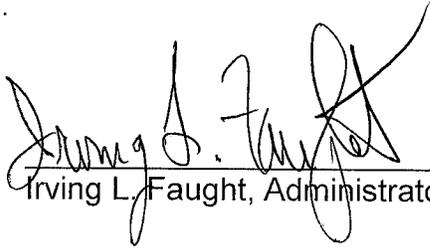


5. That this Affidavit of Compliance is declared filed of record as of the date set forth below in compliance with Section 413(g) of the Act.

FURTHER AFFIANT SAYETH NOT.

Dated this 31st day of October, 2003.

(SEAL)


Irving L. Faught, Administrator

Subscribed and sworn to before me this 31st day of October, 2003.

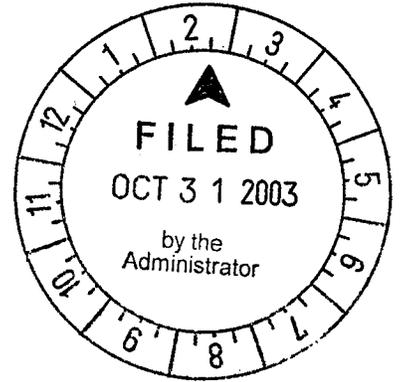
(NOTARY SEAL)


Brenda London Smith
Notary Public

My Commission Expires: August 26, 2005

My Commission Number: 01013792

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Jones Financial Group, Inc.
CRD No. 47611

Respondent.

File No. ODS 04-041

NOTICE OF OPPORTUNITY FOR HEARING

1. Pursuant to his authority under Section 405 of the Oklahoma Securities Act (Act), OKLA. STAT. Ann. tit. 71, §§1-703 (West 2003), the Administrator ("Administrator") of the Oklahoma Department of Securities (Department) authorized an investigation into the activities of Jones Financial Group, Inc. (Jones) in connection with the registration of Jones as a broker-dealer under the Act.

2. On the 30th day of October, 2003, the attached General Counsel's Recommendation (Recommendation) was left in the office of the Administrator.

3. Pursuant to Section 204(g) of the Act, the Administrator hereby gives notice to Jones of its right to request a hearing to show why a final order based on the Recommendation should not be issued.

4. The Administrator must receive the request for a hearing on the Recommendation within fifteen (15) days after service of this Notice.

5. Pursuant to Section 204(g) of the Act, failure to request a hearing as provided for herein may result in the issuance of a final order revoking registration against Jones.

6. The request for hearing shall be in writing and Jones shall specifically admit or deny each allegation in said request as required by 660:2-9-1(c) of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (Rules).

7. Upon receipt of a written request, pursuant to 660:2-9-2 of the Rules, a hearing on this Notice shall be set within sixty (60) days or a written order denying hearing shall be issued.

8. Notice of the date, time and location of the hearing shall be given to Jones not less than ten (10) days in advance thereof pursuant to 660:2-9-3(a) of the Rules.

Additionally, the notice may contain matters to supplement this Notice and the Recommendation attached hereto.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 31st day of October, 2003.

(SEAL)



IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF MAILING

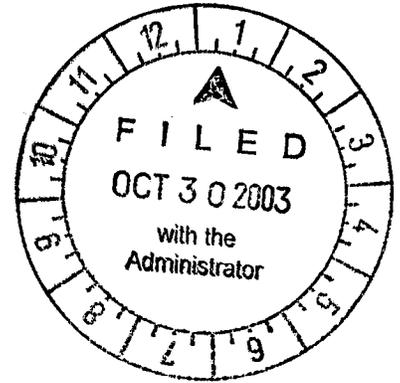
The undersigned hereby certifies that on the 31st day of October, 2003, a true and correct copy of the above and foregoing Notice of Opportunity For Hearing on the proposed revocation of the registration of Jones Financial Group, Inc. as a broker dealer was mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon addressed to:

Jones Financial Group, Inc.
PO Box 4579
Paramount, CA 90231



Brenda London Smith
Paralegal

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Jones Financial Group, Inc.
CRD No. 47611

Respondent.

File No. ODS 04-041

GENERAL COUNSEL'S RECOMMENDATION

Information has come to the attention of the Administrator of the Oklahoma Department of Securities (Department) in connection with the registration of Jones Financial Group, Inc. (Jones). Based thereon, and pursuant to Section 204(g) of the Oklahoma Securities Act (Act), OKLA. STAT. Ann. tit. 71, §§ 1-413, 501, 701-703 (West 2003), Z. Faye Martin Morton, General Counsel of the Oklahoma Department of Securities (Department), submits the following Findings of Fact, Authorities and Conclusions of Law to the Administrator, or his designee, in support of the issuance of a final order revoking the registration of Jones as a broker-dealer under the Act.

Findings of Fact

1. Jones has been registered as a general securities broker-dealer under the Act and the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities since April 10, 2001.

2. According to the records of the Central Registration Depository (CRD), the membership of Jones in the National Association of Securities Dealers, Inc. (NASD) was suspended on July 1, 2003, for failure to pay fees and/or costs in Arbitration Case No. 02-06323. Further, CRD records also state that the registration of Jones as a broker-dealer was revoked by the state of California on September 3, 2003, due to the suspension by the NASD.

3. Based upon the foregoing, it is in the public interest to revoke the registration of Jones in the state of Oklahoma.

To the extent any of these Findings of Fact are more properly characterized as Conclusions of Law, they should be so considered.

Authorities

Section 204 of the Act provides in part:

(a) The Administrator may issue a final order denying effectiveness to, or suspending or revoking the effectiveness of, any registration or impose any sanction authorized by Section 406 of this title if the Administrator finds that the order is in the public interest and that the applicant or registrant or, in the case of a broker-dealer or investment adviser, any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser:

* * *

(6) * * * is the subject of an order suspending or expelling the person from a national or international securities exchange or national or international securities association, or is the subject of an order or other adjudication or determination of or by the National Association of Securities Dealers, Inc., [NASD] or any other self-regulatory organization, suspending, canceling or barring the person from membership in said organization or barring the person from association with any other member of said organization, or is the subject of a United States Post Office fraud order; but:

(A) the Administrator may not institute a revocation or suspension proceeding under this subsection more than one (1) year from the date of the order relied on[.]

Conclusion of Law

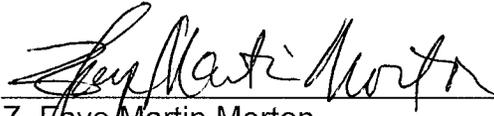
1. The order of the NASD constitutes a basis for the entry of an order under Section 204 of the Act.
2. It is in the public interest to revoke the registration of Jones under the Act.
3. Based upon the foregoing, the Administrator of the Department is authorized to revoke the registration of Jones as a broker-dealer in the state of Oklahoma pursuant to Section 204(a)(6) of the Act.

To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

WHEREFORE, it is recommended that the Administrator issue a final order to revoke the registration of Jones in the state of Oklahoma.

Dated this 29th day of October, 2003.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Z. Faye Martin Morton", written over a horizontal line.

Z. Faye Martin Morton
General Counsel
Oklahoma Department of Securities
120 North Robinson, Suite 860
Oklahoma City, OK 73102