

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012032758701**

**TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")**

**RE: Khoi D. Nguyen, Respondent
Investment Company and Variable
Contracts Products Representative
[CRD No. 4640647]**

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Khoi D. Nguyen, submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Khoi D. Nguyen ("Nguyen" or "Respondent") entered the securities industry on March 11, 2003, as an Investment Company and Variable Contracts Products Representative of two FINRA member firms. During the time period mentioned herein, Nguyen was associated with Allstate Financial Services, LLC ("Allstate" or the "Firm") and was registered with FINRA under Article V of the By-Laws as an Investment Company and Variable Contracts Products Representative. On May 25, 2012, Nguyen's employment with the Firm was terminated. Although Nguyen is not currently registered with a FINRA member firm, he is subject to the jurisdiction of FINRA, pursuant to Article V, Section 4 of FINRA's By-Laws, which provides for a two-year period of retained jurisdiction over formerly registered persons. Nguyen has no prior disciplinary history.

FACTS AND VIOLATIVE CONDUCT

At various times from January 2011 to August 2011, Nguyen, while associated with a FINRA member firm, conducted improper credit inquiries and falsified and submitted to an affiliated Insurance company twelve automobile insurance applications and corresponding Consolidated Insurance Profile (CIP) reports.

Nguyen inappropriately conducted numerous credit inquiries on behalf of existing customers to issue automobile insurance policies for their relatives, who otherwise would either not qualify for insurance or who would only qualify for a higher premium. Instead of utilizing the credit reports for the customers seeking insurance coverage, he used the credit reports of persons who did not have an insurable interest in one or more of the insured vehicles on the policy. He also falsified the corresponding insurance documents by misrepresenting existing customers' gender, marital status, and familial relationships to conceal they had separate policies associated with different addresses and vehicles and removing existing customers from issued policies via policy endorsements and subsequently adding their family members as either named insureds or additional operators.

As a result of the foregoing conduct, Nguyen violated FINRA Rule 2010.

B. I also consent to the imposition of the following sanctions:

A bar from association with any FINRA member in all capacities.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a) (39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

A. To have a Complaint issued specifying the allegations against me;

- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive any right to claim bias or prejudice of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

I further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

I understand that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my disciplinary record;

3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
4. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

02/20/2014
Date (mm/dd/yyyy)


Khoi D. Nguyen, Respondent

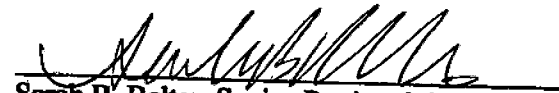
Reviewed by:

Counsel for Respondent

Accepted by FINRA:

March 6, 2014
Date

Signed on behalf of the
Director of ODA, by delegated authority


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