

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2010024003801**

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

RE: Jason Mitchell Meyers, Respondent
General Securities Representative
CRD No. 1842913

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Jason Mitchell Meyers ("Meyers" 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 Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent 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:

BACKGROUND

Meyers joined the securities industry in June 1989. Meyers was registered through 13 different broker-dealers between 1989 and 2004. From June 1, 2004 through April 16, 2012, Meyers was registered as a general securities representative ("GSR") and general securities principal ("GSP") through an association with ICM Capital Markets Ltd. ("ICM") (BD No. 103725). On January 29, 2010, Meyers also became registered as an Investment Banking Limited Representative ("IB"). In 2011, Meyers became Senior Managing Director at ICM and advised management on strategic planning issues. Most recently, Meyers was registered from June 15, 2012 through September 25, 2012 as a GSR, GSP and IB through another FINRA member firm. On September 25, 2012, a Uniform Termination Notice for Securities Industry Registration ("Form U5") was filed for Meyers. Since then, Meyers has not been registered with FINRA or associated with a FINRA member firm. FINRA retains jurisdiction over Meyers pursuant to Article V, Section 4 of FINRA's By-Laws.

RELEVANT DISCIPLINARY HISTORY

Respondent entered into a Consent Order with the State of Michigan on March 23, 1993 for the sale of unregistered, non-exempt securities in the state without being registered in Michigan. He was censured and fined \$1,450 and subject to a supervision agreement in Michigan for two years.

OVERVIEW

This matter concerns Meyers' misappropriation of at least \$700,000, or approximately 23 percent, of funds raised from 19 investors in a series of private offerings of securities. These offerings were purportedly designed to raise money to buy ICM, the broker-dealer where Meyers worked. More specifically, between June 2006 and September 2011, Meyers raised approximately \$3 million for investment in ICMC Holdings LLC ("Holdings"), an entity Meyers created and controlled. While Meyers used some portion of the funds raised to fund ICM operations, meet net capital obligations at the firm and purchase a small interest in the broker-dealer, he used significant portions of the funds raised for his own personal use, which was neither authorized by investors nor permitted under the terms of the offering documents.

FACTS AND VIOLATIVE CONDUCT

Meyers joined ICM in 2004 and in 2006 formed Holdings. Aspatuck Holdings Ltd., another entity that Meyers controlled, managed Holdings. Beginning in June 2006, Meyers began offering Class A, non-voting, membership interests in Holdings to potential investors. Each of the Holdings offerings were purportedly made pursuant to Rule 506 of Regulation D of the Securities Act of 1933.

The June 7, 2006 Term Sheet for the initial offering stated that the offering was for the purpose of purchasing "a controlling interest in or 100 percent control" of a broker-dealer, the target of the acquisition being ICM. The anticipated purchase price for ICM was \$100,000. Meyers was not entitled to any compensation under the Holdings operating agreement or the June 2006 Term Sheet. Meyers had already raised enough money to buy ICM by June 9, 2006. Nevertheless, Meyers went on to raise a total of \$355,000 from investors, including ICM customers, in the initial offering. Rather than use the proceeds of the initial offering for the purpose stated in the June 2006 Term Sheet, Meyers diverted a portion of those funds to, *inter alia*, a public company for which he was Chairman, a brokerage account, and other withdrawals unrelated to the purchase of the broker-dealer. Meyers used these funds without permission or authority.

Meyers continued to misuse investor funds he received into the Holdings bank accounts that he controlled. Over time, the later Holdings Term Sheets contemplated that proceeds, in addition to being used to purchase ICM, would be used for operational expenses at ICM, contributions toward net capital requirements, "working capital," and other ventures purportedly related to Holdings. However, none of the Term Sheets for

the subsequent offerings permitted or disclosed to customers that Meyers would also use investor funds for, among other things, personal medical expenses, cash withdrawals, payments to a charity for which Meyers was a board member, international travel, concert and movie tickets and other expenses unrelated to any business purpose.

Meyers was not permitted to use the Holdings investor funds for any purposes other than those authorized in the Term Sheets and disclosed to customers. Despite having had the opportunity to purchase ICM for \$100,000, Meyers raised a total of \$3,040,000 over the course of more than five years and never achieved Holdings' primary purpose of buying ICM or any other broker-dealer. In total, Meyers misappropriated more than \$700,000 from Holdings investors who, to date, have never received a return of their principal or any return on their investment. By misappropriating customer funds, Meyers violated NASD Conduct Rules 2330 (for conduct before December 14, 2009) and 2110 (for conduct before December 15, 2008) and FINRA Rules 2150 (for conduct on and after December 14, 2009) and 2010 (for conduct on and after December 15, 2008) and, by misappropriating non-customer funds, Meyers violated NASD Conduct Rule 2110 and FINRA Rule 2010.

B. Respondent also consents to the imposition of the following sanctions:

- A bar from association with any FINRA member in any capacity.

Respondent 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 Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, Respondent 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. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Complaint issued specifying the allegations against him;
- 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, Respondent specifically and voluntarily waives 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.

Respondent 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

Respondent understands that:

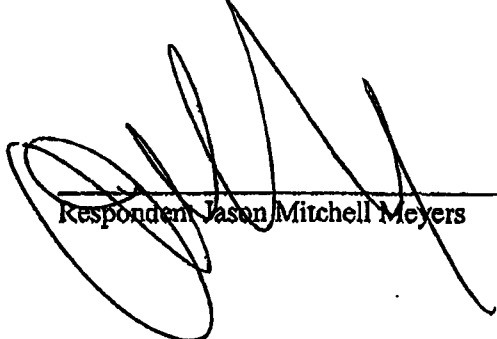
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against him; and
- C. If accepted:
 - 1. this AWC will become part of Respondent's 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 Respondent's 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. Respondent 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. Respondent 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 Respondent's: (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.

Respondent 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

09.05.2014
Date (mm/dd/yyyy)


Respondent Jason Mitchell Meyers

Reviewed by:

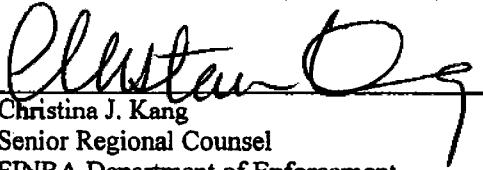

Samuel F. Ottensoser, Esq.
349 Edward Avenue
Woodmere, New York 11598
516.643.1483

Counsel for Respondent

Accepted by FINRA:

September 11, 2014
Date

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

A handwritten signature in black ink, appearing to read "Christina J. Kang", is written over a horizontal line.

Christina J. Kang
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