

**NASD
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

Complainant

v.

MIKE A. KETCHAM,
Registered Representative
(CRD No. 4945897)

Respondent.

**Disciplinary Proceeding
No. 2006006434701**

Hearing Officer

COMPLAINT

The Department of Enforcement alleges:

1. Mike A. Ketcham ("Ketcham") was registered with Chase Investment Services Corp. ("Member"), a member of NASD, as an Investment Company/Variable Contracts Products Representative from approximately July 2005 until September 2006 at which time he was terminated by the Member. Ketcham is not currently registered with a NASD member. Ketcham therefore is subject to the jurisdiction of the NASD, pursuant to Article V, Section 4 of NASD's By-Laws.

**FIRST CAUSE OF ACTION
Conversion of Customer's Funds
Violation of NASD Conduct Rule 2110**

2. The Department realleges and incorporates by reference paragraph 1 above.

3. During all times relevant hereto, in addition to his registration with the Member, Ketcham was employed by Chase Bank, an affiliate of the Member, as a personal banker.

4. From approximately June 2006 until on or about September 6, 2006, Ketcham exercised control over bank customer CP's account (account # [REDACTED]) and used CP's personal information to create an account under the name CB (account # [REDACTED]).

5. During this time, Ketcham reversed overdraft fees on these accounts that were never actually charged, thus creating positive balances in each account.

6. Subsequently, Ketcham withdrew \$7,141 from the two accounts, without the knowledge or consent of Chase Bank, and used the funds for his own personal use or for some purpose other than the benefit of Chase Bank.

7. The above acts, practices and conduct constitute a violation of NASD Conduct Rules 2110 by Ketcham.

SECOND CAUSE OF ACTION
Failure to Respond to Requests for Information
Violation of NASD Conduct Rule 2110 and NASD Procedural Rule 8210

8. The Department realleges and incorporates by reference paragraph 1-7 above.

9. On or about October 20, 2006, NASD staff, pursuant to NASD Procedural Rule 8210, sent Ketcham a letter inquiring about the alleged activities, as outlined above. This letter was sent by regular and certified mail to [REDACTED], Ketcham's address of record as contained in the CRD records ("CRD Address"). The regular and certified mailings were returned to NASD staff, marked "Not Deliverable As Addressed, Unable To Forward."

10. On October 30, 2006, NASD staff sent Ketcham a second request pursuant to NASD Procedural Rule 8210. This request was sent by regular and certified mail to Ketcham's CRD Address and to [REDACTED] ("[REDACTED] Westminister").

NASD staff confirmed that [REDACTED] Westminster was Ketcham's most recently known address through the use of a recent National Comprehensive Report. The regular and certified mailings sent to the CRD Address were returned to NASD staff, marked "Not Deliverable As Addressed, Unable To Forward." The certified mailing sent to [REDACTED] Westminster was returned to NASD staff, marked "Unclaimed, Unable To Forward." The regular mailing sent to [REDACTED] Westminster was not returned.

11. On November 15, 2006, NASD staff sent a final 8210 request to Ketcham at his CRD Address and [REDACTED] Westminster. This letter was also sent by regular and certified mail. The mailings sent to Ketcham's CRD address were returned to staff, marked "Not Deliverable As Addressed, Unable To Forward." The certified mailing sent to [REDACTED] Westminster was returned to staff, marked "Unclaimed." The regular mailing sent to [REDACTED] Westminster was not returned.

12. To date, Ketcham has failed to respond to each and all of the requests for information as described in the paragraphs above, and the time and the dates for responding to the requests have passed.

13. The acts, practices, and conduct described above constitute a violation of NASD Conduct Rule 2110 and Procedural Rule 8210 by Ketcham.

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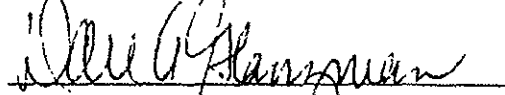
PRAYER FOR RELIEF

WHEREFORE, Complainant respectfully requests that the Panel:

- A. order that one or more of the sanctions provided under NASD Rule 8310(a), including monetary sanctions, be imposed; and
- B. order that Ketcham bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with NASD Rule 8330.

Date: March 22, 2007

**NASD DEPARTMENT OF
ENFORCEMENT**



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