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BEFORE THE ARKANSAS SECURITIES COMMISSIONER

Order No. S-13-0109-13-OR01

ARKANSAS SECURITIES DEP

**IN THE MATTER OF
SAMUEL C. TALBERT, APPLICANT**

Case No. S-13-0109

ORDER GRANTING CONDITIONAL REGISTRATION

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

FINDINGS OF FACT

1. On July 29, 2010, the Arkansas Securities Commissioner ("Commissioner") entered Order No. S-09-059-10-OR02 to which Samuel C. Talbert ("Talbert"), CRD # 5524603, is a named Respondent. The July 2010 Order is a consent order that includes provisions requiring Talbert to receive heightened supervision of his investment adviser activities by an employing investment adviser as a condition of any future registration as a registered investment adviser representative in Arkansas. The July 2010 Order stipulates that such heightened supervision must be in place for a period of one year and include at least monthly reviews by a senior representative of the company.

2. On February 23, 2012, Talbert submitted an application for registration with the Arkansas Securities Department ("Department") as an investment adviser representative for NMS Capital Asset Management, Inc. ("NMS"), CRD # 149678. On February 29, 2012, the Commissioner entered Order No. S-09-059-12-OR13 granting Talbert conditional registration as

an investment adviser representative upon the finding that NMS submitted an Agreement and Twelve Month Heightened Supervision Plan that substantially complied with the requirements established in the aforementioned July 2010 Order.

3. On May 25, 2013, the Staff of the Arkansas Securities Department ("Staff") conducted an examination of Talbert's offices following the year of heightened supervision from NMS. The Staff cited the following deficiencies and regulatory irregularities as a result of the examination:

(a) Talbert had made two separate Form U4 filings with the Commissioner through CRD/IARD on February 23, 2012, and July 30, 2012, which indicated that he had no personal financial, civil judicial, or customer-initiated civil litigation. In actuality, Talbert had failed to disclose on his Form U4 a pending Internal Revenue Service tax lien, as well as two separate pending civil lawsuits filed against him by former insurance customers. Talbert asserted that the omissions were the result of incorrect advice from his supervising firm.

(b) Talbert's Form U4 filings additionally contained incorrect classifications for businesses which he owned or was otherwise affiliated. Allied Financial Services, Inc., an Arkansas insurance agency through which Talbert conducts his primary insurance business, was not disclosed as an investment-related business on his Form U-4. Also, an insurance agency through which Talbert conducts a limited amount of business as an independent agent was not disclosed on his Form U-4 as an investment-related business.

(c) Talbert had engaged in misleading advertising through several independent benefits and insurance business websites (www.veteransadvisors.com and www.retirerx.com), which omitted material information about him by making reference to him being a registered investment adviser representative in Arkansas but not identifying the

investment adviser with whom he was registered. Furthermore, Talbert's business card reflected that he was a registered investment adviser representative in Arkansas but also failed to identify the investment adviser with whom he was registered.

(d) Talbert had engaged in the use of prohibited professional designations. The independent website www.veteransadvisors.com made reference to him being a Certified Estate Planner, but the Arkansas Insurance Department no longer permits the use of the designation of Certified Estate Planner in connection with the sale of insurance products.

4. Talbert's registration with the Department as an investment adviser representative for NMS was terminated on July 6, 2013. On July 31, 2013, Talbert filed an application to be registered with the Department as an investment adviser representative for Longhorn Capital Management, LLC ("Longhorn"), CRD # 134921.

5. During the period his registration application was pending, Talbert distributed a business card to a prospective client which inaccurately showed that he was a registered investment adviser representative for Longhorn. However, while he distributed the card, Talbert did not conduct investment advisory business with the prospective client thereafter.

6. Talbert has cooperated with the Department throughout the examination process and during the pendency of his registration application. Talbert has made the proper amendments to his Form U-4 and cured the deficiencies and irregularities arising out of the May 2013 office examination to the satisfaction of the Staff.

CONCLUSIONS OF LAW

7. Ark. Code Ann. § 23-42-302(a)(2) provides in part that the Commissioner may by order approve a limited registration with such limitations, qualifications, or conditions as the Commissioner deems appropriate.

ORDER

The application of Samuel C. Talbert for registration as a representative of Longhorn Capital Management, LLC is hereby approved, but this approval is made conditional upon the following conditions:

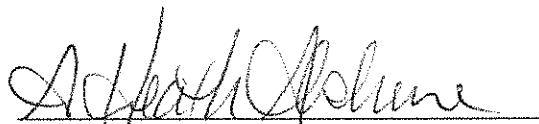
(a) All provisions of the attached Agreement and Twelve Month Heightened Supervision Plan shall be carried out by all parties thereto;

(b) Talbert shall pay a fine to the Department in the total amount of \$5,000.00. The fine shall be paid in twelve equal monthly payments of \$416.66, with the first payment being due on February 1, 2014, and each subsequent payment being due on the first day of each month thereafter until the total fine amount is paid in full. Each payment shall be made payable to the Arkansas Securities Department and delivered by hand or mail to 201 East Markham, Suite 300, Little Rock, Arkansas 72201;

(c) Talbert shall make all records prescribed by the Rules available to such reasonable periodic, special, or other examinations as the Commissioner deems necessary or appropriate, and Talbert shall pay a fee for each examination along with all allowable travel expenses for the Staff's examiners, as set forth under Ark. Code Ann. § 23-42-306(d); and

(d) Any failure by Talbert to adhere to the provisions of this Order shall result in additional disciplinary action, including fines, suspension, or termination of Talbert's registration with the Department as an investment adviser representative.

IT IS SO ORDERED, on this the 2nd day of December, 2013.


A. Heath Abshure
Arkansas Securities Commissioner

AGREEMENT AND TWELVE MONTH HEIGHTENED SUPERVISION PLAN

Samuel C. Talbert ("Talbert"), CRD No. 5524603, has applied for registration as an investment adviser representative for Longhorn Capital Management, LLC ("Longhorn"), CRD No. 134921. Both Longhorn and Talbert agree that Talbert will be subject to a heightened supervision plan for a period of twelve months from the date of this plan. The plan will be implemented and administered by Longhorn and will commence on the day Talbert's registration becomes effective. The plan is comprised as follows:

1. Talbert will not exercise any authority in any customer account.
2. All new accounts Talbert accepts or handles will be approved by the President and/or Chief Compliance Officer ("CCO") (or a designated supervisor, if an amendment has been approved) prior to Talbert and Longhorn accepting and managing such account.
3. Talbert will immediately report to Longhorn any complaint, verbal or written, or any action filed against him by any party.
4. Talbert will comply with and abide by any conditions imposed in this agreement, all applicable securities laws, and all supervisory procedures of Longhorn.
5. The CCO or the designated successor supervisor will conduct at least four office visits where she will review Talbert's business practices.
6. The President and/or CCO or the designated successor supervisor will conduct a monthly review of Talbert's client files chosen randomly while he is on heightened supervision, including all client files containing transactions related to indexed annuities. The same client files will not be reviewed in successive months until all client files have been reviewed.
7. Talbert will submit all forms of advertising to the President and/or CCO or the designated successor supervisor prior to use.
8. Talbert will not maintain a joint office with any other insurance agent including his wife's office in Benton, Arkansas. Client meetings, involving Longhorn, will be conducted at a different locale. However, Talbert may conduct administrative functions at the Benton office such as sending mail, packages and internet communications with Longhorn.
9. Any failure by Talbert to adhere to the provisions of this agreement will result in additional disciplinary action. These actions may include fines, suspension, or termination of Talbert's registration. Longhorn retains the right to terminate the contract with Talbert at any time irrespective of this agreement.

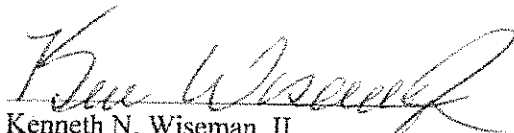
10. This agreement may be executed in one or more counterparts. For purposes of executing this agreement, a document signed and transmitted by facsimile or signed, copied into .pdf format and transmitted by email is to be treated as an original document, and any signature appearing on any such document will be considered an original signature. At the request of any party, any copy of the agreement transmitted by facsimile or email will be re-executed in original. However, no party may raise the issue that a copy of the agreement was sent by facsimile or email as a defense to the enforcement of this agreement.

This Agreement is between Talbert and Longhorn. The plan it embodies is a condition of Talbert's employment imposed by Longhorn. The person signing on behalf of Longhorn certify they are duly authorized to enter into this Agreement on behalf of Longhorn and that they have the Plan, understand it and agree to its terms.



Samuel C. Talbert

11/20/13
Date



Kenneth N. Wiseman, II
Title: President and CEO

11/20/13
Date