

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

DEPARTMENT OF ENFORCEMENT,

COMPLAINANT,

v.

CHASTITY COUVERTIER,
(UNREGISTERED),

RESPONDENT.

DISCIPLINARY PROCEEDING
NO. 20070094515

Hearing Officer: AWH

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: October 7, 2008

INTRODUCTION

Disciplinary Proceeding No. 20070094515 was filed on August 11, 2008, by the Department of Enforcement of the Financial Industry Regulatory Authority ("FINRA"). ("Complainant"). Respondent Chastity Couvertier ("Respondent") submitted an Offer of Settlement ("Offer") to Complainant on September 25, 2008. Pursuant to NASD Rule 9270(e), the Complainant and the National Adjudicatory Council ("NAC"), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA") have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to NASD Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, to the

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entry of findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

Respondent was a non-registered branch office cashier at a San Juan, Puerto Rico branch office of Citigroup Global Markets Inc. (the "Firm") from September 8, 2003 to April 24, 2007, when Respondent was terminated for arranging the issuance of the unauthorized check for \$7,000 from the joint account of Firm customers OV and RV (collectively, the "Customers") and giving the check to JV, her husband. As a branch office cashier, Respondent's job functions included, but were not limited to, receiving incoming securities and payments from clients, handling Letters of Authorization ("LOAs"), processing securities, entering trades, processing checks, and assisting with the opening of accounts.

Although the Central Registration Depository ("CRD") does not contain a non-registered profile for Respondent, upon information and belief, Respondent is no longer employed in the securities industry. However, pursuant to Article V, Section 4 of FINRA's By-Laws, she remains subject to FINRA's jurisdiction.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

1. Respondent converted \$7,000 from the joint account of Firm Customers OV and RV by drafting an unauthorized LOA, thereby causing an unauthorized check to be drawn on the Customers' joint account. The check was issued to, and cashed by, Respondent's husband, JV, who happened to have the same surname as the Customers. Respondent also transferred \$1,000 from the Customers' joint account to their daughter's account, without the Customers' authorization.
2. On or about April 10, 2007, Respondent wrote an unauthorized LOA purporting to be from the Customers without their knowledge or authorization. The LOA instructed the Firm to issue a \$7,000 check from the Customers' joint account in the name of JV. After the check was prepared and signed by authorized check signers at the Firm, Respondent took it.
3. Respondent gave the check to JV and instructed him to present the check for cash disbursement. JV was unable to cash the check at a branch in Bayamón due to identification problems. JV contacted Respondent, who arranged for the check to be cashed at the Firm branch where she worked by faxing a letter to the Manager of Operations requesting him to authorize the check. JV went to Respondent's branch, and the check was cashed without incident.
4. The unauthorized LOA also instructed the Firm to transfer \$1,000 from the Customers' account to their daughter's account. Thereafter, Respondent executed the \$1,000 transfer without the Customers' knowledge or authorization.
5. On April 20, 2007, Customer OV visited the Firm's San Juan, Puerto Rico branch office and declared that he neither authorized the issuance of a check for \$7,000 from his joint account, nor authorized the transfer of \$1,000 from his joint

account to his daughter's account. Customer OV's allegations were documented in the Firm's Report of Client Complaint Form, and the branch office cancelled the \$1,000 transfer on April 20, 2007. Upon inquiry and review by branch management, the Firm discovered that Respondent had arranged for the issuance of the \$7,000 check and the \$1,000 transfer.

6. In a written statement prepared and signed by Respondent on April 24, 2007, Respondent admitted to arranging the issuance of the unauthorized \$7,000 unauthorized check in the name of JV. Respondent further admitted that after the check was prepared and signed, she took it and instructed JV "to come and give me some of the money." Respondent also admitted to transferring \$1,000 from the Customers' joint account to the account of their daughter.
7. In a written statement, prepared and signed by JV on April 24, 2007, JV acknowledged that Respondent "brought me the check." JV indicated that the check was not initially presented for cash disbursement because he did not have a license, so he "called [Respondent] and told her what was going on." Respondent told JV "to go to the Señorial branch, [and] they would cash it for [him] there." JV went to that branch and, "the check was cashed."
8. Respondent repaid \$3,000 to the Firm.
9. Such acts, practices, and conduct constitute separate and distinct violations of NASD Rules 2110 and 2330(a) by Respondent.

Based on the foregoing, Respondent violated NASD Rules 2110 and 2330(a).

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

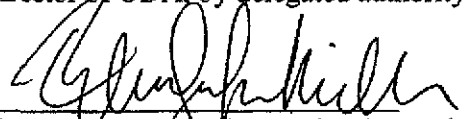
It is ordered that Respondent Chastity Couvertier be barred from association with any FINRA member in any capacity.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to IM-8310-3(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA

Signed on behalf of the
Director of ODA, by delegated authority



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