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### Financial Institutions Consent Order Includes Restitution for Affected Kentuckians

**Frankfort, Ky.** (Oct. 16, 2023) – The Department of Financial Institutions (DFI) has entered a consent order with a Kentucky broker-dealer for charging unreasonable commissions. Some Kentuckians will even be eligible for restitution as a result of the order and DFI’s continued mission to enforce consumer protections within financial industries.

A consent order was entered with Raymond James & Associates, Inc. and Raymond James Financial Services, Inc., registered broker-dealers with 60 Kentucky offices combined, following a multi-state investigation. The order states that both parties:

- Failed to ensure transactions from July 1, 2018 to July 17, 2023 were executed at a fair and reasonable price in accordance with Minimum Commission Practices (see [Financial Industry Regulatory Authority’s policy](#)).
- Executed over 270,000 transactions nationwide totaling over \$8,250,000 in excess commissions. In Kentucky, they executed 6,266 transactions totaling \$186,014.54.
- Did not reasonably surveil transactions which applied the Minimum Equity Commission.
- Did not have sufficient reports in place to supervise certain transactions which resulted in failure to detect and correct unreasonable commission charges.
- Did not implement or maintain adequate compliance and supervisory monitoring systems despite being sanctioned in 2011.

The censured parties are ordered to provide restitution of no less than \$212,150.59 to affected Kentucky customers. Customers eligible for restitution will receive a letter of notice in the mail to their last known address with more information. This will occur within 60 days following the approval of said letter from the multi-state group. Restitution will be in the form of a bank check; however, existing customers will receive a dollar credit to their account unless otherwise requested.

“Our securities division is here to help eligible Kentuckians receive the restitutions they are owed. Please call DFI at (800) 223-2579 with any questions about restitution in accordance with this consent order,” said Marni Rock Gibson, DFI’s acting commissioner. “Rest assured, DFI will continue to crack down on financial institutions that take advantage of our fellow Kentuckians.”

The parties must provide DFI with proof that restitution was paid pursuant to the order. Further, they must certify in writing that their policies and procedures have been enhanced to ensure all commissions are fair and reasonable, and conduct a review at their own cost to confirm the implementation of said changes.

A full copy of the Securities administrative order is available at [KFI.ky.gov](http://KFI.ky.gov) by clicking on “Legal” and “Securities Enforcement Actions”.

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*DFI is an agency in the Public Protection Cabinet, and supervises the financial services industry by examining, chartering, licensing, and registering various financial institutions, securities firms and professionals operating in Kentucky. DFI's mission is to serve Kentucky residents and protect their financial interests by maintaining a stable financial industry, continuing effective and efficient regulatory oversight, promoting consumer confidence, and encouraging economic opportunities.*