

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

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

DOIL KIM (CRD No. 5739789),

Respondent.

DISCIPLINARY PROCEEDING

No. 2010 024 3291 01

Hearing Officer - LOM

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: January 12, 2012

INTRODUCTION

Disciplinary Proceeding No. 2010 024 3291 01 was filed on June 7, 2011, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Doil Kim ("Kim") submitted an Offer of Settlement (Offer) to Complainant dated December 16, 2011. 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.¹

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

¹ The Complaint charged Kim with failing to respond but, as noted in the Offer of Settlement, he is consenting to findings that he failed to respond to FINRA requests for information in a timely manner.

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 OF RESPONDENT

1. Kim first became associated with MFG in or around November 2009.
2. From May 6, 2010 through August 30, 2010, Kim was registered with FINRA as a General Securities Representative through an association with MFG. At MFG, Kim worked in a Chicago, Illinois office and was responsible for, *inter alia*, the sale of managed futures funds (MF Global proprietary and third party funds) to both current MFG internal prospects as well as to Independent Broker/Dealer Financial Advisors.
3. According to the March 1, 2010 Uniform Application for Securities Industry Registration or Transfer (Form U4) MFG filed on Kim's behalf, Kim's employment history included:

From	To	Name	Investment Related Business?	City	State	Position
05/2006	03/2008	BENCHMARK MORTGAGE	N	ARLINGTON HEIGHTS	IL	BRANCH MANAGER
11/2005	04/2006	QUOTEMEAREATE. COM	N	HOUSTON	TX	BRANCH MANAGER
01/2005	10/2005	ENVISION MORTGAGE	N	CRESTWOOD	IL	MORTGAGE BROKER
03/2004	12/2004	AMERIQUEST MORTGAGE	N	VERNON HILLS	IL	ACCOUNT EXECUTIVE

4. On August 30, 2010, MFG filed a Uniform Termination Notice for Securities Industry Regulatory (Form U5) with respect to Kim that stated that his termination basis was "Other" and that his last date of employment at the firm was August 20,

2010. The firm disclosed on his Form U5 as a Termination Explanation: "Policy violation - not investment related."

5. Kim is not currently associated with any FINRA member firm, nor is he otherwise employed in the securities industry. He remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.

FINDINGS AND CONCLUSIONS

FIRST CAUSE OF ACTION Undisclosed Outside Business Activity (Violation of NASD Conduct Rule 3030 and FINRA Rule 2010)

6. On his March 1, 2010 MFG Form U4, Kim answered "no" to the following question:

Are you currently engaged in any other business either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise? (Please exclude non *investment-related* activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.) If YES, please provide the following details: the name of the other business, whether the business is *investment-related*, the address of the other business, the nature of the other business, your position, title, or relationship with the other business, the start date of your relationship, the approximate number of hours/month you devote to the other business, the number of hours you devote to the other business during securities trading hours, and briefly describe your duties relating to the other business. (Emphasis in original).

7. During at least July and August 2010, Kim engaged in undisclosed outside business activities while registered through MFG. Specifically, as indicated by emails sent to and from his MFG email account, Kim engaged in mortgage brokering activities without providing written notice to MFG.
8. One example of such emails is this August 16, 2010 (3:15 pm) email from Kim:

Hey Susan, On every refinance there aren't any miscellaneous fee's that I charge, it's pretty black and white and only true third party fee's. . . .How about to make things easier and more comforting for your client, he'll just pay 950 for closing costs . . . and instead of crediting 1k, I'll cover any cost over and above this figure. The only reason it might be different is because the title

insurance sometimes comes in a little higher based on how many pages they need to record, and exact loan amt (I don't have the title insurance rate's in front of me). . . .” (Emphasis added).

9. Kim failed to provide prompt written notice to MFG of his mortgage brokering activities. Indeed, Kim did not provide any such notice to MFG.

SECOND CAUSE OF ACTION
Failure to Respond to FINRA Inquiries in a Timely Manner
(Violation of FINRA Rules 8210 and 2010)

10. By letter dated October 8, 2010, FINRA Staff requested, pursuant to FINRA Rule 8210, that Kim submit a written response addressing certain questions by or before October 22, 2010. The letter was sent by regular first class mail and certified mail return receipt requested to Kim's residential address as reflected in CRD [REDACTED] (“CRD Address”).
11. The envelope containing the regular first class mailing was not returned to the Staff. The envelope containing the certified mailing was returned marked “Return to Sender – Vacant – Unable to Forward.”
12. By letter dated April 6, 2011, the Staff again requested, pursuant to FINRA Rule 8210, a response to the October 8, 2010 letter which was attached. The letter was sent by regular first class mail and certified mail return receipt requested to Kim's CRD Address.
13. The envelopes containing both the regular first class mailing and the certified mailing were returned marked “Moved Left No Address – Unable to Forward – Return to Sender.”

14. On November 23, 2011, Kim submitted a document that responded to the Staff's requests. Kim's response was untimely.

By reason of the foregoing, Kim violated NASD Conduct Rule 3030, and 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:

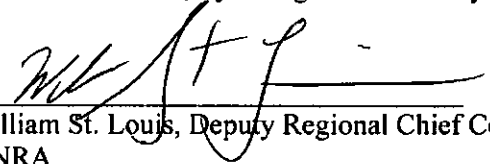
- Kim be suspended from associating with any FINRA member firm in any capacity for a period of twelve (12) months; and
- Kim be fined \$12,500. The fine shall be due and payable either immediately upon reassociation with a member firm following the twelve month suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier. Respondent has submitted an Election of Payment form showing the method by which he proposes to pay the fine imposed.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

SO ORDERED.

FINRA

Signed on behalf of the
Director of ODA, by delegated authority


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