

**NASD
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

Heather Furgason,
(CRD No. 4241326)

Respondent.

Disciplinary Proceeding
No. C8A050054

Hearing Officer

COMPLAINT

Upon information and belief, Complainant alleges as follows:

1. Respondent Heather Furgason was associated with Banc One Securities, Inc., a member of NASD, from December 2002 until December 2003. As a result, pursuant to Article V, Section 4 of NASD's By-Laws, Respondent Furgason is subject to the jurisdiction of NASD.

**CAUSE OF COMPLAINT
NASD Conduct Rules 2110 and 2330**

2. In June 2003, Respondent Furgason effected a trade in customer PE's IRA account.
3. Customer PE transferred funds from his bank account at the member's bank affiliate in order to pay for the trade. However, due to some missing paperwork, the bank failed to transfer approximately \$3,791.
4. In order to retain the transaction in customer PE's account, Respondent Furgason obtained a cashier's check in the amount of \$3,802 from the bank savings account of customer GR, who is unrelated to customer PE, and without the knowledge or consent of customer GR.

Respondent Furgason received the check from GR's account and deposited GR's funds into PE's IRA account.

5. In August 2003, an additional \$2,581 was transferred from PE's bank account into PE's IRA account as originally requested in June 2003. This resulted in a surplus in PE's IRA account.
6. Also in August 2003, PE contacted Respondent Furgason because he wanted to withdraw \$640 from his bank account but was having difficulty with the withdrawal away from his branch bank.
7. Unable to assist PE with the withdrawal from his own account, Respondent Furgason completed a savings withdrawal slip again from customer GR's account, indicated on the slip that it was a "debit correction" and printed a bank employee's name on the slip. Accordingly, \$640 was transferred from customer GR's account to PE's bank account, without the knowledge or authority of customer GR.
8. In October 2003, at Respondent Furgason's request, customer PE completed an IRA "One-Time Distribution" request. As a result, a \$2,583 check from PE's IRA was delivered to Respondent Furgason, who then held the check. The intent of the distribution was to withdraw the surplus \$2,581 in PE's IRA account.
9. Respondent Furgason then presented a copy of the distribution request signed by PE and the distribution check to a bank teller at the Member's bank affiliate. After receiving cash, Respondent Furgason deposited approximately \$1,500 into a bank account Respondent Furgason held with a relative of hers. The remaining \$1,083 was placed in an envelope and held by Respondent Furgason.
10. Also in October 2003, Respondent Furgason completed a withdrawal slip requesting \$4,442 from the savings account of customer MM, who is unrelated to GR or PE, and who did not

give permission to Respondent Furgason to do so. In order to facilitate the transaction, Respondent Furgason completed a debit slip on which she indicated that she was purchasing a cashier's check and she printed the name of a bank employee on the request.

11. Respondent Furgason then completed a savings credit slip for GR's account. On the credit slip she wrote, "deposit cashier's check" and she printed the name of a bank employee under the approval section. Respondent Furgason then deposited the \$4,442 from customer MM into GR's account.
12. Finally, in November 2003, Respondent Furgason took the \$1,083 from PE's IRA distribution that had been placed in an envelope, \$1,400 from the deposit Respondent Furgason made into the account she held with a relative, \$1,000 from Respondent Furgason's personal bank savings account at the Member's bank affiliate, \$916 from another of Respondent Furgason's personal bank accounts, along with \$48 in cash, and deposited the funds into MM's account to make up for the earlier unauthorized withdrawal of \$4,442.
13. The above misuse of customers PE, GR and MM's funds by Respondent Furgason constitute separate and distinct violations of NASD Conduct Rules 2110 and 2330.

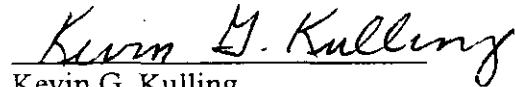
PRAYER FOR RELIEF

WHEREFORE, Complainant respectfully requests:

- A. Findings of fact and conclusions of law that Respondent committed the violations charged and alleged herein;
- B. An order imposing sanctions upon the Respondent in accordance with NASD Rule 8310.
- C. An order requiring Respondent to disgorge fully any and all ill-gotten gains and/or make full and complete restitution, together with interest;
- D. An order imposing such costs of any proceeding as are deemed fair and appropriate under the circumstances in accordance with NASD Rule 8330; and

E. An order imposing any other fitting sanction.

Date: June 15, 2005



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