

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Carol Bengé (CRD No. 5607996),

Respondent.

DISCIPLINARY PROCEEDING
No.2009018020301

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. In April 2009, Carol J. Bengé (Bengé), in her capacity as a personal banker, misused \$1,586.00 of funds which belonged to a bank customer in violation of FINRA Rule 2010. In addition, Bengé failed to respond to a FINRA Rule 8210 request for information, in violation of FINRA Rule 8210 and Conduct Rule 2010.

RESPONDENT AND JURISDICTION

2. 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

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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.

3. 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.

FIRST CAUSE OF ACTION
(Misuse of Bank Customer Funds (Rule 2010))

4. The Department realleges and incorporates by reference paragraphs 1 through 3 above.
5. On April 10 and April 15, 2009, Bengé 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.
6. Bengé, without authorization, established an online bill pay arrangement for customer CD through the CD account. Subsequently, Bengé 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 Bengé's creditors.
7. The conduct described in paragraphs 5 and 6 above violated FINRA Rule 2010.

SECOND CAUSE OF ACTION

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

8. The Department realleges and incorporates by reference paragraphs 1 through 3 and 5 through 7 above.
9. 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] (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.
10. 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.
11. By virtue of the failures to provide information described in paragraphs 9 and 10 above, Benge violated FINRA Rules 8210 and 2010.

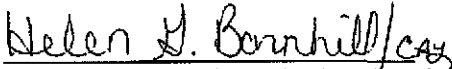
RELIEF REQUESTED

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 20, 2010


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