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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA :
DEPARTMENT OF BANKING AND :
SECURITIES, BUREAU OF SECURITIES :
COMPLIANCE AND EXAMINATIONS :

DOCKET No. 170078 (SEC-CAO)

v.

RAYMOND JAMES FINANCIAL :
SERVICES, INC. :

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Bureau of Compliance and Examinations ("Bureau") has conducted an investigation and an examination of the business practices of Raymond James Financial Services, Inc. ("RJFS"). Based upon the results of its investigation and examination, the Bureau has concluded that RJFS committed a violation of the Pennsylvania Securities Act of 1972, 70 P.S. § 1-101 *et. seq.* ("1972 Act"). RJFS, in lieu of litigation, and neither admitting nor denying the allegations herein, and intending to be legally bound, hereby agrees to the terms of this Consent Agreement and Order ("Order").

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the 1972 Act.
2. The Bureau is primarily responsible for administering and enforcing the 1972 Act for the Department.
3. At all times material herein, RJFS (CRD #6694) was registered in Pennsylvania pursuant to Section 301 of the 1972 Act, 70 P.S. § 1-301 as a broker-dealer in the Commonwealth.

4. From in or about November 6, 2013 to February 19, 2016, Jeffrey Scott Ingros (“Ingros”) (CRD #2091822) was a representative, supervising principal, and branch office manager registered with RJFS at its office located at 295 Third Street, Suite 300, Beaver, PA 15009.

5. From in or about November 30, 2015 to February 19, 2016, Ingros also was registered as an investment adviser representative through Raymond James Financial Services Advisors, Inc. (CRD #149018).

6. On or about February 17, 2016, as disclosed by RJFS in the Financial Industry Regulatory Authority (“FINRA”) Central Registration Depository (“CRD”) database, Ingros was placed on internal review at RJFS.

7. On or about February 19, 2016, as disclosed by RJFS in the CRD, Ingros’ registration with RJFS was terminated.

8. On or about March 11, 2016, FINRA issued a final order (“FINRA Bar”) against Ingros.

9. The FINRA Bar against Ingros states, in pertinent part, that:

Ingros consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA during its investigation into allegations that he ... engaged in outside business activities.

10. The FINRA Bar against Ingros is a permanent bar from all FINRA registered activities.

11. In or about October, 2016, Staff of the Bureau (“Staff”) reviewed Ingros’ business activities and conducted an examination and investigation of RJFS, including an investigation of RJFS branch offices in Beaver, PA.

12. Staff's examination and investigation included receipt of evidence that Ingros accepted loans from customers without prior approval from RJFS and failed to disclose the loans on annual compliance attestations throughout the course of his registration with RJFS.

13. Staff's investigation and examination confirmed, among other issues and deficiencies, that RJFS' supervisory practices did not flag and identify that Ingros was accepting loans from customers during the course of his registration with the firm.

VIOLATION

14. By engaging in the acts and conduct set forth in paragraphs 4 through 13 above, RJFS is subject to a sanction under Section 305(a)(vii) of the 1972 Act, 70 P.S. § 1-305(a)(vii), for its failure to reasonably supervise an agent of the firm.

AUTHORITY

15. The Department has authority in Section 305(a) of the 1972 Act to deny, suspend, revoke or condition a securities registration. *See* 70 P.S. § 1-305(a).

16. The Department has authority in Section 602.1(b) of the 1972 Act to assess legal and investigative costs to a registrant upon whom the Bureau has conducted an examination, audit, investigation or prosecution. *See* 70 P.S. § 1-602.1(b).

17. The Department has authority in Section 602.1(c) of the 1972 Act to impose an administrative assessment against a broker-dealer registered under section 301 where the Department determines that the firm has failed reasonably to supervise its agents or employees. *See* 70 P.S. § 1-602.1(c).

RELIEF

18. Within ten days of the Effective Date of this Order, as defined by Paragraph 27, RJFS is ORDERED to pay an administrative assessment in the amount of \$125,000 pursuant to

Section 602.1(c) of the 1972 Act, 70 P.S. § 1-602.1(c). Payment shall be made by certified check or money order made payable to the “Department of Banking and Securities” and shall be mailed or delivered, in person, to the Bureau of Securities, Compliance and Examinations, located at 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

19. Within ten days of the Effective Date of this Order, as defined by Paragraph 27, RJFS is ORDERED to pay legal and investigative costs in the amount of \$25,000 pursuant to Section 602.1(b) of the 1972 Act, 70 P.S. § 1-602.1(b). Payment shall be made by certified check or money order that is made payable to the “Department of Banking and Securities” and shall be mailed or delivered, in person, to the Bureau of Securities, Compliance and Examinations, located at 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

20. RJFS is ORDERED to comply with the 1972 Act, and Regulations as promulgated by the Department, in particular, Section 305(a)(vii), 70 P.S. § 1-305(a)(vii).

21. Should Raymond James Financial Services, Inc. fail to pay the costs as set forth in Paragraph 19 above and/or the administrative assessment as set forth in Paragraph 18 above, the sanctions set forth elsewhere in the Order shall continue in full force and effect until full payment is made. However, this provision shall not be construed as affording Raymond James Financial Services, Inc. the option of either paying the costs and assessment or being indefinitely subjected to the sanctions.

22. Should RJFS fail to comply with any and/or all provisions of this Order, the Department may impose additional sanctions and costs and seek other appropriate relief subject to their right to a hearing pursuant to the 1972 Act.

FURTHER PROVISIONS

23. Consent. RJFS hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's authority under the 1972 Act and agrees that it understands all of the terms and conditions contained herein. RJFS, by voluntarily entering into this Order, waives any rights to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

24. Entire Agreement. This Order contains the entire agreement between the Department and RJFS. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Department and RJFS.

25. Binding Nature. The Department and RJFS and all officers, owners, directors, employees, heirs and assigns of RJFS intend to be and are legally bound by the terms of this Order.

26. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

27. Effectiveness. RJFS hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order ("Effective Date").

28. Other Enforcement Action.

(a) The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against RJFS in the future regarding all matters not resolved by this Order.

(b) RJFS acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

29. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

30. Counterparts. This Order may be executed in separate counterparts, by facsimile and by PDF.

31. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

32. Finding. The Department finds that it is necessary and appropriate in the public interest and for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the 1972 Act to issue this Order.

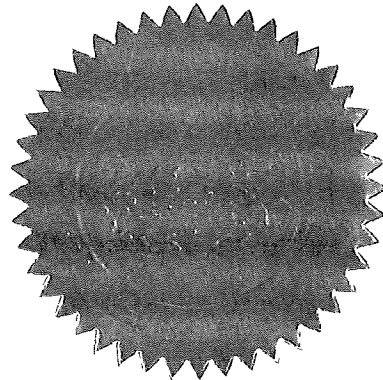
WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Bureau of Securities Compliance and Examinations and Raymond James Financial Services, Inc. intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES
BUREAU OF SECURITIES COMPLIANCE AND EXAMINATIONS:**

Redacted

Joseph J. Minisi
Deputy Secretary of Securities

Date: 12/21/17



FOR RAYMOND JAMES FINANCIAL SERVICES, INC.:

Redacted

Date: 12/11/2017