

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

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REGISTRATION & DISCLOSURE

DEPARTMENT OF ENFORCEMENT,

COMPLAINANT,

V.

**LOUIS MAJANO JR.
(CRD No. 2520626)**

RESPONDENT.

**DISCIPLINARY PROCEEDING
No. 2007008964101**

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Between December 2006 and March 2007, Louis Majano, Jr. ("Majano") made at least nine withdrawals from the JP Morgan Chase account of Chase Investment Services Corp. customer TS totaling at least \$20,500. TS did not authorize Majano to make the withdrawals from her account and was unaware of the withdrawals. Majano's actions are alleged to constitute violations of NASD Conduct Rule 2110.
2. FINRA staff sent written requests for information to Majano, pursuant to NASD Procedural Rule 8210, during its investigation of the foregoing conduct. Majano failed to respond to these requests. It is alleged that this constitutes violations of NASD Procedural Rule 8210 and NASD Conduct Rule 2110.

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JURISDICTION

3. Majano first became registered with FINRA as a General Securities Representative (GSR) on or about September 26, 1994.
4. Majano was registered with Chase Investment Services Corp. (BD No. 25574) ("Chase") as a GSR from January 7, 2004 through March 19, 2007.
5. On May 4, 2007, Chase filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") terminating Majano's employment with the firm. On June 5, 2007, Chase filed an amended Form U5 disclosing the firm's internal review of Majano's conduct. On June 13, 2007, Chase filed a second amended Form U5 disclosing the fact that criminal charges had been brought against Majano in connection with this matter.
6. Majano is not currently associated with a FINRA member firm. However, FINRA retains jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.

FIRST CAUSE OF ACTION CONVERSION OF CUSTOMER FUNDS (VIOLATION OF NASD CONDUCT RULE 2110)

7. The Department realleges and incorporates by reference paragraphs 1 through 6 above.
8. From January 7, 2004 through March 19, 2007, Majano worked as a Personal Banker at JP Morgan Chase Bank, the non-member retail bank affiliate of member firm Chase.
9. From at least December 2006 through March 2007, Majano was the Personal Banker for the account of customer TS.
10. During the period from on or about December 2006 through on or about March 2007, Majano made at least nine withdrawals from customer TS's account at JP Morgan Chase Bank. The withdrawals totaled at least \$20,500.
11. None of the withdrawals was authorized or directed by TS.

By reason of the foregoing, Majano violated NASD Conduct Rule 2110.

**SECOND CAUSE OF ACTION
FAILURE TO RESPOND
(VIOLATION OF NASD PROCEDURAL RULE 8210
AND NASD CONDUCT RULE 2110)**

12. The Department realleges and incorporates by reference paragraphs 1 through 10 above.
13. During the course of FINRA's investigation of Majano's conduct regarding the improper use of customer funds, FINRA staff sent a written request for information to Majano.

First Request

14. On or about October 2, 2007, FINRA Staff forwarded to Majano a request for information pursuant to NASD Procedural Rule 8210 (the "First Request").
15. The request was sent by certified and regular first class mail to [REDACTED]
[REDACTED] which is Majano's current residential address as reflected on the Central Registration Depository ("CRD").
16. A response to the First Request was due on or before October 15, 2007. Majano failed to respond.

Second Request

17. On or about October 25, 2007, NASD Staff forwarded to Majano, a second request for information pursuant to NASD Procedural Rule 8210 (the "Second Request").
18. The request was sent by certified and regular first class mail to the address listed on CRD. A response to the Second Request was due on or before November 8, 2007.
19. Between October 29, 2007 and November 9, 2007 Majano left a voicemail message for the staff in response to the request for information. In his message, Majano stated that the CRD address to which the staff was sending the request letters was inaccurate.

According to Majano, the CRD address was his parents' address. He did not provide another address in his message. Majano left a telephone number and indicated that he would call the staff again. When the staff failed to hear from Majano, the staff called Majano on November 19, 2007 and left a message for him to call back. The staff has not received any further telephone calls, or any other form of communications, from Majano.

20. Majano failed to respond to the Second Request.

By reason of the foregoing, Majano violated NASD Procedural Rule 8210 and NASD Conduct Rule 2110.

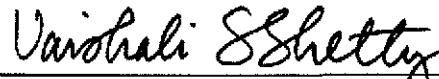
RELIEF REQUESTED

WHEREFORE, the Department 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.
- B. order that the Respondent bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with NASD Rule 8330.

February 29, 2008

FINRA DEPARTMENT OF ENFORCEMENT



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