

STATE OF NEW JERSEY  
BUREAU OF SECURITIES  
P.O. Box 47029  
Newark, New Jersey 07101  
(973) 504-3600

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IN THE MATTER OF : **SUMMARY ORDER VACATING**  
 : **ADMINISTRATIVE CONSENT ORDER**  
 : **AND AMENDMENT TO THE**  
DARNELL DEANS : **ADMINISTRATIVE CONSENT ORDER**  
(CRD # 2200059) : **DATED SEPTEMBER 2, 2014**  
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Pursuant to the authority granted to Laura H. Posner, Bureau Chief of the New Jersey Bureau of Securities (“Bureau Chief”), under the Uniform Securities Law, (1997), N.J.S.A. 49:3-47 et seq. (“Securities Law”), and after careful review and due consideration of the facts and statutory provisions set forth below, the Bureau Chief hereby finds that there is good cause and it is in the public interest to vacate the Consent Order and the Amended Consent Order and to reinstate the Summary Order **REVOKING** the agent registration of Darnell Deans.

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

1. On June 18, 2013, the former Chief of the New Jersey Bureau of Securities, Abbe R. Tiger,<sup>1</sup> entered a Summary Revocation and Penalty Order (“Summary Order”) against Respondent Darnell Deans (“Deans” or “Respondent”), setting forth violations of the New Jersey Uniform Securities Law (1997), N.J.S.A. 49:3-47 et seq. (“Securities Law”), revoking the agent registration of

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<sup>1</sup> The current Chief of the New Jersey Bureau of Securities is Laura H. Posner (“Bureau Chief”).

Deans and assessing a \$20,000 civil monetary penalty.

2. Deans, through counsel, submitted a written response to the Summary Order, dated July 2, 2013. The New Jersey Bureau of Securities (“Bureau”) transmitted the contested case to the Office of Administrative Law (“OAL”) (captioned In the Matter of Darnell Deans, OAL Docket No.: BOS 09433-2013 N (“Deans OAL Matter”)).

3. The Bureau and Deans subsequently agreed to settle the Deans OAL Matter under the full terms of settlement in an Administrative Consent Order (“Consent Order”), dated September 2, 2014, pursuant to N.J.A.C. 1:1-19.1

4. On September 2, 2014, under the terms of the Consent Order, the Bureau assessed a civil monetary penalty against Deans in the amount of \$37,500, pursuant to N.J.S.A. 49:3-70.1.

5. According to ¶ 44 of the Consent Order, Deans was required to pay the full civil monetary penalty as follows (“Penalty Installment Plan”):

- a. \$2,500 within ten (10) days of entry of the Consent Order;
- b. An additional payment of at least \$2,500 within sixty (60) days of entry of the Consent Order; and
- c. An additional payment of \$32,500 or the entire remaining balance of the civil monetary penalty by no later than December 31, 2014.

6. Deans made the following payments under the Penalty Installment Plan provided in the Consent Order:

- a. \$2,500.00 on September 15, 2014 (Check #270230932);
- b. \$2,500.00 on November 12, 2014 (Check #113319557); and
- c. \$10,666.66 on January 5, 2015 (Check #113319615).

7. On February 4, 2015, Deans notified the Bureau that he would be unable to satisfy the Penalty Installment Plan in place at that time, and requested an additional extension/modification of the Penalty Installment Plan.

8. The Bureau issued Amendment to the Administrative Consent Order Dated September 2, 2014 (“Amended Consent Order”) on April 29, 2015 to which Dean’s consented.

9. In the Amended Consent Order, the Bureau ordered and Deans agreed to, among other things, a modification of the Penalty Installment Plan without modifying Deans’ obligations or waiving any of the Bureau’s rights under the Consent Order.

10. Deans made the following payments under the Penalty Installment Plan of the Amended Consent Order:

- a. \$2,000.00 on April 29, 2015 (Check #113594082);
- b. \$2,000.00 on April 29, 2015 (Check #113594306);
- c. \$2,000.00 on May 21, 2015 (Check #113594333);
- d. \$2,000.00 on June 18, 2015 (Check #113594493); and
- e. \$2,000.00 on July 22, 2015 (Check #113594673).

11. On or about October 21, 2015, Deans acknowledged he had missed payments due in August and September, and stated that the last two months had been financially difficult. Deans stated that he thought he would be able to make a \$6,000 payment to catch up on the Penalty Installment Plan. He requested one week to budget his finances.

12. The Bureau agreed to give Deans until Friday, October 30, 2015 to evaluate his financial situation and determine how to address the remaining balance of his penalty.

13. On or about November 2, 2015, Deans requested an additional five days to review his

finances, for which he was granted an extension until November 6, 2015.

14. On November 9, 2015 Deans stated that his financial condition had not changed, and requested until December 31, 2015 “to sort out my financial affairs and come up with some resolution to pay the balance that is due on my settlement with the State of New Jersey.”

15. On December 22, 2015, Deans was notified that he is in default under the Amended Consent Order and that the Bureau Chief would be exercising her rights under the Amended Consent Order.

16. Deans has failed to make the following payments pursuant to ¶ 2 of the Penalty Installment Plan in the Amended Consent Order:

- a. \$2,000 by August 15, 2015;
- b. \$2,000 by September 15, 2015;
- c. \$2,000 by October 15, 2015;
- d. \$2,000 by November 15, 2015; and
- e. \$3,833.34 or the entire remaining balance of the civil monetary penalty by December 15, 2015.

17. Deans paid \$25,666.66, and has a remaining balance of \$11,833.34, of the civil monetary penalty assessed in the Consent Order and Amended Consent Order.

18. A default of the Penalty Installment Plan (“Penalty Installment Plan Default”) is defined in ¶ 45 of the Consent Order to include any of the following circumstances:

- a. Deans’ violation or breach of the Penalty Installment Plan;
- b. Deans’ failure to make any of the payments by the dates and in the manner required under the Penalty Installment Plan; and/or

c. if the Bureau does not receive any of the payments by the dates and in the manner required under the Penalty Installment Plan.

19. Deans failed to make all payments due timely under the Penalty Installment Plan in the Amended Consent Order and is therefore in default of the Penalty Installment Plan as defined in ¶ 45 of the Consent Order.

20. According to ¶ 46 of the Consent Order, in the event of a Penalty Installment Plan Default:

a. the Consent Order shall be deemed vacated and/or rescinded thereby terminating the settlement and compromise;

b. the Summary Order revoking Deans' agent registration and assessing civil monetary penalties shall be reinstated as a final order and be deemed uncontested thereby revoking Deans' agent registration;

c. any and all answers, responses, defenses and/or requests for hearing made by Deans in response to the Summary Order, including Deans' Response to Summary Revocation Order and Request for Hearing, dated July 2, 2013, shall be deemed withdrawn;

d. Deans' right(s) to answer, oppose, move to vacate, assert defenses, seek judicial review, appeal, request a hearing or otherwise challenge or contest the Summary Order shall be deemed waived;

e. Deans shall forfeit all monies paid under the Penalty Installment Plan; and

f. the Bureau Chief shall retain her rights to take any action permitted by law regarding a Penalty Installment Plan Default, including entering an order revoking

Deans' registration under N.J.S.A. 49:3-58(a)(2)(ii), all of which Deans agrees not to oppose or otherwise contest or challenge.

21. Based upon the foregoing, there are sufficient grounds for the Bureau Chief to exercise the rights under ¶ 46 of the Consent Order by vacating the Consent Order as amended by the Amended Consent Order and reinstating the Summary Order revoking the agent registration of Darnell Deans and assessing a civil monetary penalty in the amount of \$20,000 pursuant to the authority granted to the Bureau Chief by the Securities Law, more particularly, N.J.S.A. 49:3-58 and 70.1.

**THEREFORE, IT IS** on this 4<sup>th</sup> day of January, 2016, **ORDERED** that:

22. The Consent Order as amended by the Amended Consent Order is vacated and rescinded thereby terminating the settlement and compromise;

23. The Summary Order is reinstated as a final order and is deemed uncontested;

24. Deans' agent registration is **REVOKED**; and

25. Deans' payments under the Penalty Installment Plan satisfy the \$20,000, civil monetary penalty assessed in the Summary Order.

NEW JERSEY BUREAU OF SECURITIES

  
LAURA H. POSNER  
BUREAU CHIEF

### NOTICE OF OTHER ENFORCEMENT REMEDIES

You are advised that the Uniform Securities Law provides several enforcement remedies, which are available to be exercised by the Bureau Chief, either alone or in combination. These remedies include, in addition to this action revoking your registration, the right to seek and obtain injunctive and ancillary relief in a civil enforcement action, N.J.S.A. 49:3-69, and the right to seek and obtain civil penalties in an administrative or civil action, N.J.S.A. 49:3-70.1.

You are further advised that the entry of the relief requested does not preclude the Bureau Chief from seeking and obtaining other enforcement remedies against you in connection with the claims made against you in this action.