

STATE OF MAINE
SECURITIES DIVISION
121 STATE HOUSE STATION
AUGUSTA, MAINE 04333

IN THE MATTER OF:

Nations Financial Group, Inc.
4000 River Ridge Drive NE
Cedar Rapids, IA 52402

CONSENT AGREEMENT
No. 01-053-CAG

This Agreement is entered into between the State of Maine Securities Division ("Securities Division") and Nations Financial Group, Inc. ("Nations Financial Group"), a broker-dealer located in Cedar Rapids, Iowa.

WHEREAS, the parties agree as follows:

1. At all relevant times, it has been unlawful in Maine for a person to act as a broker-dealer unless licensed or exempt from licensing under the Revised Maine Securities Act, Title 32 Maine Revised Statutes Annotated §10101 et seq.
2. Nations Financial Group filed an application with the Securities Division for licensing as a broker-dealer on January 14, 1998.
3. On January 22, 1998, the Securities Division sent a letter to Nations Financial Group requesting that the firm provide additional information in connection with its pending broker-dealer application.
4. On September 18, 1998, Scott Bennett called the Securities Division. Mr. Bennett informed the examiner assigned to Nations Financial Group's application that he planned to leave the firm's application in the pending status until a Maine resident applied for an account with Nations Financial Group.
5. On December 11, 2000, Scott Bennett contacted the Securities Division. He stated that it had recently come to his attention that Nations Financial Group held an account for a Maine resident. According to Mr. Bennett, they had acquired the account in March of 1998 when there had been a block transfer of agents to Nations Financial Group. Mr. Bennett disclosed that transactions had taken place in the account of Maine resident, but that all transactions had been effected through the firm's on-line trading site, therefore, all transactions had been unsolicited.

6. On December 14, 2001, the Securities Division received a letter from Scott Bennett in which he provided, among other things, the details regarding the transactions effected for the account of the Maine consumer. He disclosed that one hundred eighteen (118) transactions had been effected in the account of the Maine client.

7. It is the Securities Division's position that Nations Financial Group has acted as a broker-dealer in Maine without being licensed or exempt from licensing.

8. Nations Financial Group has represented to the Securities Division that the violations were inadvertent and that the unlicensed activity had only recently come to the firm's attention as a result of a new software change.

9. Both parties desire an expeditious resolution of this matter.

NOW THEREFORE, without trial or adjudication of any issue of fact or law, and without Nations Financial Group admitting or denying that its conduct violated the Revised Maine Securities Act, it is agreed that:

1. Nations Financial Group will comply with all licensing and other legal requirements governing persons acting as securities broker-dealers in the State of Maine at all times from the date hereof;

2. In lieu of the Securities Division seeking the imposition of a penalty for the allegations contained herein, Nations Financial Group will pay the sum of \$3422 to the Securities Division upon Nations Financial Group's execution of this Agreement; and

3. The Securities Division will not take further action against Nations Financial Group, based upon its unlicensed status during the period preceding and including the date of execution of this Agreement, **PROVIDED**, however, that this paragraph applies only to those transactions previously disclosed to the Securities Division by Nations Financial Group.

February 21, 2001
Date

/s/ Christine A. Bruenn
Christine A. Bruenn
Securities Administrator

February 6, 2001
Date

/s/ R. Scott Bennett
R. Scott Bennett
President