

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

Department of Enforcement,

Complainant,

v.

Theresa Reyes,
CRD No. 5544722,

Respondent.

Disciplinary Proceeding
No. 2011030672401

Hearing Officer: RLP

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: February 20, 2013

INTRODUCTION

Disciplinary Proceeding No. 2011030672401 was filed on November 27, 2012, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Theresa Reyes submitted an Offer of Settlement (Offer) to Complainant dated February 5, 2013. 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 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

Theresa I. Reyes became employed as a personal banker with JPMorgan in November 2007. She first became registered as an Investment Company and Variable Contracts Representative through CISC, JPMorgan's broker-dealer affiliate, in June 2008. Reyes was registered with CISC from June 2008 until December 14, 2011, when CISC filed a Form U5 which reported that JPMorgan had terminated her employment on November 22, 2011. Reyes has not registered or associated with another FINRA member since her termination by CISC.

Although Reyes is no longer registered or associated with a FINRA member, 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 effective date of termination of Reyes' registration with CISC, namely, December 14, 2011; and (2) the Complaint charges her with misconduct committed while she was registered or associated with a FINRA member.

FINDINGS AND CONCLUSIONS

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

1. Between August 2011 and October 2011, Reyes repeatedly used her capacity as a personal banker at JPMorgan to engage in activity in a business credit card account of NF, a JPMorgan customer, without NF's knowledge or authorization:

- a. On or about August 4, 2011, Reyes arranged for her husband, RR, to be added as an authorized user on customer NF's credit card account. Reyes also requested that a credit card be issued on the account in the name of her husband, RR, and be sent to her home address.
 - b. On or about September 12, 2011, Reyes requested and received a credit line increase for NF's credit card account through JPMorgan customer service.
 - c. On or about October 17, 2011, Reyes set up an online credit card account profile for NF, enrolled NF in JPMorgan's online payment service, and made a payment to the credit card account.
 - d. On or about October 19, 2011, after the card in RR's name was declined because JPMorgan had removed RR from the credit card account on October 14, 2011 at NF's request, Reyes arranged for RR to be added back as an authorized user of NF's credit card account. She also requested that another card be issued in RR's name and sent to her bank branch location.
2. Between approximately August 4, 2011 and October 22, 2011, Reyes and RR used the cards issued in RR's name over 200 times to incur personal charges totaling approximately \$15,277.35. NF did not authorize any of these charges.

FIRST CAUSE OF ACTION
Conversion
Violation of FINRA Rule 2010

3. The Department realleges and incorporates by reference paragraphs 1 – 6 above.

4. FINRA Rule 2010 requires a registered representative, in the conduct of his or her business, to “observe high standards of commercial honor and just and equitable principles of trade.”

5. Reyes repeatedly performed unauthorized actions in NF’s credit card account including adding her husband as a user to NF’s credit card account, requesting cards on the account in RR’s name, increasing NF’s credit limit, and making payments on the credit card account. Over a period of more than two months, she and RR converted approximately \$15,277.35 of NF’s funds by charging over 200 unauthorized personal expenses to NF’s credit card account.

6. By performing activity in NF’s credit card account without NF’s knowledge or authorization and using the account to convert NF’s funds, Reyes violated FINRA Rule 2010.

SECOND CAUSE OF ACTION
Failure to Appear for Testimony
Violation FINRA Rules 8210 and 2010

7. The Department realleges and incorporates by reference paragraphs 1 - 10 above.

8. As a result of the information contained in Reyes’ Form U5, FINRA commenced an investigation into her conduct while registered with CISC.

9. On July 13, 2012, FINRA staff sent a letter requesting that Reyes appear for testimony pursuant to FINRA Rule 8210. The letter was sent via U.S. Postal Service Certified Mail, Return Receipt Requested, and First Class Mail to Reyes’ then-current residential address in San Diego, California listed in FINRA’s Central Registration Depository (CRD) system. The testimony was scheduled to take place on July 26, 2012.

10. The Return Receipt attached to the letter sent to Reyes' CRD address was returned to FINRA staff with the signature of Reyes' husband, RR, indicating that the letter was received on July 16, 2012.

11. Before business hours on July 26, 2012, Reyes left a voicemail with FINRA staff stating that she would not appear for her scheduled testimony.

12. Reyes did not appear for testimony on July 26, 2012.

13. On August 3, 2012, FINRA staff sent a second letter requesting that Reyes appear for testimony pursuant to FINRA Rule 8210. The letter was sent via U.S. Postal Service Certified Mail, Return Receipt Requested, and First Class Mail to Reyes' then-current residential address in San Diego, California listed in the CRD system. The testimony was scheduled to take place on August 15, 2012.

14. The Return Receipt attached to the letter sent to Reyes' CRD address was returned to FINRA staff with the signature of Reyes' husband, RR, indicating that the letter was received on August 6, 2012.

15. Reyes did not appear for testimony on August 15, 2012.

16. By failing to appear for testimony, Reyes violated FINRA Rules 8210 and 2010.

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

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

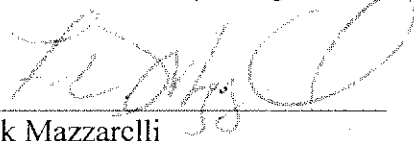
It is ordered that Respondent be permanently barred from the securities industry.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(c), 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

A handwritten signature in dark ink, appearing to read 'F. Mazzarelli', is written over a horizontal line.

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