

NEW YORK STOCK EXCHANGE, INC.

EXCHANGE HEARING PANEL DECISION 04-69

April 28, 2004

QUNACO MITCHELL
FORMER NON-REGISTERED EMPLOYEE

* * *

**Convicted of attempted embezzlement, involving theft of customer funds –
Consent to censure and permanent bar.**

Appearances:

For the Division of Enforcement
Steven F. Korostoff, Esq.
Richard E. Dominguez, II, Esq.

For the Respondent
Qunaco Mitchell
pro se

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An Exchange Hearing Panel met to consider a Stipulation of Facts and Consent to Penalty entered into between the Exchange's Division of Enforcement and Qunaco Mitchell, a former non-registered employee with Salomon Smith Barney, now known as Citigroup Global Markets Inc. (the "Firm"). Without admitting or denying guilt, Ms. Mitchell consents to a finding by the Hearing Panel that she engaged in acts detrimental to the interest or welfare of the Exchange in that she was convicted of the criminal offense of Attempted Embezzlement, a felony, which involved the theft of customer funds which occurred during the course of her employment at a member firm.

For the sole purpose of settling this disciplinary proceeding, the Division of Enforcement and Ms. Mitchell stipulate to certain facts, the substance of which follows:

Background and Jurisdiction

1. Qunaco Mitchell ("Mitchell") was born in February 1977. From in or about February 1998 until her termination on December 10, 2002, Mitchell was employed with the Firm as a non-registered employee of the Firm in Flint, Michigan. Mitchell is not currently employed in the securities industry in a registered capacity.
2. On or about December 23, 2002, the Exchange received from the Firm a Form RE-3 ("Submission of Required Information Pertaining to . . . Registered and Non-Registered Employees. . .") reporting that Mitchell's employment had terminated on or about December 10, 2002, for allegedly embezzling approximately \$98,350 from five customers of the Firm.
3. By letter dated July 31, 2003, which Mitchell received, Enforcement notified Mitchell that it was investigating the possibility that she had embezzled customer funds while employed by the Firm.

4. On February 2, 2004, Enforcement issued a Charge Memorandum to Mitchell with respect to the matters set forth below.

Summary

5. Mitchell engaged in acts detrimental to the interest or welfare of the Exchange in that she was convicted of the criminal offense of Attempted Embezzlement, a felony, which involved the theft of customer funds which occurred during the course of her employment at a member firm.

Mitchell's Felony Conviction for Attempted Embezzlement

6. In or about January 2003, Mitchell was charged with one felony count of Embezzlement of \$20,000 or more of customer funds from the Firm, a violation of Michigan Compiled Laws Section 750.1745.
7. On or about January 13, 2003, in the Circuit Court of Genesee County, Michigan, Mitchell entered a plea of guilty, which was accepted by the Court, to one count of Attempted Embezzlement, in violation of Michigan Compiled Laws Section 750.1745A, a felony, and she was convicted of that offense.
8. On or about March 25, 2003, the Circuit Court of Genesee County sentenced Mitchell to six months in jail, five years probation, and ordered her to make restitution to the Firm of approximately \$61,550. The Firm had previously recovered approximately \$40,487 from Mitchell's personal accounts held at the Firm.

DECISION

The Hearing Panel, in accepting the Stipulation of Facts and Consent to Penalty, found Ms. Mitchell guilty as set forth above by unanimous vote.

PENALTY

In view of the above findings, the Hearing Panel, by unanimous vote, imposed the penalty consented to by Ms. Mitchell of a censure and a permanent bar from membership, allied membership, approved person status, and from employment or association in any capacity with any member or member organization.

For the Hearing Panel

Milton M. Stein
Hearing Officer