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FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS

2009 JUL 22 P 7 13
REGISTRATION & DISCLOSURE

Department of Enforcement,

Complainant,

v.

Kelvin Koma
(CRD No. 5327866)

Respondent.

DISCIPLINARY PROCEEDING
No. 2008015985501

HEARING OFFICER:

COMPLAINT

The Department of Enforcement ("Enforcement") alleges:

SUMMARY

1. In October 2008, during his employment as a Personal Banker with JP Morgan Chase Bank, N.A. (the "Retail Bank"), an affiliate of Chase Investment Services Corp. (the "Firm"), Kelvin Koma ("Koma") misappropriated a total of approximately \$2,625 from two Retail Bank customers' accounts by utilizing the customers ATM cards to access their respective Retail Bank accounts and withdraw funds without the customers' authorization or knowledge in violation of NASD Rule 2110. Koma also failed to respond to FINRA's requests for information and testimony in violation of FINRA Procedural Rule 8210 and FINRA Conduct Rule 2010.

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RESPONDENT

2. Koma was registered as a Series 6 and 63 with the Firm from January 2008 until his termination on November 3, 2008. While registered with the Firm, he worked as a Personal Banker with the Retail Bank. Koma has not been registered with a FINRA regulated broker-dealer since his termination from the Firm in November 2008. FINRA retains jurisdiction over Koma pursuant to Article V, Section 4(a) of the By-Laws because the conduct that serves as the basis for this action commenced prior to his termination of registration from a FINRA regulated broker-dealer and this complaint has been filed within two years after the effective date of Koma's last termination of registration from a FINRA regulated broker-dealer.

FIRST CAUSE OF ACTION

Misappropriation of Customers Funds

NASD Conduct Rule 2110

3. Enforcement realleges and incorporates by reference Paragraphs 1 and 2 above.
4. Between October 3, and October 14, 2008, Koma wrongfully obtained ATM cards that belonged to two customers of the Retail Bank and used them to make unauthorized withdrawals from the customers' accounts.
5. Specifically, on October 3, 2008, Koma retrieved the ATM card belonging to customer AH that the customer inadvertently had left in one of the ATM machines. Koma changed the PIN number on the ATM card by using another employee's login information.
6. Between October 3 and October 6, 2008, he made several unauthorized withdrawals, totaling \$1,213, from the customer's account.

7. On October 11, 2008, Koma issued an ATM card and PIN number to another Retail Bank customer DS at the customer's request. That same day, without the customer's knowledge or authorization, Koma generated a second ATM card for that customer by using another Retail Bank employee's ID.

8. Between October 11 and October 14, 2008, Koma used this second ATM card to make several withdrawals, totaling \$1,412, from the account of customer DS.

7. Koma admitted to the Retail Bank that he misappropriated \$2,625 from the two customers and that he used the misappropriated funds for his own personal use.

8. By virtue of this conduct, Koma violated NASD Conduct Rule 2110.

SECOND CAUSE OF ACTION

Failure to Respond to Staff Requests for Information and Testimony

FINRA Rules 8210 and 2010

9. Enforcement realleges and incorporates by reference Paragraphs 1 through 8 above.

10. By letter dated December 16, 2008, FINRA's Member Regulation Department ("MR") issued a request letter to Koma, pursuant to FINRA Rule 8210, requesting that he provide certain information. The letter was sent via certified mail, return receipt requested, and regular first class U.S. mail to Koma at his residential address as reflected in the Central Registration Depository ("CRD address"). Neither the certified nor the first class letters were returned to FINRA by the postal authorities. The United States Postal Service's ("USPS") website shows that someone signed for the certified copy on December 20, 2008. The signature is illegible.

11. By letter dated January 13, 2009, MFR sent Koma a second letter, pursuant to FINRA Rule 8210, requesting that he provide information. The letter was sent by certified mail and regular first class U.S. mail to Koma's CRD address. Neither the certified nor the first class letters were returned to FINRA by the postal authorities. The USPS website shows that someone signed for the certified copy on January 16, 2009. The signature is illegible.

12. To date, Koma has failed to respond to both of the FINRA Rule 8210 request letters.

13. By letter dated April 14, 2009, sent via certified mail, return receipt requested and regular first class U.S. mail to Koma's CRD address, pursuant to FINRA Rule 8210, Enforcement requested that Koma appear and provide testimony at 14 Wall Street, in New York City on May 27, 2009. The return receipt for this certified letter was signed and returned to Enforcement, but the signature was illegible. The copy of the request letter sent via first class U.S. mail was not returned to Enforcement.

14. Koma failed to appear and provide testimony on May 27, 2009.

15. By virtue of the above, Koma violated FINRA Rules 8210 and 2010 by failing to provide the information and testimony requested by FINRA.

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 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 FINRA Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Date: July 22, 2009

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