

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING) Order No.: S-20-3019-21-SC01
5 Whether there has been a violation of the)
6 Securities Act of Washington by:) STATEMENT OF CHARGES AND
7 Wesley J. Evans (CRD No. 6617516),) NOTICE OF INTENT TO DENY FUTURE
8) REGISTRATIONS, IMPOSE A FINE,
9) AND CHARGE COSTS
10 Respondent.)

11 **THE STATE OF WASHINGTON TO:** Wesley J. Evans, CRD No. 6617516

12 **STATEMENT OF CHARGES**

13 Please take notice that the Securities Administrator of the State of Washington has reason to
14 believe that Respondent Wesley J. Evans (Evans) (CRD No. 6617516) violated the Securities Act of
15 Washington. The Securities Administrator believes these violations justify the entry of an order against
16 Respondent Evans to deny any future securities registrations by Evans, to impose a fine, and to charge
17 costs pursuant to RCW 21.20.110 and RCW 21.20.395. The Securities Administrator finds as follows:

18 **TENTATIVE FINDINGS OF FACT**

19 **Respondents**

20 1. Evans resides in Seattle, Washington. Evans was registered as a securities salesperson with
21 J.P. Morgan Securities LLC (CRD No. 79), a registered broker-dealer, from April 2016 until it filed a
22 Uniform Termination Notice of Securities Industry Registration (“Form U5”) terminating his registration
23 in May 2020. Evans held this license while he was employed as a banker at JPMorgan Chase Bank, N.A.,
24 which was his primary employer, and of which J.P. Morgan Securities LLC is an affiliate.
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Nature of the Conduct

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2 2. On February 14, 2020, Evans, while employed as a private client banker, misappropriated
3 \$14,740.00 in funds from two JPMorgan Chase Bank, N.A. clients by transferring these funds from their
4 bank accounts to his personal credit cards.

5 3. Both clients were in their eighties and nineties, and, despite Evans' representations in the
6 electronic system required to effectuate the transactions, were not present for the transactions. One client
7 later complained to the bank, stating that they did not authorize the transaction and did not know the
8 origin of the account to which their funds were transferred.

9 4. When interviewed by the bank, Evans admitted to making the transfers without the clients'
10 knowledge or authorization, and stated that he intended to pay the funds back before the transfers were
11 noticed. JPMorgan Chase Bank, N.A. terminated Evan's employment shortly thereafter and notified J.P.
12 Morgan Securities LLC, which filed the Form U5 terminating his registration and explaining the
13 circumstances of his termination.

14 5. Based on the Form U5 filing, the Financial Industry Regulatory Association (FINRA), the
15 self-regulatory organization for broker-dealers and their representatives, opened an investigation into
16 Evans, and issued an information request to Evans. Evans refused to respond to the information request.
17 Evan's refusal to respond to a FINRA request constituted a violation of FINRA Rules 8210 and 2010.

18 6. On July 2, 2020, Evans entered into a Letter of Acceptance, Waiver, and Consent (AWC)
19 with FINRA, in which he neither admitted nor denied its findings, but agreed to be barred from
20 associating with a FINRA member in any capacity.

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22 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:
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CONCLUSIONS OF LAW

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2 1. Evans engaged in dishonest and unethical business practices, as defined by WAC 460-22B-
3 090, by misappropriating client funds to his personal credit cards.

4 2. Evans engaged in dishonest and unethical business practices, as defined by WAC 460-22B-
5 090(19), by failing to follow FINRA rules.

6 3. Evans's AWC with FINRA constitutes an order, entered after notice and opportunity for
7 hearing, by a self-regulatory organization suspending him from membership in a self-regulatory
8 organization under RCW 21.20.110(1)(e)(iii).

9 4. Under RCW 21.20.110(1)(e)(iii), the Securities Administrator may deny, suspend, revoke,
10 restrict, condition, or limit any application or registration of any broker-dealer, salesperson, investment
11 adviser representative, or investment adviser, upon a finding that the applicant or registrant is the subject
12 of an order, entered after notice and opportunity for hearing, by a self-regulatory organization suspending
13 or expelling the registrant from membership in a self-regulatory organization.

14 5. The Securities Administrator may also do the same under RCW 21.20.110(1)(g), upon a
15 finding that the applicant or registrant engaged in dishonest or unethical business practices in the
16 securities or commodities business.
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NOTICE OF INTENT TO DENY FUTURE REGISTRATION

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19 Pursuant to RCW 21.20.110(1), and based upon the above Tentative Findings of Fact and
20 Conclusions of Law, the Securities Administrator intends to deny any investment adviser, broker-dealer,
21 investment adviser representative, or securities salesperson applications for registration that Evans may
22 file in the future.
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NOTICE OF INTENT TO IMPOSE FINES

Pursuant to RCW 21.20.110(1) and RCW 21.20.395, and based upon the Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to order that Respondent Evans shall be liable for and shall pay a fine of \$1,000.00.

NOTICE OF INTENT TO CHARGE COSTS

Pursuant to RCW 21.20.110(7), and based upon the Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to order that Respondent Evans shall be liable for and for and shall pay the costs, fees, and other expenses incurred in the administrative investigation and hearing of this matter, in an amount not less than \$1,750.00.

AUTHORITY AND PROCEDURE

This Statement of Charges is entered pursuant to the provisions of Chapter 21.20 RCW and is subject to the provisions of RCW 21.20.120 and Chapter 34.05 RCW. Respondent Evans may make a written request for a hearing as set forth in the Notice of Opportunity for Hearing accompanying this Order. If Evans does not make a hearing request in the time allowed, the Securities Administrator intends to adopt the above Tentative Findings of Fact and Conclusions of Law as final and, as described above, enter a permanent order to deny future registrations, and to impose any fines and costs sought.

SIGNED and ENTERED this 22nd day of January, 2021.



William M. Beatty
Securities Administrator

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Approved by:



Suzanne Sarason
Chief of Enforcement

Presented by:



Patrick Stickney
Financial Legal Examiner

Reviewed by:



Jack McClellan
Financial Legal Examiner Supervisor