

**STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:

RONALD WARREN POWELL

AKA: RONNY W POWELL

TOM JONES INSURANCE AND FINANCIAL  
SERVICES GROUP, INC

RESPONDENTS

ADMINISTRATIVE ORDER

NO. OB-2015-0008

**ORDER TO BAR**

The Alabama Securities Commission ("Commission"), having the authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities into, within or from the state of Alabama, has determined as follows:

**RESPONDENTS**

1. **RONALD WARREN POWELL (POWELL), AKA: RONNY W POWELL**, (CRD #4816011), is an Alabama resident with a residential address of 104 Brooke Dr., Muscle Shoals, AL 35661.

2. **TOM JONES INSURANCE AND FINANCIAL SERVICES GROUP, INC (T.J.I.F.S.G.)**, is an Alabama corporation with a business address of 522 D Mitchell Self Memorial Drive, Muscle Shoals, AL 35662. POWELL is represented to be the chairman and C.E.O. of T.J.I.F.S.G.

## **STATEMENT OF FACTS**

3. Information available to the Commission indicates that from 1999 through April 2015, POWELL was Chairman and C.E.O. of T.J.I.F.S.G. Articles of Incorporation, filed with the Alabama Secretary of State, indicate that T.J.I.F.S.G.'s purposes are:

To engage in the business of selling all types and lines of Insurance policies and annuities, including but not limited to, property, casualty, life, health, cancer and commercial annuities.

To engage in the business of buying, selling, and otherwise dealing in or with, in any matter whatsoever, as broker, agent, or principal, and on commission or otherwise, options and all other manner of contracts, respecting the purchase, sale or other dispositions of shares, bonds, notes, mortgages, debentures, and all other securities for any interest therein.

4. In July 2014, the Commission was contacted by an ALABAMA RESIDENT who invested \$250,000 with POWELL. In April 2013, the ALABAMA RESIDENT gave POWELL a \$250,000 personal check dated April 17, 2013. The check was made out to T.J.I.F.S.G. as payment for a twelve month investment. The ALABAMA RESIDENT wrote "Assets Allocation Investment" on the memo line of the check. POWELL deposited the \$250,000 check into a T.J.I.F.S.G. business account on April 18, 2013. Subsequently, POWELL gave the ALABAMA RESIDENT a promissory note dated February 3, 2014. The Promissory note stated that on February 28, 2014, the ALABAMA RESIDENT would be paid \$290,237.50.

5. On June 6, 2013, POWELL (CRD #4816011) received a "two year term from industry" imposed by Financial Industry Regulatory Authority (FINRA). The two year term was imposed after POWELL failed to comply with an arbitration award or settlement agreement or to respond satisfactorily to a FINRA request to provide information concerning the status of compliance. POWELL never informed the ALABAMA RESIDENT after earlier receiving a \$250,000 investment from him.

6. The ALABAMA RESIDENT stated that in February 2014, as the maturity date of the promissory note approached, POWELL gave the ALABAMA RESIDENT a \$250,000 T.J.I.F.S.G. business check predated for April 16, 2014 as partial payment of the promissory note. POWELL also gave the ALABAMA RESIDENT a handwritten note, instructing the

ALABAMA RESIDENT to “hold until April 16<sup>th</sup> 2014, as that is the anniversary of the \$250K check.” The ALABAMA RESIDENT stated the promissory note became due on April 16, 2014. Prior to that date, POWELL contacted the ALABAMA RESIDENT and told him “not to deposit the check but continue and hold the \$250,000 check past the due date and until POWELL told him it was alright to cash.” POWELL failed to repay the ALABAMA RESIDENT on the April 16, 2014, as promised.

7. Subsequently, while still holding the \$250,000 check and waiting clearance from POWELL to deposit it, the ALABAMA RESIDENT received a \$40,237.50 check from POWELL as partial payment of the promissory note. The check dated April 16, 2014, was deposited by the ALABAMA RESIDENT on April 22, 2014, after approved by POWELL.

8. Subsequently, the ALABAMA RESIDENT received a \$9,000 check from POWELL for partial payment of the promissory note. The check dated May 12, 2014, was deposited by the ALABAMA RESIDENT on May 20, 2014, after approved by POWELL.

9. On June 9, 2014, the ALABAMA RESIDENT became frustrated by POWELL’s failure to repay him as promised. The ALABAMA RESIDENT deposited the \$250,000 dated April 16, 2014, into his account without approval from POWELL. On June 12, 2014, the ALABAMA RESIDENT received notice from his bank that POWELL had stopped payment on the check.

10. Subsequently, the ALABAMA RESIDENT received a \$50,000 check from POWELL for partial payment of the promissory note. The check dated July 9, 2014, was deposited by the ALABAMA RESIDENT on July 11, 2014, after approved by POWELL.

11. Subsequently, the ALABAMA RESIDENT received a \$40,000 check from POWELL for partial payment of the promissory note. The check dated July 18, 2014, was deposited by the ALABAMA RESIDENT on July 22, 2014, after approved by POWELL.

12. Subsequently, the ALABAMA RESIDENT received a \$15,000 check from POWELL for partial payment of the promissory note. The check dated September 10, 2014, was deposited by the ALABAMA RESIDENT on September 23, 2014, after approved by POWELL.

13. Subsequently, the ALABAMA RESIDENT received a \$20,000 check from POWELL for partial payment of the promissory note. The check dated September 26, 2014, was deposited by the ALABAMA RESIDENT on September 30, 2014, after approved by POWELL.

14. Subsequently, the ALABAMA RESIDENT received a letter from POWELL dated October 8, 2014, on T.J.I.F.S.G. letterhead and signed by POWELL. The letter stated that POWELL committed to resolving the indebtedness on or before November 15, 2014.

15. Subsequently, the ALABAMA RESIDENT received a \$15,000 check from POWELL for partial payment of the promissory note. The check dated October 10, 2014, was deposited by the ALABAMA RESIDENT on October 15, 2014, after approved by POWELL.

16. Subsequently, the ALABAMA RESIDENT received a \$15,000 check from POWELL for partial payment of the promissory note. The check dated October 31, 2014, was deposited by the ALABAMA RESIDENT on November 4, 2014, after approved by POWELL.

17. Subsequently, the ALABAMA RESIDENT received a \$20,000 check from POWELL for partial payment of the promissory note. The check dated November 15, 2014, was deposited by the ALABAMA RESIDENT on November 24, 2014, after approved by POWELL.

18. Subsequently, the ALABAMA RESIDENT received a \$25,000 check from POWELL for partial payment of the promissory note. The check was predated for December 5, 2014, with a handwritten note from POWELL giving approval for the ALABAMA RESIDENT to deposit on this date.

19. Subsequently, the ALABAMA RESIDENT received a \$25,000 check from POWELL for partial payment of the promissory note. The check was predated for December 20, 2014, with a handwritten note from POWELL giving approval for the ALABAMA RESIDENT to deposit on this date.

20. Subsequently, the ALABAMA RESIDENT received a \$25,000 check from POWELL for final payment of the promissory note. The check was predated for December 31, 2014, with a handwritten note from POWELL giving approval for the ALABAMA RESIDENT to deposit on this date.

21. The Commission learned that from June 22, 2007, through August 3, 2009, POWELL was employed with AXA Advisors, LLC, (AXA) as a registered representative. POWELL offered securities through AXA and annuity and insurance products through AXA Network, LLC, and its subsidiaries including T.J.I.F.S.G. In June 2009, POWELL was the subject of an AXA internal investigation after allegations that POWELL had borrowed \$300,000 from a client in violation of AXA policy. POWELL was suspended from AXA during the investigation.

22. Prior to the conclusion of AXA's investigation, POWELL was permitted to resign. The Commission sent AXA a visitation letter and subsequently received documents including a promissory note dated Feb 27, 2009, made by POWELL and Alabama Resident #2 for \$300,000. The promissory note was to be paid at a rate equal to ten percent (10%) per annum. "Provided the indebtedness is not prepaid, the payment due on March 17, 2009, shall be in the amount of \$301,500.12". The promissory note was signed by POWELL and Alabama Resident #2.

23. A review of the files of the Registration Division of the Alabama Securities Commission was conducted on March 4, 2015, disclosing no record of registration for POWELL or T.J.I.F.S.G. as a broker-dealer agent, investment advisor, or investment advisor representative in the state of Alabama.

## **CONCLUSIONS OF LAW**

24. Pursuant to Section 8-6-2(10), Code of Alabama 1975, any note or 'evidence of indebtedness' is a security. The promissory note issued by POWELL on behalf of T.J.I.F.S.G. to the Alabama resident is a security as defined in the Act.

25. Pursuant to §8-6-4, Code of Alabama 1975, it is unlawful for any person to offer or sell any security in this state unless: it is registered under the Act; the security is exempt from registration under §8-6-10; or the transaction is exempt under §8-6-11. The securities offered and/or sold by POWELL, to wit: the promissory note, issued on behalf of T.J.I.F.S.G. is neither registered nor exempt from registration and was offered and sold to the Alabama investor in violation of the Act.

26. Pursuant to Section 8-6-2(2), Code of Alabama 1975, an Agent is any individual other than a Dealer who represents a Dealer or Issuer in effecting or attempting to effect sales of securities. POWELL, in effecting sales of securities, to wit: the promissory note of T.J.I.F.S.G. is an Agent as defined in the Act.

27. Pursuant to § 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as an agent or dealer for securities unless such person is registered under the Act. POWELL, by offering and selling securities, to wit: the promissory note issued to an Alabama resident, acted as an agent in Alabama without benefit of registration with the Commission in violation of the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

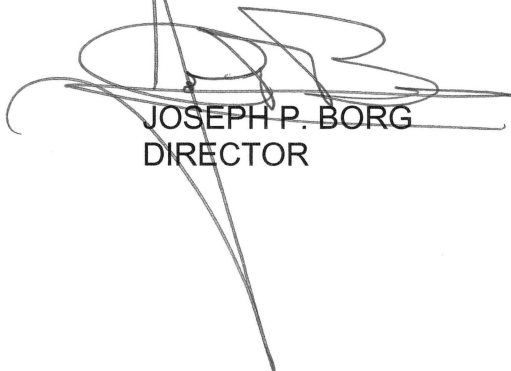
This Order does not prevent the Alabama Securities Commission from seeking such other civil or criminal remedies that are available to it under the Act.

**ACCORDINGLY, IT IS HEREBY ORDERED** that POWELL be BARRED from transacting business as a dealer, agent, investment advisor, or investment advisor representative; that POWELL, and T.J.I.F.S.G. be BARRED from performing any function or activity of the securities business in Alabama; and that POWELL and that T.J.I.F.S.G. are BARRED from engaging in any securities activities into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 28th day of April, 2015.



ALABAMA SECURITIES COMMISSION  
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JOSEPH P. BORG  
DIRECTOR

A stylized, handwritten signature in black ink is written over the printed name and title. The signature is fluid and cursive, with a large loop at the end.