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 the State of Washington by:

Order Number S-05-024-06-FO01

ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW AND FINAL ORDER

Kimberly J. Boyce,

Respondent.

THE STATE OF WASHINGTON TO: Kimberly J. Boyce

On March 22, 2006, the Securities Administrator of the State of Washington issued Statement of Charges, S-05-024-06-SC01. The Statement of Charges, together with a Notice of Opportunity to Defend and Opportunity for Hearing, hereinafter referred to as "Notice of Opportunity for Hearing" and an Application for Adjudicative Hearing, hereinafter referred to as "Application for Hearing", were personally served on Kimberly J. Boyce on April 22, 2006. Kimberly J. Boyce, in the Application for Hearing, waived the right to a hearing on this matter.

The Securities Administrator therefore will adopt as final the findings of fact and conclusions of law as set forth in the Statement of Charges.

The Securities Administrator makes the following findings of fact and conclusions of law:

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

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number with the NASD was: CRD # 4011401. She is currently not registered as a securities salesperson with the Washington State Securities Division.

II. NATURE OF THE CONDUCT

- 2. Investor A is self-employed and utilized Boyce's bookkeeping services, Bottomline Bookkeeping ("BLB"), for his business for approximately six years. Investor A also became a client of Boyce's at Salomon Smith Barney, a division of Citigroup Global Markets Inc.
- 3. On or about July 17, 2003 until on or about October 7, 2003 funds were withdrawn from Investor A's account by Boyce in the form of three Salomon Smith Barney checks payable to Investor A. Boyce requested that the checks be held for her to give to Investor A or to deposit on behalf of Investor A into his bank account. All three checks were deposited into bank accounts which Boyce controlled and totaled approximately \$16,000. To deposit the checks Boyce affixed or caused to be affixed Investor A's signature as an endorsement without his knowledge or consent.
- 4. In or around September of 2003 Boyce assisted Investor A with setting up the internet bill pay service available for his Salomon Smith Barney account. On or about October 6, 2003 Boyce caused the first of four online payments to be withdrawn from Investor A's account, through Investor A's internet bill pay service, to Boyce's Bank One credit card. The four payments were for \$1,000 each. The additional payments were made to Boyce's Bank One credit card on or about November 4, 2003, December 4, 2003 and January 7, 2004.
- 5. On or about October 14, 2003 Boyce caused the first of four online payments to be withdrawn from Investor A's account, through Investor A's internet bill pay service, to Boyce's Sears credit card. The four payments were for \$500 each. The additional payments were made to Boyce's Sears credit card on or about November 11, 2003, December 15, 2003 and January 16, 2004.

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On November 7, 2003 a \$5,000 check was drawn on Investor A's business banking account 6. payable to BLB. The check was deposited directly into the BLB bank account controlled by Boyce and used to pay Boyce's personal credit card bills. An additional check for \$5,000 was issued from Investor A's account payable to BLB on January 11, 2004 and deposited into the BLB bank account controlled by Boyce and used to pay Boyce's personal credit card bills. To deposit the checks Boyce affixed or caused to be affixed Investor A's signature as an endorsement without his knowledge or consent.

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

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

CONCLUSIONS OF LAW

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

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

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FINAL ORDER

Based upon the foregoing, it is hereby ORDERED that any future application by Respondent Kimberly J. Boyce for registration as a securities broker-dealer, salesperson, investment adviser, or investment adviser representative be denied.

AUTHORITY AND PROCEDURE

This Final Order is entered pursuant to the provisions of RCW 21.20.110 and is subject to the provisions of RCW 21.20.120 and Chapter 34.05 RCW. Respondents have the right to petition the superior court for judicial review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for filing a Petition for Judicial Review, see RCW 34.050.510 and sections following.

WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

DATED and ENTERED this 3rd day of May, 2006.

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MICHAEL E. STEVENSON Securities Administrator

Presented by:

K. Reynolds

Kate Reynolds Financial Legal Examiner

Approved by:

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Suzanne Sarason

Chief of Compliance & Examinations

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