

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Ramona Catherine Massimo
(CRD No. 2862818),

Respondent.

DISCIPLINARY PROCEEDING
No. 2012032117701

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Between January 2009 and February 2012, Ramona Catherine Massimo (Respondent) converted approximately \$102,047 from PM, her supervisor at a FINRA-regulated broker-dealer, by issuing approximately \$65,293 in checks from PM's business checking account, forging PM's signature on the signature line of each of the 146 checks she made payable to herself, and charging approximately \$36,754 against PM's corporate credit card. Respondent issued the checks and made the credit card charges to pay for personal expenses without PM's knowledge or permission.
2. Respondent has not reimbursed PM for the approximate \$65,293 in unauthorized disbursements from the business checking account. In connection with the corporate credit card, Respondent has not reimbursed PM for over \$34,000 of personal charges.

3. By engaging in this misconduct, Respondent violated FINRA Rule 2010 for conversion and FINRA Rule 2010 for forgery.

RESPONDENT AND JURISDICTION

4. Between February 28, 1997 and February 10, 2012, Respondent was a non-registered, associated person of Financial Network Investment Corporation (FNIC or the Firm), presently doing business as Cetera Advisor Networks LLC, a FINRA regulated broker-dealer.
5. Respondent was associated with the Firm through her employment with its branch offices, MGM, from February 1997 through December 2003 and PMFS, from December 2003 through February 2012.
6. At the time of her association with the Firm, Respondent was an administrative assistant and the client services manager at MGM and PMFS. In those positions, Respondent was responsible for, among other things, bookkeeping, scheduling customer and prospective customer meetings, arranging annual seminars, assembling new account forms, initiating wire transfers in customer accounts, tracking available cash in customer accounts, technical support, and tracking the required minimum distributions from customer accounts.
7. Given that Respondent's responsibilities were centrally connected with FNIC's securities business offered through MGM and PMFS and she was associated with the Firm through her employment with these branch offices, Respondent is subject to FINRA's jurisdiction.

8. On February 14, 2012, the Firm terminated Respondent's status as a non-registered fingerprint person (NRF). On March 14, 2012, the Firm filed a NRF amendment with the Central Registration Depository (CRD) to report the termination of Respondent's status as a NRF.
9. Although Respondent 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 date upon which she ceased to be associated with a FINRA member, namely, February 14, 2012 and (2) the Complaint charges her with misconduct committed while she was registered or associated with a FINRA member.

FIRST CAUSE OF ACTION
Conversion of Funds
Violation of FINRA Rule 2010

10. The Department realleges and incorporates by reference paragraphs 1 through 9 above.
11. FINRA Rule 2010 requires FINRA members and associated persons to observe high standards of commercial honor and just and equitable principals of trade.
12. Conversion occurs when there is an intentional and unauthorized taking of and/or exercise of ownership over property by one who neither owns the property nor is entitled to possess it.

PMFS Checking Account

13. PMFS is an approved branch office of FNIC that is supervised by PM, an independent contractor. PM was responsible for all operating expenses incurred at the PMFS branch office.
14. In 2006, PM maintained the PMFS business checking account (PMFS checking account) in order to pay the operating expenses of the PMFS branch office. PM was the only person with signatory authority over checks issued from the PMFS checking account.
15. Between December 2003 and February 2012, Respondent was associated with the Firm and employed by PMFS as an administrative assistant and client services manager. In 2006, PM provided Respondent access to the PMFS checking account in order to prepare branch operating expense checks for PM's signature.

Conversion of Funds from the PMFS Checking Account

16. Between January 2009 and January 2012, Respondent improperly used the PMFS checking account to write 146 checks made payable to herself, totaling approximately \$65,293. The check amounts ranged from approximately \$125 to \$2,310.40. Respondent forged PM's signature on the signature line of all these checks and deposited them into her personal bank account for her own personal use without PM's knowledge or authorization.
17. Respondent admitted to PM that she wrote the 146 checks at issue and forged his signature on each check in order to pay for her personal expenses.

18. Respondent was not authorized or permitted by PM to issue the approximately \$65,293 worth of checks from the PMFS checking account that were made payable to herself, nor did PM ever authorize Respondent to sign his name on these checks.
19. Respondent never repaid PM for the approximately \$65,293 in unauthorized disbursements she made from the business checking account.

Conversion of Funds through PMFS Credit Card Charges

20. PM also obtained PMFS corporate credit cards with his name and Respondent's names on the credit cards in order to pay the operating expenses of the PMFS branch office.
21. In or about May 2011, Respondent received her PMFS issued credit card and was instructed by PM to only use the PMFS credit card for business related expenses.
22. Contrary to PM's instructions, from May 2011 through February 2012, Respondent improperly used the PMFS credit card to purchase approximately \$36,754 in personal expenses without PM's knowledge or authorization.

23. For example, Respondent used the PMFS credit card to charge the following personal expenses:

Retailer	Date Range	Number of Charges	Amount charged
Walmart Superstore	May 2011 – January 2012	26	\$2,700.48
Walgreens	June 2011 – February 2012	16	\$645.54
Century Theaters	June 2011 – November 2011	11	\$277
Amazon.com	October 2011 – January 2012	24	\$1,239.92

24. Respondent admitted to PM that she improperly used the PMFS credit card to pay for approximately \$36,754 in personal expenses.

25. Although Respondent made approximately \$2,060 in payments from her personal checking account to PM's corporate credit card, Respondent did not reimburse PM for the remaining personal charges of approximately \$34,694.

26. By virtue of the conduct described above, Respondent converted a total of approximately \$102,047 from PM's business checking account and his business credit card in violation of FINRA Rule 2010.

SECOND CAUSE OF ACTION

Forgery

FINRA Rule 2010

27. The Department realleges and incorporates by reference paragraphs 1 through 26 above.
28. Forgery is conduct that is inconsistent with just and equitable principles of trade and violates FINR Rule 2010.
29. As described above, Respondent forged PM's signature on the signature line of 146 checks, resulting in approximately \$65,293 of unauthorized disbursements from PM's business checking account in order to pay for her personal expenses.
30. Respondent never obtained PM's permission or authority to sign his name on the signature line of the checks in question.
31. Moreover, Respondent admitted to PM that she forged his signature on all 146 checks.
32. As a result of this conduct, Respondent violated FINRA Rule 2010.

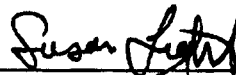
RELIEF REQUESTED

WHEREFORE, the Department respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Respondent committed the violations charged and alleged herein;
- B. order that one or more of the sanctions provided under FINRA Rule 8310(a) be imposed, including that Respondent be required to disgorge fully any and all ill-gotten gains and/or make full and complete restitution, together with interest; and
- C. order that 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: December 6, 2013



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