempt to influence any employee, officer, director, agent, representative, contractor, or other business associate of Employer, or of any other party, if such person's primary responsibilities were related to Employer's business as it exists on the Effective Date, to terminate his or her employment or discontinue such person's consultant, contractor, or other business association with Employer.

5.03 Consideration. Executive acknowledges and agrees that the restrictive covenants contained in Article V are being agreed to by the parties: (a) in order to induce Buyers to enter into the Purchase Agreement and to consummate the transactions contemplated thereby; (b) in consideration of the purchase price to be paid by Buyers for Executive's indirect ownership interest in Employer; (c) to preserve the goodwill associated with Employer's business; and (d) in consideration of Executive's continued employment with Employer.

5.04 Violation of Covenants. If Executive violates any of the restrictive covenants contained in Article V, Buyers may pursue any and all remedies available to it at law and/or in equity to enforce, and recover damages for the breach of, the restrictive covenants contained in Article V, including demanding injunctive relief under Section 5.05.

5.05 Injunctive Relief. Executive acknowledges and agrees that in the event of a breach or threatened breach of the restrictive covenants of Article V by Executive, Employer may suffer irreparable harm and money damages alone would not afford Employer an adequate remedy, and therefore, Employer shall be entitled to obtain immediate injunctive relief, including a temporary restraining order and a preliminary and permanent injunction, in any court of competent jurisdiction (without being obligated to post a bond or other collateral) restraining Executive from such breach or threatened breach of the restrictive covenants contained in this Article V. Nothing herein shall be construed as prohibiting Employer from pursuing any other remedies available to it for such breach or threatened breach, including the recovery of monetary damages from Executive.

Article VI Miscellaneous

6.01 Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the validity and enforceability of any other provisions hereof. Further, should any provisions within this Agreement ever be reformed or rewritten by a judicial body, those provisions as rewritten shall be binding upon Employer and Executive.

6.02 Right of Setoff. Employer and Executive shall each be entitled, at their option and not in lieu of any other remedies to which they may be entitled, to set off any amounts due from the other or any affiliate of the other against any amount due and payable by such person or any affiliate of such person pursuant to this Agreement or otherwise.

6.03 Representations and Warranties of Executive. Executive represents and warrants to Employer that: (a) Executive understands and voluntarily agrees to the provisions of this Agreement; and (b) Executive is free to enter into this Agreement and has no commitment, arrangement, or understanding to or with any third party that restrains or is in conflict with this Agreement or that would operate to prevent Executive from performing the services to Employer that Executive has agreed to provide hereunder.

6.04 Succession. This Agreement and the rights and obligations hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives and shall also bind and inure to the benefit of any successor of Employer by merger or consolidation or any assignee of all or substantially all of its property.

6.05 Assignment. Except to any successor or assignee of Employer as provided in Section 6.04, neither this Agreement nor any rights or benefits hereunder may be assigned by either party hereto without the prior written consent of the other party. Executive, Executive's spouse, Executive's designated contingent beneficiary, and their estates shall not have any right to anticipate, encumber, or dispose of any payment due under this Agreement. Such payments and other rights are expressly declared nonassignable and nontransferable, except as specifically provided herein.

6.06 Reimbursement of Expenses and Attorney's Fees. In the event that it shall be necessary or desirable for Executive to incur costs and expenses in connection with the enforcement of any and all of Executive's rights under this Agreement, including retaining legal counsel, Executive shall be entitled to recover from Employer the reasonable attorneys' fees, costs, and expenses incurred by Executive in connection with the enforcement of said rights if Executive prevails in such enforcement action. However, in the event that it shall be necessary or desirable for Employer to incur costs and expenses in connection with the enforcement of any and all of Employer's rights under this Agreement, including retaining legal counsel, Employer shall be entitled to recover from Executive the reasonable attorneys' fees, costs, and expenses incurred by Employer in connection with the enforcement of said rights if Employer prevails in such enforcement action. Fees payable hereunder shall be in addition to any other damages, fees, or amounts provided for herein.

6.07 Notices. Any notice, demand, request, or other communication permitted or required under this Agreement shall be in writing and shall be deemed to have been given as of the date so delivered, if personally delivered; as of the date so sent, if transmitted by facsimile and receipt is confirmed by the facsimile operator of the recipient; as of the date so sent, if sent by electronic mail and receipt is acknowledged by the recipient; and one day after the date so sent, if delivered by overnight courier service; addressed as set forth on the signature page hereto or such other addresses as shall be furnished in writing by any party in the manner for giving notices hereunder.

6.08 Entire Agreement. This Agreement contains the entire Agreement between the parties hereto respecting the subject matter contained herein. No change, addition, or amendment shall be made except by written agreement signed by the parties hereto.

6.09 Waiver of Breach. The failure by any party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or the failure to exercise any right or remedy consequent upon a breach hereof shall not constitute a waiver of any such breach or of any covenant,

agreement, term, or condition, and the waiver by either party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any party.

6.10 Duplicate Counterparts. This Agreement has been executed in duplicate counterparts, each of which for all purposes is to be deemed an original, and both of which constitute, collectively, one agreement. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

6.11 Descriptive Headings. In the event of a conflict between titles to articles and paragraphs and the text, the text shall control.

6.12 Governing Law. The laws of the state of Utah shall govern the validity, construction, enforcement, and interpretation of this Agreement.

Signed and delivered to be effective as of the Effective Date set forth above.

EMPLOYER:
WILSON-DAVIS & CO., INC.

EXECUTIVE:
JAMES C. SNOW

By: _____
Name: _____
Title: _____

Signature
5808 Cove Creek Lane
Street Address
Salt Lake City, UT 84104
City, State, and Zip Code

Facsimile Number
jsnow786@icloud.com
E-mail address

Exhibit A to
Executive Employment Agreement
of James C. Snow

List of Customer Accounts of Family and Friends

174109 Carolyn Reynolds
180187 Snow White LLC
180199 James Todd Snow
180206 James Snow
180205 The Nevaeh Family Trust (Paul Snow)
150725 Theo Pete Kutulas
021770 Jack DeAngeles IRA

EXECUTIVE EMPLOYMENT AGREEMENT

THIS EXECUTIVE EMPLOYMENT AGREEMENT (this "Agreement") is entered into closing date, 2014 (the "Effective Date"), by and between WILSON-DAVIS & CO., INC., a Utah corporation ("Employer"), and LYLE W. DAVIS, an individual and resident of Salt Lake County, Utah ("Executive").

Premises:

WHEREAS, Executive has been employed by Employer for over 10 years on an at-will basis;

WHEREAS, Employer has undergone a change in ownership pursuant to that certain Securities Purchase Agreement dated as of November, 2013 (the "Purchase Agreement"), whereby the Executive has sold his ownership interest in the Employer to the several purchasers that are parties to such Purchase Agreement ("Buyers") and, as a result of the transaction, the prospect of Executive's continuing employment with Employer has been reviewed by Employer and Buyers;

WHEREAS, Employer and Executive are entering into this Agreement in consideration of such Purchase Agreement; and

WHEREAS, Executive desires to continue to be employed by Employer, and Employer desires to continue to employ Executive, effective as of the Effective Date under the terms and conditions hereof.

NOW THEREFORE, upon the foregoing premises and in consideration of the mutual covenants herein contained, the parties agree as follows:

Article I

Association and Relationship

1.01 Nature of Employment. Employer hereby employs Executive, and Executive hereby accepts employment from Employer, upon the terms and conditions set forth herein.

1.02 Full-Time Services. Executive shall devote his full working time, attention, and services to the business and affairs of Employer and shall not, without Employer's written consent, be engaged during the term of this Agreement in any other substantial business activity, other than personal investment activities, whether or not such business activity is pursued for gain, profit, charitable, or religious purposes or other pecuniary advantages, that significantly interferes or conflicts with the reasonable performance of his duties hereunder.

1.03 Duties. For 90 days after the Effective Date, Executive agrees to continue to serve in the offices and positions with Employer in which he currently serves and such substitute or further offices or positions, if any, of substantially consistent rank and authority as shall, from time to time, be determined by Employer's board of directors. Executive agrees to perform such duties appropriate for an officer of Employer as may be assigned to him from time to time by Employer and as described in Employer's bylaws and written supervisory procedures ("WSPs"), as amended and revised by Employer from time to time. Employer shall direct, control, and supervise the duties and work of Executive.

1.04 Satisfaction of Employer. Executive agrees that he will, at all times faithfully, promptly, and to the best of his ability, experience, and talent, perform all of the duties that may be required of him pursuant to the express and implicit terms hereof. Such duties shall be rendered at Employer's regular

principal place of business in Salt Lake City, Utah, or such other reasonable location located in Salt Lake County, Utah.

1.05 Compliance. Executive shall observe and comply with the WSPs and other policies and procedures of Employer respecting its business and shall carry out and perform orders, directions, and policies of Employer as they may from time to time be communicated to Executive either orally or in writing.

1.06 Fees for Services. All income or other compensation generated by Executive, other than from Employer, for any services performed by him during the term of this Agreement in connection with the business of Employer, including management fees, consulting fees, advisory fees, commissions, or similar items, shall belong to Employer, whether paid to Employer, Executive, or an affiliate of Executive, either directly or indirectly. Executive agrees to remit to Employer any such income or other compensation received by him or his affiliates within 10 days after receipt of such income or other compensation. Executive agrees, upon request by Employer, to render an accounting of all transactions relating to his business endeavors related to the business of Employer during the term of his employment hereunder. Such fees paid to Employer shall be included in revenue generated by Executive if he has any agreement with Employer pursuant to which Executive shares in revenues generated by him.

Article II Compensation and Benefits

2.01 Compensation. For all services rendered by Executive pursuant to this Agreement, Employer shall compensate Executive as follows:

(a) Salary. Executive shall be paid a monthly salary at the rate of \$7,500 per month for 90 days after the Effective Date, and at an hourly rate of \$50.00 thereafter for services rendered pursuant to mutual agreement, payable in accordance with Employer's normal payroll practice.

(b) Other Benefits. For 90 days after the Effective Date, Employer shall continue major medical and related health and disability insurance coverage and benefits, at its cost, consistent with the coverage provided Executive as of the Effective Date. Employer shall additionally provide to Executive incentive, health, medical, parking, and other employee benefit plans that are consistent with, and similar to, such plans provided by Employer to its employees generally. All costs of such plans shall be an expense of Employer and shall be paid by Employer.

2.02 Working Facilities. Employer shall provide to Executive offices and facilities, at Employer's principal office, appropriate for his position and suitable for the performance of his responsibilities.

2.03 Expenses. Employer will reimburse Executive for expenses incurred in connection with Employer's business, including expenses for travel, lodging, meals, beverages, entertainment, and other items in accordance with Employer's travel policies.

2.04 Payroll Taxes. Employer shall withhold from Executive's compensation hereunder all federal and state payroll taxes and income taxes on compensation paid to Executive and shall provide an accounting to Executive for such amounts withheld.

Article III
Special Covenants

3.01 Licensure. For 90 days after the Effective Date, Executive represents and warrants that he is, and covenants that he will be during the term of this Agreement, a member in good standing of the Financial Institution Regulatory Authority, Inc. ("FINRA"), with the requisite licenses to perform his duties and responsibilities as set forth in this Agreement. Executive is or will become registered or licensed as required in each state in which the nature of his business and activities requires such registration or licensure and will maintain such registrations and licenses during the term of this Agreement.

3.02 FINRA Filings. Executive will promptly inform Employer of any and all respects in which the FINRA Form U4, Uniform Application for Securities Industry Registration or Transfer, on file with FINRA is inaccurate or incomplete at the Effective Date or becomes inaccurate or incomplete at any time during the term of this Agreement. Executive is solely responsible for monitoring such filed U4 and promptly providing all such information to Employer that may be required to update or correct the information set forth therein.

3.03 Protection of Goodwill. Executive acknowledges that in the course of carrying out, performing, and fulfilling his responsibilities to Employer, Executive will be given access to, and be entrusted with, information in written or electronic form, including customer lists, balances, positions, trading histories, suitability information, and other customer-specific information excluding Client Information as defined in Section 3.05 ("Confidential Information"), that is the exclusive property of Employer. Executive recognizes that: (a) the goodwill of Employer depends upon, among other things, Executive keeping the Confidential Information confidential and that unauthorized disclosure of the Confidential Information would irreparably damage Employer; and (b) disclosure of any Confidential Information to competitors of Employer or to the general public would be highly detrimental to Employer. Executive further acknowledges that in the course of performing his obligations to Employer, he will be a representative of Employer to many clients or other persons and, in some instances, Employer's primary contact with such clients or other persons, and as such will be responsible for maintaining or enhancing the business and/or goodwill of Employer with those clients or other persons.

3.04 Covenants Regarding Confidential Information. In further consideration of the employment of Executive by Employer and in consideration of the compensation to be paid to Executive during his employment, Executive hereby agrees as follows:

(a) Nondisclosure of Confidential Information. Except as provided in Section 3.05, Executive will not, during his employment with Employer or at any time after termination of his employment, irrespective of the time, manner, or cause of termination, use, disclose, copy, or assist any other person or firm in the use, disclosure, or copying, of any Confidential Information.

(b) Return of Confidential Information. All files, records, documents, drawings, equipment, and similar items, whether in written or electronic form, relating to the business of Employer, whether prepared by Executive or otherwise coming into his possession, shall remain the exclusive property of Employer and shall not be removed from the premises of Employer, except when necessary in carrying out the business of Employer, without the prior written consent of Employer. Upon termination of Executive's employment, Executive agrees to deliver to Employer all Confidential Information and all copies thereof along with any and all other property belonging to Employer whatsoever.

3.05 Executive Use of Client Information. Attached hereto as Exhibit A and incorporated herein by reference is a list of all family members and friends for which Executive is the assigned registered representative. Upon the termination of Executive's employment, Executive is not authorized to take any information respecting customer accounts other than the information respecting customers for which he is the assigned registered representative as set forth on Exhibit A ("Client Information"). In addition, Executive is authorized to provide, prior to his resignation or termination, to another broker-dealer, information related to Executive's business, other than account statements, so long as that information does not reveal client identity.

3.06 Relief. Each of Executive and Employer agrees that a breach or threatened breach on his or its part of any covenant contained in this Article III will cause irreparable damage to the other party, and for that reason, each party further agrees that the other party shall be entitled as a matter of right to an injunction out of any court of competent jurisdiction restraining any further violation of such covenants by the party violating the covenant.

3.07 Indemnification. Employer shall, to the fullest extent permitted by the Utah Business Corporation Act and Employer's articles of incorporation and bylaws as now in effect, indemnify Executive for serving as an officer, director, supervisor, fiduciary, or agent of Employer, excluding any losses in any trading account of Executive as customer or trader for Employer.

3.08 Survival of Covenants. The covenants set forth in this Article III, Sections 3.03, 3.04, 3.05, 3.06, and 3.07, shall survive the expiration or termination of this Agreement or Executive's employment, for any reason.

Article IV Term and Termination

4.01 Term. Except as provided herein, the term of this Agreement shall commence on the Effective Date and continue for a period of 90 days after the Effective Date and month-to-month thereafter for a period of six months, unless terminated in accordance with this Agreement.

4.02 Termination. After 90 days after the Effective Date, this Agreement may be terminated by either party for any reason or for no reason on 30 days' prior written notice.

Article V Noncompetition/Nonsolicitation/Noninterference

5.01 Noncompetition. The parties recognize that an important part of Executive's duties hereunder and the value to be received by Employer from Executive's services is the preservation and improvement of the goodwill and customer relationships of Employer. The parties desire to protect Employer against any attempt by Executive to compete with Employer so as to appropriate the goodwill and customer relationships of Employer. Accordingly, Executive agrees that during the term he will not, directly or indirectly, whether or not for compensation, be engaged in or have any financial interest in any securities broker-dealer located in the greater Salt Lake City metropolitan area that competes with, either directly or indirectly, Employer's securities broker-dealer business as it exists on the Effective Date. For purposes of this Agreement, Executive will be deemed to be "engaged in or to have a financial interest in" a broker-dealer if Executive is an owner, shareholder, employee, officer, director, partner, agent, representative, salesperson, adviser, investor, principal, joint venturer, independent contractor, or member of or to any person or entity that is engaged in such a business, or if Executive directly or indirectly

receives remuneration from or performs services for such a person or entity, or if a member of Executive's immediate family beneficially owns an equity interest, or interest convertible into equity, in any such entity; provided, however, that the foregoing will not prohibit Executive from owning, for the purpose of passive investment, less than 5% of any class of securities of a publicly held corporation actively traded on a national securities exchange, from acting as a public accountant employed by any accounting firm providing accounting or auditing services to securities broker-dealers, or from acting as registered representatives for the family members and friends listed on Exhibit A attached hereto and incorporated herein by reference.

5.02 Nonsolicitation/Noninterference. During the term, Executive shall not, directly or indirectly, acting as an employee, owner, shareholder, partner, member, joint venturer, contractor, adviser, representative, officer, director, agent, salesperson, consultant, service provider, investor, independent contractor, or principal of any person or entity:

(a) solicit, advise, provide, or sell, directly or indirectly, any services or products of the same or similar nature to services or products of Employer's business to any client or prospective client of Employer. For purposes of this Agreement, the term "prospective client" shall mean any person or entity, or group of associated persons or entities, whose business Employer has solicited at any time from the Effective Date to the termination of this Agreement;

(b) solicit, request, or otherwise attempt to induce or influence, directly or indirectly, any present client or customer, or prospective client or customer, of Employer, or other persons or entities sharing a business relationship with Employer, to cancel, limit, or postpone their business with Employer or otherwise take action that might be to the disadvantage of Employer; or

(c) hire or solicit for employment, directly or indirectly, or induce or actively attempt to influence any employee, officer, director, agent, representative, contractor, or other business associate of Employer, or of any other party, if such person's primary responsibilities were related to Employer's business as it exists on the Effective Date, to terminate his or her employment or discontinue such person's consultant, contractor, or other business association with Employer.

5.03 Consideration. Executive acknowledges and agrees that the restrictive covenants contained in Article V are being agreed to by the parties: (a) in order to induce Buyers to enter into the Purchase Agreement and to consummate the transactions contemplated thereby; (b) in consideration of the purchase price to be paid by Buyers for Executive's indirect ownership interest in Employer; (c) to preserve the goodwill associated with Employer's business; and (d) in consideration of Executive's continued employment with Employer.

5.04 Violation of Covenants. If Executive violates any of the restrictive covenants contained in Article V, Buyers may pursue any and all remedies available to it at law and/or in equity to enforce, and recover damages for the breach of, the restrictive covenants contained in Article V, including demanding injunctive relief under Section 5.05.

5.05 Injunctive Relief. Executive acknowledges and agrees that in the event of a breach or threatened breach of the restrictive covenants of Article V by Executive, Employer may suffer irreparable harm and money damages alone would not afford Employer an adequate remedy, and therefore, Employer shall be entitled to obtain immediate injunctive relief, including a temporary restraining order and a preliminary and permanent injunction, in any court of competent jurisdiction (without being obligated to post a bond or other collateral) restraining Executive from such breach or threatened breach of the restrictive covenants contained in this Article V. Nothing herein shall be construed as prohibiting

Employer from pursuing any other remedies available to it for such breach or threatened breach, including the recovery of monetary damages from Executive.

Article VI Miscellaneous

6.01 Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the validity and enforceability of any other provisions hereof. Further, should any provisions within this Agreement ever be reformed or rewritten by a judicial body, those provisions as rewritten shall be binding upon Employer and Executive.

6.02 Right of Setoff. Employer and Executive shall each be entitled, at their option and not in lieu of any other remedies to which they may be entitled, to set off any amounts due from the other or any affiliate of the other against any amount due and payable by such person or any affiliate of such person pursuant to this Agreement or otherwise.

6.03 Representations and Warranties of Executive. Executive represents and warrants to Employer that: (a) Executive understands and voluntarily agrees to the provisions of this Agreement; and (b) Executive is free to enter into this Agreement and has no commitment, arrangement, or understanding to or with any third party that restrains or is in conflict with this Agreement or that would operate to prevent Executive from performing the services to Employer that Executive has agreed to provide hereunder.

6.04 Succession. This Agreement and the rights and obligations hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives and shall also bind and inure to the benefit of any successor of Employer by merger or consolidation or any assignee of all or substantially all of its property.

6.05 Assignment. Except to any successor or assignee of Employer as provided in Section 6.04, neither this Agreement nor any rights or benefits hereunder may be assigned by either party hereto without the prior written consent of the other party. Executive, Executive's spouse, Executive's designated contingent beneficiary, and their estates shall not have any right to anticipate, encumber, or dispose of any payment due under this Agreement. Such payments and other rights are expressly declared nonassignable and nontransferable, except as specifically provided herein.

6.06 Reimbursement of Expenses and Attorney's Fees. In the event that it shall be necessary or desirable for Executive to incur costs and expenses in connection with the enforcement of any and all of Executive's rights under this Agreement, including retaining legal counsel, Executive shall be entitled to recover from Employer the reasonable attorneys' fees, costs, and expenses incurred by Executive in connection with the enforcement of said rights if Executive prevails in such enforcement action. However, in the event that it shall be necessary or desirable for Employer to incur costs and expenses in connection with the enforcement of any and all of Employer's rights under this Agreement, including retaining legal counsel, Employer shall be entitled to recover from Executive the reasonable attorneys' fees, costs, and expenses incurred by Employer in connection with the enforcement of said rights if Employer prevails in such enforcement action. Fees payable hereunder shall be in addition to any other damages, fees, or amounts provided for herein.

6.07 Notices. Any notice, demand, request, or other communication permitted or required under this Agreement shall be in writing and shall be deemed to have been given as of the date so

delivered, if personally delivered; as of the date so sent, if transmitted by facsimile and receipt is confirmed by the facsimile operator of the recipient; as of the date so sent, if sent by electronic mail and receipt is acknowledged by the recipient; and one day after the date so sent, if delivered by overnight courier service; addressed as set forth on the signature page hereto or such other addresses as shall be furnished in writing by any party in the manner for giving notices hereunder.

6.08 Entire Agreement. This Agreement contains the entire Agreement between the parties hereto respecting the subject matter contained herein. No change, addition, or amendment shall be made except by written agreement signed by the parties hereto.

6.09 Waiver of Breach. The failure by any party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or the failure to exercise any right or remedy consequent upon a breach hereof shall not constitute a waiver of any such breach or of any covenant, agreement, term, or condition, and the waiver by either party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any party.

6.10 Duplicate Counterparts. This Agreement has been executed in duplicate counterparts, each of which for all purposes is to be deemed an original, and both of which constitute, collectively, one agreement. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

6.11 Descriptive Headings. In the event of a conflict between titles to articles and paragraphs and the text, the text shall control.

6.12 Governing Law. The laws of the state of Utah shall govern the validity, construction, enforcement, and interpretation of this Agreement.

Signed and delivered to be effective as of the Effective Date set forth above.

EMPLOYER:
WILSON-DAVIS & CO., INC.

EXECUTIVE:
LYLE W. DAVIS

By: _____
Name: _____
Title: _____

Signature
551 E 250 N

Street Address
Centerville, UT 84014

City, State, and Zip Code

Facsimile Number
ldavis@wdco.com

E-mail address

Exhibit A to
Executive Employment Agreement
of Lyle W. Davis

List of Customer Accounts of Family and Friends

001533	J Aaron Davis	Son
001758	Marie W Davis	Spouse
001760	Lyle W. Davis	Self
020176	Lyle W. Davis, IRA	Self
023418	W Reid Hansen IRA	Friend
023431	Dalene B Hansen IRA	Friend
023495	Richard D Hatch IRA	Friend
024249	Garn Ingram Roll IRA	Friend
028048	Blake G Spencer	Friend
029507	Anthony W Wood IRA	Son-in-law
117647	Ryan J Davis	Grandson
134393	W Reid Hansen	Friend
142305	Garn Ingram	Friend
147140	Thomas & Kenneth Jones	Friend
147193	Kenneth Jones	Friend
155079	Rex L Maughan	Friend
177171	Judy Shelton	Friend
180610	Blake Spencer	Friend
180613	Gary N Spencer	Friend
191754	Patricia H Waldvogel	Friend
193900	Wilson-Davis Profit Sharing	Custodian
194576	Yvonne Wilson	Sister-in-law
195250	Anthony W Wood	Son-in-law

	A	B	C	D	E	F	G	H	I	J	K	
1												
2											Schedule 1.2.1 to Securities Purchase Agreement dated December 2, 2013	
3												
4												
5												
6												
7												
8												
9												
10		Trial Balance	Pay Off Subordinate Debt	Convert TA to Cash	Collect Note Reable- Tony	Pay to Officers Non-Customers	Convert Officers to Customers	Bring Back Cash from NSCC	Pro Forma Trial Balance	Non Allow Assets	Adjusted Regulatory Net Capital	
11												
12												
13		ASSETS										
14		Cash	\$ 3,341,036	\$ (671,133)	\$ 320,789	\$ 892,484	\$ (1,880,000)	\$ (1,898,666)	\$ 1,000,000	\$ 1,104,509	\$ -	\$ 1,104,509
15		Reserve	3,150,000	-	-	-	-	1,898,666	-	5,048,666	-	5,048,666
16		City Receivables	2,769,143	-	-	-	-	(1,000,000)	-	2,769,143	-	2,769,143
17		Rec from Customers	531,586	-	-	-	-	-	-	531,586	63,335	468,251
18		Rec from Non Customers	-	-	-	-	-	-	-	-	-	-
19		Allowance for Doubtful	(25,000)	-	-	-	-	-	(25,000)	(25,000)	-	-
20		TA at Market	660,953	-	(660,953)	-	-	-	-	-	-	-
21		Furn & Equip (net)	44,217	-	-	-	-	-	-	44,217	44,217	-
22		Secured Loans Receivable & Other	919,531	-	-	(892,484)	-	-	-	27,047	27,047	-
23		Advances	393	-	-	-	-	-	-	393	393	-
24		Other	111,850	(75,000)	-	-	-	-	-	36,850	36,850	-
25		Total Assets	\$ 12,503,710	\$ (746,133)	\$ (340,164)	\$ -	\$ (1,880,000)	\$ -	\$ -	\$ 9,537,412	\$ 146,843	\$ 9,390,570
26												
27		LIABILITIES										
28		Bank Loans & Other										
29		Failed to Rec	\$ 103,077	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,077	\$ -	\$ 103,077
30		Payable to Customers	4,798,641	-	-	-	-	1,898,666	-	6,697,307	-	6,697,307
31		Payable to Non Customers	4,108,666	-	(330,000)	-	(1,880,000)	(1,898,666)	-	-	-	-
32		TA Shorts	10,164	-	(10,164)	-	-	-	-	-	-	-
33		Accs & Comm Payable	367,025	-	-	-	-	-	-	367,025	-	367,025
34		Taxes Payable	7,476	-	-	-	-	-	-	7,476	-	7,476
35		Other Payables	11,133	(11,133)	-	-	-	-	-	-	-	-
36		Secured Payables	36,542	-	(36,542)	-	-	-	-	-	-	-
37												
38		Total Liabilities	9,442,724	(11,133)	(376,706)	-	(1,880,000)	-	-	7,174,885	-	7,174,885
39												
40		EQUITY										
41		Subordinated Loans	735,000	(735,000)	-	-	-	-	-	-	-	-
42		Ownership Equity	2,325,986	-	36,542	-	-	-	-	2,362,528	(146,843)	2,215,685
43		Total Capital	3,060,986	-	-	-	-	-	-	2,362,528	-	2,215,685
44												
45		TOTAL LIAB/NET WORTH	\$ 12,503,710	\$ (757,267)	\$ (716,870)	\$ -	\$ (3,760,000)	\$ -	\$ -	\$ 9,537,412	\$ -	\$ 9,390,570
46												
47												
48												
49												
50												
51												
52												
53												
54												

Cell B10 and Cell B31, the Trading Account at Market, will be converted to cash prior to closing by selling longs, buying shorts, and any position not liquidated will be acquired by officers.

Cell C13 reflects the payment of Subordinated Loans (cell B41), minus an offsetting loan from one subordinated lender to the Company (cell C27) and accrued interest on the subordinated debt (Cell B35).

Cell C23 is the amount of a payable to the company by a subordinated lender, which will be offset only against the repayment of the subordinated loan to such person.

Column D shows the conversion of the trading account to cash, which will be offset to the extent of trading account shorts (Cell B32). The net amount of any remaining trading account (long positions) will be a deduction to determine Adjusted Regulatory Net Capital.

Cell B31, Payable to Non-Customers, consists of amounts due Sellers for balances in their trading accounts (Cell D31), advances from Sellers for working capital/NSCC deposits (Cell E31), and free credit balances in Sellers' cash accounts (Cell G31).

Cells E13 and E21 reflect the amount of the secured note receivable from Anthony Keingone due December 31, 2013. When paid, the amount received will be used to reduce the amount payable to Sellers; if not paid, the note will be assigned to Sellers.

Column G shows the conversion of free credit balances in Sellers' cash accounts from their current "non-customer" status to post-closing "customers," in which case, such amounts will become Payable to Customers (Line 30).

Exhibit “B”



Financial Industry Regulatory Authority

February 25, 2014

Via email (jkruse@klmrlaw.com)

James R. Kruse, Esq.
Kruse Landa Maycock & Ricks, LLC
136 East South Temple
Twenty-First Fl.
Salt Lake City, UT 84111

Re: Continuing Membership Application for Wilson-Davis & Co., Inc.
CRD No. 3777
Application No. 20140398963

Dear Mr. Kruse:

On February 24, 2014,¹ the FINRA Membership Application Program Group ("Staff") received an application submitted on behalf of Wilson-Davis & Co., Inc. (the "Firm"). The application requested a change in the Firm's ownership. Specifically, pursuant to a Financing Agreement by and between Mr. John Hurry, the Firm, and the current stockholders of the Firm, Mr. Hurry or his assignees were granted the right to purchase the outstanding stock of the Firm. Pursuant to such agreement, on December 2, 2013, the Firm, its stockholders and Mr. Hurry's assignees entered into a Securities Purchase Agreement ("SPA"), whereby the current stockholders of the Firm propose to sell all their stock to Mr. Hurry's assignees. As a result of the ownership change, the current ownership will change from Lyle Davis (35%) Paul Davis (35%) Brian Barkley, as Trustee of the Byron B. Barkley Pension Trust/Profit Sharing Plan (20%), Jim Snow (5%), and William Walker (5%) to the following persons and entities:

- WD Clearing, LLC, a Nevada limited liability company, formed for the specific purpose of holding the Hurry Family Revocable Trust's investment in the Firm,
- John Hurry, Manager, Tim Hurry, as Independent Trustee of the WDMC Trust dated September 18, 2013,
- Mary Woods, as Independent Trustee of the WDJJ Trust dated September 18, 2013,
- Perry White, as Independent Trustee of the WDCHUM Trust dated September 18, 2013, and
- Christina Hurry, as Independent Trustee of the WDPOP Trust dated September 18, 2013.

¹ The filing received January 22, 2014 was originally substantially incomplete; additional information was provided, and the matter was deemed complete as of February 24, 2014.

The filing stated that after the closing, the current officers (and all but one of the directors) will continue in their current positions. The filing further noted that none of the above-identified entities will have any relationship with the Firm other than as an owner, the Firm will not be conducting business with or on behalf of any of the entities, and that the trusts are not engaged in any business.

While NASD Rule 1017(c)(1) provides that a member may effect a change in ownership or control prior to the conclusion of the proceeding, the rule also specifies that the Staff may place interim restriction(s) on the member based upon the standards in NASD Rule 1014, pending final action. Therefore, in order to ensure the protection of investor interests, the Staff has determined to impose an interim restriction pursuant to NASD Rule 1017(c), in view of the Firm's proposed change in ownership.

Unless and until approval of the Firm's CMA, or unless otherwise modified by the Staff during the pendency of the CMA, effective immediately, the Firm is hereby prohibited from:

- Effecting any portion of the aforementioned ownership change transaction, including unapproved individuals or entities acting in any capacity that would suggest that they are approved direct and/or indirect owners of the Firm, and
- Permitting any trustee, grantor, or beneficiary of the trusts -- including, but not limited to, Mr. Hurry -- to act in any principal, supervisory or control capacity.

These restrictions are based on the fact that the Staff is in the process of reviewing the Firm's information to determine whether the Firm meets all of the Standards in Rule 1014, including, but not limited to, 1014(a)(1), (3), (7) and (13).

Rule 1014(a)(1) requires that the Firm's application and all supporting documents be complete and accurate. The Staff is in the process of reviewing all of the information and documentation provided in order to ascertain the Firm's compliance with this standard, including but not limited to, details regarding the individuals and entities that will indirectly control the Firm subsequent to the transaction, and the agreements and documentation submitted in support of the change. Please note: a Membership Interview will likely be required during the application, so that the Staff can further assess the proposed new ownership structure.

Rule 1014(a)(3) requires that the Staff assess whether the Firm and its associated persons are capable of complying with the federal securities laws, the rules and regulations thereunder, and FINRA Rules, including observing high standards of commercial honor and just and equitable principles of trade. As set forth above, the Firm's application shows that the proposed new owners are trusts affiliated with John Hurry. The Staff's review to date has identified an article relating to an investigation involving Scottsdale Capital and Alpine Securities, which are controlled by Mr. Hurry. The Staff will require additional information to assess and review the regulatory history of

Mr. James Kruse
February 25, 2014
Page 3 of 3

Firm, and all associated persons (including the individuals that will become associated or affiliated with the Firm), in connection with the requested change in ownership.

Rule 1014(a)(7) requires, among other things, that the Firm demonstrate that it is capable of maintaining a level of net capital in excess of the minimum net capital requirements set forth in SEC Rule 15c3-1, and to adequately demonstrate that it is capable of establishing and maintaining its source of funding in order to support the Firm's intended business operations on a continuing basis. The Staff is in the process of reviewing all of the information and documentation provided in the initial filing in order to ascertain the Firm's ability to comply with this Standard in view of the proposed ownership change including, but not limited to, assessing the funding and financial wherewithal of the proposed new owners.

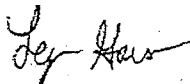
Rule 1014(a)(13) requires the Staff to analyze whether the Firm may circumvent, evade or otherwise avoid compliance with the federal securities laws, the rules and regulations thereunder, and FINRA Rules. The Staff is in the process of reviewing all of the information and documentation provided in order to ascertain the Firm's compliance with this Standard.

An initial request letter from the Staff seeking additional information (including, but not limited to, items in connection with the areas noted above) will separately follow this letter.

These restrictions are based on the fact that the Staff lacks sufficient information at this stage of the review of the application to determine whether the Firm meets all of the Standards in Rule 1014, including 1014(a)(1), (3), (7) and (13).

Should you have any questions regarding your application or the application process, please feel free to contact the undersigned, at (212) 858-4230.

Sincerely,



Leyna Goro
Associate Director
Membership Application Program

cc: Joseph Sheirer, Director & Counsel, FINRA
Rose Fanelli, Managing Surveillance Director, FINRA
Guy Genovese, Surveillance Director, FINRA
Jennifer Danby, Examination Manager, FINRA
Richard Linden, Principal Regulatory Coordinator, FINRA

Exhibit “C”



July 21, 2014

Via email [moww@comcast.net]

Mark O. Van Wagoner
Savage, Yeates & Waldron, P.C.
170 South Main Street
Suite 1075
Salt Lake City, UT 84101

**Re: Continuing Membership Application for Wilson-Davis & Co., Inc.
CRD No. 3777
Application No. 20140398963**

Dear Mr. Van Wagoner:

On February 24, 2014,¹ the FINRA Membership Application Program Group Staff ("Staff") received notice that Wilson Davis & Co., Inc. (the "Firm") is requesting Staff's approval for an ownership change. Specifically, pursuant to a Financing Agreement by and between Mr. John Hurry, the Firm, and the current stockholders of the Firm, Mr. Hurry or his assignees were granted the right to purchase the outstanding stock of the Firm. Pursuant to such agreement, on December 2, 2013, the Firm, its stockholders and Mr. Hurry's assignees entered into a Securities Purchase Agreement ("SPA"), whereby the current stockholders of the Firm propose to sell all their stock to Mr. Hurry's assignees. As a result of the ownership change, the current ownership will change from Lyle Davis (35%) Paul Davis (35%) Brian Barkley, as Trustee of the Byron B. Barkley Pension Trust/Profit Sharing Plan (20%), Jim Snow (5%), and William Walker (5%) to the following persons and entities:

- WD Clearing, LLC, a Nevada limited liability company, formed for the specific purpose of holding the Hurry Family Revocable Trust's investment in the Firm,
- John Hurry, Manager, Tim Hurry, as Independent Trustee of the WDMC Trust dated September 18, 2013,
- Mary Woods, as Independent Trustee of the WDJJ Trust dated September 18, 2013,
- Perry White, as Independent Trustee of the WDCHUM Trust dated September 18, 2013, and
- Christina Hurry, as Independent Trustee of the WDPOP Trust dated September 18, 2013.

This change subjects the Firm to FINRA's membership continuance process, as detailed in FINRA Rule 1017. Staff will require additional information in order to adequately continue to assess the application in terms of the Standards for Admission in Rule 1014. *Therefore, Staff requires the information and/or documentation listed below, which must be incorporated into the applicable*

¹ The filing received January 22, 2014 was originally substantially incomplete; additional information was provided, and the matter was deemed complete as of February 24, 2014.

sections of the Form CMA, and electronically resubmitted. Kindly send Staff an email (Domingo.Diaz@finra.org) when the updated Form CMA has been resubmitted.

Standard 1

1. Staff notes receipt of response letter from the Firm's new consultant, Savage, Yeates & Waldron, P.C., however, the response letter has not been uploaded into the FINRA Gateway system. Please obtain access to the Gateway and download the response letter for FINRA's records.
2. Staff notes the Firm has indicated in its response letter on June 19, 2014, that final schedules of the Securities Purchase Agreement ("SPA") do not exist however a draft copy can be provided if requested. Please provide the draft copy at this time for Staff's review.
3. Staff notes Section 5.8.4 (e) of the SPA states, "Byron Barkley shall continue employment in his current position as a securities trader on terms to be agreed upon between him and WDCO." Please advise if an agreement has been reached between Mr. Barkley and the Firm, and if so, please provide the length of time or terms of the agreement.
4. Staff notes Section 5.8.4 (a) of the SPA states, "Paul N. Davis shall retire from employment but shall be available informally on a limited basis without compensation." Please advise who will be filling his role as Chairman and CEO and what responsibilities it will entail.
5. Staff notes Exhibit C of the SPA indicates a Director position will be appointed at a later date. Please advise whether the Firm has identified who the Director will be and whether that individual is appropriately registered with the Series 24 registration requirement.

Please note that the documentation submitted by the Firm in support of this application remains under review by MAP Counsel. In the event MAP Counsel or Staff has questions or concerns, it will notify you via email.

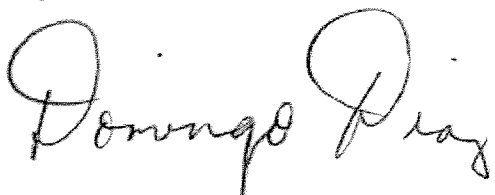
A Continuing Membership Interview to be attended by responsible persons of the Firm may be required pursuant to Rule 1017. For your information, and to expedite the application process, Rule 1017 establishes time frames for the consideration of changes in ownership, control, or material changes in operations. The member must notify the District Office and Staff in writing at least 30 days prior to the occurrence and must respond to the requests for information, within 30 days of the date thereof, or face possible lapse of its membership continuance application. ***Your response to this request for information is due on or before Wednesday, August 20, 2014.***

Furthermore, Rule 1014 requires that the continuing membership review process be completed within 180 days from the Firm's filing of the Continuing Membership Application. It is therefore imperative that complete, timely responses be made to Staff's requests for information, and that Staff be made aware of any special time constraints or unique considerations your Firm may have relative to the continuing membership process.

Mr. Mark O. Van Wagoner
July 21, 2014
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Should you have any questions regarding the application or the application process, please feel free to contact me at (646) 315-8461.

Regards,

A handwritten signature in cursive script that reads "Domingo Diaz". The signature is written in black ink and is positioned above the printed name and title.

Domingo Diaz
Principal Examiner
Membership Application Program

cc: Jennifer Danby, Examination Manager, FINRA
Richard Linden, Principal Regulatory Coordinator, FINRA

Exhibit “D”

Brian A. Lebrecht

From: Mark O. Van Wagoner <movw@comcast.net>
Sent: Wednesday, September 17, 2014 1:02 PM
To: Brian A. Lebrecht
Cc: Ensor, Richard F (60506); Strassberg, Evan S (60477)
Subject: FW: Wilson-Davis

Brian,

At the request of FINRA, I have transmitted this email.

I have to assume that you were aware of the Wells Call and the Wells Notice.

Mark

From: Mark O. Van Wagoner [<mailto:movw@comcast.net>]
Sent: Wednesday, September 17, 2014 12:33 PM
To: 'Leyna.Goro@finra.org'; Domingo Diaz; Danby, Jennifer; 'Alissa.Robinson@finra.org'
Subject: Wilson-Davis

In Re: *Continuing Membership Application for Wilson-Davis & Co., Inc.*
CRD No. 3777
Application No. 20140398963

Dear Ms. Goro,

In our September 15, 2014 conversation, which included Mr. Diaz, Ms. Danby and Ms. Robinson, I was informed that Mr. Hurry had received a Wells Call and a Wells Notice. I understand that the issues associated with the Wells notice would ultimately cause FINRA to deny the CMA application. Because of that, FINRA requested that Wilson-Davis withdraw the CMA application.

Please consider this email notice that Wilson-Davis hereby withdraws the pending CMA.

Yours,

Mark O. Van Wagoner