

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20100243960**

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

RE: Miguel Alex Rosas
CRD No. 5159207

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Miguel Alex Rosas ("Rosas" or "Respondent"), 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 Rosas alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Rosas 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

During the period 2010, while Rosas was employed at Chase Investment Services Corp. (the "Firm"), a FINRA regulated broker-dealer, Rosas wrongfully converted funds for his personal use totaling \$14,000 from a customer in violation of FINRA Rules 2150 and 2010.

Additionally, Rosas forged documents for seven other customers in an effort to convert funds totaling \$45,000 from the customers' variable annuity accounts for his personal use. In four of the seven instances, checks totaling \$25,672 were in fact dispensed, but not received or cashed by Rosas. For each respective withdrawal request, Rosas completed all the fields on a withdrawal request form and forged the customers' signatures. By forging customer signatures on documents in an effort to improperly obtain customer funds, Rosas violated FINRA Rule 2010.

BACKGROUND

Rosas was born in [REDACTED] and became registered in the securities industry in July 2006. In May 2006, Rosas joined Citigroup Global Markets, Inc., a FINRA regulated broker-dealer, where he worked until July 2008. Rosas then became employed as a registered representative at Chase Investment Services Corp., a

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FINRA regulated broker-dealer, in July 2008 until his employment termination in September 2010.

FACTS AND VIOLATIVE CONDUCT BY RESPONDENT

Conversion of Customer Funds / Forgery

JP is a customer of the Firm and was born in [REDACTED]. On or about June 15, 2010, Rosas submitted to Chase Investment Services Corp. a request to withdraw \$7,000 from JP's brokerage account. The withdrawal request was forged by Rosas and submitted without JP's knowledge or consent. The withdrawal request further directed that the funds be issued for Rosas' personal use and benefit as a car payment. On July 29, 2010, Rosas submitted to NF, an annuity company, another forged withdrawal request for an additional \$7,000 to be withdrawn from JP's variable annuity account. This withdrawal request was also forged by Rosas and submitted without JP's knowledge or consent, and JP's funds similarly were used for Rosas' personal use and benefit as a car payment.

On or about August 31, 2010 and September 1, 2010, Rosas completed and forged the signatures of customers BW, CO and LK on three variable annuity withdrawal request forms for amounts totaling \$22,000 and submitted the forms to NF without the customers' knowledge or consent. In addition, Rosas completed and forged the signatures of customers CV, DG, JN and SG on four variable annuity withdrawal request forms for amounts totaling \$23,000 and submitted these to PL, an annuity company, without the customers' knowledge or consent. As indicated on these forms, the funds were to be made payable to USM, a Texas limited liability company for which Rosas was the President and CEO.

PL cancelled the withdrawal requests and NF placed stop payments on the checks that were issued. Rosas' employment was terminated on September 14, 2010.

FINRA Rule 2010 provides that "a member, in the conduct of his business shall observe high standards of commercial honor." FINRA Rule 2150 provides that "no member or person associated with a member shall make improper use of a customer's securities or funds." Based upon the foregoing, Respondent violated FINRA Rules 2150 and 2010 in that he wrongfully converted funds from JP totaling \$14,000, and violated FINRA Rule 2010 in that he forged customer documents in an attempt to convert funds from customer variable annuity accounts for his benefit.

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

Rosas 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, Rosas 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

Rosas 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, Rosas 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.

Rosas 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

Rosas 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 Rosas; and,
- C. If accepted:
 - 1. this AWC will become part of Rosas permanent disciplinary record and

may be considered in any future actions brought by FINRA or any other regulator against Rosas;

2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Rosas' 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. Rosas 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. Rosas 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 Rosas' right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

- D. Rosas may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Rosas 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.

Rosas 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 Rosas 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 Rosas to submit it.

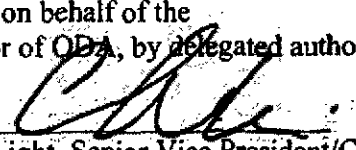
Miguel A. Rosas

8/15/2011
Date

Accepted by FINRA:

8/19/2011
Date

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


Susan Light, Senior Vice President/Chief Counsel
Scott M. Andersen, Director
Chun Li, Principal Counsel
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