



**BEFORE THE COMMISSIONER OF  
THE DEPARTMENT OF COMMERCE AND INSURANCE  
FOR THE STATE OF TENNESSEE**

**TENNESSEE SECURITIES DIVISION,** )  
 )  
 )  
 **Petitioner,** )  
 )  
 )  
 **v.** )  
 )  
 **JOHN A. POOLE-FINANCIAL ADVISOR** )  
 **and JOHN A. POOLE, JR.** )  
 )  
 )  
 **Respondent.** )

**MATTER No.: 23-01285**

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**CONSENT ORDER**

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**WHEREAS, Petitioner,** the Securities Division of the Tennessee Department of Commerce and Insurance (“Division”) and John A. Poole-Financial Advisor (“the firm”) and John A. Poole, Jr. (“Poole”) and together, (“Respondents”), agree to the entry and execution of this Consent Order in accordance with Tennessee Code Annotated (“Tenn. Code Ann.”) § 48-1-116 of the Tennessee Securities Act of 1980 (“Act”), as amended, and Tenn. Code Ann. § 48-1-101 to 48-1-201, subject to the approval of the Commissioner of the Tennessee Department of Commerce and Insurance (“Commissioner”).

**PARTIES**

1. John A. Poole-Financial Advisor is an investment adviser firm with its principal place of business located in Hermitage, Tennessee, and is assigned Central Registration Depository (“CRD”) number 141882 with the Financial Industry Regulatory Authority (“FINRA”).

2. John A. Poole, Jr. is the owner and chief compliance officer of the firm and is assigned CRD number 1854267 with FINRA.

3. The Division is the lawful agent through which the Commissioner discharges the administration of the Act pursuant to Tenn. Code Ann. § 48-1-115.

### **GENERAL STIPULATIONS**

4. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force and effect until such acceptance is evidenced by the entry and execution of the Commissioner.

5. It is expressly understood that this Consent Order is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act.

6. This Consent Order is executed by the Commissioner, the Division, and the Respondents to avoid further administrative action with respect to this cause. Should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

7. The Respondents fully understand that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondent for acts and/or omissions not specifically addressed in this Consent Order nor for facts and/or omissions that do not arise from the facts or transactions herein.

8. The Respondents fully understand that this Consent Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for acts or omissions addressed specifically in this Consent Order, violations of law under statutes, rules, or

regulations of the State of Tennessee that arise out of the facts, acts, or omissions contained in this Consent Order, or acts or omissions addressed specifically herein that result from the execution of this Consent Order.

9. The Respondents waive all further procedural steps and waive all rights to seek judicial review of, or otherwise challenge the validity of this Consent Order, the stipulations and imposition of discipline contained herein, or the consideration and entry and execution of this Consent Order by the Commissioner.

10. This Consent Order is submitted on the condition that, if accepted, the Commissioner will not bring any future actions against the Respondents alleging violations based on the same factual findings described herein.

### **FINDINGS OF FACT**

11. The Division opened a cyclical examination of John A. Poole-Financial Advisor on or about June 5, 2023.

12. During the examination, the Division's examiner discovered that the Respondents failed to obtain client agreements for several clients. During the course of the examination, the Respondents obtained all missing client agreements.

13. During the examination, the Division's examiner also found that the Respondents failed to maintain client agreements due to Respondents' clerical staff discarding previously executed client agreements, for active clients, as part of a routine purge of documents. After this event, the Respondents updated their written supervisory procedures to address the retention of documents, including client agreements.

14. Moreover, the Division found that the Respondents failed to maintain written client agreements. Upon notification by the Division of these findings, the Respondents promptly

obtained properly executing client agreements and took adequate measures to prevent further violations from occurring including amending their policies and procedures, training staff, and adding checks and balances to their current processes.

### **CONCLUSIONS OF LAW**

15. Pursuant to Tenn. Code Ann. § 48-1-115(a), the responsibility for the administration of the Act is vested in the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility pursuant to Tenn. Code Ann. § 48-1-115(b).

16. Tenn. Code Ann. § 48-1-116 provides that the Commissioner may make, promulgate, amend, and rescind such orders as are necessary to carry out the provisions of the Act upon a finding that such order is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act.

17. Pursuant to Tenn. Comp. R. & Regs. 0780-04-03-.02(3)(a)(8), copies of all agreements entered into by the investment adviser with respect to any account must be kept and maintained.

18. The Findings of Fact detailed in paragraphs eleven (11) through fourteen (14) above show that the Respondents violated Tenn. Comp. R. & Regs. 0780-04-03-.02(3)(a)(8).

19. Pursuant to Tenn. Comp. R. & Regs. 0780-04-03-.02(3)(b), all records required by Tenn. Comp. R. & Regs. 0780-04-03-.02(3)(a) shall be kept for a period of five (5) years.

20. The Findings of Fact detailed in paragraphs eleven (11) through fourteen (14) show that Respondents violated Tenn. Comp. R. & Regs. 0780-04-03-.02(3)(b).

21. The Respondents' violations constitute grounds for the assessment of civil penalties pursuant to Tenn. Code Ann. § 48-1-112.

22. The Commissioner finds the following relief appropriate, in the public interest, and necessary for the protection of investors.

**ORDER**

**NOW, THEREFORE**, based on the foregoing, including the Respondents' waiver of the right to a hearing and appeal under the Act and the Tennessee Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101 *et seq.*, and the Respondents' admission to the jurisdiction of the Commissioner, the Commissioner finds that the Respondents agree to the entry and execution of this Consent Order to settle this matter as evidenced by the Respondents' signature.

**IT IS ORDERED**, pursuant to Tenn. Code Ann. § 48-1-116(a), that:

1. Respondents shall **COMPLY** with the Act, as amended, and all rules promulgated thereunder; and

2. Respondent Poole shall **COMPLETE** twelve (12) hours of investment adviser continuing education within ninety (90) days of the execution and entry of this consent order. Such hours shall be in addition to the annual requirement of twelve (12) hours of continuing education as set forth in Tenn. Comp. R. & Regs. 0780-04-03-.17. The additional twelve (12) hours of investment adviser continuing education must be from providers approved by the North American Securities Administrators Association ("NASAA"). The additional twelve (12) hours of investment adviser continuing education must be in the following areas:

Ethics/Fiduciary Duty/Best Interest	Three (3) hours
Books and Records/ Products and Practices	Nine (9) hours

Proof of completion shall be submitted to the Division's Director of Registration, April Odom, by sending such via email to [April.X.Odom@tn.gov](mailto:April.X.Odom@tn.gov) no later than ninety (90) days following entry and execution of this consent order.

3. **PAY A CIVIL PENALTY** to the State of Tennessee in an amount of five thousand dollars (\$5,000) and shall be jointly and severally liable for payment of such civil penalty.

Payment shall be made pursuant to the following terms:

The payment of such civil penalty shall be made by check or money order payable to the “Tennessee Department of Commerce and Insurance” within thirty (30) days of the execution of this Order by the Commissioner. Page one (1) of this Consent Order must accompany the payment for reference. Payment shall be mailed to the attention of:

**State of Tennessee  
Department of Commerce and Insurance  
Attn: Catherine A. Tabor  
500 James Robertson Parkway  
Davy Crockett Tower  
Nashville, Tennessee 37243**

4. **DELINQUENCY** – Respondents hereby agree that failure to make any payment according to this Consent Order shall result in the immediate revocation of Respondents’ registrations with the Division.

5. **MODIFICATION** – The Division and Respondent hereby agree that modifications to this Consent Order regarding any term may only be made in writing and signed by an authorized representative of each party.

6. The Respondents’ failure to comply with the terms of this Consent Order, including the manner and method of payment of the civil penalty described above, shall result in further administrative disciplinary actions, which may include the assessment of additional civil penalties.

7. This Consent Order represents the complete and final resolution of and discharge of all administrative and civil claims, demands, actions, and causes of action by the Commissioner against the Respondents for violations of the Act with respect to the transactions involved in above-


referenced facts. However, excluded from and not covered by this paragraph, are any claims by the Division arising from or relating to the enforcement of the Consent Order provisions contained herein.

8. This Consent Order is in the public interest and the best interests of the Parties. It represents a settlement of the controversy between the Parties and is for settlement purposes only. By the signatures affixed below, or in two (2) or more counterparts, the Respondents affirmatively state the following: the Respondents freely agree to the entry and execution of the Consent Order; the Respondents waive the right to a hearing on, or a review of, the matters, the Findings of Fact, and the Conclusions of Law underlying this Consent Order or the enforcement of this Consent Order; and the Respondents encountered no threats or promises of any kind by the Commissioner, the Division, or any agent or representative thereof.

9. By signing this Consent Order, the Commissioner, the Division, and the Respondents affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement as set forth in this Consent Order, are binding upon them.


10. This Consent Order may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. The facsimile, email, or other electronically delivered signatures of the parties shall be deemed to constitute original signatures, and facsimile or other electronic copies shall be deemed to constitute duplicate originals.

**ENTERED AND EXECUTED** April 16th, 2024.

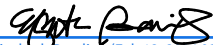
  
Carter Lawrence (Apr 16, 2024 11:30 CDT)

Carter Lawrence, Commissioner  
Department of Commerce and Insurance

**APPROVED FOR ENTRY AND EXECUTION:**

  
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*Individually and on behalf of:*  
John A. Poole-Financial Advisor

  
Elizabeth Bowling (Feb 12, 2024 09:41 CST)

Elizabeth Bowling  
Assistant Commissioner for Securities  
Department of Commerce and Insurance

  
Catherine Tabor (Feb 8, 2024 10:56 CST)

Catherine A. Tabor, BPR #038467  
Associate General Counsel  
Department of Commerce and Insurance

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Counsel for John A. Poole and  
John A. Poole-Financial Advisor