

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

Department of Enforcement,

Complainant,

v.

Jason A. Wilk
CRD No. 6072438,

Respondent.

Disciplinary Proceeding
No. 2019060753502

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. In 2019, FINRA began investigating respondent Jason A. Wilk's trading in Customer A's account to determine whether the account was excessively traded. Specifically, Wilk's trading in Customer A's account between May 2018 and March 2019 resulted in a cost-to-equity ratio and a turnover rate that exceeded the traditional benchmarks that generally indicate that excessive trading has occurred.¹

2. In connection with that investigation, FINRA requested that Wilk appear and provide testimony on July 27 and September 14, 2021, pursuant to FINRA Rule 8210. Wilk failed to appear for testimony on either date, in violation of FINRA Rules 8210 and 2010.

¹ The cost-to-equity ratio reflects the amount Customer A's account would have had to appreciate just to cover commissions and other expenses before beginning to see a positive return. Turnover rate reflects the number of times that the securities in Customer A's account were replaced by new securities. A turnover rate of six or a cost-to-equity ratio in excess of 20% generally indicates that excessive trading has occurred.

RESPONDENT AND JURISDICTION

3. Wilk first registered with FINRA as a General Securities Representative (GS) through a member firm in June 2012. Between June 2012 and April 2019, he was registered with FINRA through a total of six member firms. From October 20, 2017 through April 17, 2019, he was registered with FINRA as a GS through Worden Capital Management LLC (CRD No. 148366) (WCM).

4. Although Wilk 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) the Complaint was filed within two years after November 26, 2019, which was the date of an amendment to Wilk's notice of termination that was filed within two years of his original notice of termination and that disclosed that Wilk may have engaged in conduct actionable under any applicable statute, rule, or regulation, and (2) the Complaint charges him with failing to appear for on-the-record testimony during the two-year period after the date on which he ceased to be registered or associated with a FINRA member or other event such as the filing of an amendment to his Form U5.

CAUSE OF ACTION

Failure to Appear for Testimony (Violation of FINRA Rules 8210 and 2010)

5. The Department of Enforcement realleges and incorporates by reference all paragraphs above.

6. FINRA Rule 8210(a)(1) provides that FINRA staff may "require a . . . person subject to FINRA's jurisdiction . . . to testify at a location specified by FINRA staff, under oath or affirmation administered by a court reporter . . . with respect to any matter involved in [an] investigation."

7. FINRA Rule 8210(c) provides that “[n]o member or person shall fail to provide information or testimony . . . pursuant to this Rule.”

8. FINRA Rule 2010 requires member firms and associated persons to observe high standards of commercial honor and just and equitable principles of trade in the conduct of their business.

9. Failing to appear for testimony requested pursuant to FINRA Rule 8210 is a violation of FINRA Rules 8210 and 2010.

10. On July 13, 2021, FINRA staff sent Wilk a letter pursuant to FINRA Rule 8210 requesting that he appear for testimony on July 27, 2021, in connection with FINRA’s investigation of Wilk’s trading in Customer A’s account (the “First Testimony Request”).

11. FINRA staff sent the First Testimony Request by first class certified mail, return receipt requested, to Wilk’s address as reflected in the Central Registration Depository (CRD) (the “CRD Address”) and to a second potential address that FINRA identified for Wilk (the “Second Address”). FINRA staff also emailed an electronic copy of the First Testimony Request to Wilk at his personal email address (the “Email Address”).

12. Tracking information that the United States Postal Service provided indicates that the requests sent by certified mail were both signed for and delivered on July 20, 2021.

13. FINRA staff did not receive any notification that the copy of the First Testimony Request sent electronically to Wilk at his Email Address was undeliverable.

14. Wilk did not appear for testimony on July 27, 2021, nor did he request an extension of the testimony date.

15. On August 31, 2021, FINRA staff sent Wilk a letter pursuant to FINRA Rule 8210, requesting that he appear for testimony on September 14, 2021, in connection with FINRA's investigation (the "Second Testimony Request").

16. FINRA staff sent the Second Testimony Request by first class certified mail, return receipt requested, and first-class mail, to his CRD Address and the Second Address. FINRA staff also emailed an electronic copy of the Second Testimony Request to Wilk at his Email Address.

17. Tracking information that the United States Postal Service provided indicates that that the requests sent by certified mail were both signed for and delivered on September 2, 2021.

18. FINRA staff did not receive any notification that the copy of the Second Testimony Request sent electronically to Wilk at his Email Address was undeliverable.

19. Wilk did not appear for testimony on September 14, 2021, nor did he request an extension of the testimony date.

20. On September 22, 2021, Wilk contacted FINRA staff to discuss FINRA's requests that he appear to testify. During that call, Wilk indicated that he would appear for testimony. On October 1, 2021, FINRA staff requested that Wilk provide dates, within the following two weeks, that he was available to testify. Wilk did not provide any dates on which he was available to testify or otherwise respond to FINRA staff's request.

21. Wilk's testimony was material to FINRA's investigation of whether Wilk engaged in misconduct when he traded in Customer A's account and was necessary for FINRA to complete its regulatory mandate to fully investigate potential rule violations. His failure to appear for testimony has impeded Enforcement's investigation into Wilk's conduct.

22. By failing to appear for testimony as requested pursuant to FINRA Rule 8210, Wilk violated FINRA Rules 8210 and 2010.

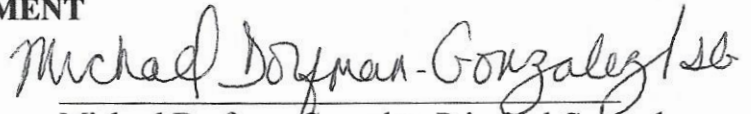
RELIEF REQUESTED

WHEREFORE, the Department of Enforcement 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 bears such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Date: October 27, 2021



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