

STATE OF MINNESOTA
COMMISSIONER OF COMMERCE

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MAR 28 2017

MAILROOM

In the Matter of
Jeffrey Alan Hill
CRD #2204945
Minnesota Insurance Producer #20001246

CONSENT ORDER

TO: Jeffrey Alan Hill
5921 Lavinia Rd NE
Bemidji MN 56601

Commissioner of Commerce Mike Rothman (Commissioner) has determined as follows:

The Commissioner has advised Jeffrey Alan Hill, (Respondent) that he is prepared to commence formal action pursuant to Minn. Stat. § 45.027 (2016) and Minn. Stat. § 80A.67(d)(5)(A and B) (2016), against Respondent and to seek penalties under Minn. Stat. § 45.027. The Minnesota Department of Commerce (Department) alleges that Respondent engaged in violations of Minnesota law.

FINDINGS OF FACT

1. Respondent is a resident of Minnesota and was registered in Minnesota as both a securities agent and investment adviser representative with Dougherty & Company from 2003 to June 14, 2014. He then registered with another broker dealer. His registrations with the subsequent broker dealer were terminated December 12, 2016.

2. On November 28, 2016, Respondent entered into an Acceptance Waiver and Consent (AWC) issued by the Financial Industry Regulatory Association (FINRA), a self-regulatory organization. The activity for which the AWC was issued occurred while Respondent was affiliated with Dougherty & Company, LLC. Respondent's securities agent registration with Dougherty & Company, LLC. was terminated June 19, 2014.

3. The FINRA AWC fined Respondent \$5,000, suspended him from association with any FINRA member in any capacity for 15 months from December 19, 2016 through March 18, 2018. The AWC also required Respondent to pay \$45,000 in disgorgement of commissions received.

4. FINRA's action were based on findings that Respondent initiated hundreds of trades for two elderly customers without contacting them and recommended or engaged in dozens of transactions that were unsuitable or lacked a reasonable basis for the recommendation. Respondent also recommended the use of purchasing securities on margin which were inconsistent with the customer's investment objectives and income needs. FINRA's findings further stated that neither of the customers explicitly permitted Respondent to use discretion nor did his firm at the time permit the use of discretion in any customer account. Further, as stated in the FINRA AWC, neither of those customers explicitly permitted Hill to use discretion, although Customer 1 repeatedly approved the activity in her accounts and Customer 2 did not complain during that period.

5. Respondent currently holds an active Minnesota insurance producer license with an expiration date of December 31, 2017.

CONCLUSIONS OF LAW

Pursuant to Minn. Stat. § 80A.67(d)(5)(C) and Minn. Stat. § 45.027, the Department has the jurisdiction and the authority to impose disciplinary action on Respondent as a result of the AWC suspending Respondent's association with any FINRA member in any capacity for 15 months.

Respondent has agreed to informal disposition of this matter without a hearing as provided under Minn. Stat. § 14.59 (2016) and Minn. R. 1400.5900 (2015).

The following Order is in the public interest.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED pursuant to Minn. Stat. § 45.027 subd. 5a (2016) that Jeffrey Alan Hill's Minnesota securities agent and investment adviser representative registrations are suspended from March 31, 2017 through March 18, 2018.

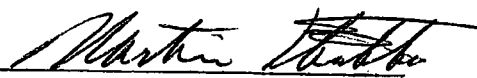
IT IS FURTHER ORDERED that pursuant to Minn. Stat. § 60K.43 subd. 1(8) that Jeffrey Alan Hill's Minnesota insurance producer license is suspended from March 31, 2017 through March 18, 2018.

This Order shall be effective upon signature on behalf of the Commissioner.

Dated: 3-28-2017

MIKE ROTHMAN
Commissioner

By:


MARTIN FLEISCHHACKER
Assistant Commissioner of Enforcement

85 Seventh Place East, Suite 280
Saint Paul, Minnesota 55101
Telephone: 651-539-1500

CONSENT TO ENTRY OF ORDER

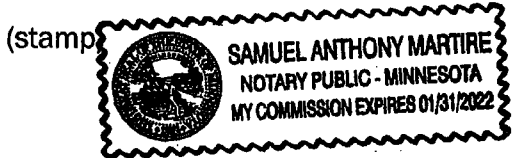
The undersigned Jeffrey Alan Hill states that he has read the foregoing Consent Order; that he knows and fully understands its contents and effect; that he has been advised of his right to a hearing to present argument to the Commissioner and to appeal from any adverse determination after a hearing, and he hereby expressly waives those rights. He further acknowledges that he has been represented by legal counsel throughout these proceedings, or has been advised of his right to be represented by legal counsel, which right he expressly waives; and he consents to entry of this Order by the Commissioner. It is further expressly understood that this Consent Order constitutes the entire settlement agreement between the parties, there being no other promises or agreements, either express or implied.




Jeffrey Alan Hill

STATE OF Minnesota
COUNTY OF Beltrami

Signed or attested before me on 3/23/2017 (date)
by Jeffrey Hill (name(s) of person(s))





(Signature of notary officer)
My commission expires: 1-31-22