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DEPT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGISTRATION

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DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

In the Matter of:	)	
	)	
TOMMY RUFF,	)	
	)	
and	)	**Case No. 101213750C**
	)	
1ST FINANCIAL SOLUTIONS, INC.,	)	
	)	
Respondents.	)	

CONSENT ORDER

John M. Huff, Director of the Department of Insurance, Financial Institutions and Professional Registration takes up the above-referenced matter for consideration and disposition. The Consumer Affairs Division, through counsel, Ross A. Kaplan, and Respondents Tommy Ruff and 1st Financial Solutions, Inc., through counsel, Mark G.R. Warren, have reached a settlement in this matter.

1. John M. Huff is the duly appointed Director of the Missouri Department of Insurance, Financial Institutions, and Professional Registration ("Department") whose duties, pursuant to Chapters 374 and 375 RSMo, include supervision, regulation, and discipline of insurance producers.

2. The Consumer Affairs Division of the Department ("Division") has the duty of conducting investigations into the unfair or unlawful acts of insurance producers and companies under the insurance laws of this state and has been authorized by the Director to initiate this action before the Director to enforce the insurance laws of this state.

3. The Department originally issued a nonresident insurance producer license to Tommy Ruff ("Ruff") on November 09, 1984, license number 0168819, which is currently active.

4. The Department originally issued a business entity insurance producer license to 1st Financial Solutions, Inc. ("Financial") on May 31, 2001, license number 8012778, which is currently active.

5. Ruff is both the President of Financial and the designated responsible licensed producer for Financial.

6. The Division seeks to discipline Respondent Ruff's nonresident insurance producer license and Respondent Financial's business entity insurance producer license and has initiated an action before the Missouri Administrative Hearing Commission in *Director, Department of Insurance, Financial Institutions and Professional Registration v. Tommy Ruff and 1st Financial Solutions, Inc.*, Case No. 11-0255 DI because of the following alleged violations:

a. On May 25, 2005, Ruff entered into a Consent Order with the Arkansas Securities Department to revoke his registration as an Agent and his registration as an Investment Adviser Representative in *In the Matter of First Financial Advisors, Inc., et al.*, NO. S-03-039-04-AC01;

b. On February 04, 2009, the Arkansas Insurance Department issued Ruff a Letter of Reprimand and restricted his license so that Ruff was no longer able to sell variable annuities in Arkansas in Complaint File No. 2006-067;

c. On November 20, 2009, the Louisiana Department of Insurance denied Ruff's application to be a producer in Louisiana;

d. Ruff did not report the administrative actions outlined in paragraphs a, b, and c within 30 days of their final disposition nor did he provide a copy of the order or other relevant legal documents;

e. Financial also did not report these matters to the Director or provide documentation related to these matters to the Director.

7. Because of these allegations, Ruff's insurance producer license and Financial's business entity producer license could be subject to discipline under the following statutory sections: §375.141.1(2), §375.141.1(9), §375.141.3, and §375.141.6, RSMo (Supp. 2010).[1] Ruff and Financial have responded to the Department's allegations in Case No. 11-0255 DI and deny the Department has cause to discipline them in this matter.

8. The parties have agreed to settle the above referenced litigation as follows:

a. This agreement only serves as a voluntary settlement of the violations of the law alleged regarding the specific circumstances and facts herein;

b. For the sole purpose of settling this dispute, Ruff and Financial, without admission of a violation of law, do hereby voluntarily and knowingly agree to surrender to the Department the nonresident producer license of Ruff, license number 0168819, and the business entity producer license of

[1] All statutory references are to RSMo (Supp. 20010) unless otherwise indicated.

Financial, license number 8012778. Ruff and Financial shall surrender their licenses by forwarding such licenses with their signed copy of this Consent Order to the attention of Ross A. Kaplan, Missouri Department of Insurance, Financial Institutions and Professional Registration, P.O. Box 690, Jefferson City, Missouri, 65102;

c. For the sole purpose of settling this dispute, Ruff and Financial, without admission of a violation of law, do hereby voluntarily forfeit one thousand dollars ($1,000.00) as authorized by § 374.046.15, RSMo and pursuant to § 374.280 RSMo, payable to the Missouri State School Fund for the above-described violations, after being afforded the opportunity to consult legal counsel. The Director shall forward these funds to the state treasury for the benefit of school fund as provided in §§374.049.11, 374.280.2, and Article IX, Section 7 of the Constitution of Missouri;

d. Such payment shall be due immediately and payable by money order or cashier's check to the Missouri State School Fund, and shall be forwarded with this executed Consent Order to the attention of Ross A. Kaplan, Missouri Department of Insurance, Financial Institutions and Professional Registration, P.O. Box 690, Jefferson City, Missouri, 65102. Any correspondence and/or money order or cashier's checks shall reference the case name and number appearing at the top of this Order;

e. If Respondent Tommy Ruff and Respondent 1st Financial Solutions Inc. fail to make payment in accordance with the terms of this Consent Order, the state of Missouri, the Director or the Department may pursue additional legal remedies, without limitation, to enforce this Order and collect the unpaid balance of this Order.

9. Each party agrees to pay all of their own fees and expenses incurred as a result of this case, its litigations, and/or its settlement. The parties further agree that neither is the prevailing party pursuant to §536.087, RSMo 2000.

10. Respondents Ruff and Financial stipulate and agree to waive any rights that they may have to a hearing before the Administrative Hearing Commission, the Director or Department, any right to review this Consent Order before the Administrative Hearing Commission, and any rights to seek judicial review or other challenge or contest the terms and conditions of this Order and forever release and hold harmless the Department, the Director and his agents, and the Division from any and all liability and claims arising out of, pertaining to or relating to this matter.

11. Each signatory to this Consent Order certifies by signing that he or she is fully authorized, in his or her own capacity, or by the named party he or she represents, to accept the terms and provisions of this Consent Order in their entirety, and agrees, in his or her personal or representational capacity, to be bound by the terms of this Consent Order.

12. The Division is authorized to settle this matter and the Director is authorized to issue this Consent Order in the public interest pursuant to §621.045 and §536.060, RSMo (2000).

13. The terms set forth in this Consent Order are an appropriate disposition of this matter and entry of this Consent Order is in the public interest.

14. Upon the execution of this Consent Order by all listed signatories below, upon the compliance of Respondents Ruff and 1st Financial to surrender their licenses and pay the voluntary forfeiture, and upon the issuance of this Consent Order by the Director, the Director will dismiss, with prejudice, *Director, Department of Insurance, Financial Institutions and Professional Registration v. Tommy Ruff and 1st Financial Solutions,* Case No. 11-0255 DI, pending before the Missouri Administrative Hearing Commission.

ORDER

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 19th **DAY OF** SEPTEMBER, **2011.**

JOHN M. HUFF, Director
Missouri Department of Insurance,
Financial Institutions & Professional
Registration

CONSENT AND WAIVER OF HEARING

The undersigned persons understand and acknowledge that Respondents Tommy Ruff and 1st Financial Solutions Inc. have a right to a hearing, but that Respondents waived the hearing and consented to the issuance of this Consent Order.

Tommy Ruff

Tommy Ruff
3945 Highway 392 W
Harrison, Arkansas
Telephone: (870) 741-4698
Respondent

9-10-11
Date

Tommy Ruff

Tommy Ruff on behalf of
1st Financial Solutions, Inc.
3945 Highway 392 W
Harrison, Arkansas
Telephone: (870) 741-4698
Respondent

9-10-11
Date

Mark G.R. Warren
Counsel for Respondents
Missouri Bar No. 44618
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Telephone: (573) 634-2522
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9-13-11
Date

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Counsel for Consumer Affairs Division
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9-15-11
Date