



BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF)	Division Case No. 96502
)	
RICHARD MICHAEL JONES,)	ORDER AND
NPN 16704261,)	CONSENT TO ORDER
CRD# 6094977)	
DOB 08/03/XXXX,)	
)	
Respondent.)	

NOW THEREFORE, upon motion of the Iowa Insurance Division (“Division”) and by the consent of Respondent Richard Michael Jones, pursuant to the provisions of Iowa Code Chapter 522B—Licensing of Insurance Producers and Iowa Code Chapter 502—Uniform Securities Act, Iowa Administrative Code 191—Chapter 50 Regulation of Securities Offerings and Those Who Engage in the Securities Business, the Commissioner enters the following Consent Order (“Order”):

I. PARTIES AND JURISDICTION

1. The Commissioner of Insurance, Douglas M. Ommen, directly and through his designees, administers and enforces Iowa Code Chapter 522B—Licensing of Insurance Producers pursuant to Iowa Code § 505.8, and administers and enforces Iowa Code Chapter 502—Uniform Securities Act pursuant to Iowa Code § 502.601 as the Securities Administrator (“Administer”) pursuant to Iowa Code § 505.8.
2. Richard Michael Jones (“Jones”) is an individual with a last reported residence address of 4900 University Avenue, Suite 225, West Des Moines, IA 50265.
3. Jones was licensed in the state of Iowa as a resident insurance producer from July 6, 2012 until August 31, 2018 when his license expired. He was licensed under National Producer Number 1670421.

4. Pursuant to Iowa Code § 505.28, Jones has consented to the jurisdiction of the Commissioner of Insurance by committing acts governed by Iowa Code Chapters 502 and 522B and Iowa Administrative Code 191—Chapter 50.

5. From on or about August 18, 2017 to October 3, 2017, Jones engaged in acts and practices within the state of Iowa constituting cause for probation, suspension, or revocation of his resident insurance producer license; suspension, revocation, restriction, condition, or limitation of Jones's securities agent registration; cease and desist orders; and civil penalties or other relief under Iowa Code Chapters 502, 505, 507B, 522B, and rules adopted pursuant to this chapter.

II. FINDINGS OF FACT

6. Jones 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, Jones designated the Commissioner as an agent for service of process.

7. The Division issued Jones a license as an insurance producer on July 6, 2012 and assigned to him National Producer Number 16704261.

8. Jones registered in the state of Iowa as a securities agent on July 10, 2012. Jones was assigned Central Registration Depository ("CRD") number 6094977.

9. FINRA granted Jones's U-4 application for registration as a securities agent in Iowa on July 10, 2012.

10. According to Jones's producer licensing record with the Division, Jones's residence address is 4900 University Avenue, Suite 225, West Des Moines, IA 50265.

11. According to Jones's CRD filing, his residence address is 161 F Ave., Pilot Mound, IA 50223.
12. On November 8, 2016, Jones was the subject of a customer complaint to New York Life Securities LLC ("NYLS") alleging misrepresentations and omissions.
13. Jones had voluntarily resigned from NYLS on July 29, 2016.
14. FINRA initiated an inquiry into the customer complaint but Jones failed to respond to their inquiry.
15. FINRA initially suspended Jones's registration and then barred Jones from associating with any FINRA member in any capacity.
16. The Division became aware of FINRA's actions and opened an investigation into the matter.
17. On August 17, 2017, a Division investigator sent Jones a letter, via first class mail, to each of Jones's addresses listed on his CRD and SBS licensing records. The letters requested information regarding Jones's failure to respond and cooperate with FINRA as well as the details regarding the customer complaint.
18. Jones failed to respond to these letters.
19. On September 18, 2017, a Division investigator sent additional letters to Jones via certified mail to the same addresses again requesting information regarding Jones's failure to respond and cooperate with FINRA and the details regarding the customer complaint.
20. Jones again failed to respond. The September 18th letter, mailed to Jones's producer licensing address, was returned to the Division indicating "return to sender; attempted-not known; unable to forward" as Jones was "not at this address."

21. The Division's September 18th letter send to the CRD address was delivered and signed for by Jones on September 21, 2017.

III. VIOLATIONS

COUNT ONE

DISHONEST OR UNETHICAL PRACTICES IN SECURITIES

22. Under Iowa Code § 502.412(4)(m) and Iowa Administrative Code rules 191—50.16(2)(i), a securities agent commits a dishonest or unethical business practice by failing or refusing to provide information requested by the administrator within 14 days.

23. Jones failed to provide information to the Division within 14 days after being sent two letters requesting him to do so.

24. Jones's acts and practices have been in violation of Iowa Administrative Code rule 191—50.16(2)(i) and its enabling statute, Iowa Code § 502.412 (4) subjecting Jones to suspension, revocation, restriction, condition, or limitation of Jones's securities agent registration, civil penalties, and cease and desist orders and ordering the payment of investigation costs pursuant to Iowa Code § 502.604; and other relief as appropriate.

COUNT TWO

FAILURE TO COOPERATE

25. Under Iowa Code § 522 B.11(1)(p), a license may be subject to probation, suspension, or revocation and civil penalties may be levied, as provided for in Iowa Code § 522B.17, for failing or refusing to cooperate in an investigation.

26. Jones failed to respond to the Division investigator's letters. At least one of the letters sent by certified mail was delivered and signed for by Jones.

27. Jones's acts and practices have been in violation of Iowa Code § 522B.11(1)(p) subjecting Jones to probation, suspension or revocation of Jones's insurance producer license, to

imposition of a civil penalty, an order requiring Jones to cease and desist from engaging in such acts or practices, the imposition of the costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 522B.11, 522B.17 and 505.8.

COUNT THREE
FAILURE TO UPDATE ADDRESS

28. Under Iowa Code § 522B.6(7) and Iowa Administrative Code 191—10.12(2), a licensee shall inform the Commissioner of a change of address within thirty days of the change.

29. The certified letter sent by the Division to Jones at the address provided by Jones as his producer licensing address was returned by the postal service as “Return to Sender—Attempted-Not Known—Unable to Forward.”

30. Jones did not inform the Commissioner of the change of address within 30 days.

31. Jones’s acts and practices have been in violation of Iowa Code § 522B.6(7) and Iowa Administrative Code rule 191—10.12(2), subjecting Jones to suspension or revocation of Jones’s insurance producer license, to the imposition of a civil penalty, an order requiring Jones to cease and desist from engaging in such acts or practices, the imposition of the costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 522B.11, 522B.17 and 505.8.

IV. ORDER

WHEREFORE, IT IS ORDERED pursuant to the powers granted to the Commissioner of Insurance by Iowa Code Chapters 502, 507B and 522B:

- A. Jones’s Iowa resident insurance producer license is immediately revoked pursuant to Iowa Code §§ 507B.7 and 522B.11;

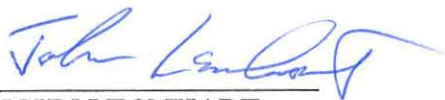
- B. Jones shall immediately cease and desist from engaging in the business of insurance in this state pursuant to Iowa Code § 522B.17;
- C. Jones is prohibited from applying for an insurance license in this state for five years from the date of this Order;
- D. Jones's securities agent registration is immediately revoked pursuant to Iowa Code Iowa Code §§ 502.412 and 502.604;
- E. Jones shall immediately cease and desist from engaging in the acts or practices found herein pursuant to Iowa Code §§ 502.412 and 502.604 and
- F. Jones is barred from applying for a securities agent registration in this state for five years from the date of this Order.

SO ORDERED on the 17th day of April, 2019.



DOUGLAS M. OMMEN
Iowa Insurance Commissioner

Respectfully submitted,



JOHN LEONHART
Compliance Attorney
Two Ruan Center
601 Locust St., 4th Floor
Des Moines, IA 50309
John.leonhart@iid.iowa.gov
(515) 281-4029
Attorney for Iowa Insurance Division

NOTICE OF PENALTIES FOR WILLFUL VIOLATION OF THIS ORDER

YOU ARE NOTIFIED that acting as an insurance producer, as defined in Iowa Code Chapter 522B, in violation of this Order, is a felony under Iowa Code § 507A.10, subjecting you to punishment of imprisonment, jail, fines, or any combination of custody and fines.

YOU ARE ALSO NOTIFIED that if you violate this Order, you may be subject to administrative and civil penalties pursuant to Iowa Code § 522B.17(3). 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 you 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.

YOU ARE NOTIFIED that acting as a securities agent, investment adviser, investment adviser representative, or broker-dealer, as defined in Iowa Code Chapter 502, in violation of this Order, is a felony under Iowa Code § 502.508, subjecting you to punishment of imprisonment, jail, fines, or any combination of custody and fines.

YOU ARE NOTIFIED that any person who violates this order may be subject to administrative and civil penalties pursuant to Iowa Code § 502.604. 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 REGARDING REISSUANCE

Upon entry of this Order, your insurance producer license will become inactive due to revocation. While your license is inactive, you are prohibited from conducting the business of insurance. Your license will not be active until the Division makes the determination to reissue your insurance producer license by order pursuant to Iowa Administrative Code 191—10.10.

Reissuance of your insurance producer license is subject to the discretion of the Commissioner. Additionally, it will not be granted unless and until you have complied with the terms of this Order, made the appropriate Application for Reissuance with the Division, and paid all applicable fees. If applicable, you may also be required to apply for licensure through the National Insurance Producer Registry (NIPR) and pay all applicable fees.

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, Richard Michael Jones, 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.

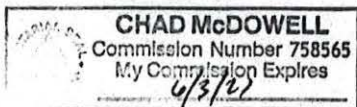
I further understand that this Order will be a final administrative action that may be reported by the Division to the National Association of Insurance Commissioners and to other regulatory agencies. I also understand that this Order is a public record under Iowa Code Chapter 22, which will be disclosed 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: 4-10-19

Richard M. Jones
Richard Michael Jones, Respondent

141 E Ave Pilot Mound, Ia 50223
Address of Signatory

Subscribed and sworn before me by Richard Michael Jones on this 10th day of April, 2019.



[Signature]
Notary Public for the State of Iowa