

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2017053315701**

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

**RE:** Benjamin S. Johnson, Respondent  
Investment Company and Variable Contracts Products Representative  
CRD No. 5742748

Pursuant to FINRA Rule 9216 of FINRA’s Code of Procedure, I, Benjamin S. Johnson (“Johnson” or “Respondent”), submit 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 me alleging violations based on the same factual findings described herein.

**I.**

**ACCEPTANCE AND CONSENT**

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

**BACKGROUND**

Johnson entered the securities industry in December 2009 when he became employed and associated with Chase Investment Services Corp. (n/k/a J.P Morgan Securities LLC) (collectively, “JP Morgan” or the “Firm”), a FINRA-regulated broker-dealer, and its affiliate Chase Bank (n/k/a JP Morgan Chase Bank, N.A.) (“Chase Bank”). In January 2010, Johnson became registered as an Investment Company and Variable Contracts Products Representative (“IR”) with the Firm. Johnson remained dually employed by the Firm and its affiliate Chase Bank as an IR until he was terminated on January 25, 2017.

Johnson holds the following securities licenses: Series 6 (January 2010), Series 63 (November 2016).

Johnson is not currently associated with any FINRA-regulated broker-dealer, however, pursuant to Article V, Section 4 of FINRA’s By-Laws, he remains subject to FINRA’s jurisdiction.

## **RELEVANT DISCIPLINARY HISTORY**

Johnson has no relevant disciplinary history.

## **OVERVIEW**

Johnson violated FINRA Rules 8210 and 2010 by failing to provide documents and information, requested pursuant Rule 8210, in connection with Enforcement's investigation concerning his failure to timely disclose to FINRA several reportable financial events.

## **FACTS AND VIOLATIVE CONDUCT**

FINRA Rule 8210 provides, in relevant part, that "[f]or the purpose of an investigation, complaint, examination, or proceeding authorized by the FINRA By-Laws or rules ... FINRA staff shall have the right to ... require a member, person associated with a member, or person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically ... and to testify at a location specified by FINRA staff ... with respect to any matter involved in the investigation, complaint, examination, or proceeding."

FINRA Rule 2010 requires that associated persons, in the conduct of their business, observe high standards of commercial honor and just and equitable principles of trade. A failure to comply with Rule 8210 is a violation of FINRA Rule 2010.

In May 2018, Enforcement commenced an investigation of Johnson's conduct while at the Firm, including his failure to timely disclose to FINRA (via amended Form U4 or initial Form U4) several reportable financial events, including seven liens and judgments.

On June 8, 2018, Enforcement sent a letter to Johnson, pursuant to FINRA Rule 8210, and requested that he provide documents and information to FINRA, no later than June 22, 2018. The letter advised Johnson that his failure to provide the requested documents could subject him to disciplinary action and the imposition of sanctions, including a bar from the securities industry.

On June 14, 2018, Johnson requested a four-week extension to respond to FINRA's Rule 8210 request for information and documents. Enforcement agreed to the request by extending the date for production of documents and information to July 22, 2018. Johnston did not provide the requested documents and information by this date, and still has not done so.

On August 3, 2018, Johnson informed Enforcement that he would no longer cooperate with FINRA's investigation, and that he understood the consequences of his failure to cooperate would be a bar from the securities industry. Johnson also acknowledged that he received FINRA's June 8, 2018 Rule 8210 request and that he will, (i) not provide

the documents or information requested at any time; and (ii) not appear before FINRA for on-the-record testimony at any time.

By refusing to provide the requested documents and information as requested pursuant to FINRA Rule 8210, Johnson violated FINRA Rules 8210 and 2010.

B. I also consent to the imposition of the following sanctions:

A bar from association with any FINRA member in any capacity.

I understand that if I am barred or suspended from associating with any FINRA member, I become 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, I 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 herein shall be effective on a date set by FINRA staff. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

## II.

### WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- 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, I specifically and voluntarily waive 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 acceptance or rejection of this AWC.

I further specifically and voluntarily waive 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.**

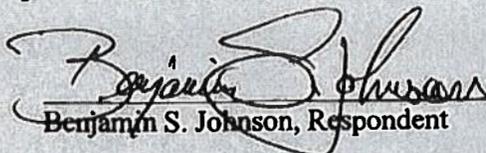
#### **OTHER MATTERS**

I understand 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 me; and
- C. If accepted:
  - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
  - 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 the subject matter thereof in accordance with FINRA Rule 8313; and
  - 4. I 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. I 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 my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

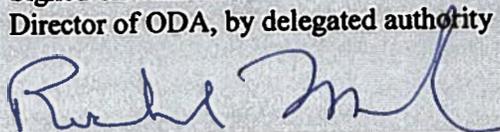
23 Aug 2018  
Date (mm/dd/yyyy)

  
Benjamin S. Johnson, Respondent

Accepted by FINRA:

9/6/2018  
Date (mm/dd/yyyy)

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

  
Richard B. Margolies  
Senior Counsel  
FINRA Department of Enforcement  
Brookfield Place  
200 Liberty Street, 11th Floor  
New York, New York 10281