

BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF
EDWARD D. JONES & CO, L.P.

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CONSENT ORDER

In resolution of the above matter and in lieu of the issuance of a Notice of Hearing and a formal hearing, the undersigned parties do hereby agree to the following:

EDWARD D. JONES & CO. L.P ("EDWARD JONES"), is a limited partnership headquartered in the state of Missouri, whose address of record is 12555 Manchester Road, St. Louis, MO 63131-3710, and a broker-dealer registered with the United States Securities and Exchange Commission ("SEC") and the South Dakota Division of Insurance ("Division"). EDWARD JONES is also a federally registered investment advisor and a member of the Financial Industry Regulatory Authority ("FINRA");

EDWARD JONES is aware that the Division has conducted an investigation into the securities activities and certain sales of securities in South Dakota by EDWARD JONES and a certain EDWARD JONES financial advisor ("the Financial Advisor");

The Division has alleged the following:

1. On March 20, 2017, EDWARD JONES received a complaint ("Customer Complaint") from one of its customers ("Customer") with regard to the purchase of class "C" shares in certain fixed income mutual funds recommended by the Financial Advisor;
2. On January 25, 2018, the Division commenced an investigation into the securities activities and sales in South Dakota by EDWARD JONES and the Financial Advisor;
3. That the Financial Advisor made an unsuitable recommendation, resulting in the purchase of securities by the Customer and that EDWARD JONES violated its written supervisory policies by failing to supervise the Financial Advisor in regard to the Customer's suitability analysis and EDWARD JONES' approval of accounts, in violation of SDCL § 47-31B-412(d)(13), ARSD 20:08:03:06(3)(e), and FINRA Rules 2010 and 3110;
4. That EDWARD JONES failed to promptly provide the Division with all the requested documents regarding the Customer Complaint, and responses were provided only after multiple attempts by the Division to obtain the documents regarding the Customer Complaint, in violation of SDCL §§ 47-31B-411(d) and 47-31B-602(b);
5. The above-cited conduct, if proven, may be grounds for the Division's denial, suspension, and revocation of EDWARD JONES' registration and seeking an order for recovery of the cost of an investigation, pursuant to SDCL §§ 47-31B-306 and 47-31B-604.

EDWARD JONES is aware of and understands the nature of the Division's allegations and has been informed that it has the right to notice, hearing, and appeal, and by agreeing to and signing this Consent Order, agrees to the waiver of these rights;

EDWARD JONES enters into this Consent Order without admitting or denying the Division's allegations, and solely for the purpose of reaching a compromise to fully and finally resolve the issues raised by the Division without the need for the commencement of a proceeding, contested case, hearing, or further administrative action;

All matters encompassed within the scope of the Division's investigation, the Division's allegations, and the Consent Order shall be fully and finally resolved according to the terms set forth below without further regulatory or administrative processes, requirements, or any actions of any kind against EDWARD JONES or the Financial Advisor;

In return for EDWARD JONES agreeing to the provisions of this Consent Order, set forth below, the Division agrees not to proceed to a formal hearing against EDWARD JONES or the Financial Advisor and agrees that this Consent Order will constitute an informal disposition of this matter pursuant to SDCL § 1-26-20;

EDWARD JONES agrees to pay \$10,000 for the costs of the investigation conducted by the Division pursuant to SDCL § 47-31B-604;

EDWARD JONES further agrees to offer \$2,406.47 to the Customer within 15 business days of entry of this Order, in full, final, and complete settlement and resolution, with prejudice, of all claims by the Customer and his/its entities and related persons against EDWARD JONES and the Financial Advisor, individually and severally (the "Settlement Offer"). It is noted that the entry of this Consent Order and the disposition of this matter is not conditioned upon the acceptance of the Settlement Offer by the Customer. In the event the Customer elects not to accept the Settlement Offer, EDWARD JONES shall not be required to further negotiate with, or adjust the Settlement Offer to, the Customer. Any settlement with the Customer is dependent upon, and subject to, the negotiation, acceptance and execution of settlement documents satisfactory to EDWARD JONES and the Customer.

EDWARD JONES further agrees to conduct itself in accordance with the securities laws and regulations of the State of South Dakota; and

EDWARD JONES further agrees that this Consent Order may be considered for the purpose of determining an appropriate sanction in any future actions by the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director.

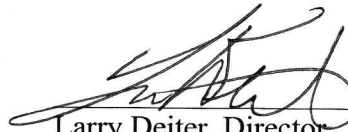
WHEREFORE, for good cause appearing from the foregoing, it is hereby ORDERED that EDWARD JONES will abide by the agreements made by it in this Consent Order; and it is further

ORDERED that this Consent Order 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 SDCL Ch. 47-31B; and it is further

ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order; and it is further

ORDERED that all matters encompassed within the scope of the Division's investigation, the Division's allegations, and the Consent Order shall be fully and finally resolved without further regulatory or administrative processes, requirements, or any actions of any kind against EDWARD JONES or the Financial Advisor.

Dated at Pierre, South Dakota this 20th day of December, 2019.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of EDWARD D. JONES & CO, L.P., represents that it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enters into this Consent Order.

Dated this 18th day of December, 2019.



Signature of Authorized Representative

Merri Jo Gillette

Printed Name

Deputy General Counsel

Title