

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO E8A2003098301

**To: Department of Enforcement
NASD**

**Re: Richard Arnold Collins
General Securities Representative
CRD # 2632137**

Pursuant to Rule 9216 of NASD Code of Procedure, Richard Arnold Collins ("Collins" or "Respondent") submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described in Part II below. This AWC is submitted on the condition that, if accepted, NASD will not bring any future actions against Respondent alleging violations based on the same factual findings.

Respondent understands that:

- 1. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by NASD's Department of Enforcement and National Adjudicatory Council ("NAC") Review Subcommittee or Office of Disciplinary Affairs ("ODA") pursuant to NASD Rule 9216;**
- 2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and**
- 3. If accepted:**
 - a. This AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by NASD or any other regulator against Respondent;**
 - b. This AWC will be made available through NASD's public disclosure program in response to public inquiries about Respondent's disciplinary record;**
 - c. NASD may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-2; and**
 - d. Respondent may not take any action or make or permit to be made any public statement including in regulatory findings or otherwise,**

denying, directly or indirectly, any allegation in this AWC or create the impression that the AWC is without factual basis. Nothing in this provision affects Respondent's testimonial obligations or right to take legal or factual positions in litigation in which NASD is not a party.

Respondent also understands that his experience in the securities industry and disciplinary history may be factors that will be considered in deciding whether to accept this AWC. That experience and history are as follows:

Richard Arnold Collins became registered as a General Securities Representative (Series 7) in 1995 at which time he became registered in that capacity with American Express Financial Advisors ("Member"), a member of NASD from August 1995 until March 2004, when he was terminated. Collins is not currently associated with an NASD Member and has no disciplinary history.

I.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against Respondent;
- B. To be notified of the Formal 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 NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondent specifically and voluntarily waives any right to claim bias or prejudgment 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.

Respondent further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of Rule 9143 or the separation of functions prohibitions of 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.

II.

ACCEPTANCE AND CONSENT

- A. Respondent hereby accepts and consents, without admitting or denying the allegations or findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of NASD, or to which NASD 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 NASD:
1. From approximately May 6, 2003 until approximately August 11, 2003, Collins prepared and submitted falsified documents by affixing the signatures of the Member's customers FB, JW, LF, RM and RB, without their knowledge and consent, that purported to evidence that they had received financial plans on fictitious dates, for which the five customers had previously paid a total of approximately \$9,200, but which had not been delivered to the customers, in violation of NASD Conduct Rule 2110.
- B. Respondent also consents to the imposition, at a maximum, of the sanctions of a bar from association in any capacity with any member of NASD.

The sanctions imposed herein shall be effective on a date set by NASD staff. Pursuant to IM-8310-2(f), a bar or expulsion shall become effective upon approval or acceptance of this AWC by the NAC.

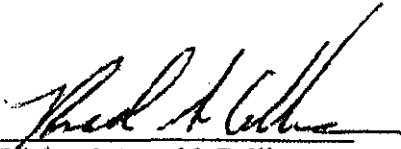
III.

OTHER MATTERS

Respondent understands that if he is barred or suspended from associating with any NASD member, he becomes subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, Respondent may not be associated with any NASD member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. (See NASD Rule 8310 and IM-8310-1.)

Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce Respondent to submit it.

6-29-05
Date


Richard Arnold Collins

Reviewed by:

Counsel for Respondent

Accepted by NASD:

August 1, 2005
Date


Carlotta A. Romano
Senior Vice President and
Regional Director

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