

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014041874601**

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

RE: Michael S. Warner, Respondent
Registered Representative
CRD No. 5775598

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I 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 me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, 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

Michael S. Warner ("Warner" or "Respondent") joined the securities industry when he associated with Chase Investment Services Corporation ("CISC") (CRD No. 25574) on March 28, 2010. He received his Series 6 license on April 28, 2010, and his Series 63 on May 18, 2010. On October 12, 2012, Warner's registration was transferred to J.P. Morgan Securities, LLC ("JPMS" or the "Firm") (CRD No. 79). JPMS terminated Warner's registration with the Firm on June 11, 2014. During the time Warner was registered with CISC and JPMS, he also was affiliated with JPMorgan Chase Bank, N.A. as a private client banker.

FINRA retains jurisdiction over Warner pursuant to Article V, Section 4 of the FINRA By-laws because the conduct that serves as the basis for this action commenced prior to his termination from a member firm, and this AWC has been filed within two years after the effective date of Warner's last termination of registration from a member firm.

FACTS AND VIOLATIVE CONDUCT

Between March 2013 and April 2014, while registered with the Firm and working as a private client banker at JPMorgan Chase Bank, N.A., Warner obtained access to a retail banking customer's personal checking account, purportedly to assist the customer with paying the customer's bills. The customer is bedridden and suffers from multiple sclerosis. In addition to paying the customer's bills, Warner used his access to the customer's account to electronically pay his own credit card and cable bills in the amount of \$11,134, without the customer's knowledge or consent. As a result, Warner converted the customer's funds to his own personal use. The bank has fully reimbursed the customer for the withdrawals made from his account, and Warner has fully reimbursed the bank.

FINRA Rule 2010 provides that "[a] member, in the conduct of his business, shall observe high standards of commercial honor and just and equitable principles of trade.

By converting funds from a bank customer, Warner violated FINRA Rule 2010.

B. I also consent to the imposition of the following sanctions:

A bar in all capacities from associating with any FINRA member.

I understand that if I am barred or suspended from associating with any FINRA member, I become 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, I 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

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- 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, I specifically and voluntarily waive 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.

I further specifically and voluntarily waive 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

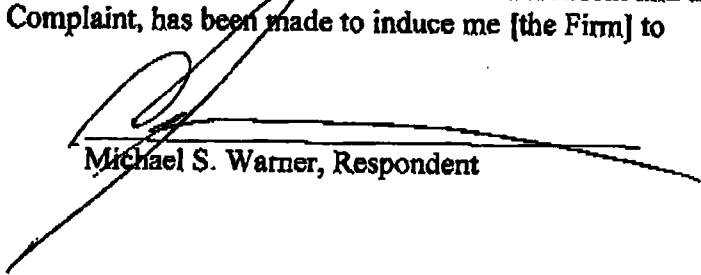
I understand that:

- 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 me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my 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. I 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. I 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 my: (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.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have 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 me [the Firm] to submit it.

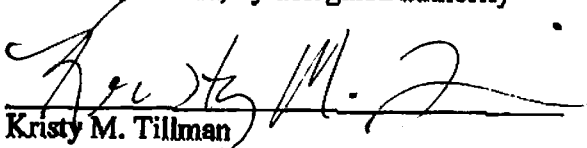
08/21/2014
Date (mm/dd/yyyy)


Michael S. Warner, Respondent

Accepted by FINRA:

9/4/2014
Date

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


Kristy M. Tillman
Senior Counsel
FINRA Department of Enforcement
15200 Omega Drive, Third Floor
Rockville, MD 20580
(301) 258-8524 (t); (202) 721-8388 (f)
Kristy.Tillman@finra.org