

**NASD
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

Jordan Scales
CRD No. 4419495

Respondent.

Disciplinary Proceeding
No. C07050019

Hearing Officer:

COMPLAINT

Upon information and belief, Complainant alleges as follows:

1. Respondent Jordan Scales was registered with NASD member L.H. Ross & Company, Inc. ("L.H. Ross") on three separate occasions: (1) from about March 15, 2002, until about April 2, 2003; (2) from about May 19, 2003, until about November 11, 2003; and (3) from about April 2, 2004 until about April 9, 2004. His most recent employment end date with L.H. Ross was April 8, 2004. Scales first became registered with NASD in November 1996. He is not currently registered with an NASD member firm. NASD retains jurisdiction over Scales pursuant to Article V, Section 4 of NASD Bylaws.

**FIRST CAUSE OF COMPLAINT
Unauthorized Transactions
NASD Conduct Rule 2110, IM-2310-2**

2. In or about August and September 2003, Respondent Scales effected or caused to be effected the following stock purchases in the following customer accounts, without the customers' prior knowledge or authorization:
 - the purchase of 100 shares of Stake Technology Ltd. stock for \$840.95 on August 11, 2003, in the joint account of customers W&FJ;

- the purchase of 1000 shares of Synergx Systems stock for \$3,309.95 on September 12, 2003, in the account of customer SM.
3. Each such unauthorized purchase constitutes a separate and distinct violation of NASD Conduct Rule 2110 by Respondent Scales.

SECOND CAUSE OF COMPLAINT
Failure to Respond to Information Requests
NASD Procedural Rule 8210; NASD Conduct Rule 2110

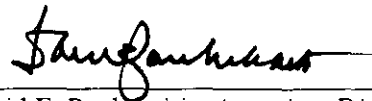
4. By letter dated October 15, 2004, sent via first class mail to Respondent Scales' CRD address, at [REDACTED] the staff requested Scales, pursuant to Rule 8210, to provide a written statement by October 29, 2004, in response to specific questions relating to the allegations made by customers W&FJ and SM. The mailing was not returned by the Postal Service.
5. No response having been received, by letter dated November 1, 2004, sent via first class and certified mail to Respondent Scales' CRD address, the staff again requested, pursuant to Rule 8210, that Scales provide the same information as requested in the October 15 letter, this time by November 12, 2004. Neither the first class mailing nor the certified mailing was returned by the Postal Service; nor did the staff receive a delivery receipt for the certified mailing.
6. To date, Respondent Scales has not responded to the staff's Rule 8210 requests.
7. Respondent Scales' failure to respond to the staff's Rule 8210 information requests constitutes separate and distinct violations of NASD Procedural Rule 8210 and NASD Conduct Rule 2110.

PRAYER FOR RELIEF

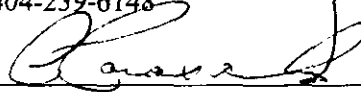
WHEREFORE, Complainant respectfully requests:

- A. Findings of fact and conclusions of law that Respondent Scales committed the violations charged and alleged herein;

- B. An order imposing sanctions upon the Respondent in accordance with NASD Rule 8310.
- C. An order imposing such costs of any proceeding as are deemed fair and appropriate under the circumstances in accordance with NASD Rule 8330; and
- D. An order imposing any other fitting sanction.



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