

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

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REGISTRATION & DISCLOSURE

Department of Enforcement,

Complainant,

v.

Michael Slusher,
(CRD No. 5175006),

Respondent.

Disciplinary Proceeding
No. 2007009836601

Hearing Officer – Alan W. Heifetz

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: December 12, 2008

INTRODUCTION

Disciplinary Proceeding No. 2007009836601 was filed on August 27, 2008 by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA or Complainant).

Respondent Michael Slusher (Slusher) submitted an Offer of Settlement (Offer) to Complainant on November 28, 2008. Pursuant to NASD 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 NASD 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.

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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

On July 17, 2006, Slusher first became registered with FINRA as an Investment Company and Variable Contracts Product Representative. From April 16, 2007 to July 3, 2007, Slusher was registered in that capacity with Chase Investment Services Corp. (Chase Investment), a FINRA member firm. While registered with Chase Investment, Slusher was also employed as a Personal Banker with JP Morgan Chase Bank (Chase Bank), the bank affiliate of Chase Investment.

On July 25, 2007, Chase Investment filed a Form U5 reflecting that it had terminated Slusher on July 3, 2007 for the misconduct alleged in the First Cause of Action in the Complaint. Slusher is not presently associated with a member firm, but remains subject to FINRA's jurisdiction pursuant to Article V, Section 4, of the FINRA By-Laws in that: the misconduct alleged in the First Cause of Action in the Complaint occurred while he was associated with a member firm; and the Complaint was filed within, and the violations of NASD Procedural Rule 8210 alleged in the Second Cause of Action in the Complaint occurred within, two years of his last association with a member firm.

FINDINGS AND CONCLUSIONS

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

Overview

1. Respondent Michael Slusher misappropriated \$4,000 from the account of a bank customer. Slusher also failed to respond to two written requests for information issued by FINRA staff.

Conversion of Funds (NASD Conduct Rule 2110)

2. In or about April 2007, Slusher learned that Chase Bank customer S.P. was closing an account with a balance of approximately \$6,000.
3. On June 15, 2007, Slusher transferred \$4,000 from Chase Bank customer S.P.'s account, without the customer's authorization or consent, to a Chase Bank account that he had opened in the name of "Carmencita Cases," a fictitious customer.
4. On June 20, 2007, Slusher withdrew \$300 from the "Carmencita Cases" account and converted the proceeds for his own use and benefit.

Failure to Respond (NASD Procedural Rule 8210 and NASD Conduct Rule 2110)

5. On September 5, 2007, FINRA staff, pursuant to NASD Procedural Rule 8210, sent a letter to Slusher at his last known residential address reflected in the Central Registration Depository, [REDACTED] (CRD Address), requesting that he provide information regarding the misappropriation of funds. The letter was sent via first-class and certified mail and requested that Slusher respond by September 19, 2007.

6. The certified envelope for this mailing was returned to FINRA staff on October 1, 2007, as "UNCLAIMED, UNABLE TO FORWARD." The first-class envelope was not returned.
7. Slusher failed to respond to this written request for information.
8. On October 2, 2007, FINRA staff, pursuant to Procedural Rule 8210, sent a second letter to Slusher at his CRD address requesting that he provide information regarding the conversion of funds. The letter was sent via first class and certified mail to Slusher's CRD address. This letter, which requested a response by October 16, 2007, warned Slusher that failure to respond may result in disciplinary action. On October 9, 2007, FINRA staff received the return receipt for the certified mailing bearing Slusher's signature. The first-class mailing envelope was not returned.
9. Slusher failed to respond to FINRA staff's requests for information.
10. FINRA staff is not aware of a more current residential address or business address for Slusher.

Based on the foregoing, Respondent violated NASD Conduct Rule 2110 and NASD Procedural Rule 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

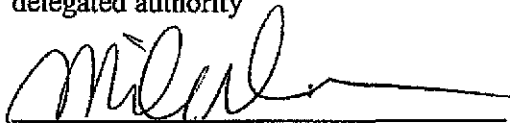
It is ordered that Respondent be barred from association with any FINRA member in any capacity.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to IM-8310-3(e), 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 black ink, appearing to read "Michael J. Newman", is written over a horizontal line.

Michael J. Newman
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