

FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Dallas York (CRD No. 6449560),

Respondent.

DISCIPLINARY PROCEEDING
NO. 2017056038801

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Respondent Dallas York violated FINRA Rules 8210 and 2010 by failing to provide information and documents in response to two requests made by FINRA pursuant to FINRA Rule 8210.

RESPONDENT AND JURISDICTION

2. York was associated as a General Securities Representative with Wells Fargo Clearing Services, LLC (“WFCS” or the “firm”) from February 2015 until October 2017, when the firm filed a Form U5 terminating his registrations. While associated with WFCS, York was also employed as a licensed banker by an affiliate bank, Wells Fargo Bank, N.A (“WFB”).

3. On October 24, 2017, WFCS filed a Form U5 in which the firm reported that: “[WFB] discharged [York] after [a] customer alleged that funds were withdrawn from his bank account without his knowledge or consent. A review of the bank records revealed that [York]

debited the customer's account for the purchase of multiple cashier's checks made out to cash and ... subsequently cashed those checks."

4. Although York is no longer registered or associated with a FINRA member, he remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because (1) the Complaint was filed within two years of the effective date of termination of York's registration with WFCS, namely, October 24, 2017, and (2) the Complaint charges him with failing to respond to FINRA requests for information during the two-year period after the date upon which he ceased to be registered or associated with a FINRA member.

FACTS

5. After WFCS filed the October 24, 2017 Form U5 terminating York's registrations, FINRA commenced an investigation into the circumstances of York's termination from the firm.

6. In connection with its investigation, FINRA staff sent York a request for information and documents pursuant to FINRA Rule 8210 on November 7, 2017 (the "First Request"). The First Request was sent to York's residential address as indicated in the Central Registration Depository ("CRD") via first-class and certified U.S. mail. The response was due on November 21, 2017.

7. The return receipt for the certified mailing of the First Request was returned to FINRA reflecting delivery on November 17, 2017, but the signature on the return receipt was illegible. The first-class letter was not returned to FINRA.

8. York did not respond to the First Request by the due date, nor did he contact FINRA staff to request an extension of the due date.

9. On November 22, 2017, FINRA staff sent York a second request, pursuant to FINRA Rule 8210, for the same information and documents sought by the November 7, 2017 letter (the “Second Request”). The Second Request was sent to York’s residential address as indicated in CRD via first-class and certified U.S. mail. The response was due on December 6, 2017.

10. The return receipt for the certified mailing of the Second Request was returned to FINRA reflecting delivery on November 25, 2017, but the signature on the return receipt was illegible. The first-class letter was not returned to FINRA.

11. York did not provide the information and documents requested in response to the Second Request. Instead, York sent a letter to FINRA dated November 20, 2017 (the “November 20 Letter”), that simply stated: “I, Dallas York would like to surrender/deactivate my Series 7 and Series 66 licenses effective November 20, 2017. My future career path will not be in the securities industry and feel there is no reason for me to keep my licenses active. I appreciate your assistance in this manner.”

12. York provided no further response to the First and Second Requests besides the November 20 Letter.

13. After receiving the November 20 Letter, FINRA staff attempted to contact York via telephone and email on his last known personal telephone number and email address, respectively. The telephone number appears to be disconnected and FINRA staff’s emails to York resulted in automated messages stating that the emails were undeliverable.

FIRST CAUSE OF ACTION
FAILURE TO PROVIDE INFORMATION AND DOCUMENTS
(FINRA RULES 8210 AND 2010)

14. The Department of Enforcement realleges and incorporates by reference paragraphs 1-13 above.

15. FINRA Rule 8210(a) provides that for purposes of an investigation, FINRA staff has the right to require a person subject to FINRA's jurisdiction to "provide information ... in writing ... with respect to any matter involved in the investigation."

16. FINRA Rule 8210(c) provides that, "[n]o member or person shall fail to provide information ... pursuant to this Rule."

17. FINRA Rule 8210(d) specifies that notice under Rule 8210 shall be deemed received by a current or former registered representative to whom it is directed by mailing or otherwise transmitting the notice to the last known residential address of the registered representative as reflected in CRD.

18. As described above, York failed to provide information and documents in response to two requests made pursuant to FINRA Rule 8210, without adequate explanation and without having been excused by FINRA. By failing to provide full and complete responses to two requests for information and documents requested pursuant to FINRA Rule 8210, York violated FINRA Rule 8210. By virtue of that violation, York also violated FINRA Rule 2010.

RELIEF REQUESTED

WHEREFORE, the Department of Enforcement respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Respondent committed the

violations charged and alleged herein;

- B. order that one or more of the sanctions provided under FINRA Rule 8310(a), including monetary sanctions, be imposed; and
- C. order that Respondent bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Date: March 6, 2018



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