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FINANCIAL INDUSTRY REGULATORY AUTHORITY

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OFFICE OF HEARING OFFICERS

REGISTRATION & DISCLOSURE

DEPARTMENT OF ENFORCEMENT,

COMPLAINANT,

v.

WILLIAM F. BRAHE, JR.
(CRD No. 3195240),

RESPONDENT.

DISCIPLINARY PROCEEDING
No. 2008014231001

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. While registered with FINRA through a FINRA regulated broker-dealer and acting as a manager at a bank affiliate of that broker-dealer, Respondent William F. Brahe, Jr. ("Brahe") converted over \$1 million in customer deposits for his own use and benefit. In connection with this conversion, in August 2008, Brahe pled guilty in New York to grand larceny in the first degree, a felony. In May 2009, Brahe was sentenced to serve three to nine years in prison.
2. Brahe first became registered with FINRA as an Investment Company and Variable Contracts Products Representative through Chase Investment Services Corporation (BD No. 25574) ("CISC") in April 1999.
3. On October 20, 2007, Brahe's employment at CISC was terminated.

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4. On October 24, 2007, CISC filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") on behalf of Brahe.
5. Brahe is not currently associated with a FINRA member firm. However, FINRA retains jurisdiction over him pursuant to Article V, Section 4 of FINRA's By-Laws.

**CAUSE OF ACTION
CONVERSION
(VIOLATION OF NASD CONDUCT RULE 2110)**

6. The Department realleges and incorporates by reference paragraphs 1 through 5 above.
7. From on or about August 1, 2001 through October 18, 2007, Brahe was a branch manager at CISC's bank affiliate, JP Morgan Chase Bank, in Carle Place, New York.
8. During that time period, Brahe, without permission or authority, wrongfully withdrew from the accounts of different bank customers a total of approximately \$1,078,400 and deposited the money into his own account or accounts.
9. On or about August 8, 2008, in connection with his above-referenced conduct, Brahe pled guilty in New York Supreme Court, in the County of Nassau, to the crime of Grand Larceny in the First Degree, in violation of New York Penal Law §155.42, a class B felony. Specifically, Brahe pled guilty to charges that from on or about August 1, 2001 through on or about October 18, 2007, he stole in excess of \$1 million in United States currency from bank customers of JP Morgan Chase Bank.
10. On or about May 6, 2009, Brahe was sentenced to three to nine years in prison and required, among other things, to pay restitution in the amount of \$1,078,400.

11. The above acts, practices and conduct, as described in paragraphs 7 to 9 above, constitute a violation of NASD Conduct Rule 2110.

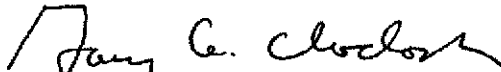
RELIEF REQUESTED

WHEREFORE, the Department respectfully requests that the Panel:

- A. Order that one or more of the sanctions provided under FINRA Rule 8310(a), including a permanent bar from associating with any FINRA-regulated broker-dealer, be imposed.
- B. Order that the Respondent bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Date: September 15, 2009


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