

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Jeffery Wayne Weaver (CRD No. 5755974),

Respondent.

DISCIPLINARY PROCEEDING
No. 2012035107701

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Between November 6 and November 10, 2012, Respondent Jeffery Wayne Weaver ("Respondent" or "Weaver") engaged in check kiting. Weaver wrote three personal checks to himself from his Chase checking account, in the total amount of \$3,300, when he knew that there were insufficient funds in his checking account to cover those checks. As a result of this conduct, Weaver violated FINRA Rule 2010.

2. Also, between April 12 and June 21, 2013, Weaver failed to respond to multiple requests for information from FINRA in connection its investigation into his activities. As a result of this conduct, Weaver has also violated FINRA Rules 8210 and 2010.

RESPONDENT AND JURISDICTION

3. Between February 2010 and December 2012, Weaver was registered as an Investment Company/Variable Contracts Product Representative with Chase Investment Services

Corp. (“Chase”) and J.P. Morgan Securities LLC (“J.P. Morgan”), affiliated FINRA-registered firms.

4. Respondent’s registration with J.P. Morgan was terminated on December 7, 2012, after the Firm investigated the conduct at issue in this Complaint.

5. Although Respondent is no longer registered or associated with a FINRA member, he remains subject to FINRA’s jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA’s By-Laws, because (1) this Complaint was filed within two years after the effective date of termination of Weaver’s registration with J.P. Morgan, and (2) the Complaint charges him with misconduct committed while he was registered or associated with a FINRA Member and with failing to respond to FINRA’s requests for information during the two-year period after the date upon which he ceased to be registered or associated with a FINRA member.

FIRST CAUSE OF ACTION
Unethical Conduct – Check Kiting
(FINRA Rule 2010)

6. The Department realleges and incorporates by reference paragraphs 1 through 5 above.

7. Between October and December 2012, Weaver was registered with and employed by J.P. Morgan.

8. At that time, Weaver maintained two checking accounts and a savings account at Chase bank.

9. Between November 6 and November 10, 2012, Weaver wrote three checks from his Chase checking account no. XXXXXX9451, payable to himself, in the amounts of \$700, \$1,000 and \$1,600.

10. When Weaver wrote the above-noted checks to himself, he knew that he did not have funds in his checking account no. XXXXXX9451 to cover those checks.

11. Weaver deposited two of the above checks in his Chase checking account no. XXXXX7268 and one into his Chase savings account no. XXXXXX0730 shortly after he wrote them.

12. After depositing these checks into his checking account no. XXXXX7268 and savings account no. XXXXXX0730, Weaver withdrew funds from those accounts.

13. At the time that Weaver deposited the checks into his checking account no. [REDACTED] and savings account no. XXXXXX0730, those accounts held insufficient funds to cover the amount that he withdrew.

14. Weaver has admitted in writing to JP Morgan that he knew he had insufficient funds in Chase checking account no. XXXXXX9451 to cover those checks at the time that he wrote them. Weaver later affirmed this admission in writing to FINRA as well.

15. Each of the checks was subsequently returned for insufficient funds.

16. Weaver's activities constitute check-kiting, which involves writing checks against a bank account knowing the check amount exceeds the funds available; depositing it into another account, knowing it will eventually be dishonored; and making use of the funds before the check is dishonored by writing checks or withdrawing funds from the second account.

17. By virtue of the foregoing, Weaver violated FINRA Rule 2010.

SECOND CAUSE OF ACTION
Failure to Respond to Requests for Information
(Violation of FINRA Rules 8210 and 2010)

18. The Department realleges and incorporates by reference paragraphs 1 through 17 above.

19. On or about April 12, 2013, FINRA staff sent Weaver a Request for Information via First Class U.S. Mail, to Weaver's last known residential address as reflected in the Central Registration Depository ("CRD").

20. FINRA staff received no response to the April 12, 2013, mailing. Accordingly, on or about April 29, 2013, FINRA staff sent Weaver another Request for Information via first class mail, again to Weaver's last known residential address as reflected in the CRD. On that same day, FINRA also sent that Request for Information to Weaver via certified mail at that same address.

21. FINRA staff received no response to the April 29, 2013, Request for Information sent via first class and certified mail, but Weaver signed the certified receipt for the copy sent via certified mail. Weaver never responded to that April 29, 2013, Request for Information sent via first class and certified mail to his last known residential address as reflected in the CRD.

22. Accordingly, FINRA staff called Weaver on or about May 21, 2013. During that call, Weaver stated that he would produce copies of the checks at issues (which had been requested in the preceding Requests for Information) by the end of May 2013.

23. Weaver never produced the documents as he had promised, and staff sent Weaver another Request for Information on June 6, 2013. One copy of this Request was sent via first class mail to Weaver's last known residential address as reflected in the CRD, and a second copy of this request was sent via certified mail to that same address.

24. Also on June 6, 2013, FINRA staff contacted Weaver via email at the email address he previously provided to FINRA, to request documents relevant to Weaver's conduct, including copies of the checks at issue.

25. Weaver failed to respond in any way to FINRA's June 6, 2013, Request for Information, whether sent via certified mail, U.S. Mail or e-mail.

26. Weaver has failed to respond to any request for documents and information described above, and the dates for responding to the requests have passed.

27. The acts, practices and conduct described above constitute violations of FINRA Rules 8210 and 2010 by Weaver.

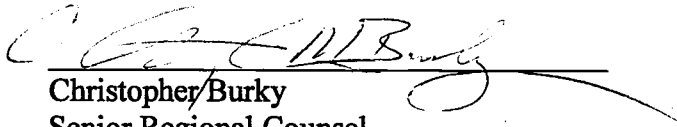
RELIEF REQUESTED

WHEREFORE, the Department respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Respondent committed the violations charged and alleged herein;
- B. order that one or more of the sanctions provided under FINRA Rule 8310(a), including monetary sanctions, be imposed; and
- C. order that Respondent(s) 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: November 24, 2014


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