



BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF)	Division Case No. 95677
)	
AUSTIN L. NORRIS,)	ORDER AND
CRD 4905540,)	CONSENT TO ORDER
NPN 8522384,)	
DOB 01/19/XXXX,)	
)	
Respondent.)	

NOW THEREFORE, upon motion of the Iowa Insurance Division (“Division”) and by the consent of Respondent Austin L. Norris, pursuant to the provisions of Iowa Code Chapter 502—the Iowa Uniform Securities Act and Iowa Code Chapter 507B—Insurance Trade Practices, Iowa Administrative Code Chapter 191—50 Regulation of Securities Offerings and Those Who Engage in the Securities Business, and Iowa Administrative Code Chapter 15—Unfair Trade Practices, the Commissioner enters the following Order and Consent to Order (“Consent Order”):

I. PARTIES AND JURISDICTION

1. The Commissioner of Insurance, Doug Ommen, directly and through his designees, administers and enforces Iowa Code Chapter 507B—Insurance Trade Practices and Iowa Administrative Code Chapter 15—Unfair Trade Practices pursuant to Iowa Code § 505.8. Commissioner Ommen, directly and through his designees, administers Iowa Code Chapter 502—the Iowa Uniform Securities Act and Iowa Administrative Code Chapter 50—Regulation of Securities Offerings and those who Engage in the Securities Business as the Securities Administrator (“Administrator”) pursuant to Iowa Code § 502.601.

2. Austin L. Norris (“Respondent”) is an individual with a last-known residence address of 1010 Fox Run Dr., Oskaloosa, IA 52577-4169.

3. Respondent is and has been registered as a securities agent and as an investment adviser representative in Iowa since April 11, 2005. Respondent is registered under Central Registration Depository (“CRD”) number 4905540.
4. Respondent is and has been licensed in the state of Iowa as a resident insurance producer since July 19, 2005. He is licensed under National Producer Number 8522384
5. Pursuant to Iowa Code § 505.28, Respondent has consented to the jurisdiction of the Commissioner of Insurance by committing acts governed by Iowa Code Chapters 502 and 507B.
6. Respondent knowingly and voluntarily enters into this Consent Order to avoid the delay, uncertainty, inconvenience, and expense of litigation. Respondent neither admits nor denies the findings of fact and conclusions of law found herein.

II. FINDINGS OF FACT

7. Respondent became a registered securities agent and investment adviser representative in Iowa by submitting a Form U4 through the Central Registration Depository (“CRD”) of the Financial Industry Regulatory Authority (“FINRA”). Respondent was assigned Individual CRD Number 4905540. In applying for his securities agent registration, Respondent irrevocably appointed the Securities Administrator as his agent for service of process.
8. Respondent applied for a resident insurance producer license with the Division by submitting through the National Insurance Producer Registry a Uniform Application for Individual Producer License (“Uniform Application”). In submitting the Uniform Application, Respondent designated the Commissioner as an agent for service of process.
9. On January 31, 2008, Client JC opened his first account with Respondent through Respondent’s brokerage, Edward Jones.

10. On August 2, 2016, Respondent and Client JC met with an attorney, that Respondent introduced to Client JC, during which time the attorney recommended that Client JC place his assets into a living trust.

11. On November 1, 2016, Client JC signed an authorization changing the status of his Edward Jones account from an individual account to a trust account and naming Respondent as a successor trustee on the account and himself as trustee to the account.

12. On or about December 8, 2016, members of Respondent's family complained to Edward Jones about Respondent's status as successor trustee on Client JC's Edward Jones account.

13. On December 15, 2016, Client JC's trust was dissolved and his Edward Jones account was returned to its previous designation as an individual account.

III. CONCLUSIONS OF LAW

14. Under Iowa Administrative Code Rule 191—50.16(2)(g), Iowa Administrative Code Rule 191—50.38(1)(w), and their respective enabling statutes, Iowa Code § 502.412(4)(m) and Iowa Code § 502.502(2), the Administrator may deny the application for registration; may limit the registration of an applicant; may revoke, suspend, bar, condition, or limit the registration of a registrant; and may impose civil penalties if a person has engaged in “soliciting or accepting being named as a beneficiary, executor, or trustee in a will or trust of an unrelated customer.”

15. Under Iowa Administrative Code Rule 191—15.8(5)(b)(3), and its respective enabling statute Iowa Code Chapter 507B, the Commissioner may suspend, revoke, issue cease and desist orders and civil penalties or other relief under Iowa Code 507B if a person has committed an act that involves the “solicit or accept being named as a beneficiary, executor or trustee in a will, trust, insurance policy, annuity of a customer, unless the customer is a member of the producer's immediate family.”

16. Respondent was named as a successor trustee to a customer in the conduct of his insurance and securities business despite not being related to the customer.

17. Being named a successor trustee to a customer violates Iowa Code §§ 502.412(4)(m), 502.502(2) and 507B.7 and Iowa Administrative Code 191—50.16, 50.38 and 15.8.

IV. ORDER

WHEREFORE, IT IS ORDERED pursuant to the powers granted to the Commissioner of Insurance by Iowa Code Chapters 502 and 507B:

- A. Respondent, pursuant to Iowa Code §§ 502.604 and 507B.7, shall immediately cease and desist from engaging in the acts or practices found herein;
- B. Respondent shall, contemporaneously with this Consent Order, pay the costs of this action in the amount of \$2,500, made payable to the Iowa Insurance Division; and
- C. These orders may be enforced under Iowa Code Chapters 502 and 507B, including but not limited to Iowa Code §§ 502.604(7) and 507B.7, and additionally, by any collection remedies available to the State of Iowa Department of Revenue for unpaid penalties and other ordered monetary amounts:

SO ORDERED on the 10th day of October, 2018.



DOUGLAS M. OMMEN
Iowa Insurance Commissioner

Respectfully submitted,



John Leonhart
Iowa Insurance Division
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Phone: (515) 281-4029
Attorney for the Iowa Insurance Division

Copy to:
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Jesse Linebaugh, Lead Counsel
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ATTORNEYS FOR RESPONDENT

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing instrument was served upon all parties to the above cause, or their attorney, at their respective addresses disclosed on the pleadings on October 10, 2018.

By: () First Class Mail () Personal Service
() Restricted certified mail, return receipt (x) Email, by consent
() Certified mail, return receipt () _____

Signature: Hilary Foster
Hilary Foster

NOTICE OF PENALTIES FOR WILLFUL VIOLATION OF THIS ORDER

YOU ARE NOTIFIED that any person who violates this order may be subject to administrative and civil penalties pursuant to Iowa Code §§ 502.604 and 507B. The commissioner may petition the district court to hold a hearing to enforce the order as certified by the commissioner. The district court may assess a civil penalty against the person in an amount not less than three thousand dollars but not greater than ten thousand dollars for each violation, and may issue further orders as it deems appropriate.

NOTICE OF FINAL ORDER IMPACT

A final order of license or registration discipline or a cease and desist order may adversely affect other existing business or professional licenses and may result in license revocation or disciplinary action.

A final order in an administrative action does not resolve any potential criminal or civil violations or causes of action that might arise from the same or similar conduct that is the subject of this this order. It may result in criminal law enforcement authorities, including the fraud bureau of the Iowa Insurance Division, pursuing a criminal investigation or prosecution of potential criminal law violations.

CONSENT TO ORDER AND AGREEMENT

I, Austin L. Norris, Respondent in this matter, have read, understood, and do knowingly consent to this Order in its entirety. By executing this Consent, I understand that I am waiving my rights to a hearing, to confront and cross-examine witnesses, to produce evidence, and to judicial review.

I further understand that this Order is considered a final administrative action that may be reported by the Division to the National Association of Insurance Commissioners and to other regulatory agencies. I also understand that this Order is a public record under Iowa Code Chapter 22, which will be disclosed to other state regulatory authorities, upon request, pursuant to Iowa Code § 505.8(8)(d). I also understand that this Order will be posted to the Division's website and a notation will be made to the publicly available website record that administrative action has been taken against me.

Dated: 10/3/18

Austin L. Norris
Austin L. Norris, Respondent

1205 A Ave. East Oskaloosa, IA 52577
Address of Signatory

Subscribed and sworn before me by Austin L. Norris on this 3rd day of October, 2018.

Lynda S. Dennis
Notary Public

