

**FINANCIAL INDUSTRY REGULATORY AUTHORITY**

**OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

Heather Marie McCall,

Respondent.

DISCIPLINARY PROCEEDING  
No. 2013039144101

**COMPLAINT**

The Department of Enforcement alleges:

**SUMMARY**

1. Between November 30, 2012 and January 21, 2013, Heather McCall (CRD No. 5311041) ("McCall") engaged in outside business activity with and received compensation from another financial institution without providing her employer firm, J.P. Morgan Securities LLC ("JP Morgan" or the "Firm"), with prompt written notice that she was engaged in the outside business. When questioned by the Firm about her activity at the other financial institution, McCall made a false written statement to the Firm denying the undisclosed outside business activity. By reason of the foregoing, McCall violated FINRA Rules 3270 and 2010.

**RESPONDENT AND JURISDICTION**

2. McCall first became registered with FINRA as an Investment Company Products/Variable Contracts Representative (IR) in June 2007 through Chase Investment Services Corp. (BD No. 25574). In October 2012, McCall became

associated with J.P. Morgan Securities LLC (BD No. 79) as part of a mass transfer of registrations and the Firm assumed McCall's registrations.

3. From October 1, 2012 through November 6, 2013, McCall was registered as an IR with the Firm and also employed by JPMorgan Chase Bank, N.A. ("Chase"). Both the Firm and Chase are affiliates of JPMorgan Chase & Co. On November 19, 2013, the Firm filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") for McCall terminating her registration.
4. Although McCall is no longer registered or associated with a FINRA member, she 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 McCall's registration with JP Morgan, namely, November 19, 2013; and (2) the Complaint charges her with misconduct committed while she was registered or associated with a FINRA member.

#### **FIRST CAUSE OF ACTION**

##### **Failure to Disclose Outside Business Activity (FINRA Rules 3270 and 2010)**

5. The Department re-alleges and incorporates by reference paragraphs 1-4 above.
6. Since 2007, while employed by Chase, McCall has been associated with a broker-dealer, registered either through Chase Investment Services Corp. or JP Morgan. Beginning on or around November 30, 2012, McCall was permitted a leave of absence from her job as a Branch Manager at the Holliswood branch of Chase. Her leave of absence with Chase expired on January 21, 2013. During this period, while on leave, McCall continued to be registered with the Firm. She received three payroll

deposits from Chase, dated December 14, 2012, December 31, 2012 and January 31, 2013, into her personal bank account, totaling approximately \$4,098.

7. From approximately November 30, 2012 through January 21, 2013, McCall was employed by another financial institution, joining a training program for mortgage consultants with that financial institution. In connection with this employment, McCall was compensated at least \$5,381 by the other financial institution.
8. JPMorgan Chase & Co. maintains a Code of Conduct applicable to all employees that states employees must seek pre-clearance approval for, among other things, any outside business activity for which the employee will be paid. The Code of Conduct also provides resources for employees if they have questions.
9. McCall failed to provide written notice or otherwise disclose her affiliation with, or the money she received through the other financial institution to the Firm.
10. By failing to disclose her outside business activity, McCall violated FINRA Rules 3270 and 2010.

## **SECOND CAUSE OF ACTION**

Providing False Statement to Employer Firm

(FINRA Rule 2010)

11. The Department re-alleges and incorporates by reference paragraphs 1-10 above.
12. On November 6, 2013, McCall met with her District Manager, SR, and an individual from the Firm's Global Security and Investigations unit, DP. McCall was questioned about her activity, during November 2012 through January 2013, with the other financial institution.

13. In a written statement to the Firm, McCall denied working for the other financial institution. Instead, she wrote “I was not employed by [the other financial institution] 11/30/12 – 1/21/13 as a mortgage consulting [sic]. It appears based upon what was presented to me that I could be a part of identity theft.” McCall signed the form, certifying to the truthfulness and accuracy of her statement. McCall knew at the time that she signed the statement that her statement was untrue.

14. By making a false written statement to the Firm, McCall violated FINRA Rule 2010.

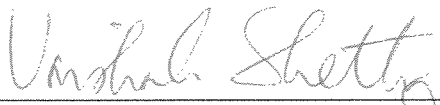
### **RELIEF REQUESTED**

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 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: January 6, 2015

  
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