

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Shaniqua N. White (CRD No. 5337573),

Respondent.

**DISCIPLINARY PROCEEDING
NO. 20080150003001**

HEARING OFFICER -

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. During August 2008, Shaniqua N. White ("White" or the "Respondent") converted approximately \$1800 by creating a temporary automated teller machine ("ATM") card in the name of AB, a customer of the bank affiliated with Chase Investment Service, Inc. ("CISC" or the "Firm"), White's member firm, without permission or consent, and using the unauthorized ATM card to withdraw money from AB's bank account. White converted approximately \$1800 of customer AB's funds for her own use, thereby violating NASD Rule 2110.

2. In addition, between September 2008 and July 2009, White failed to provide information and failed to appear for an on-the-record interview, as requested by FINRA staff, in violation of NASD Rule 8210 and FINRA Rule 8210.

JURISDICTION

3. In May 2007, White became employed as a personal banker at JPMorganChase Bank, NA an affiliate of CISC. In June 2007, White became a registered with CISC, a FINRA

member, as a Series 6. White remained dually employed by CISC and its affiliated bank and registered with CISC until her termination on August 22, 2008.

4. Respondent is no longer associated with a FINRA member. FINRA retains jurisdiction over Respondent pursuant to Article V, Section 4 of the FINRA By-Laws.

FIRST CAUSE OF ACTION

(CONVERSION – NASD RULE 2110)

5. The Department re-alleges and incorporates by reference paragraphs 1 through 4 above.

6. On August 13, 2008 without permission or authority, Respondent, using a coworker's computer, created a temporary ATM card in AB's name.

7. Between August 13, 2008 and August 22, 2008, Respondent used the unauthorized ATM card in AB's name to withdraw approximately \$1,800 from AB's account at CISC's affiliated bank and used the funds for Respondent's own uses and purposes.

8. On February 24, 2009, Respondent pled guilty in the Supreme Court of the State of New York, New York County, to Identity Theft in the Second Degree, a Class E felony in violation of New York Penal Law Section 190.79 based on her conversion of customer AB's funds. Respondent was sentenced to probation for five years.

9. The above acts, practices and conduct constitute a violation of NASD Rule 2110.

SECOND CAUSE OF ACTION

(FAILURE TO PROVIDE INFORMATION AND APPEAR FOR INVESTIGATIVE TESTIMONY – FINRA RULES 8210 AND 2010 AND NASD RULES 8210 AND 2110)

10. The Department re-alleges and incorporates by reference paragraphs 1 through 9 above.

11. On September 26, 2008, FINRA sent a letter to Respondent pursuant to NASD Rule 8210, requesting that she provide, among other things, a written statement regarding the

termination of her employment with CISC for allegedly utilizing a co-worker's computer to issue a temporary ATM card to withdraw funds from a bank customer's account without the customer's knowledge. The letter was sent to Respondent's last known residential address as reflected in the Central Registration Depository ("CRD"), by certified mail return receipt requested and by first class mail. The letter required a response no later than October 24, 2008.

12. The original certified letter dated September 26, 2008 was returned to FINRA unclaimed. The copy of this letter sent by first class mail was not returned to FINRA.

13. No response to FINRA's September 26, 2008 request was received from Respondent.

14. On November 17, 2008, FINRA sent another letter to Respondent pursuant to NASD Rule 8210 which informed Respondent that it was a second request for the information requested by FINRA's letter dated September 26, 2008, to which no response had been received. The letter was sent to Respondent's last known residential address as reflected in the CRD, by certified mail return receipt requested and first class mail. The letter required a response no later than December 1, 2008.

15. The original certified letter dated November 17, 2008 was returned to FINRA unclaimed. The copy of this letter sent by first class mail was not returned to FINRA.

16. No response to FINRA's November 17, 2008 request was received from Respondent.

17. On January 15, 2009, FINRA sent a letter to Respondent pursuant to FINRA Rule 8210 requesting that she appear at FINRA's offices at 14 Wall Street, New York, New York (the "Wall Street office") on January 30, 2009 to provide testimony under oath on oral examination and to bring with her at that time copies of all correspondence and memoranda

concerning the termination of her employment with CISC and the unauthorized creation and use of a temporary ATM card while she was employed with the Firm. The letter also informed Respondent that her failure to respond could result in the institution of a formal disciplinary proceeding against her and a sanction barring her from employment or association in any capacity with any member or member organization. The letter was sent to Respondent's last known residential address, as reflected in the CRD, by certified mail return receipt requested and first class mail.

18. Neither the original certified letter, return receipt, nor the copy sent by first class mail was returned to FINRA.

19. On or about January 27, 2009, FINRA contacted Respondent by telephone and verified that her mailing address matched the address reflected in the CRD. Respondent acknowledged receipt of FINRA's January 15, 2009 letter and requested to postpone the date for her appearance and testimony from January 30, 2009 until February 11, 2009. FINRA agreed and subsequently postponed the date for Respondent's appearance and testimony until July 10, 2009.

20. On June 23, 2009, FINRA sent a letter to Respondent pursuant to FINRA Rule 8210 requesting that she appear at FINRA's offices at 14 Wall Street on July 10, 2009 to provide testimony under oath on oral examination, and to bring with her at the time of her appearance copies of all correspondence and memoranda concerning the termination of her employment with CISC and the unauthorized creation and use of a temporary ATM card while she was employed with the Firm. The letter was sent to Respondent's last known residential address as reflected in the CRD, by certified mail return receipt requested and first class mail.

21. The original certified letter dated June 23, 2009 was returned to FINRA unclaimed. The copy of this letter sent by first class mail was not returned to FINRA.

22. Respondent failed to appear for testimony on July 10, 2009 and no response to FINRA's June 23, 2009 letter was received from Respondent.

23. On July 10, 2009, FINRA sent another letter to Respondent pursuant to FINRA Rule 8210 requesting that Respondent appear at FINRA's Wall Street office on July 22, 2009 to provide testimony under oath on oral examination. The letter further requested Respondent to provide a detailed written statement describing the events leading to the termination of her employment at CISC, including any oral statements made by Respondent to her employer, the police, or the District Attorney's Office relating to these events; and copies of any and all written statements that Respondent may have made or signed in connection with these events. The letter was sent to Respondent's last known residential address as reflected in the CRD, by certified mail return receipt requested and first class mail. A response to the request for information and documents was required by July 20, 2009.

24. On or about July 15, 2009, the return receipt requested for the July 10, 2009 letter was returned to FINRA indicating that the letter sent by certified mail was delivered to and received by Respondent. The copy of this letter sent by first class mail was not returned to FINRA.

25. Respondent failed to appear for testimony on July 22, 2009 and did not submit the requested information. No response to FINRA's July 10, 2009 letter was received from Respondent.

26. No responses to any of FINRA's 8210 requests have been received from Respondent.

27. By virtue of the foregoing, Respondent has violated, and is continuing to violate, FINRA Rules 8210 and 2010, and NASD Rules 8210 and 2110.

RELIEF REQUESTED

WHEREFORE, the Department respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Respondent committed the violations charged and alleged herein;
- B. order that one or more of the sanctions provided under FINRA Rule 8310(a), including monetary sanctions, be imposed; and
- C. order that 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

Dated: September 2, 2009


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