

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Kristin Lea Tester (CRD No. 5478300),

Respondent.

DISCIPLINARY PROCEEDING
No. 20090196083-01

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: July 8, 2010

INTRODUCTION

Disciplinary Proceeding No. 20090196083-01 was filed on May 20, 2010, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Kristin Lea Tester (Tester) submitted an Offer of Settlement (Offer) to Complainant dated June 16, 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 findings and violations consistent with the allegations of the Complaint, and to the imposition of

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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

On December 19, 2008, Tester became an Investment Company Products/Variable Contracts Representative of a FINRA member. Between the dates of December 19, 2008 and August 13, 2009, Tester was registered in this capacity with Chase Investment Services Corporation. Tester is not currently registered with any FINRA members. Although Tester has not been associated with a FINRA member firm since August 13, 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

Affixing Customers Signatures (Rule 2010)

On July 22, 2009, Tester was working at a bank affiliated with Chase Investment Services Corporation as a personal banker. She received a phone call from bank customer JC who had received a promotional coupon that offered him \$100 to open a savings account. Tester assured JC that the coupon was valid and to come to her branch office to redeem the offer.

When she met with JC, Tester discovered that JC was ineligible to redeem the offer because he had participated in a similar promotion within the previous 12 months. JC instructed Tester to open a bank account with his son's (PC) information with the intention of transferring the \$100 to JC's bank account. Tester agreed. However, JC forgot the coupon at his home and left the bank to retrieve it.

JC called Tester from his home and provided her with the promotional code contained on the coupon. Tester informed JC that he and PC needed to come to the bank in person to complete the new account opening documents. JC and PC, however, were reluctant to come to the bank. Tester went forward with opening the account without JC and PC being present. Tester used PC's personal information to open the account and applied the promotional code for the \$100. With PC's and JC's permission, Tester affixed PC's and JC's signatures to the account signature card.

On August 11, 2009, Tester gave an internal bank inspector a written statement admitting she signed JC's and PC's signatures on the bank signature card.

SECOND CAUSE OF ACTION

Failure to Respond to Requests for Information (FINRA Rules 8210 and 2010)

On September 23, 2009, FINRA staff sent Tester a request for information pursuant to FINRA Rule 8210. Staff requested Tester to provide information about the allegations of signing a customer's signature on a new account signature card. This request was sent via certified and regular mail. The regular mail was not returned. The certified mail receipt was returned, signed by Tester.

On October 15, 2009, FINRA staff sent Tester a second request for information pursuant to FINRA Rule 8210. Staff again requested Tester to provide information about the allegations

of signing a customer's signature on a new account signature card. This request was sent via certified and regular mail. The regular mail was not returned. The certified mail receipt was returned, signed by "Lee Tester."

Based on the foregoing, Respondent violated FINRA Rules 8210 and 2110.

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 association with any FINRA firm 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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