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DERRICK MITCHELL
MEMBER

E. WALLY KINNEY
MEMBER

IN THE MATTER OF THE AGENT AND
INVESTMENT ADVISER REPRESENTATIVE
REGISTRATION OF BARBARA ANNE BOYCE

§
§
§

Order No. IC09-SUS-04

TO: Barbara Anne Boyce (CRD # 2738647)
Milkie/Ferguson Investments, Inc.
8750 N. Central Expressway, Suite 1700
Dallas, TX 75231

DISCIPLINARY ORDER

Be it remembered that Barbara Anne Boyce ("Respondent") appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and the Findings of Fact and Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to the Respondent by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2008) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon 2000 & Supp. 2008) ("Administrative Procedure Act").
2. On or about January 27, 2004, Respondent registered with the Securities Commissioner as an agent of Milkie/Ferguson Investments, Inc. ("Milkie Ferguson"), which is currently effective.
3. On or about June 15, 2006, Respondent registered with the Securities Commissioner as an investment adviser representative of Milkie Ferguson, which is currently effective.
4. The Staff of the Texas State Securities Board ("Staff") performed an inspection of Respondent from on or about March 12, 2007 to on or about March 14, 2007 ("Inspection").

5. During the course of the Inspection, Staff discovered that from on or about January 27, 2004 to on or about March 14, 2007, Respondent failed to obtain approval from Milkie Ferguson for e-mail communication, correspondence, portfolio progress reports, website pages, advertising, and new account forms, which violated Milkie Ferguson's written procedures, as follows:
 - A. "Advertisement. Any material, other than an independently prepared reprint and institutional sales material, that is published, or used in any electronic or other public media, including any web site,...or other periodical...All advertisements will be signed or initialed by the designated principal prior to first use...and kept in a file..."
 - B. "No representative will send correspondence or sales literature to any Customer unless it has been previously reviewed and approved by the CCO or DP."
 - C. "All outgoing correspondence including faxes, handwritten notes, e-mail, etc. should be reviewed and approved by the Branch DP prior to mailing or sending."
 - D. "Outgoing e-mail is drafted, printed, approved by the DP and then sent electronically to the customer."
 - E. "All new account forms must be signed by the Registered Representative. It will then be forwarded to the main office for the signature of the designated Branch DP or CEO."
6. During the course of the Inspection, Staff also discovered that from at least on or about January 27, 2004 to on or about March 14, 2007, Respondent used a prior employer's e-mail address and letterhead to communicate with clients and used business cards, advertising, stationary, and website pages that did not reference Milkie Ferguson or Respondent's relationship with Milkie Ferguson, which violated Milkie Ferguson's written procedures, as follows:
 - A. "NO Registered Representative is authorized to communicate with any client with private email."
 - B. "Business cards/stationary for non-OSJ branch offices must prominently display the OSJ or main office address and telephone number."
7. During the course of the Inspection, Staff also discovered that from on or about July, 2004, until on or about September, 2007, Respondent, without first being registered as a securities dealer with the Securities Commissioner pursuant to the Texas Securities Act, recommended eleven clients invest in notes with HR Financial Services, Inc., a Texas corporation, that had not been registered with the Securities Commissioner pursuant to the Texas Securities Act ("HR Notes"), and facilitated such transactions without notice to or approval of the outside business activity by Milkie Ferguson, which violated Milkie Ferguson's written procedures, as follows:

- A. "No registered representative will effect any security transaction directly or indirectly outside the scope of the firm without: 1) notifying the firm in writing of the proposed security transaction, and 2) receiving written permission from the firm."
 - B. "No representative will sell...any applicable security unless the Firm has entered into a selling agreement with the issuer or has otherwise agreed to act as a participant...or the CCO or DP has previously approved such activity in writing."
 - C. "No person will act as an investment advisor except in transactions incidental to his activities for the Firm unless the CCO or DP has previously granted written permission..."
8. During the course of the Inspection, Staff also discovered that Respondent, in response to Staff's requests for information, made false and inaccurate statements to the Staff regarding the HR Notes.
9. During the course of the Inspection, Staff also discovered that from on or about March, 2005, to on or about June 15, 2006, Respondent provided investment advisory services on behalf of Milkie Ferguson without first being registered with the Securities Commissioner as an investment adviser representative, which violated Milkie Ferguson's written procedures, as follows:
- A. "REGISTRATION AND LICENSING...A candidate cannot engage in any solicitation activities until he (she) has been registered with the NASD, SEC and applicable state securities agency(ies) and successfully completed the appropriate tests."
10. During the course of the Inspection, Staff also discovered that from on or about April 17, 2006 to on or about March 14, 2007, Respondent had a client's original stock certificate in her possession, which violated Milkie Ferguson's written procedures, as follows:
- A. "The Firm cannot take possession of customer funds and securities except to promptly forward them to the clearing firm, mutual fund, issuer or other broker/dealer. Promptly forward means no later than noon of the next business day."
 - B. "No representative will act as a trustee or custodial of money, securities, warrants or stock powers for any Customer, unless he/she has received prior written approval from the CCO or DP."
 - C. "No representative will offer or agree to hold...possession of any security...on behalf of the Customer."
11. During the course of the Inspection, Staff also discovered that from on or about October 2, 2007 until sometime after June 18, 2008, Respondent indicated on her website that she was a Certified Financial Planner ("CFP") when she had not been authorized to use the CFP designation since October 2, 2007.

12. As of the date of the Inspection, Respondent had not disclosed on Respondent's Form U-4 the outside business activity related to the HR Notes or accurate employment history, both required by the Form U-4, which violated Milkie Ferguson's written procedures, as follows:
 - A. "Whenever information changes, the RR will promptly notify the firm of the change. The firm will then amend the Form U-4 within 30 days receipt of notice."
13. Pursuant to §101.2(c) and §133.33(a)(4) of the Board Rules, certain forms required to be filed with the Securities Commissioner, including the Form U-4, have been adopted as Board Rules.
14. Pursuant to §115.9(a)(6) and §116.9(a)(6) of the Board Rules, each agent and investment adviser representative registered with the Securities Commissioner must report to the Securities Commissioner any change in information previously disclosed to the Securities Commissioner within thirty (30) days of such change.
15. Pursuant to Section 7.A(1) of the Texas Securities Act, no agent shall sell or offer for sale any securities issued after September 6, 1955, except those which shall have been registered in accordance with the Texas Securities Act or are exempt from registration under the Texas Securities Act.
16. Pursuant to Section 12.A of the Texas Securities Act, no person shall sell or offer for sale any securities in Texas without first being registered as required by the Texas Securities Act.
17. Pursuant to Section 12.B of the Texas Securities Act and § 116.1(b)(1)(A) of the Board Rules, no person shall render services as an investment adviser representative in this state without first being registered as required by the Texas Securities Act.
18. Pursuant to Section 14.A(3) of the Texas Securities Act, the Securities Commissioner may reprimand or suspend a person registered under the Texas Securities Act if the person has engaged in any inequitable practice in the sale of securities or in rendering services as an investment adviser.
19. Pursuant to Section 14.A(6) of the Texas Securities Act, the Securities Commissioner may reprimand or suspend a person registered under the Texas Securities Act if the person has violated any of the provisions of the Texas Securities Act or Board Rules.
20. Pursuant to Section 14.A(7) of the Texas Securities Act, the Securities Commissioner may reprimand or suspend a person registered under the Texas Securities Act if the person has made any material misrepresentation to the Commissioner in connection with information deemed necessary to determine an agent or investment adviser representative's business repute or qualifications.

21. Pursuant to Section 23-1 of the Texas Securities Act, the Securities Commissioner may assess an administrative fine against any person found to have engaged in an act or practice that violates the Texas Securities Act or Board Rules.

CONCLUSIONS OF LAW

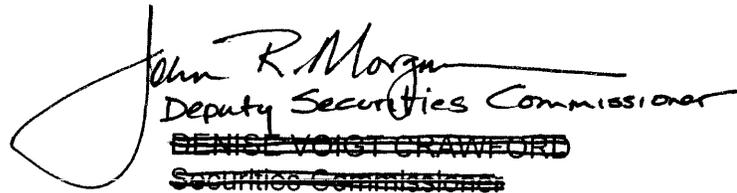
1. Respondent's failure to comply with Milkie Ferguson's written procedures constitutes an inequitable practice in the sale of securities and in rendering services as an investment adviser, which is a basis for the issuance of an order reprimanding and suspending an agent or investment adviser representative pursuant to Section 14.A(3) of the Texas Securities Act.
2. The HR Notes sold by Respondent are "securities" as the term "Securities" is defined in Section 4.A of the Texas Securities Act.
3. Respondent's sale of HR Notes constitutes engaging in activity as a "dealer" in Texas as the term "Dealer" is defined in Section 4.C of the Texas Securities Act.
4. Respondent's sale of securities without first being registered as a dealer constitutes a violation of Section 12.A of the Texas Securities Act.
5. Respondent's sale of unregistered securities constitutes a violation of Section 7.A(1) of the Texas Securities Act.
6. Respondent's outside business activity without the consent or approval of Milkie Ferguson constitutes an inequitable practice in the sale of securities and in rendering services as an investment adviser and is a basis for the issuance of an order reprimanding and suspending an agent or investment adviser representative pursuant to Section 14.A(3) of the Texas Securities Act.
7. Respondent's false and inaccurate statements to the Staff constitute misrepresentations to the Securities Commissioner, which is a basis for the issuance of an order reprimanding and suspending an agent or investment adviser representative pursuant to Section 14.A(7) of the Texas Securities Act.
8. Respondent's providing investment advisory services without first being registered as required by the Texas Securities Act is a violation of Section 12.B of the Texas Securities Act and § 116.1(b)(1)(A) of the Board Rules.
9. Respondent's use of the CFP designation when not authorized to use such designation constitutes an inequitable practice in the sale of securities and in rendering services as an investment adviser and is a basis for the issuance of an order reprimanding and suspending an agent or investment adviser representative pursuant to Section 14.A(3) of the Texas Securities Act.
10. Respondent's failure to disclose required information on Respondent's Form U-4 constitutes a violation of §115.9(a)(6) and §116.9(a)(6) of the Board Rules.

11. Pursuant to Section 14.A(6) of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order reprimanding or suspending a registered agent or investment adviser representative.
12. Pursuant to Section 23-1 of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order assessing an administrative fine against a person found to have engaged in an act or practice that violates the Texas Securities Act or Board Rules.

ORDER

1. It is therefore ORDERED that Barbara Anne Boyce is hereby REPRIMANDED.
2. It is further ORDERED that the agent and investment adviser representative registrations of Barbara Anne Boyce are SUSPENDED for ninety (90) business days from the date this Order is signed by the Securities Commissioner. In the event that the registration of Barbara Anne Boyce is terminated before the end of this period, the suspension period will be tolled from the date that the registration of Barbara Anne Boyce is terminated to the date that the registration of Barbara Anne Boyce is effective again.
3. It is further ORDERED that Barbara Anne Boyce is ASSESSED AN ADMINISTRATIVE FINE in the amount of Seven Thousand Five Hundred Dollars (\$7,500.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Seven Thousand Five Hundred Dollars (\$7,500.00), payable to the State of Texas, contemporaneously with the delivery of this Order.

SIGNED AND ENTERED by the Securities Commissioner this 2nd day of March, 2009.

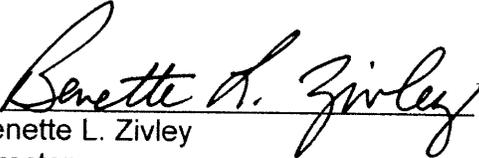

Deputy Securities Commissioner
~~BENISE VOIGT CRAWFORD~~
~~Securities Commissioner~~

Respondent:



Barbara Anne Boyce

Approved as to Form:



Benette L. Zivley
Director
Inspections and Compliance Division

ACKNOWLEDGMENT

On the 24th day of February, 2009, Barbara Anne Boyce ("Respondent Boyce") personally appeared before me, executed the foregoing Order and acknowledged that:

1. Respondent Boyce has read the foregoing Order;
2. Respondent Boyce has been fully advised of her rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent Boyce knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained therein; and,
4. Respondent Boyce, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived her rights as set forth therein.



[affix notary seal here]

Julia A. Ramirez
Notary Public in and for
the State of Texas
My commission expires on: 10/30/2011