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State fines financial firm \$75,000 for failing to supervise representative *Action ends 17-year fraud scheme*

(Salem) – The Oregon Department of Consumer and Business Services issued a cease-and-desist order and fined AXA Advisors LLC \$75,000 for failing to supervise its former registered representative, Jacqueline Atkinson of Bend. As part of the order, AXA agreed to compensate clients that Atkinson defrauded of more than \$1.9 million during a 17-year period.

From 1989 to 2006, Atkinson sold fictitious investments with promised guaranteed rates of return ranging from 6 percent to 10 percent. In reality, Atkinson deposited client funds into her bank account and used them for her personal expenses. The department's Division of Finance and Corporate Securities (DFCS) found that AXA failed to diligently supervise Atkinson and failed to frequently examine all customer accounts to detect and prevent irregularities.

"The return on the investments sold in this case were consistently high, which should catch an investor's attention, particularly when the market fluctuates," said David Tatman, DFCS administrator. "I encourage all investors to read and understand their statements and contact their broker's or advisor's company with concerns."

AXA discovered the fraudulent activity and reported it to DFCS. AXA cooperated with DFCS during the investigation and restored customer accounts to their original balances and, in some instances, paid clients the amount they invested plus interest. The company has since enhanced and expanded its supervisory and control processes to better detect potential fraudulent activity by its agents. Clients with concerns about their investments should contact AXA directly.

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The Division of Finance and Corporate Securities helps ensure that a wide range of financial products and services are available to Oregonians and protects consumers from financial fraud and abuse. It does that by licensing financial institutions and service providers, regulating the sale of securities in Oregon, investigating complaints and alleged violations of financial-service laws, and providing education and other resources to consumers.

The Department of Consumer and Business Services is Oregon's largest business regulatory and consumer protection agency. For more information, visit www.dcb.s.oregon.gov.