



**Government of the District of Columbia
Department of Insurance, Securities and Banking**

**Stephen C. Taylor
Commissioner**

In the matter of)	
)	
J.P. Morgan Securities LLC,)	ORDER No.: SB-05-18
)	
Respondent.)	
_____)	

ADMINISTRATIVE CONSENT AGREEMENT AND ORDER

WHEREAS, J.P. Morgan Securities LLC ("JPMS" or "Respondent") is a federally registered investment adviser and broker-dealer registered with the District of Columbia Department of Insurance, Securities and Banking ("Department") in the District of Columbia ("District"), with a Central Registration Depository ("CRD") number of 79 and with its home office at 383 Madison Avenue, New York, NY 10179;

WHEREAS, the Department received an application and related documentation from JPMS on behalf of one of its employees (the "Individual") for a license to act as an investment adviser representative of JPMS in the District;

WHEREAS, JPMS has confirmed to the Department that the Individual had provided investment advisory services in the capacity of an investment adviser representative of JPMS within the District while not effectively licensed;

WHEREAS, the Commissioner of the Department (the "Commissioner"), having the authority to administer and provide for enforcement of the Securities Act of 2000 (D.C. Official Code § 31-5601.01 et. seq. (effective September 29, 2000 (D.C. Law 13-203 (2001))) (the "Act"),

and upon due consideration of the subject matter hereof, has determined that grounds exist to allege that Respondent engaged in acts or practices resulting in a violation of § 202 (a) of the Securities Act, D.C. Official Code § 31-5602.02(b)(2);

WHEREAS, JPMS, without admitting or denying the findings of fact and conclusions of law contained herein, voluntarily consents to the entry of this Consent Order, and waives any right to a hearing or to judicial review regarding this Consent Order;

WHEREAS, JPMS elects to waive permanently any right to a hearing and appeal under the District of Columbia Administrative Procedure Act, D.C. Official Code §§2-509(a) and 2.510(a) (2001); the Rules of Practice and Procedures for Hearings in the District of Columbia, 26 DCMR §§ B300 et seq.; and the Securities Act of 2000, effective September 29, 2000 (D.C. 2-203), D.C. Official Code §§31-5601 et seq. (2001)) (“Act”), with respect to this Consent Order; and

NOW, THEREFORE, the Commissioner, pursuant to D.C. Official Code § 31-5607.01, hereby enters into this Consent Order:

I. STATEMENT OF FACTS

1. Jurisdiction

1. The Department has jurisdiction over this matter pursuant to District of Columbia Official Code § 31-5602.02(b).
2. This action concerns the period from April 2016 through November 2017.

2. Background

1. JPMS is a federally registered investment adviser and broker-dealer registered with the Department in the District of Columbia with a CRD number of 79 and with its home office at 383 Madison Avenue, New York, NY 10179.

2. In April 2016 the Individual relocated from a JPMS office in Boston, Massachusetts to the District.
3. Due to an oversight on the part of JPMS, neither JPMS nor the Individual submitted a timely application for the Individual to be licensed as an investment adviser representative in the District upon relocation.
4. On or around November 21, 2017, the Department received an application from JPMS on behalf of the Individual for a license for the Individual to act as an investment adviser representative of JPMS in the District.
5. JPMS has confirmed to the Department that the Individual had provided investment advisory services in the capacity of an investment adviser representative of JPMS within the District while not yet effectively licensed.
6. The Individual has over 37 years of experience in the securities industry, has no disciplinary history and has been continuously registered with JPMS as a broker-dealer in the District from February 2010 to the present.
7. The Individual has no client complaints on record.
8. To date, JPMS has been fully cooperative and responsive to the Department's request for information regarding the licensing matter.
9. JPMS is taking appropriate action to prevent recurrence of such registration oversight in the future.

II. AGREEMENT

1. On the basis of the foregoing, the Respondent and Commissioner agree to settle this matter.
2. This Agreement concludes the concerns of the Department and any other action that the Commissioner could commence on behalf of the District as it relates to this matter.

3. The Respondent shall pay an amount of \$5,000 as a fine and late registration penalty, made payable to the 'D.C. Treasurer,' to be deposited into the District's General Fund, pursuant to District of Columbia Official Code § 1-204.50. This amount shall be paid to the Department within ten (10) calendar days of the execution of this Agreement.
4. The Department agrees to approve the Individual's license to act as an investment adviser representative of JPMS in the District within two (2) business days of receipt of the payment required by paragraph 3 above.
5. This Consent Order is entered into solely for the purpose of resolving the matter referenced herein and is not intended to be used for any other purpose.
6. This Consent Order is not intended by the Department to subject any Covered Person to any disqualifications under the laws of the United States, any state, the District, Puerto Rico, or the U.S. Virgin Islands, or under the rules and regulations of any securities or commodities regulator or self-regulatory organization, including, without limitation, any disqualification from relying upon the state or federal registration exemptions or safe harbor provisions. Nothing in this Consent Order is intended to form the basis for any disqualification under the federal securities laws, including but not limited to, Section 3(a)(39) of the Securities Exchange Act of 1934 and pursuant to Securities Act of 1933 ("Securities Act") Rule 506(d)(2)(iii) of Regulation D, Rule 262(b)(3) of Regulation A and Rule 503(b)(3) of Regulation CF, disqualification under Rules 504 and 506(d)(1) of Regulation D and Rule 262(a) of Regulation A under the Securities Act and Rule 503 of Regulation CF should not arise as a consequence of this Consent Order. Furthermore, nothing in this Consent Order is intended to form the basis for disqualification under the FINRA rules prohibiting continuance in membership or disqualification under other SRO

rules prohibiting continuance in membership. This Consent Order is not intended to be a final order based upon violations of any statute, rule, or regulation that prohibits fraudulent, manipulative or deceptive conduct. "Covered Person" shall mean JPMS or any of its affiliates or their current or former officers, directors, employees, or other persons that could otherwise be disqualified as a result of this Consent Order.

7. This Consent Order shall not disqualify any Covered Person from any business that they are otherwise qualified, licensed, or permitted to perform under applicable securities laws or regulations of the District and any disqualifications from relying upon the District's registration exemptions or safe harbor provisions that arise from this Consent Order are waived.

AGREED AND CONSENTED TO:

BY: David Knepper - Executive Director
Respondent

Date this 25th day of May, 2018

SEAL

APPROVED AND so ORDERED
In Witness Whereof, I have hereunto
set my hand and affixed the official seal of the
Department in the District of Columbia,
this 18, day of June, 2018

Stephen C. Taylor
Stephen C. Taylor
Commissioner

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David Knepper - Exec Director

BY: *[Signature]*
Respondent

Date this 25th day of May, 2018

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[Signature]
Stephen C. Taylor
Commissioner