

OFFICE OF THE MISSISSIPPI SECRETARY OF STATE  
SECURITIES DIVISION

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IN THE MATTER OF:	)	
	)	
	)	
	)	
RALPH H. MOORE, JR.	)	Administrative Consent Order
	)	Number LS-14-1022
	)	
	)	
<i>Respondent</i>	)	

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ADMINISTRATIVE CONSENT ORDER

WHEREAS, the Securities Division of the Mississippi Secretary of State (“Division”), having the authority to administer and provide for the enforcement of all provisions of the Mississippi Securities Act (“Act”) codified at Mississippi Code Annotated Sections 75-71-101 *et. seq.*;

WHEREAS, Ralph H. Moore, Jr., individually (“Respondent”) has advised the Division of his agreement to resolve the matter;

WHEREAS, Respondent, solely for the purpose of concluding this open matter with the Division and without admitting or denying the Findings of Fact and Conclusions of Law set forth herein, agrees to take certain actions described herein and to make certain payments, and consents to the terms and conditions of this Administrative Consent Order (“Order”); and

WHEREAS, Respondent elects to permanently waive any right to a hearing and appeal under the Act in Sections 75-71-331 and 75-71-601 with respect to this Order;

NOW, THEREFORE, the Division, as Administrator of the Act, hereby enters this Order:

#### **I. FINDINGS OF FACT**

1. The Act gives authority to the Secretary of State to administer and enforce the Act and regulate the offer and sale of securities in Mississippi including the firms and persons who offer or sell securities or who provide investment advice regarding securities.

2. All citations to Mississippi statutes in this section are to the predecessor securities act in force for the relevant time period of the conduct.

3. Ralph H. Moore, Jr. ("Moore"), also known as "Skip", is an individual with a last known Mississippi residence at 601 Carlton Park Drive in Flowood, Mississippi. The Central Registrations Depository ("CRD") number for Moore is 4852834.

4. According to CRD records, from September 9, 2004 to November 20, 2012, Moore was employed at MML Investors Services, LLC, ("MML") as a broker-dealer agent at its branch office located at 1635 Lelia Drive, Suite 100 in Jackson, Mississippi.

5. According to CRD records, from November 18, 2013 to present, Moore is employed as a securities agent with Pruco Securities, LLC at a non-registered branch location at 5201 Sweet Bay, Apartment 104 in Mason, Ohio.

6. On or about February 18, 2009, Moore obtained a check numbered 1023 for \$75,000 from a client, HM, made payable to Moore.

7. On or about February 19, 2009, Moore wrote a \$75,000 check, numbered 2917, from his personal checking account with Trustmark National Bank to a third party.

8. According to text messages between Moore and HM, Moore described the transaction as offering HM an opportunity to make some money by lending to others for a higher return with fewer taxes.

9. Moore did not request permission from MML to make this transaction with HM, nor did he inform MML about this transaction. The transaction was effected unbeknownst to MML and away from the normal books and records of the firm.

### Applicable Law

10. Miss. Code Ann. § 75-71-107 sets forth:

**Administration of chapter.**

(a) The administration of this chapter shall be vested in the Secretary of State of Mississippi.

.....

(e) The Secretary of State is hereby authorized and empowered to make, amend and rescind rules and regulations from time to time, as he may deem necessary and proper for the administration and enforcement of the provisions of this chapter, not contrary to the provisions of law.

11. Miss. Code Ann. § 75-71-105 sets forth:

**Definitions.**

For the purposes of this chapter the following words shall have the following meanings unless the context shall prescribe otherwise:

.....

(n) "Security" means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit-sharing agreement; collateral-trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting-trust certificate; certificate of deposit for a security; certificate of interest or participation in an oil, gas or mining title or lease or in payments out of production under such a title or lease; interest in a limited partnership; viatical settlement investment contract or a fractionalized or pooled interest therein; or, in general, any interest or instrument commonly known as a "security," or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. "Security" does not include any insurance or endowment

policy or annuity contract under which an insurance company promises to pay a fixed or variable sum of money, or both, either in a lump sum or periodically for life or some other specified period.

12. Miss. Code Ann. § 75-71-321 sets forth:

**Denial, suspension or revocation of registration; grounds therefor.**

(a) The Secretary of State may by order deny, suspend or revoke any registration if the Secretary of State finds (1) that the order is in the public interest and (2) that the applicant or registrant or in the case of a broker-dealer or investment adviser, any partner, officer or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser:

....

(B) Has willfully violated or willfully failed to comply with any provision of this chapter or any rule or order under this chapter;

....

(F) Has engaged in dishonest or unethical practices in the securities business;

13. Mississippi Securities Act Rule 521 (B)(2) states:

**521. Standards of Conduct:** Each broker-dealer and agent shall observe high standards of commercial honor and just and equitable principles of trade in the conduct of their business. Acts and practices, including, but not limited to, the following, are considered contrary to such standards and may constitute grounds for denial, suspension, or revocation of registration, imposition of fines, or such other action authorized by statute.

....

**B. Agents**

....

2. Effecting securities transactions not recorded on the regular books or records of the broker-dealer which the agent represents, unless the transactions are authorized in writing by the broker-dealer prior to execution of the transaction;

14. The Division may employ remedies set out in Miss. Code Section § 75-71-715(2)(a) of the Act which sets forth:

**Secretary of State may issue cease and desist order, impose administrative penalty, or sue for injunction, restraining order or mandamus; orders of rescission, restitution or disgorgement; civil penalty.**

Whenever it appears to the Secretary of State that any person has engaged or is about to engage in any act or practice constituting a violation of any

provision of this chapter or any rule or order hereunder, he may, in his discretion, seek any or all of the following remedies:

(2) (a) Issue an order in the case of an issuer of registered securities, broker-dealer, investment advisor, agent, investment adviser representative, or other person who violated this chapter, imposing an administrative penalty up to a maximum of Twenty-five Thousand Dollars (\$25,000.00) for each offense and each violation shall be considered as a separate offense in a single proceeding or a series of related proceedings; to be paid to the Secretary of State and requiring reimbursement to the Secretary of State for all costs and expenses incurred in the investigation of the violation(s) and in the institution of administrative proceedings, if any, as a result thereof;

#### **Action Necessary to Protect the Public**

15. Action by the Division to halt further conduct by Respondent in violation of the Act is necessary and appropriate in the public interest and for the protection of investors, and is consistent with the purposes fairly intended by the policy and provisions of the Act.

16. The undersigned Respondent agrees that this Order contains, constitutes, and embodies the entire agreement between the undersigned, there being no agreement of any kind, verbal or otherwise, which varies, alters, or adds to this Order; and that this Order supersedes any prior communication, understanding, or agreement, whether written or oral, concerning the subject matter of this Order.

17. Respondent, by execution of this Order, affirmatively states that he has freely agreed to the signing of this Order, and that no threats, promises, representations, inducements, or offers of any kind, other than as stated in this document, have been made by the Division or any member of the staff of the Division, or any agent or employee of the Division in connection with the signing of this Order.

18. Based upon the foregoing Findings of Fact, and consistent with the consent of the Respondent, the Division makes the following:

## II. CONCLUSIONS OF LAW

19. The Administrator has jurisdiction over the subject matter of securities-related matters in Mississippi, and of Ralph H. Moore, Jr. as he was a registered broker-dealer agent in Mississippi during the time of the conduct.

20. The transaction, intended to make money for HM, whereby Moore obtained money from HM in order to make loans to others at a high interest rate (with a guaranteed return), constitutes a security as such term is defined by the Act.

21. As the broker-dealer, MML, had no knowledge of the transaction, Respondent violated Rule 523 B(2) promulgated under Miss. Code Ann. §§ 75-71-107 and 75-71-321 by effecting securities transactions not recorded on the regular books or records of the broker-dealer which the agent represents and not authorized in writing by the broker-dealer prior to execution of the transaction.

## III. ORDER

IT IS HEREBY ORDERED:

1. This Order concludes the open matter with the Division with respect to Respondent. However, nothing herein limits the ability of the Division, individually or jointly with other agencies, in pursuing any investigation with respect to any other securities-related matter involving the Respondent.

2. This Order is entered into solely for the purpose of resolving the previously referenced allegations and is not intended to be used for any other purpose.

3. Within thirty (30) days following the entry of this Order, Respondent shall pay to the Mississippi Secretary of State's Securities Division an administrative penalty in the amount of Five Thousand Dollars (\$5,000.00).

4. Respondent shall fully and fairly comply with all of the following requirements:

a. Respondent shall refrain from seeking registration in Mississippi following the entry of this Order.

b. Respondent shall, upon request by the Administrator, provide all documentation and information reasonably necessary for the Administrator to verify compliance with this Order.

c. Respondent shall not take any action, or make or permit to be made any public statement, denying, directly or indirectly, any finding in this Order or creating the impression that this Order is without factual basis. Nothing in this paragraph affects Respondent's (a) testimonial obligations; or (b) right to take legal or factual positions in defense of litigation or other legal proceedings to which the Administrator is not a party; and

d. Respondent shall fully, fairly, and truthfully disclose all information and producing all records and other evidence in its possession, custody, or control relevant to all inquiries made by the Division concerning the subject matter of this Order, except to the extent such inquiries call for the disclosure of information protected by the attorney-client and/or work product privileges.

5. If Respondent defaults in any of his obligations set forth in this Order, the Division may vacate this Order, at its sole discretion, upon fifteen (15) days' notice to

Respondent and without opportunity for administrative hearing and refer this matter for enforcement as provided in Section 75-71-604 (g) of the Act.

6. This Order is not intended to indicate that Respondent shall be subject to any disqualifications contained in the federal securities law, the rules and regulations thereunder, the rules and regulations of self-regulatory organizations or various states' securities laws. In addition, this Order is not intended to form the basis for any such disqualifications.

7. This Order shall not disqualify Respondent from any business that he otherwise is qualified or licensed to perform under applicable state law and this Order is not intended to form the basis for any disqualification.

8. This Order contains, constitutes, and embodies the entire agreement between the undersigned, there being no agreement of any kind, verbal or otherwise, which varies, alters, or adds to this Order; and this Order supersedes any prior communication, understanding, or agreement, whether written or oral, concerning the subject matter of this Order.

9. In the event that one or more provisions contained in this Order shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Order.

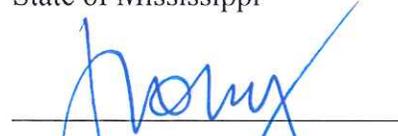
10. By his consent to and execution of this Order, Respondent affirmatively represents that he freely agrees to the signing of this Order by the Division, and that no threats, promises, representations, inducements, or offers of any kind, other than as stated in this document, have been made by the Division, any member of the staff of the Division, or any agent or employee of the Division in connection with the negotiations and signing of this Order.

11. Respondent agrees to pay all costs and expenses incurred by the Division, including attorney's fees, for the collection of this penalty upon default.

Dated this the 18th day of December 2014.

C. DELBERT HOSEMANN, JR.  
Secretary of State  
State of Mississippi

By:



JESSICA LEIGH LONG  
Senior Attorney  
Securities Division

CONSENT TO ENTRY OF FINAL ORDER

Ralph H. Moore, Jr. hereby acknowledges that he has been served with a copy of this Administrative Consent Order ("Order") has read this Order, is aware of his right to a hearing and appeal in this matter, and has waived the same.

Ralph H. Moore, Jr. admits the jurisdiction of the Division, neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order, and consents to entry of this Order by the Division.

Ralph H. Moore, Jr. states that no promise of any kind or nature whatsoever was made to him to induce him to enter into this Order and that he has entered into this Order voluntarily.

Dated this the 30<sup>th</sup> day of Dec. 2014.

Ralph H. Moore, Jr.

*Ralph H. Moore, Jr.*

STATE OF Mississippi

COUNTY OF Madison

SUBSCRIBED AND SWORN TO before me this 30<sup>th</sup> day of Dec. 2014.

*John H. Downey*  
Notary Public

My commission expires: \_\_\_\_\_

