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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
whether there has been a violation of the
Securities Act of Washington by:

Kimberly J. Boyce,

Respondent.

Order Number S-05-024-06-SC01

STATEMENT OF CHARGES AND NOTICE
OF INTENT TO DENY FUTURE
SECURITIES SALESPERSON
REGISTRATION

THE STATE OF WASHINGTON TO: Kimberly J. Boyce

STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the State of Washington has reason to believe that the Respondent, Kimberly J. Boyce, has violated the Securities Act of Washington. The Securities Administrator believes those violations justify the denial of Kimberly J. Boyce's future securities salesperson registration pursuant to RCW 21.20.110(1). The Securities Administrator finds as follows:

TENTATIVE FINDINGS OF FACT

I. RESPONDENT

1. Kimberly J. Boyce ("Boyce") is an individual residing in Washington State. Boyce was registered with the Washington State Securities Division as a securities salesperson for Citigroup Global Markets Inc. from June of 2000 to January of 2004. While registered, her securities salesperson license number with the NASD was: CRD # 4011401. She is currently not registered as a securities salesperson with the Washington State Securities Division.

STATEMENT OF CHARGES AND NOTICE OF
INTENT TO DENY FUTURE SECURITIES
SALESPERSON REGISTRATION

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

1 II. NATURE OF THE CONDUCT

2 2. Investor A is self-employed and utilized Boyce’s bookkeeping services, Bottomline
3 Bookkeeping (“BLB”), for his business for approximately six years. Investor A also became a client of
4 Boyce’s at Salomon Smith Barney, a division of Citigroup Global Markets Inc.

5 3. On or about July 17, 2003 until on or about October 7, 2003 funds were withdrawn from
6 Investor A’s account by Boyce in the form of three Salomon Smith Barney checks payable to Investor A.
7 Boyce requested that the checks be held for her to give to Investor A or to deposit on behalf of Investor A
8 into his bank account. All three checks were deposited into bank accounts which Boyce controlled and
9 totaled approximately \$16,000. To deposit the checks Boyce affixed or caused to be affixed Investor A’s
10 signature as an endorsement without his knowledge or consent.

11 4. In or around September of 2003 Boyce assisted Investor A with setting up the internet bill
12 pay service available for his Salomon Smith Barney account. On or about October 6, 2003 Boyce caused
13 the first of four online payments to be withdrawn from Investor A’s account, through Investor A’s
14 internet bill pay service, to Boyce’s Bank One credit card. The four payments were for \$1,000 each. The
15 additional payments were made to Boyce’s Bank One credit card on or about November 4, 2003,
16 December 4, 2003 and January 7, 2004.

17 5. On or about October 14, 2003 Boyce caused the first of four online payments to be
18 withdrawn from Investor A’s account, through Investor A’s internet bill pay service, to Boyce’s Sears
19 credit card. The four payments were for \$500 each. The additional payments were made to Boyce’s Sears
20 credit card on or about November 11, 2003, December 15, 2003 and January 16, 2004.

21 6. On November 7, 2003 a \$5,000 check was drawn on Investor A’s business banking account
22 payable to BLB. The check was deposited directly into the BLB bank account controlled by Boyce and

1 used to pay Boyce's personal credit card bills. An additional check for \$5,000 was issued from Investor
2 A's account payable to BLB on January 11, 2004 and deposited into the BLB bank account controlled by
3 Boyce and used to pay Boyce's personal credit card bills. To deposit the checks Boyce affixed or caused
4 to be affixed Investor A's signature as an endorsement without his knowledge or consent.

5 7. On December 1, 2004 Boyce entered into a Letter of Acceptance and Waiver of Consent
6 ("AWC") with the NASD regarding the actions she had taken in relation to Investor A's account. As part
7 of the AWC, Boyce was barred from associating with any member of the NASD in any capacity.

8 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

9 **CONCLUSIONS OF LAW**

10 1. Kimberly J. Boyce, as described above, engaged in one or more dishonest or unethical
11 practices in the securities business, as defined by WAC 460-22B-090, by taking money from a client's
12 account for personal use and affixing or causing to be affixed a client's signature as an endorsement
13 without the client's knowledge or consent. Such conduct is grounds for denial of Kimberly J. Boyce's
14 future securities salesperson registration pursuant to RCW 21.20.110(1).

15 2. Kimberly J. Boyce, as described above, failed to comply with NASD Conduct Rule 2330(a)
16 and NASD Conduct Rule 2110. Such conduct is a dishonest or unethical business practice as defined by
17 WAC 460-22B-090 (19) and is grounds for denial of Kimberly J. Boyce's future securities salesperson
18 registration pursuant to RCW 21.20.110(1) (g).

19 **NOTICE OF INTENT TO DENY FUTURE REGISTRATION**

20 Pursuant to RCW 21.20.110(1), and based upon the above Tentative Findings of Fact and
21 Conclusions of Law, the Securities Administrator intends to order that the future securities salesperson
22 registration of the Respondent be denied.

1 **AUTHORITY AND PROCEDURE**

2 This Order is entered pursuant to the provisions of RCW 21.20.110, and is subject to the
3 provisions of RCW 21.20.120 and Chapter 34.05 RCW. The Respondent may make a written request for
4 a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR
5 HEARING accompanying this Order. If the Respondent does not request a hearing, the Securities
6 Administrator intends to adopt the foregoing Tentative Findings of Fact and Conclusions of Law as final
7 and enter a permanent order against the Respondent denying the Respondent's future securities
8 salesperson registration.

9
10 DATED and ENTERED this 22d day of March, 2006.

11 *Michael E. Stevenson*

12 _____
13 MICHAEL E. STEVENSON
14 Securities Administrator

14 Approved by:

14 Presented by:

15 *Suzanne Sarason*

15 *K. Reynolds*

16 _____
17 Suzanne Sarason
18 Chief of Compliance & Examinations

16 _____
17 Kate Reynolds
18 Financial Legal Examiner