

State of Missouri
Office of Secretary of State

Case No. AP-06-29

IN THE MATTER OF:

JORDAN EDWARDS

Respondent.

Serve:

Jordan Edwards
545 Glenrock Ave, Apt 303
Los Angeles, California 90024

CONSENT ORDER

SUMMARY OF ALLEGATIONS

1. The Missouri Securities Division has alleged that Respondent materially assisted Dennis Edwards in the offer and sell of unregistered, nonexempt securities in the State of Missouri in violation of §409.3-301, RSMo. Supp. 2005.
2. Respondent and the Securities Division desire to settle the allegations and the matters raised by the Securities Division relating to Respondent's alleged activities.

CONSENT TO JURISDICTION

3. Respondent and the Securities Division stipulate and agree that the Commissioner has jurisdiction over this Respondent and these matters pursuant to the Missouri Securities Act, Chapter 409, et seq.
4. Respondent and the Securities Division stipulate and agree that the Commissioner has authority to enter this Consent Order pursuant to §409.6-604(h), RSMo Supp. 2005, 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 his right 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. Respondent specifically forever release and hold 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.
7. Respondent stipulates and agrees with the Securities Division that, should the facts contained herein prove to be false or incomplete, the Missouri Securities Division reserves the right to pursue any and all legal or administrative remedies at its disposal.

AGREEMENT TO COOPERATE

8. Respondent agrees to cooperate with the Division's investigation in this matter and will provide information and discovery relating to the subject matter of this investigation.

CONSENT TO COMMISSIONER'S ORDER

9. 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.
10. Respondent neither admits nor denies the allegations made by the Securities Division in their petition for Consent Order (Attachment A) but consent to the Commissioner's Findings of Fact or Conclusions of Law as set forth below solely for the purposes of this proceeding and any proceeding that may be brought to enforce the terms of this Consent Order.
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.
12. Respondent agrees that Respondent is not the prevailing party in this action since the parties have reached a good faith settlement.

COMMISSIONER'S FINDINGS OF FACT AND CONCLUSIONS OF LAW

13. Jordan Edwards is a Missouri-registered insurance agent residing at 545 Glenrock Ave, Apt 303 Los Angeles, California 90024. During the summers of 2003 and 2004, Jordan Edwards worked in a clerical position for his father, Dennis Edwards, who owned an insurance business, Advisors Marketing Alliance ("AMA"). [\[1\]](#)
14. In November 2003, Dennis Edwards had Jordan open a Bank of America checking account (referred to as the "Business Account").
15. In late 2003, Jordan Edwards became licensed in Missouri as an insurance agent at the insistence of Dennis Edwards who stated that with Jordan's insurance license more insurance could be run through AMA.
16. Jordan Edwards never attempted to sell any insurance products.
17. Jordan Edwards understood that business obtained through his insurance license would generate commissions that his father would deposit into the Business Account.
18. Dennis Edwards was not licensed as an insurance agent during the time that the insurance commission checks that he received under Jordan's name were deposited into the Business Account.
19. Dennis Edwards had Jordan sign entire books of blank checks for the Business Account that Dennis Edwards later used to pay personal expenses.
20. On September 17, 2004, Dennis Edwards sold a promissory note for twenty-five thousand dollars (\$25,000) to a Missouri resident and had the Missouri resident make the check for \$25,000 payable to Jordan Edwards. This check was deposited into the Business Account.
21. On April 23, 2005, Dennis Edwards sold a promissory note for fifty-six thousand dollars (\$56,000) to a second Missouri resident and had the Missouri resident make the check for \$56,000 payable to Jordan Edwards. This check was deposited into the Business Account.
22. Jordan Edwards had access to the statements that were generated by the Business Account.
23. Jordan materially assisted Dennis Edwards' illegal conduct by: opening a bank account under Jordan's name without discerning the purpose of this Business Account; failing to adequately review statements to learn that Dennis Edwards was depositing investors' checks that were made payable to Jordan Edwards into the Business Account; signing books of blank checks for this Business Account without reviewing how money from this account was spent; and.
24. On July 19, 2006, Jordan Edwards agreed to relinquish his insurance license and agreed not to seek insurance registration in the State of Missouri for five years.
25. Respondent Jordan Edwards materially assisted, Dennis Edwards who, among other things sold unregistered securities.
26. The Commissioner has jurisdiction over these matters pursuant to the Missouri Securities Act of 2003, Chapter 409, *et seq.*
27. The Commissioner has authority to enter this Consent Order pursuant to § 409.6-604(h), RSMo, Supp. 2005, which provides that the Commissioner is authorized to issue administrative consent orders in the settlement of any proceeding in the public interest under this act.
28. This Order is in the public interest.

ORDER

WHEREAS, the Commissioner, after consideration of the stipulations set forth above and on the consent of Respondent and the Division, finds the following Order to be in the public interest and necessary for the protection of public investors and consistent with the provisions of Chapter 409, RSMo, *et seq.*

NOW, THEREFORE, it is hereby Ordered that:

1. Respondent is prohibited from violating § 409.3-301, RSMo, Supp. 2005, by materially assisting the offer and sale of securities in Missouri without registering or qualifying for an applicable exemption.
2. Respondent will reimburse the Division for the cost of the investigation in the amount of two thousand dollars (\$2,000). This amount shall be paid to the Missouri Secretary of State's Investor Education and Protection Fund. Respondent will deliver a check to the Securities Division in the amount of \$2,000 made payable to the Missouri Secretary of State to be deposited into the Missouri Secretary of State's Investor Education and Protection Fund. Such amount shall be due and payable within forty-five (45) business days from date that this Consent Order is entered.
3. Respondent will be responsible for his own costs and attorney fees.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY, MISSOURI THIS 11TH DAY OF AUGUST, 2006.

ROBIN CARNAHAN
SECRETARY OF STATE

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

Consented to by:

Mary S. Hosmer
Assistant Commissioner of Securities
Missouri Securities Division

Jordan Edwards

¹ Dennis Edwards was a Missouri-registered insurance agent with an address of 18921 G. East Valley View #256, Independence, MO 64055. Dennis Edwards is the subject of three prior cease and desist orders issued by the Missouri Commissioner of Securities. Dennis Edwards is awaiting sentencing on one felony count of mail fraud stemming from one of the above-mentioned actions.