# 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: SDO - 099 - 01

Case No. 01-08-0319

Statement of Charges and Notice of Intent to Issue an Order Suspending Registration and Imposing Fines

JEANNE A. PERKINS,

Respondent.

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THE STATE OF WASHINGTON TO:

JEANNE A. PERKINS 1201 Third Avenue, Suite 3500 Seattle, WA 98101

# STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondent, JEANNE A. PERKINS, has engaged in dishonest and unethical practices in the securities business while employed as a registered securities salesperson and investment adviser representative for Prudential Securities, Inc., and that those practices and violations justify a suspension of Respondent's securities salesperson and investment adviser representative to RCW 21.20.110. The Securities Administrator finds as follows:

## **TENTATIVE FINDINGS OF FACT**

#### Respondent

1. Jeanne A. Perkins ("Perkins") is registered with the State of Washington as a securities salesperson and investment adviser representative and has been so registered from March 19 and May 8 1998, respectively, through the present. Perkins is affiliated with Prudential Securities, Inc. ("Prudential"), at its office located at 1201 Third Avenue, Suite 3500 Seattle, WA 98101.

 STATEMENT OF CHARGES AND NOTICE OF INTENT TO ISSUE AN ORDER SUSPENDING
 REGISTRATION AND IMPOSING FINES

### NATURE OF PERKINS' CONDUCT

2. On or about April 5, 1999, a Washington resident ("the Customer") opened an Individual Retirement Account ("IRA") with Perkins at Prudential.

3. On or about July 1, 2001, the Customer instituted a direct rollover of the assets of an existing qualified retirement plan into the Prudential IRA. On or about July 6, 2001 the rollover transferred as cash, in the amount of \$8,429.75.

4. On or about July 18, 2001 Perkins entered orders to purchase 122 shares of Prudential US Emerging Growth Fund, 335 shares of Prudential Jennison International Growth Fund, 86 shares of Pioneer Micro Capital Fund Class B, 43 shares of Pioneer Fund Class C, and 40 shares of Evergreen Omega Fund Class C. These purchases totaled \$8,411.48 and were made without having first obtained the oral or written approval of the Customer.

5. Account documents maintained by Prudential did not include a discretionary agreement executed by the Customer. Perkins failed to obtain written discretionary agreements for the Customer's account.

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

## **CONCLUSIONS OF LAW**

1. Perkins, as described above, knowingly or recklessly engaged in one or more dishonest or unethical practices in the securities business, as defined by WAC 460-22B-090(8), by executing transactions on behalf of a customer without authorization to do so. Such practice is grounds for a three (3) month suspension of her securities salesperson and investment adviser representative registrations pursuant to RCW 21.20.110(1)(g).

2 2. Perkins, as described above, knowingly or recklessly engaged in one or more dishonest or unethical 3 practices in the securities business, as defined by WAC 460-22B-090(9), by effecting transactions for a 4 customer account without first obtaining written discretionary authority from the customer or the customer's

6 STATEMENT OF CHARGES AND NOTICE OF INTENT TO ISSUE AN ORDER SUSPENDING REGISTRATION AND IMPOSING FINES 1

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agent. Such practice is grounds for a three (3) month suspension of her securities salesperson and investment adviser representative registrations pursuant to RCW 21.20.110(1)(g).

#### NOTICE OF INTENT TO SUSPEND REGISTRATION

Pursuant to RCW 21.20.110(1), and based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to order that Respondent Perkins' securities salesperson and investment adviser representative registrations be suspended for three (3) months.

## NOTICE OF INTENT TO IMPOSE FINES

Pursuant to RCW 21.20.110(3), and based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to order that Respondent Perkins shall be liable for and pay a fine in the amount of Ten Thousand Dollars (\$10,000).

## **AUTHORITY AND PROCEDURE**

This STATEMENT OF CHARGES AND NOTICE is entered pursuant to the provisions of RCW 21.20.110 and is subject the provisions of RCW 21.20.120 and Chapter 34.05 RCW. Respondent Jeanne A. Perkins may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this order. If the respondent does not request a hearing, the Securities Administrator will make the foregoing Tentative Findings of Fact and Conclusions of Law permanent and enter an order suspending Perkins' securities salesperson and investment adviser representative registrations for three (3) months and imposing the \$10,000 fine.

DATED this 20th day of November 2001.

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DEBORAH R. BORTNER Securities Administrator

STATEMENT OF CHARGES AND NOTICE OF INTENT TO ISSUE AN ORDER SUSPENDING REGISTRATION AND IMPOSING FINES 3

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

Approved by:     Presented by:       Michael E. Stevenson Chief of Enforcement     Rex A. Staples Senior Enforcement Attorney       Rex A. Staples       Senior Enforcement Attorney	1		
3     Initial E. Stevenson Chief of Enforcement     Rex A. Staples Senior Enforcement Attorney       6     Rex A. Staples       7     Rex A. Staples       9     Rex A. Staples       10     Rex A. Staples       11     Rex A. Staples       12     Rex A. Staples       13     Rex A. Staples       14     Rex A. Staples       15     Rex A. Staples       16     Rex A. Staples       17     Rex A. Staples       18     Rex A. Staples       19     Rex A. Staples       12     Rex A. Staples       13     Rex A. Staples       14     Rex A. Staples       15     Rex	1	Approved by:	Presented by:
4     Michael E. Stevenson Chief of Enforcement     Rex A. Staples Senior Enforcement Attorney       5     6       7     7       8     7       9     7       10     7       11     7       12     7       13     7       14     7       15     7       16     7       17     7       18     7       19     7       19     7       10     7       11     7       12     7       13     7       14     7       15     7       16     7       17     7       18     7       19     7       19     7       10     7       11     7       12     7       13     7       14     7       15     7       16     7       17     7       18     7       19     7       19     7       10     7       11     7       12     7       13     7       14 <td></td> <td></td> <td></td>			
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