

NASD OFFICE OF HEARING OFFICERS

DEPARTMENT OF ENFORCEMENT,

Complainant

v.

ANGELYNE TAJUANA COLLINS
(CRD No. 3268778)



Respondent.

Disciplinary Proceeding
No. C07040106

Hearing Officer – DMF

DEFAULT DECISION

April 20, 2005

Respondent is barred from associating with any NASD member in any capacity for conversion of customer funds, in violation of Rule 2110, and for failure to respond to requests for information, in violation of Rules 8210 and 2110.

Appearances

William Brice La Hue, Esq., Atlanta, GA (Rory C. Flynn, Esq., Washington, DC, and Andrew Favret, Esq., New Orleans, LA, Of Counsel), for Complainant.

No appearance by or for Respondent.

DECISION

I. Introduction

The Department of Enforcement filed a Complaint (attached to this Decision as Exhibit A) on December 27, 2004 alleging that Respondent Angelyne Tajuana Collins converted customer funds, in violation of Rule 2110, and failed to respond to requests for information, in violation of Rules 8210 and 2110. Respondent did not file an Answer to the Complaint. On March 8, 2005, Enforcement filed a motion for a default decision,

supported by the declaration of William Brice La Hue and four exhibits. Respondent did not reply to the motion.¹

II. Respondent's Default

Enforcement sent the Complaint and Notice of Complaint to Respondent on December 20, 2004, by certified and first class mail to Respondent's most current residential address listed in the Central Registration Depository (the "CRD address"). Enforcement sent the Complaint and Second Notice of Complaint to Respondent by certified and first class mail to the CRD address on January 19, 2005. Respondent did not file an Answer to the Complaint.

Enforcement served the Complaint and the Notices of Complaint on Respondent in accordance with Rule 9134, giving her constructive notice of this proceeding. By failing to respond, she defaulted. Pursuant to Rule 9215(f), the Hearing Officer will deem the allegations in the Complaint admitted.

III. Jurisdiction

Respondent was registered with NASD member State Farm VP Management Corporation as an Investment Company and Variable Contracts Products Limited Representative from August 1999 to May 2004. Although Respondent is not currently registered with any NASD member, the Complaint charges her with misconduct while she was registered and with failing to comply with requests for information made during the two-year period following termination of her registration, and the Complaint was filed within that two-year period. Therefore, Respondent remains subject to NASD

¹ The factual determinations in this decision are based on the allegations of the attached Complaint, which are deemed admitted, and the additional materials filed by Enforcement with its motion.

jurisdiction for purposes of this proceeding, pursuant to Art. V, § 4 of NASD's By-Laws.

IV. Violations

The first cause of the Complaint alleges that commencing in or about March 2004, Respondent caused a loan to be issued against the insurance policy of a State Farm insurance customer in the amount of \$2,800, without the customer's knowledge or authorization. On March 12, 2004, Respondent deposited the loan proceeds into a bank account in her name and over which she exercised control. These allegations, which are deemed admitted, are sufficient to establish, for purposes of this default decision, that Respondent converted customer funds in violation of Rule 2110, as alleged in the first cause of the Complaint.

The second cause of the Complaint alleges that after NASD received a Form U-5 notice of Respondent's termination from State Farm stating that Respondent had caused unauthorized disbursements from insurance customers' policies, NASD staff initiated an investigation. In the course of the investigation, on July 20 and August 5, 2004, NASD staff sent Respondent requests for a written statement. NASD staff sent the requests to Respondent at her CRD address by certified and first class mail, and she is therefore deemed to have received them. Respondent, however, failed to respond to the requests. These allegations, which are deemed admitted, are sufficient to establish, for purposes of this default decision, that Respondent failed to respond to requests for information in violation of Rules 8210 and 2110.

V. Sanctions

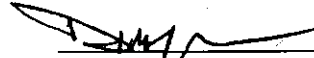
For conversion, the Sanction Guidelines recommend that the Respondent be barred, regardless of the amount converted. Similarly, the Guidelines provide that a bar is

standard for failure to respond to requests for information. NASD Sanction Guidelines at 37, 40 (2004 ed.) There is no evidence of any mitigating circumstances that would justify a lesser sanction in this case for either violation.

VI. Conclusion

Respondent Angelyne Tajuana Collins is barred from associating with any NASD member firm in any capacity for conversion of customer funds, in violation of Rule 2110, and for failure to respond to requests for information, in violation of Rules 8210 and 2110. The bars will become effective immediately if this decision becomes NASD's final disciplinary action.

SO ORDERED.


David M. FitzGerald
Deputy Chief Hearing Officer

Copies to: Angelyne Tajuana Collins (*via overnight courier and first class mail*)
William Brice La Hue, Esq. (*via electronic and first class mail*)
Rory C. Flynn, Esq. (*via electronic and first class mail*)
Andrew Favret, Esq. (*via electronic and first class mail*)

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DEPARTMENT OF ENFORCEMENT,

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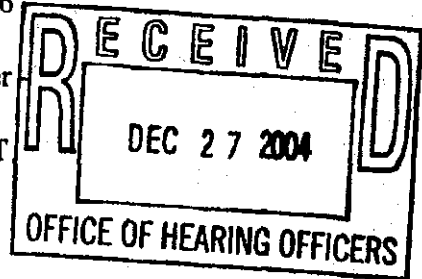
**ANGELYNE TAJUANA COLLINS
(CRD No. 3268778)**

Respondents.

Disciplinary Proceeding
No. C07040106

Hearing Officer

COMPLAINT



Upon information and belief, Complainant alleges as follows:

RESPONDENT

1. Respondent Angelyne Tajuana Collins ("Collins") was first registered as an investment company and variable contracts products representative in August 1999, while associated with State Farm VP Management Corporation ("State Farm"). She was employed by State Farm until May 2004. Collins is not currently employed by a NASD member, however she remains subject to the jurisdiction of the NASD pursuant to Article V, Section 4 of the NASD Bylaws.

FOR A FIRST CAUSE OF COMPLAINT

NASD Conduct Rule 2110

(Conversion of Customer Funds)

2. The allegations set forth in paragraph 1 above, are hereby realleged and incorporated herein by reference.

3. Commencing in or about March 2004, Respondent Collins caused a loan to be issued against the insurance policy of customer D. V. B. in the amount of \$2,800, without the knowledge or authorization of customer D. V. B.
4. Respondent Collins then deposited the loan proceeds on March 12, 2004 into a bank account in her name and over which she exercised control.
5. Such act of conversion constitutes a violation of NASD Conduct Rule 2110 by Respondent Collins.

FOR A SECOND CAUSE OF COMPLAINT

NASD Conduct Rule 2110 and Procedural Rule 8210

(Failure To Respond to NASD Request for Information)

6. The allegations contained in paragraphs 1 through 5, above, are hereby realleged and incorporated herein by reference.
7. In June 2004, the NASD Atlanta District office received a Form U-5 notice of termination filed by State Farm on behalf of Respondent Collins. The Form U-5 alleged that Collins had caused numerous unauthorized disbursements from insurance customers' policies. The NASD Atlanta District office initiated an investigation into the allegations on the Form U-5.
8. By letter dated July 20, 2004, sent via first class and certified mail to Collins at her CRD address of [REDACTED] Collins was requested, pursuant to Procedural Rule 8210, to provide a written statement to the NASD no later than August 3, 2004.

9. The July 20 letter sent by first class mail was not returned but the letter sent by certified mail was returned marked "Unclaimed." Collins failed to provide the requested written statement by August 3.
10. Consequently, Collins was again requested by letter dated August 5, 2004, sent to her CRD address via both certified and first class mail, pursuant to Procedural Rule 8210, to provide a written statement to the NASD. Collins' response was due no later than August 19, 2004.
11. The August 5 letter sent by first class mail was not returned. However, like the prior letter, the August 5 letter sent by certified mail was returned to the NASD marked "Unclaimed."
12. Collins failed to respond by August 19, 2004, and, as of the date hereon, has not responded.
13. Such failure to respond to the July 20 and August 5, 2004, request letters constitutes separate and distinct violations of Procedural Rule 8210 and Conduct Rule 2110.

PRAYER FOR RELIEF

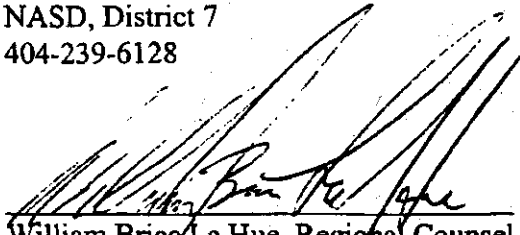
WHEREFORE, Complainant respectfully requests:

- A. Findings of fact and conclusions of law that Respondent Collins committed the violations charged and alleged herein;
- B. An order imposing sanctions upon Respondent Collins in accordance with NASD Rule 8310;
- C. An order requiring Respondent Collins to disgorge fully any and all ill-gotten gains and/or make full and complete restitution, together with interest.

- D. An order imposing such costs of any proceeding as are deemed fair and appropriate under the circumstances in accordance with NASD Rule 8330; and
- E. An order imposing any other fitting sanction.

Date: 12/20/04


Daniel J. Stefek, Director
NASD, District 7
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