

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2021072260201**

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

RE: Jared Winston (Respondent)
Former General Securities and Investment Company and Variable Contracts Products
Representative
CRD No. 7025143

Pursuant to FINRA Rule 9216, Respondent Jared Winston submits 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 Respondent alleging violations based on the same factual findings described in this AWC.

I.

ACCEPTANCE AND CONSENT

- A. Respondent accepts and consents to the following findings by FINRA without admitting or denying them:

BACKGROUND

Winston entered the securities industry in December 2018 when he became registered as an Investment Company and Variable Contracts Products Representative (IR) through his association with a FINRA member. After leaving that firm in June 2019, Winston became registered as an IR and a General Securities Representative through an association with Merrill Lynch, Pierce, Fenner & Smith Incorporated, a FINRA member, in August 2019. On August 12, 2021, Merrill Lynch filed a Form U5 disclosing that the firm had discharged Winston for “[c]onduct involving submission of inaccurate personal child care reimbursement request forms.”

Although Winston is no longer registered or associated with a FINRA member, he remains subject to FINRA’s jurisdiction pursuant to Article V, Section 4(a) of FINRA’s By-Laws.¹

OVERVIEW

From approximately March 2020 to April 2021, while associated with Merrill Lynch, Winston converted approximately \$2,000 from the firm by obtaining reimbursement for

¹ For more information about the respondent, visit BrokerCheck® at www.finra.org/brokercheck.

childcare expenses he did not incur. Winston instead used the funds for other personal expenses. As a result, Winston violated FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

This matter originated from the Form U5 filed by Merrill Lynch on August 12, 2021.

FINRA Rule 2010 requires associated persons to “observe high standards of commercial honor and just and equitable principles of trade” in the conduct of their business. Conversion is the intentional and unauthorized taking of or exercise of ownership over property by one who neither owns the property nor is entitled to possess it. Conversion is a violation of FINRA Rule 2010.

Through its childcare reimbursement program, Merrill Lynch permitted employees to obtain reimbursement from the firm for qualified childcare expenses. Beginning in March 2020, after the COVID-19 pandemic began, Merrill Lynch reimbursed certain employees for “informal” childcare from providers such as family members and friends. To be eligible for reimbursement, an employee had to require childcare for eligible dependents during the employee’s normal work schedule, and an employee could not request reimbursement for childcare services that had not been paid for by the employee.

Winston enrolled in the firm’s childcare reimbursement program and identified a family friend as the informal childcare provider. Each time Winston applied for childcare reimbursement, he clicked a box certifying that he had read the program guidelines and would “only submit expenses for reimbursement which are eligible for reimbursement” under the program. Nonetheless, during the relevant period, Winston applied for childcare reimbursement from Merrill Lynch on approximately 20 days during which he did not pay for childcare and therefore was not entitled to reimbursement from the firm. For those days, the firm paid Winston approximately \$2,000 in reimbursement, which Winston retained in his bank account for personal use. As a result, Winston converted the firm’s funds.

Therefore, Winston violated FINRA Rule 2010.

B. Respondent also consents to the imposition of the following sanctions:

- a bar from associating with any FINRA member in all capacities.

Respondent understands that if he is barred or suspended from associating with any FINRA member, he becomes 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, he 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 in this AWC shall be effective on a date set by FINRA. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a complaint issued specifying the allegations against him;
- 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, Respondent specifically and voluntarily waives 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 its acceptance or rejection.

Respondent further specifically and voluntarily waives 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

Respondent understands 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 Respondent; and

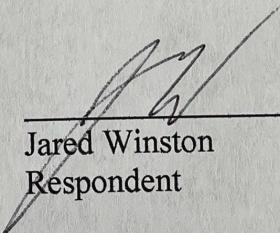
C. If accepted:

1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator against Respondent;
2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
3. FINRA may make a public announcement concerning this agreement and its subject matter in accordance with FINRA Rule 8313; and
4. Respondent 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. Respondent 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 Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.

Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; Respondent understands and acknowledges that FINRA does not represent or advise him and Respondent cannot rely on FINRA for legal advice. Respondent has agreed to the AWC's provisions voluntarily; and no offer, threat, inducement, or promise of any kind, other than the terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce him to submit this AWC.

9/9/22

Date



Jared Winston
Respondent

Accepted by FINRA:

9/19/2022

Date

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



Alex Marinello
Counsel
FINRA
Department of Enforcement
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