

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2018059718201**

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

RE: Donovan S. Hunter, Respondent  
Former Investment Company and Variable Contracts Products Representative  
CRD No. 6622234

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I 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**

Hunter entered the securities industry in March 2016 when he became associated with J.P. Morgan Securities LLC ("JPMorgan" or the "Firm") and, as of April 4, 2016, became registered as an Investment Company and Variable Contracts Products Representative.

In a Uniform Termination Notice for Securities Industry Registration ("Form U5") filed on August 31, 2018, JPMorgan reported that Hunter had been discharged on August 27, 2018 "for soliciting investment in an unapproved outside business activity from a Chase customer, allegedly using the funds for his personal use, in violation of affiliate bank policy."

Hunter has not been associated with any FINRA member firm since his termination from JPMorgan but remains subject to FINRA's jurisdiction under Article V, Section 4(a)(i) of FINRA's By-Laws.

## **RELEVANT DISCIPLINARY HISTORY**

Hunter has no prior disciplinary history in the securities industry.

## **OVERVIEW**

Hunter refused to provide information requested by FINRA staff pursuant to FINRA Rule 8210. Hunter thereby violated FINRA Rules 8210 and 2010.

## **FACTS AND VIOLATIVE CONDUCT**

FINRA Rule 8210(a)(1) authorizes FINRA, in the course of its investigations, to require a person associated with a FINRA member “to provide information orally, in writing, or electronically ... with respect to any matter involved in the investigation.” FINRA Rule 8210(c) further provides that no person “shall fail to provide information ... pursuant to this Rule.”

In connection with its investigation of Hunter’s conduct that led to his termination, as disclosed in the Form U5, FINRA staff sent Hunter written requests for information pursuant to FINRA Rule 8210 on November 28, 2018 and December 27, 2018. FINRA received Hunter’s responses on, respectively, December 27, 2018 and January 7, 2019. On January 7, 2019, FINRA staff sent Hunter a second written request pursuant to FINRA Rule 8210. Hunter emailed FINRA staff on February 8, 2019 informing FINRA staff that he would not be responding to FINRA’s second request.

As stated in his phone call with FINRA staff on February 8, 2019, and by this agreement, Hunter acknowledges that he received FINRA’s second request and will not produce the requested information at any time. By refusing to produce information as requested pursuant to FINRA Rule 8210, Hunter violated FINRA Rule 8210 and 2010.

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

- A bar from associating 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 prejudice 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:

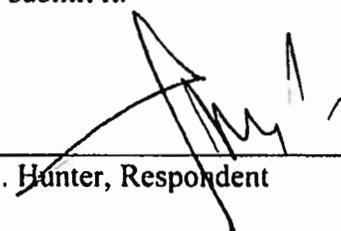
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will 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 understand and acknowledge that FINRA does not represent or advise me and I cannot rely on FINRA or FINRA staff members for legal advice; 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.

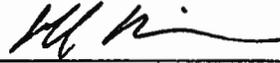
02/21/2019  
Date (mm/dd/yyyy)

  
Donovan S. Hunter, Respondent

Accepted by FINRA:

03/06/2019  
Date

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



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Jeffrey E. Baldwin  
Principal Counsel  
FINRA Department of Enforcement  
One Brookfield Place  
200 Liberty Street, 11<sup>th</sup> Floor  
New York, NY 10281-1003  
Phone: 646-315-7403  
E-mail: Jeffrey.Baldwin@finra.org