

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015048315901**

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Phi Phuong Phan, Respondent
Investment Company Products/Variable Contracts Representative
CRD No. 6191955

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

**I.
ACCEPTANCE AND CONSENT**

- A. I hereby accept and consent, without admitting or denying the findings, 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, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Phi Phuong Phan ("Phan") commenced her employment with J.P. Morgan Chase Bank as a personal banker in April 2011. Thereafter, Phan entered the securities industry in April 2013 when she became associated with JP Morgan Securities LLC, a FINRA-regulated broker-dealer ("JPM" or the "Firm"). Phan became registered as a Series 6 Investment Company Products and Variable Contracts Products Limited Representative in June 2013.

On December 21, 2015, JPM filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") reporting the termination of Phan's registration and dual employment with the Firm and the bank, because "in the capacity of an affiliate bank employee, [Phan] violated bank policy governing personal finances after [she] was unable to fully substantiate transactions in her personal bank account."

Although Phan is not currently associated with a FINRA regulated broker-dealer, she remains subject to FINRA's jurisdiction, pursuant to Article V, Section 4 of FINRA's By-Laws.

RELEVANT DISCIPLINARY HISTORY

Phan has no relevant disciplinary history in the securities industry.

OVERVIEW

In April 2017, Phan violated FINRA Rules 8210 and 2010 by failing to appear and provide on-the-record testimony in connection with Enforcement's investigation into allegations that she may have structured a series of cash deposits into her personal bank account to avoid the filing of a Currency Transaction Report.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 8210(a)(1) states, in relevant part, that FINRA has the right to "require a ... person associated with a member, or any other person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically ... and to testify at a location specified by FINRA staff, under oath or affirmation ... with respect to any matter involved in the investigation, complaint, examination or proceeding." FINRA Rule 8210(a)(2) further states, in relevant part, that FINRA has the right to "inspect and copy the books, records, and accounts of such ... person with respect to any matter involved in the investigation...." FINRA Rule 8210(c) similarly provides that "[n]o member or person shall fail to provide ... testimony ... pursuant to this Rule."

A failure to comply with a request for information pursuant to FINRA Rule 8210 is also a violation of FINRA Rule 2010, which requires associated persons to "observe high standards of commercial honor and just and equitable principles of trade."

In connection with Enforcement's investigation into whether she structured a series of cash deposits into her personal bank account to avoid the filing of a Currency Transaction Report, on April 3, 2017, Enforcement sent a letter pursuant to FINRA Rule 8210 (the "April 3, 2017 8210 Letter") requesting that Phan appear for on-the-record testimony on April 27, 2017. The April 3, 2017 8210 Letter was sent to Phan's home address as provided in the Central Registration Depository ("CRD") via first class and certified mail, return receipt requested. The April 3, 2017 8210 Letter advised Phan that her failure to appear for testimony could expose her to sanctions, including a bar from the securities industry.

On April 13, 2017, Phan contacted Enforcement to inform staff that she received the April 3, 2017 8210 Letter and did not intend to appear for on-the-record testimony. In an e-mail to FINRA staff dated April 21, 2017, Phan again stated that she will not appear and provide testimony, or cooperate further with Enforcement's investigation. To date, Phan has failed to appear and provide the requested testimony.

By failing to appear for on-the-record testimony pursuant to FINRA Rule 8210, Phan violated FINRA Rules 8210 and 2010.

B. I also consent to the imposition of the following sanctions:

A bar from associating with any FINRA member-firm in any capacity.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

The sanctions imposed herein shall be effective on a date set by FINRA staff. A bar shall become effective upon approval or acceptance of this AWC.

II. WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive any right to claim bias or prejudgment of the Chief Legal Officer, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

I further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

**III.
OTHER MATTERS**

I understand that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
 - 2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I understand and acknowledge that FINRA does not represent or advise me and I cannot rely on FINRA or FINRA staff members for legal advice; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

05/12/2017
Date (mm/dd/yyyy)


Phi Phan, Respondent

Accepted by FINRA:

5/16/17
Date

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


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FINRA Department of Enforcement
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