

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

Department of Enforcement,

Complainant,

v.

Eric DeWayne Jones
(CRD No. 4214311),

Respondent.

DISCIPLINARY PROCEEDING
No. 2011029939801

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. From December 22, 2007 to October 28, 2008, Eric DeWayne Jones, on four separate occasions, forged a customer's name on withdrawal request forms, used these forms to withdraw a total of \$8,500 from the customer's account, and took personal possession of the funds without the customer's knowledge or consent.

2. During FINRA's investigation, Jones failed to respond to any of the staff's requests for documents and information, made pursuant to FINRA Rule 8210, and failed to appear for his scheduled on-the-record examination.

3. Jones' forgeries and conversion of customer funds violated NASD Rule 2110, which requires high standards of commercial honor and just and equitable principles of trade. His failure to respond to the staff's requests for documents and information, and his failure to appear for his scheduled on-the-record examination, violated FINRA Rule 8210, which requires FINRA

members and associated persons to cooperate with a FINRA investigation. Jones' failure to cooperate also violated FINRA Rule 2010.

RESPONDENT AND JURISDICTION

4. Jones first became registered with a FINRA member firm in August 2000, as a General Securities Representative (Series 7). Jones obtained his Series 65 and 31 licenses in September 2000 and his Series 63 license in October 2000.

5. From July 6, 2005 to January 16, 2009, Jones was associated as a registered representative with FINRA member firm Chase Investment Services Corp. and also employed as a Personal Banker by its affiliate JP Morgan Chase Bank, N.A. (collectively "Chase").

6. From March 10, 2009 to October 7, 2010, Jones was associated as a registered representative with FINRA member firm The Huntington Investment Company and also employed by its affiliate The Huntington National Bank (collectively "Huntington"). On October 7, 2010, Huntington terminated Jones after it investigated allegations of misconduct occurring when he was employed by Chase.

7. Huntington filed an initial Form U5 for Jones on January 12, 2011, stating that Jones was terminated "due to unsatisfactory attendance." Huntington filed an amended Form U5 for Jones on October 18, 2011. In the amended Form U5, Huntington disclosed that Jones was terminated "based on [Huntington's] investigation into accusations from a previous employer," and stated that its initial Form U5 for Jones filed on January 12, 2011 mistakenly disclosed the termination of a different Eric Jones.

8. Jones has not been registered or associated with a FINRA member since he was terminated by Huntington. Jones remains subject to FINRA's jurisdiction for purposes of this

proceeding pursuant to Article V, Section 4 of FINRA's By-Laws, because (1) the Complaint was filed within two years after the effective date of termination of Jones' registration with a FINRA member firm, namely, October 18, 2011 when Huntington filed the amended Form U5 for Jones; and (2) the Complaint charges Jones with misconduct committed while he was registered or associated with a FINRA member and with failing to respond to FINRA requests for information and for failing to appear for on-the-record testimony during the two-year period after the filing of an amendment to Form U5.

FACTUAL BACKGROUND

Forgery and Conversion of Funds

9. At all times relevant hereto, DI was a customer of Chase bank where she held an IRA account. Jones was the Personal Banker at the branch where DI regularly banked.

10. On December 22, 2007, Jones forged DI's name on a withdrawal slip and withdrew \$2,000 from DI's IRA account at the bank, without DI's knowledge or consent.

11. That same day, Jones converted the \$2,000 to a cashier's check made out to DI. Jones then forged DI's name on the cashier's check and deposited the check into his personal bank savings account, again without DI's knowledge or consent.

12. On December 28, 2007, Jones forged DI's name on a withdrawal slip and withdrew \$500 in cash from DI's IRA account, without DI's knowledge or consent.

13. Five days later, on January 2, 2008, Jones deposited the \$500 in cash into his personal bank savings account, without DI's knowledge and consent.

14. On January 11, 2008, Jones forged DI's name on a withdrawal slip and withdrew \$3,000 from DI's IRA account, without DI's knowledge or consent. On the withdrawal slip,

Jones specified that the \$3,000 was to be transferred to a new checking account opened in DI's name. The money was transferred to the checking account and that same day Jones, again without DI's knowledge and consent, withdrew the \$3,000 from the checking account.

15. On October 28, 2008, Jones forged DI's name on a withdrawal slip and withdrew \$3,000 from DI's IRA account, without DI's knowledge or consent.

16. That same day, Jones converted the \$3,000 to a cashier's check made out to DI. The following day, on October 29, 2008, Jones signed DI's name on the cashier's check and deposited the \$3,000 into his personal bank savings account, again without DI's knowledge or consent.

17. As described above, Jones converted a total of \$8,500 of customer DI's funds. Jones never repaid any portion of these converted funds to DI.

Failure to Cooperate with FINRA Investigation

18. On November 13, 2012, FINRA staff sent two letters to Jones, both pursuant to FINRA Rule 8210. In the first of these letters, the staff requested that Jones produce certain documents and information by November 27, 2012. In the second of these letters, the staff requested that Jones appear at FINRA's offices in Rockville, Maryland on December 5, 2012, so that the staff could take his sworn testimony upon oral examination.

19. Both letters were sent by certified mail, return receipt requested, to Jones' last residential address as reflected in the Central Registration Depository ("CRD"). The staff also sent the letters to Jones by email on November 13, 2012. The letters sent by certified mail were returned unclaimed. By email dated November 26, 2012, Jones acknowledged receipt of the letters and requested an extension of time to respond.

20. On December 13, 2012, the staff left Jones a telephone message, and sent him an email, stating that he was no longer required to respond to the staff's requests in light of ongoing settlement discussions, and that in the event that Jones and FINRA did not reach a settlement Jones would have to respond to the staff's requests, subject to new response dates.

21. Jones did not respond to the staff's efforts to settle the matter.

22. Accordingly, by letter dated May 10, 2013, sent pursuant to FINRA Rule 8210, the staff reinstated its original requests dated November 13, 2012 that Jones produce documents and information and appear for sworn testimony upon oral examination.

23. The May 10, 2013 letter was sent by certified mail, return receipt requested, to Jones' last residential address as reflected in CRD. On May 13, 2013, Jones signed and printed his name on the return receipt form.

24. In the May 10, 2013 letter, the staff stated that Jones must produce the requested documents and information by no later than close of business, May 24.

25. The May 10, 2013 letter also requested that Jones appear for sworn testimony at FINRA's offices in Rockville, Maryland on May 30, 2013.

26. Jones failed to produce any documents or information in response to the staff's May 10 letter. Jones did not seek an extension of time to respond, nor did he explain his failure to produce any documents and information.

27. On May 30, 2013, Jones failed to appear for his scheduled sworn testimony at FINRA's offices. Jones did not seek to postpone the date of his testimony, nor did he explain to the staff his failure to appear.

28. By letter dated May 30, 2013, the staff requested for the second time, pursuant to FINRA Rule 8210, that Jones produce immediately documents and information and attached the staff's earlier correspondence to him.

29. This May 30, 2013 letter was sent by certified mail, return receipt requested, to Jones' last residential address as reflected in CRD. It was also sent by email. Jones did not respond to the email. The staff received a return receipt form dated June 5, 2013 with the signature and printed name of "Sue Cook."

30. As of the date of this Complaint, Jones has not responded to any of the staff's requests pursuant to FINRA Rule 8210 for documents, information or testimony, nor has he offered any explanation for his failure to cooperate.

FIRST CAUSE OF ACTION
(Forgery)
Violation of NASD Rule 2110

31. The Department realleges and incorporates by reference paragraphs 1-30 above.

32. As detailed above, Jones forged DI's name on bank withdrawal slips and cashier's checks, without DI's knowledge or consent, for the purpose of withdrawing and converting funds belonging to DI.

33. As a result of the foregoing conduct, Jones violated NASD Rule 2110.

SECOND CAUSE OF ACTION
(Conversion of Customer Funds)
Violation of NASD Rule 2110

34. The Department realleges and incorporates by reference paragraphs 1-33 above.

35. On four separate occasions, Jones converted funds belonging to DI from DI's IRA account at Chase bank, without DI's knowledge or consent. After improperly withdrawing the

funds from DI's account, Jones in three instances deposited the funds in his personal bank savings account and in a fourth instance kept the cash.

36. As of the date of this Complaint, Jones has failed to repay DI any of the \$8,500 in funds wrongfully taken from DI's IRA bank account.

37. As a result of the foregoing conduct, Jones violated NASD Rule 2110.

THIRD CAUSE OF ACTION
(Failure to Cooperate)
Violation of FINRA Rules 8210 and 2010

38. The Department realleges and incorporates by reference paragraphs 1- 37 above.

39. During FINRA's investigation, Jones failed to cooperate with the staff. Jones failed to produce documents and information requested by the staff pursuant to FINRA Rule 8210. Jones also failed to appear for his scheduled on-the-record examination, also requested pursuant to FINRA Rule 8210.

40. As a result of the foregoing conduct, Jones violated FINRA Rules 8210 and 2010.

RELIEF REQUESTED

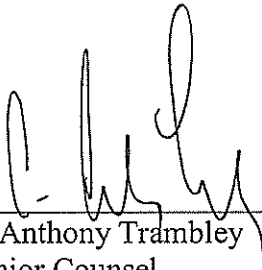
WHEREFORE, the Department respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Jones committed each of the violations charged and alleged herein;
- B. order that one or more of the sanctions provided under FINRA Rule 8310(a) be imposed, including that Jones be required to disgorge fully any and all ill-gotten gains and/or make full and complete restitution, together with interest; and

C. order that Jones bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Date: July 12, 2013



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