

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Gloria Marguerite Walton
836-B Southhampton Rd, Suite 337
Benicia, CA 94510

Michael Paul McIntyre, President and CEO
Gentry Group
5950 Berkshire Lane, Suite 400
Dallas, Texas 75225

American Equity Investment Life Insurance Company
P.O. Box 71216
Des Moines, Iowa 50325

DESIST AND REFRAIN ORDER
(For violation of section 25230 of the Corporations Code)

The California Corporations Commissioner finds that:

1. Gloria Marguerite Walton (“Walton”) is a California resident who holds Insurance License Number 0798318 as a life agent. The business address reflected on her insurance licensing record is 836-B Southhampton Rd, Suite 337, Benecia, California 94510. Walton is an agent for Gentry Group.
2. Gentry Group is a company in Dallas, Texas whose President and CEO is Michael Paul McIntyre (“McIntyre”). McIntyre holds Texas Insurance License number 688825. McIntyre operates businesses from 5950 Berkshire Lane, Suite 400 in Dallas, Texas, which include Addison Insurance Marketing as well as Gentry Group. He also operates a website at www.gentrygroup.com. According to its website, Gentry Group has two regional offices in California.

1 3. Gentry Group is what is commonly referred to as a “living trust mill.” It solicits seniors by
2 purporting to offer them free advice about living trusts, when in fact it is engaged in the offer and sale
3 of annuities. As it openly states at a page of its website, www.gentrygroup.com/recruiting.asp:

4
5 “We are simply looking for licensed agents to run 3 daily pre-set, pre-qualified appointments.
6 Agents who have experience selling and are proven closers are now joining The Gentry
7 Crusade. Our agents do not prospect. Why? Simply, they do not have time. They are too
8 busy sitting in front of clients. There is absolutely no other insurance marketing firm on earth
9 that ‘Tee’s up’ an agent for success like Gentry Group. Step up to the Big Leagues and start
10 selling Annuities to the growing market NOW! ‘Probably the best selling career in America’
11 as seen in USA Today.”

12
13 4. American Equity Investment Life Insurance Company (“American Equity”) is an
14 insurance company located at 5000 Westown Parkway #440 in West Des Moines, Iowa 50266. Its
15 mailing address is P.O. Box 71216, Des Moines, Iowa 50325. McIntyre, Gentry Group and its agents
16 including Walton receive commissions from American Equity for sales they make of American
17 Equity annuities as agents for American Equity. American Equity derives its primary income from
18 sales of annuities and other life insurance products to seniors.

19
20 5. On March 13, 2004, Gentry Group sent a letter to a 78-year-old woman in Oroville,
21 California, which began:

22
23 “It’s time again for an estate planning review, which is provided to you as a continuing
24 service, free of charge or obligation. Here at Gentry Group we are proud to be of service to
25 you.” The letter went on to state that “A representative from our scheduling center will be
26 calling to schedule your appointment with the Gentry Retirement Specialist.”

1 The word “annuity” did not appear anywhere in the letter and the woman had no prior relationship
2 with Gentry Group.

3
4 6. Thereafter, the woman received a visit from Walton in her home on May 28, 2004.
5 Walton provided the woman a business card with her name on it along with the logo of Gentry Group
6 and two addresses, one the address of Gentry Group in Dallas, Texas, and the other 111 Deerwood
7 Rd., Suite 200, San Ramon, California 94583. It therefore appears that the San Ramon address is one
8 of the two regional offices of Gentry Group in California.

9
10 7. Walton proceeded to review all of the woman’s financial records and personal information
11 which the woman provided to her in the belief that Walton was in her home in order to provide free
12 estate planning review. Walton then wrote down a great deal of the woman’s personal information,
13 took a number of her personal documents with her and also had the woman sign a number of
14 documents without explaining what they were and without leaving any copies with the woman.
15 Without the woman’s knowledge Walton had induced her to sign documents authorizing the sale of
16 securities with a value of approximately \$98,470 and use of those funds to purchase two annuities
17 from American Equity; transfer request forms of American Equity had been filled out by Walton,
18 who then had the woman sign them without knowing their contents.

19
20 8. Neither Walton, McIntyre, Gentry Group nor American Equity Life Insurance Company
21 has applied for or secured from the Commissioner of Corporations a certificate authorizing them to
22 conduct business as an investment adviser in California.

23
24 Based upon the foregoing findings, the California Corporations Commissioner is of the
25 opinion that Gloria Marguerite Walton, Michael Paul McIntyre, Gentry Group, and American Equity
26 Life Insurance Company are conducting business in California as investment advisers by advising
27 California residents to sell securities without having first applied for and secured a certificate
28 authorizing them to do so, in violation of Corporations Code section 25230. Pursuant to section

1 25532 of the Corporate Securities Law of 1968, Gloria Marguerite Walton, Michael Paul McIntyre,
2 Gentry Group, and American Equity Life Insurance Company are hereby ordered to desist and refrain
3 from advising people to sell securities in order to buy annuities unless and until they have secured
4 certificates authorizing them to conduct business as investment advisers in this state.

5

6 This Order is necessary, in the public interest, for the protection of investors and consistent
7 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

8

9 Dated: July 20, 2004
10 Los Angeles, California

11

WILLIAM P. WOOD
California Corporations Commissioner

12

13

By _____
ALAN WEINGER
Supervising Counsel
Enforcement and Legal Services Division

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28