

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

Department of Enforcement,

Complainant,

v.

Carol J. Benge,
CRD No. 5607996,

Respondent.

Disciplinary Proceeding
No. 2009018020301

Hearing Officer AHP

Date: September 20, 2010

ORDER ACCEPTING OFFER OF SETTLEMENT

INTRODUCTION

Disciplinary Proceeding No. 2009018020301 was filed on July 20, 2010, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Carol J. Benge submitted an Offer of Settlement (Offer) to Complainant dated August 30, 2010. Pursuant to FINRA 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 FINRA 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 entry of

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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 Bengé (who is also known as Carol Jean Digges) entered the securities industry in October 2008 as an associated employee of Chase Investment Services Corp. ("Chase"). On December 16, 2008, Bengé became registered through Chase as an Investment Company & Variable Contracts Products Representative. Bengé also associated with Chase's affiliated bank JPMorgan Chase Bank NA ("the affiliated bank") as a personal banker. According to CRD, Chase discharged Bengé on April 21, 2009 when the affiliated bank terminated Bengé's employment.

Although Respondent has not been associated with a FINRA member firm since April 21, 2009, she remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because (1) the Complaint was filed within two years after the date upon which she ceased to be associated with a FINRA member and (2) the Complaint charges her with misconduct committed while she was associated with a FINRA member and with failing to respond to FINRA requests for information during the two-year period after the date upon which she ceased to be associated with a FINRA member.

FINDINGS AND CONCLUSIONS

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

FIRST CAUSE OF ACTION

(Misuse of Bank Customer Funds (Rule 2010))

On April 10 and April 15, 2009, Benge withdrew \$500.00 and \$400.00 respectively from a bank account customer CD maintained with the bank affiliate (CD account). These withdrawals were made without CD's authorization, knowledge or consent.

Benge, without authorization, established an online bill pay arrangement for customer CD through the CD account. Subsequently, Benge arranged, through online bill pay, for two online payments from the CD account on April 16, 2009, in the amounts of \$426.00 and \$260.00. CD did not authorize these payments and did not benefit from them. Rather, the payments were made to Benge's creditors. This conduct violated FINRA Rule 2010.

SECOND CAUSE OF ACTION

(Failure to Respond to a Request for Information (Rule 8210))

On July 29, 2009, FINRA staff sent to Benge, by first class and certified mail, a written request for information pursuant to FINRA Rule 8210. The request pertained to the allegations of misuse, the subject of Cause One of this Complaint. The requested information was to be provided on or before August 12, 2009. The request was sent to Benge's most current residential address according to Central Registration Depository (CRD) records, which was [REDACTED] [REDACTED] (the CRD address). The Domestic Return Receipt was returned to the staff on August 4, 2009. The Domestic Return Receipt reflects that Benge signed for the

certified letter on July 31, 2009. The first-class mailing was not returned. Staff did not receive any response to the July 29, 2009 request.

On September 8, 2009, FINRA staff resent the 8210 request letter, referenced in paragraph 9 above, to Benge's CRD address by first class and certified mail. This request was also made pursuant to FINRA Rule 8210. The requested information was to be provided on or before September 22, 2009. The Domestic Return Receipt was signed for by "Lee Digges" on September 12, 2009. The first-class mailing was not returned. Staff did not receive any response to the September 8, 2009 request. By virtue of the failures to provide information, Benge violated FINRA Rules 8210 and 2010.

Based on the foregoing, Respondent violated FINRA Rules 8210 and 2010.

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 be barred from associating with any FINRA member in any capacity. The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(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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