

TRAVIS J. ILES
SECURITIES COMMISSIONER



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IN THE MATTER OF THE AGENT
REGISTRATION OF JAIME RIOS

§
§

ORDER NO. IC23-CAF-07

TO: Jaime Rios (CRD No. 1747126)
Money Concepts Capital Corp
11440 North Jog Road
Palm Beach Gardens, FL 33418

DISCIPLINARY ORDER

Be it remembered that Jaime Rios ("Respondent"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this order ("Order"), the Findings of Fact, and the Conclusions of Law contained herein.

OVERVIEW

From in or about July 2017 through 2022, Respondent engaged in outside business activities and private securities transactions that were not disclosed to or approved by his employing firm. Furthermore, Respondent did not update his Form U-4 to disclose the outside business activity. To resolve an investigation by the staff of the Texas State Securities Board, Respondent has agreed to the entry of this order and the assessment of a \$25,000 administrative fine.

FINDINGS OF FACT

1. Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to the Respondent by The Securities Act of Tex. Gov't Code §§ 4001.001-4008.105 (the "Securities Act") and the Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001-001-2001.902.
2. On or about March 13, 1998, Respondent registered with the Securities Commissioner as an agent of Money Concepts Capital Corp ("Money Concepts"). This registration is currently effective.

Respondent's Unapproved Business Activities & Private Securities Transactions

3. From July 2017 to March 2022, Respondent engaged in multiple business activities with Timi Group, Inc. ("Timi Group"), a Wyoming Corporation doing business in Texas. Respondent's roles included the sales of Timicoin—a cryptocurrency created and issued by Timi Group.
4. During this period, Money Concepts' written supervisory procedures required that all registered agents obtain written approval of any business activity outside the scope of their duties at Money Concepts (i.e., "outside business") prior to engaging in the outside business.
5. Money Concepts' written supervisory procedures also required prior written approval from a designated principal to engage in transactions in securities outside the regular scope of their duties at Money Concepts (i.e., "private securities transactions.")
6. Respondent did not disclose his outside business with Timi Group to Money Concepts until December 2020. Importantly, Money Concepts did not approve the outside business until January 2022—shortly before Respondent ceased business with Timi Group.
7. Furthermore, as part of its efforts to monitor outside business activities and private securities transactions, Money Concepts required its agents to complete an annual compliance questionnaire (the "Questionnaire").
8. The Questionnaire required agents to submit an attestation that they were not engaged in any unapproved outside business activity.
9. Respondent completed the Questionnaire in 2018, 2019, 2020, 2021, and 2022. For each year, Respondent failed to identify that he was engaging in unapproved outside business activities with Timi Group.

Failure to Update Filing with the Securities Commissioner

10. In connection with his registration with the Securities Commissioner as an agent of Money Concepts and pursuant to § 115.2(a)(2) of the Rules and Regulations of the Texas State Securities Board (the "Board Rules") Respondent filed a Uniform Application for Securities Industry Registration and Transfer ("Form U-4") with the Securities Commissioner.
11. Item 13 of the Form U-4 requires the disclosure of any outside business conducted by the agent, either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise.

12. Section 115.9(a)(6) of the Board Rules required Respondent to report, on the Form U-4, any change in information previously disclosed to the Securities Commissioner on an application form or filing within thirty (30) days of the occurrence of such change.
13. Respondent did not update his Form U-4 within thirty (30) days of engaging in business with Timi Group or beginning to sell Timicoin.

CONCLUSIONS OF LAW

1. Respondent's failure to obtain prior written approval of his business with Timi Group is a violation of Money Concept's written supervisory procedures requiring disclosure and written approval by a designated principal prior to engaging in outside business activity and constitutes an inequitable practice in the sale of securities.
2. The Timicoin is a "security" as defined by Section 4001.068 of the Texas Securities Act.
3. Respondent's failure to disclose and obtain prior written approval of his sales of Timicoin is a violation of Money Concept's written supervisory procedures requiring disclosure and written approval by a designated principal prior to engaging in private securities transactions and constitutes an inequitable practice in the sale of securities.
4. Pursuant to Section 4007.105(a)(3)(A) of the Texas Securities Act, Respondent's inequitable practices in the sale of securities constitutes a basis for a reprimand of Respondent.
5. Respondent's failure to update his Form U-4 within thirty (30) days of engaging in business with Timi Group or within thirty (30) days of beginning to sell Timicoin constitutes a violation of § 115.9(a)(6) of the Board Rules.
6. Pursuant to Section 4007.106(a)(3) of the Texas Securities Act, Respondent's violation of §115.9(a)(6) of the Board Rules constitutes a basis for the assessment of an administrative fine against Respondent.

ORDER

1. It is therefore ORDED that Jaime Rios is hereby REPRMIANDED.
2. It is further ORDERED that Jaime Rios shall pay an ADMINISTRATIVE FINE in the amount of Twenty-Five Thousand Dollars (\$25,000) to the general fund of the State of Texas within ten (10) business days of the entry of this Order.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 21st day of December 2023.



TRAVIS J. ILES
Securities Commissioner

Respondent:

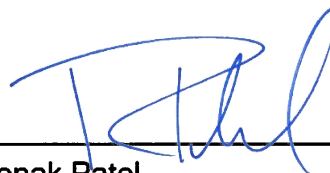


Jaime Rios
Individually

Approved as to Form:



Clinton Edgar
Deputy Securities Commissioner



Ronak Patel
Counsel for Respondent



Cristi Ram3n Ochoa
Attorney
Inspections and Compliance Division