

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20100228317**

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

RE: David Lee Cheviron
(CRD NO. 4031542)

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, David Lee Cheviron ("Cheviron" or "Respondent"), submits 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 Cheviron alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

A. Cheviron hereby accepts and consents, 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:

OVERVIEW

From January 2006 through April 2010 (the "Relevant Period"), Cheviron wrongfully converted \$75,331.08 from three customers in violation of NASD Rule 2110 and FINRA Rule 2010.¹ To conceal his misconduct, Cheviron created and sent false account statements to two customers in violation of NASD Rule 2110 and FINRA Rule 2010.

BACKGROUND

Cheviron was born in [REDACTED]. Cheviron became registered in the securities industry in September 1999. During the Relevant Period, Cheviron was employed at several banks while his securities registrations were held at FINRA regulated broker/dealers. From July 2005 to September 2007 Cheviron worked at Bank A, and held his registration at Invest Financial Corp. ("Invest"), a FINRA regulated broker/dealer and Bank A affiliate. From October 2007 to May 2008, Cheviron worked at Bank B and held his registration at The Huntington Investment Company ("Huntington"), a FINRA regulated broker/dealer and Bank B affiliate. From July 2008 to April 2010, Cheviron worked at Bank C and held his securities registration at Chase Investment Services Corp. ("Chase"), a FINRA regulated broker/dealer and Bank C affiliate.

¹ NASD Rule 2110 applies to the violative conduct occurring before December 15, 2008. FINRA Rule 2010 applies to the violative conduct occurring on or after December 15, 2008.

FACTS AND VIOLATIVE CONDUCT BY RESPONDENT

Customer JN

JN was born in [REDACTED]. During the period from November 2009 through April 2010, Cheviron, without permission or authority, wrongfully converted \$53,400 from JN. Cheviron did so by withdrawing funds from JN's Bank C account on nine occasions. Cheviron then took these funds to another branch of Bank C where he deposited it into his own personal account. Cheviron ultimately used JN's funds to make home improvements to his personal residence.

Chase compensated JN for the funds wrongfully taken from her account. Cheviron has not reimbursed Chase.

Customer CK and PK

CK is in her eighties and PK is in his nineties (the "Ks"). The Ks owned a fixed annuity held with insurance company L. During the Relevant Period, Cheviron, without permission or authority, wrongfully converted and used at least \$21,931.08, drawn from the Ks fixed annuity. Cheviron caused the Ks to sign distribution requests to L with instructions to mail checks to Cheviron's attention at Bank A, Bank C and Cheviron's personal residence. Upon receipt, Cheviron deposited these funds into his personal bank accounts and used the funds for his own personal benefit. In an effort to conceal that he was the beneficiary of the K's funds, Cheviron created false account statements, which he provided to PK.

NASD Rule 2110 and FINRA Rule 2010 each provides that a member, in the conduct of his business shall observe high standards of commercial honor. This standard is similarly applicable to registered individuals at members. Based upon the foregoing, Respondent violated NASD Rule 2110 and FINRA Rule 2010 in that he wrongfully converted funds from JN and the Ks totaling \$75,331.08.

- B. Cheviron also consents to the imposition of the following sanctions: a bar.

Cheviron understands that if he is barred or suspended from associating with any FINRA member, he becomes subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, Cheviron 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.

II.

WAIVER OF PROCEDURAL RIGHTS

Chevron specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against him;
- B. To be notified of the Formal 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 NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Chevron specifically and voluntarily waives any right to claim bias or prejudgment of the General Counsel, 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.

Chevron further specifically and voluntarily waives 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

Chevron understands 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 him; 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 him;

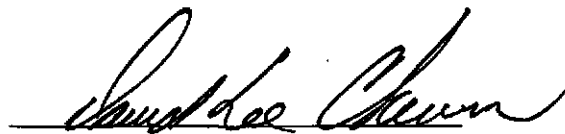
2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about his disciplinary record;
 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and,
 4. Chevron may not take 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. Chevron 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 his right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Chevron may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Chevron understands that he may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

Chevron certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that he has 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 him to submit it.

David Lee Chevron

May 25, 2011
Date

Accepted by FINRA:



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

June 3, 2011
Date



Susan Light, Senior Vice President and
Chief Counsel
FINRA Department of Enforcement
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