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STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
AND
DIVISION OF BANKING AND SECURITIES

In the Matter of:)
)
JESSIE DAVE HOLMES)
)
Insurance Licensee)
Unregistered Investment Adviser)
_____)

Division of Insurance Case No. D 14 -14
Division of Banking and Securities Order No. 14-1012-S

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (DOI), the Division of Banking and Securities (DBS), and
Jessie Dave Holmes (Holmes) the insurance licensee and unregistered investment adviser in
this case, stipulate and agree to the following:

I. BACKGROUND

A. On or about November 7, 2005, DOI issued insurance producer license number
49456 to Holmes.

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2 B. On or about April 6, 2012, Holmes' insurance producer license lapsed due to
3 his failure to timely renew or cancel his license and his license remained in lapsed status until
4 reinstated on or about May 11, 2012.

5 C. On or about March 17, 2014, DOI received a consumer complaint alleging
6 Holmes misrepresented an insurance product and opened an investigation into the matter.

7 D. On or about March 19, 2014, DOI investigators alerted DBS of the consumer
8 complaint against Holmes.

9 E. On or about March 30, 2014, Holmes' insurance producer license lapsed due to
10 his failure to renew his license.

11 F. On or about May 12, 2014, DBS opened an investigation into the matter.

12 G. DOI's investigation revealed

13 (i) numerous misrepresentations to Alaska consumers by Holmes regarding
14 insurance products including their nature, terms, accessibility of funds, rates of return, death
15 benefit amounts, changeability of accounts, fees, and premiums due;
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17 (ii) numerous failures by Holmes to respond to Alaska consumers' inquiries;
18 and
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20 (iii) Holmes transacted business as an insurance producer during the periods his
21 insurance producer license number 49456 was in lapsed status.
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2 H. DBS's investigation revealed numerous actions by Holmes acting as an
3 investment adviser in Alaska by advising Alaska residents to withdraw funds from their
4 investment accounts containing securities and invest the funds in insurance products Holmes
5 was selling.

6 I. Holmes actions and failures in paragraphs (G) and (H) are violations of

7
8 (i) AS 21.27.010(a) – person must be licensed to act as or represent to be an
9 insurance producer;

10 (ii) AS 21.27.020(b)(4) – a licensee shall be a trustworthy person;

11 (iii) AS 21.36.030(a)(1) – misrepresentation;

12 (iv) AS 45.55.030(c) – a person must be registered to transact business as an
13 investment adviser; and

14 (v) 3 AAC 26.778(a) – lack of knowledge of annuity product.

15 J. The director of DOI, under AS 21.27.410(a) and AS 21.27.440(a)(3), may
16 revoke a license for a violation of AS 21; for material misrepresentation of the terms or effect
17 of an insurance contract with intent to deceive; for conduct considered by the director of DOI
18 to reflect incompetence or untrustworthiness, or to be a source of potential injury or harm to
19 the public; and for engaging in unfair or fraudulent insurance transactions.

20 K. The director of DOI, under AS 21.36.910(e), may revoke a license of a person
21 who knew or should have known that the person was in violation of AS 21.36.

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L. The director of DOI, under AS 21.27.440(a)(2), may impose a civil penalty of not more than \$10,000 for each violation or a civil penalty of not more than \$25,000 for each violation if the director of DOI determines that the person willfully violated the provisions of AS 21.27.

M. The director of DOI, under AS 21.36.910(e), may impose a civil penalty of not more than \$25,000 for each violation or \$250,000 for engaging in the general business practice in violation of AS 21.36 if the director of DOI determines the person knew or should have known that the person was in violation of AS 21.36.

N. The director of DBS, under AS 45.55.920(b), may impose a civil penalty of not more than \$2,500 for a single violation or not more than \$25,000 for multiple violations when a person knowingly or intentionally violates AS 45.55.

O. The director of DBS, under AS 45.55.920(c), may impose a civil penalty of not more than \$500 for a single violation or not more than \$5,000 for multiple violations for violations of AS 45.55 not covered under AS 45.55.920(b).

II. TERMS OF AGREEMENT

1. Holmes stipulates and agrees

(i) that the conduct described in paragraph G above constitutes a violation of Alaska law, including AS 21.27.410(a), and that it is appropriate that the director of DOI revoke insurance producer license number 49456, currently in lapse status, effective as of the date this order is signed by the director of DOI;

Jessie Dave Holmes
Stipulated Agreement and Order
D 14 -14
14-1012-S

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
550 WEST SEVENTH AVENUE, SUITE 1560
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(ii) to have his insurance producer license revoked for life and never to seek reinstatement or to reapply for an insurance license in this state again;

(iii) not to apply or otherwise seek to be registered in this state as an issuer agent, broker-dealer agent, investment adviser, or investment adviser representative at any time for the remainder of his life;

(iv) that in the event Holmes violates the terms of this agreement, Holmes will be subject to any and all sanctions authorized by the state's banking and securities laws and the state's insurance laws including imposition of a civil penalty under AS 45.55.920(b) and AS 21.27.440(a);


(v) that Holmes waives his right to a hearing and enters into this agreement voluntarily with full knowledge of all rights he may have in this matter.

2. Holmes understands that this agreement is not binding on the parties unless and until the director of DOI and the director of DBS sign the order adopting this agreement.

3. Holmes further understands that this agreement resolves the civil liability issues between the parties to this agreement related to his violation of the state's insurance laws and banking and securities laws, but he may still be subject to criminal liability.

DATED: 6/19/2014

DIVISION OF INSURANCE

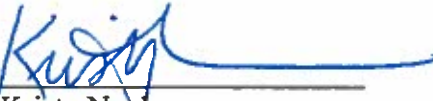
By: 
Alex Romero
Chief Investigator

Jessie Dave Holmes
Stipulated Agreement and Order
D 14 -14
14-1012-S

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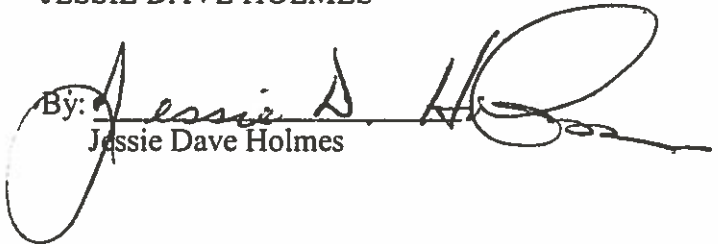
DATED: 6/19/14

DIVISION OF BANKING AND
SECURITIES

By: 
Kristy Naylor
Acting Chief of Enforcement

DATED: 6/19/14

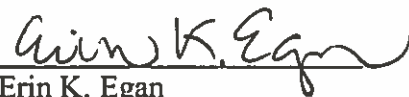
JESSIE DAVE HOLMES

By: 
Jessie Dave Holmes

Approved as to form and content:

DATED: 6/19/14

MICHAEL C. GERAGHTY
ATTORNEY GENERAL

By: 
Erin K. Egan
Assistant Attorney General

ORDER

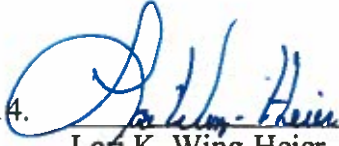
IT IS ORDERED that insurance producer license number 49456 issued to
Jessie Dave Holmes is hereby REVOKED by the director of DOI.

IT IS FURTHER ORDERED that this Stipulated Agreement and Order is

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adopted in full resolution of the civil liability issues between the parties to this agreement in these cases, and shall constitute the final order in these matters.

DATED this 23rd day of June, 2014.


Lori K. Wing-Heier
Director, Division of Insurance

DATED this 20th day of June, 2014.


Kevin Anselm
Director, Division of Banking and Securities