

State of Missouri
Office of Secretary of State

Case No. AP-08-30

IN THE MATTER OF:

Michael Bennett
CRD # 1785944

CONSENT ORDER

SUMMARY OF ENFORCEMENT SECTION'S ALLEGATIONS

1. After receiving a complaint the Enforcement Section of the Missouri Securities Division conducted an investigation into Respondent's sale of a variable annuity to a Missouri resident. The Division found facts that led the Division to believe that the Respondent committed a violation of the Missouri Securities Act by not having a reasonable basis to recommend the selling of a security to purchase a variable annuity. The division alleges that Respondent's action constitutes grounds to discipline the Respondent pursuant to Section 409.4-412, RSMo. (Cum. Supp. 2008).
2. Respondent and the Securities Division desire to settle the allegations and the matters raised by the Securities Division relating to Respondent's activities.

CONSENT TO JURISDICTION

3. Respondent and the Enforcement Section of the Securities Division stipulate and agree that the Commissioner has jurisdiction over this Respondent and these matters pursuant to the Missouri Securities Act of 2003, Chapter 409, *et seq.*
4. Respondent and the Enforcement Section of the Securities Division stipulate and agree that the Commissioner has authority to enter this Order pursuant to Section 409.6-604(h), RSMo. (Cum. Supp. 2008), which provides:

"The commissioner is authorized to issue administrative consent orders in the settlement of any proceeding in the public interest under this act."

WAIVER AND EXCEPTION

5. Respondent waives its rights to a hearing with respect to this matter.
6. Respondent waives any rights that he may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order.
7. Respondent specifically forever releases and holds harmless the Missouri Office of Secretary of State, Secretary of State, Commissioner of Securities and their respective representatives and agents from any and all liability and claims arising out of, pertaining to or relating to this matter.
8. Respondent and the Securities Division stipulate and agree that with this Order, this matter is fully and finally resolved, and no further action shall be taken by the Securities Division against Respondent and its representatives and agents. Should the facts contained herein prove to be false, the Securities Division reserves the right to pursue any and all legal and administrative remedies at its disposal.
9. This Order represents a settlement between the parties. It is expressly understood that this stipulation and Order are for the purpose of resolving this proceeding only and are not to constitute admissions of liability or wrongdoing for any other purpose or proceeding.

CONSENT TO COMMISSIONER'S ORDER

10. Respondent and the Securities Division stipulate and agree to the issuance of this Consent Order without further proceedings in this matter, agreeing to be fully bound by the terms and conditions specified herein.
11. Respondent agrees not to take any action or to make or permit to be made any public statement creating the impression that this Order is without a factual basis. Nothing in this paragraph affects Respondent's (a) testimonial obligations; or (b) right to take legal or factual position in defense of litigation or in defense of other legal proceedings in which the Commissioner of Securities is not a party; or (c) right to make public statements that are factual.
12. Respondent agrees that Respondent is not the prevailing party in this action since the parties have reached a good faith settlement.

13. Respondent neither admits nor denies the allegations made by the Securities Division or the Commissioner's Findings of Fact, Conclusions of Law and Order as set forth below but consents thereto solely for the purposes of this proceeding and any proceeding that may be brought to enforce the terms of this Consent Order.

FINDINGS OF FACT

14. Michael Bennett was, at all pertinent times, a registered agent and producing branch manager in the Raymond James Financial Services, Inc. ("RJF") Springfield, Missouri office located in Great Southern Bank.
15. In or around January 2006, MR1 and MR2, 79 and 78 respectively at the time, met with Bennett at the bank. They were seeking additional income to meet their living expenses.
16. When Bennett met with MR1 and MR2 in January 2006, MR1 and MR2's investments at the time consisted of: General Electric ("GE") common stock, four variable annuities, a variable life insurance policy and a small cash account at RJF.
17. Bennett recommended that MR1 and MR2 sell the stock in GE and purchase a variable annuity.
18. On January 3, 2006, MR1 and MR2 sold all of the GE stock and except for a small amount set aside for taxes used the proceeds from the sale to purchase a Hartford variable annuity.
19. The Division in its investigation found facts that led it to believe that when Bennett recommended to MR1 and MR2 to sell the GE stock and purchase the Hartford annuity that recommendation violated Section 409.4-412(d)(13), RSMo. (Cum. Supp. 2008), by causing an over concentration of annuities in MR1 and MR2's holdings and by failing to access available income from MR1 and MR2's existing annuities.

ORDER

NOW, THEREFORE, it is hereby Ordered that:

1. Respondent's registration in Missouri is hereby **CENSURED**;
2. Respondent is ordered to disgorge three thousand dollars (\$3,000) for the commission received by Respondent for the variable annuity sale to MR1 and MR2. This amount shall be due and payable within thirty (30) days from the date of this order to the Missouri Investor Education and Protection Fund upon the execution of this Order. This amount shall be submitted to the Securities Division at 600 West Main Street Jefferson City, Missouri 65101. The Division will forward these funds to the Missouri Investor Education and Protection Fund
3. Respondent is ordered to pay two thousand, dollars (\$2,000.00) toward the cost of this investigation. This amount shall be due and payable within thirty (30) days from the date of this order to the Missouri Investor Education and Protection Fund upon the execution of this Order. This amount shall be submitted to the Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101. The Division will forward these funds to the Missouri Investor Education and Protection Fund; and
4. Respondent shall pay its own costs and attorneys' fees with respect to this matter.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY, MISSOURI THIS 17TH DAY OF FEBRUARY, 2009.

ROBIN CARNAHAN
SECRETARY OF STATE

(Signed/Sealed)
MATTHEW D. KITZI
COMMISSIONER OF SECURITIES

Consented to by:

Lori J. Neidel
Chief Enforcement Counsel
Missouri Securities Division

By: (signature) _____
Michael Bennett

(printed name)
Printed or typed name

