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9 **UNITED STATES DISTRICT COURT**  
10 **SOUTHERN DISTRICT OF CALIFORNIA**  
11 **DIVISION**

12 **BRADLEY SAYRE,**  
13 **Plaintiff,**  
14 **vs.**  
15 **JP MORGAN CHASE & CO, JP**  
**MORGAN CHASE SECURITIES,**  
16 **LLC, DOES 1-10**  
17 **Defendants.**

**Case No. 17-CV-0449-JLS-MDD**  
**FIRST AMENDED COMPLAINT**  
**1) Violation of Dodd-Frank Act**  
**2) Wrongful Termination in**  
**Violation of Public Policy**  
**3) Violation of the Securities**  
**Exchange Act of 1934 10b-5 Fraud**  
**in the Trade of Securities**  
**4) Violation of California**  
**Corporations Code Section 25401**  
**5) Violation of California Business**  
**and Professions Code Section**  
**17200 et seq.**  
**6) Claim for Wages under**  
**California Labor Code**  
**Demand for Jury Trial**

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25 Plaintiff, Bradley Sayre by and through his attorney of record alleges and  
26 avers as follows:  
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**Preliminary Provisions:**

1  
2 1. Plaintiff, Bradley Sayre , is a resident of San Diego County California.

3 2. Defendant, JP Morgan Chase & Co. is a Delaware corporation, doing  
4 business throughout the world, including operating and doing business within the  
5 state of California including San Diego County.

6 3. J.P. Morgan Securities LLC is a Delaware limited liability company  
7 doing business in California as offering security brokerage services. The firm  
8 provides cash and wealth management; stock and options management; and education  
9 and retirement planning services. J.P. Morgan Securities LLC operates as a  
10 subsidiary of J.P. Morgan Broker-Dealer Holdings Inc.

11 4. “J.P. Morgan Securities” is a marketing name for a wealth management  
12 business conducted by JPMorgan Chase & Co. and certain subsidiaries. J.P. Morgan  
13 Securities offers investment products, services, Clearing and Custody through J.P.  
14 Morgan Securities LLC, a member of FINRA and SIPC. Bank products and services  
15 are offered by JPMorgan Chase Bank, N.A. and its bank affiliates.

16 5. Plaintiff is ignorant of the true names and identities of Does 1-10, but  
17 nonetheless, sues the same as if more fully set forth herein. At such time as the true  
18 names and identities are known, Plaintiff will seek leave to amend this complaint.

19 6. Whenever the term Defendant is used without specific exclusion of any  
20 other Defendant, then all the Defendants are included in that term. This applies even  
21 if the term “Defendant” is used in the singular or the plural. Unless otherwise  
22 identified, “JP Morgan Chase” or “JPMC” refers to JP Morgan Chase & Co and JP  
23 Morgan Securities, LLC.

24 7. Plaintiff is informed and believes, and based upon such information and  
25 belief alleges, that each of the defendants sued herein was the agent, assignee, parent  
26 company, affiliate, wholly owned subsidiary, of each of the remaining defendant, and  
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1 each of them in doing the actions alleged below was acting within the course and  
2 scope of said agency or position.

3 **Jurisdiction and Venue**

4 8. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §1331  
5 in that the Complaint asserts claims under federal law. The Court also has  
6 supplemental jurisdiction over any appurtenant state law claims pursuant to 28 U.S.C.  
7 §1367. Venue is proper pursuant to 28 U.S.C. §1391 because the Plaintiff resides in  
8 the Southern District of California, and JP Morgan Chase & Co. does business in the  
9 Southern District of California.

10 **FACTUAL ALLEGATIONS**

11 9. On or about May 9, 2011, Plaintiff was hired by JPMC as a Vice  
12 President- Investments, Private Client Advisors.

13 10. At the time that Plaintiff was hired, he was assured by JPMC managers,  
14 other brokers, supervisors, and internal auditors that “The Company” operated in  
15 accordance with a written “Compliance Operating System”, which had been  
16 approved by JPMC compliance officers, its internal auditors, outside auditors, and  
17 independent state and federal regulators, including, but not limited to the “Securities  
18 Exchange Commission and “FINRA”.

19 11. As a Vice-President of Investments, Private Client Advisor, Plaintiff  
20 provided financial services to his clients. “Financial services” includes, but is not  
21 limited to: financial advice on a spectrum of topics, including, but not limited to,  
22 income tax, estate planning, and advising clients on the purchase and sale of  
23 financial products including but not limited to insurance annuity and securities  
24 products.

25 12. At all times relevant hereto, JPMC acted as a licensed securities broker-  
26 dealer overseeing a number of licensed Brokers including, but not limited to,  
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1 Plaintiff.

2 13. Plaintiff was a registered securities broker employed by JPMC.

3 14. From May 9, 2011 through March 4, 2014, Plaintiff was subjected to  
4 regularly conducted internal and/or independent audits.

5 15. It was Plaintiff's practice to take notes during JPMC product seminars,  
6 training sessions, meetings and/or of conversations with supervisors, managers, other  
7 JPMC FA/Brokers, JPMC administrative employees, Plaintiff's own clients, and/or  
8 state and federal regulators. After JPMC meetings, Plaintiff would file his notes and  
9 any JPMC sales materials in appropriate client files.

10 16. During the time that Plaintiff was employed by JPMC, he followed all  
11 JPMC protocols, policies and procedures, including, but not limited to, customer file  
12 retention and maintenance rules.

13 17. While employed by JPMC, Plaintiff was not "documented" and/or  
14 otherwise "written up" until he questioned the order for destruction of JPMC sales  
15 materials maintained in client files and instructions to leave blank client information  
16 specifically required in a JPMC compliance form (i.e., "JPMC Change Form").  
17 Plaintiff reported this to management of JPMC.

18 18. Plaintiff relied upon JPMC's allegedly "vetted Product Information" and  
19 JPMC sales materials in providing insurance annuity advice to his clients. The  
20 information was false or misleading.

21 19. Plaintiff relied upon JPMC to consistently follow instructions regarding  
22 the sale of securities and financial advice.

23 20. JPMC provided its brokers with financial product performance data in  
24 a number of ways, including, but not limited to: product seminars, computer  
25 presentations, marketing materials, "internal use only" product memoranda,  
26 discussions with managers, and/or through communications with its "Broker  
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1 Services” group.

2 21. JP Morgan regularly conducted FA/Broker product seminars which  
3 included factual assertions that were contrary to the public marketing materials. JP  
4 Morgan regularly provided its FA/Brokers with internal documents that they were  
5 told they could rely upon in client/customer sales presentations. The internal  
6 documents included historic and expected profits and/or rates of return for securities  
7 products being sold. JP Morgan management misrepresented actual product  
8 performance and future expectations to its FA/Brokers in order sell its security  
9 products. Mr. Sayre’s files contained detailed notes which proved that JP Morgan was  
10 exaggerating rates of return on its securities products in internal documents, seminars  
11 and other communications with its FA/Brokers in order to increase sales.

12 22. JPMC regularly represented that all of its products were “financially  
13 vetted” prior to the time that the same were available to JPMC Brokers’ clients.  
14 JPMC created sales materials for their vetted products. The sales materials included  
15 glossy pamphlets, videos, internal use only memoranda with projected revenues and  
16 risk analysis. The factual data contained JPMC sales materials, included, but was not  
17 limited to: expected rates of return, risk factors, and/or other relevant buying/selling  
18 points (e.g., early surrender charges, commission on replacement, etc.)

19 23. Whenever a JPMC Broker had a question about a JPMC form, its  
20 “Broker Services” department was available to answer the same.

21 24. It was Plaintiff’s practice to retain all documents he relied upon in giving  
22 financial advice and/or recommending securities products.

23 25. On or about February 1, 2013, Plaintiff was promoted.

24 26. During 2013, JPMC initiated a number of new policies, procedures and  
25 protocols regarding the retention of client and broker records.

26 27. During, on or after, September 1, 2013, Plaintiff was instructed to review  
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1 all of his client and broker files; to remove and destroy all records that were not  
2 required to be maintained; and thereafter only retain mandated records.

3 28. On or about October, all JPMC brokers were told to remove and destroy  
4 those notes and JPMC sales materials.

5 29. After being instructed to destroy broker and client records, Plaintiff  
6 requested specific JPMC written policies, procedures and protocols mandating the  
7 retention and/or mandatory destruction of broker-dealer/broker/client records.  
8 Plaintiff has not received those records as of the date of this complaint.

9 **JP Morgan’s “Set Up” to justify termination**

10 30. Upon information and belief, JPMC attempted to “set up” Plaintiff for  
11 termination. The “set up” involved the assignment of two new clients that had  
12 allegedly owned insurance annuity products that could have been redeemed  
13 immediately and replaced with other similar insurance annuity products. The “set up”  
14 as described herein would have resulted in unjustified redemption fees/charges and/or  
15 commissions earned by JPMC and/or Plaintiff.

16 31. Upon information and belief, Plaintiff met with the allegedly “new  
17 clients” and after disclosing the potential hazards of early redemption and  
18 replacement, made a decision to hold the insurance annuity products subject to a full  
19 investigation into the matter. At the time that decision was made, Plaintiff did not  
20 know that he was being “set up” as described herein.

21 32. At this time, Plaintiff believes that he was instructed by a JPMC  
22 employee/manager to review records allegedly provided to JPMC by clients Philam  
23 and Sylvia Oronan. Those documents allegedly included, but were not limited to,  
24 insurance annuity records owned either solely and/or jointly by Philam and Sylvia  
25 Oronan.

26 33. As a result of instructions received from JPMC, Plaintiff contacted Philam  
27

1 Oronan and/or Sylvia Oronan to arrange a meeting for October 12, 2013.

2 34. At all times relevant hereto, Plaintiff reasonably believed that Philam and  
3 Sylvia Oronan were married individuals residing within the State of California and  
4 owning insurance annuity products that they sought professional advice about.  
5 Plaintiff did not recommend any JPMC insurance annuity product to the Oronans,  
6 clients that JPMC assigned to Plaintiff. In fact, he discussed problems associated with  
7 the products.

8 35. On or about October 12, 2013, Plaintiff contacted JP Morgan's Broker  
9 Services to confirm that "JP Morgan's Agency/Broker Dealer of Record Change  
10 Request For Annuity Contracts/Insurance Policies" form was the correct form to use  
11 and that the steps taken by the Plaintiff were compliant under JP Morgan's standard  
12 policies and procedures protocols.

13 36. Without Plaintiff's knowledge, JPMC initiated an internal audit starting  
14 on the same day that he was referred the Oronans as "new clients".

15 37. In Plaintiff's conversations before the October 12, 2013 Oronan meeting  
16 that the Company's forms had changed. Specifically, the most current JP Morgan  
17 "Agency/Broker Dealer of Record Change Request For Annuity Contracts/Insurance  
18 Policies" was different than previous forms used by Plaintiff. The current form  
19 consisted of 2 separate sections: (1) Change of Broker Dealer/Broker of Record and  
20 (2) Customer Information part. According to instructions on page 1 of Advisor  
21 Instructions # 2, Plaintiff was required to "Complete the Agency/Broker Dealer of  
22 Record Change Request Form" and "Customer Information" form.

23 38. The first two pages of that form was entitled "Agency/Broker Dealer of  
24 Record Change Request". The second part (pages 3 - 4) was the "Customer  
25 Information Form". JP Morgan's "Brokers Services" representatives confirmed that  
26 only one Customer Information form was necessary per contract owner. The  
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1 instructions state as follows: "Only one Customer Information Form is required when  
2 submitting multiple requests for the same contract owner".

3 39. Prior to the Oronan's October 12, 2013, meeting, parts of the form were  
4 prepared from information in the Oronan's customer files. The Oronans had provided  
5 recent statements regarding the four contracts prior to this meeting as the Oronans  
6 were existing clients that had recently opened a joint annuity account with JP  
7 Morgan. Accordingly, much of the information needed to fill out the "Agency/Broker  
8 Dealer of Record Change Request For Annuity Contracts / Insurance Policies" form  
9 was available. Prior to the Oronan's October 12, 2013 meeting, most of the Form  
10 had been typed onto four separate versions of the Agency / Broker Dealer of Record  
11 Change Request (pages 1 - 2) prepared for four transactions. Since three of the four  
12 transactions were for the same contract owner and one transaction involved joint  
13 ownership, only 2 separate Customer Information forms were prepared for client  
14 authorization. The remainder of the form was to be completed by hand during the  
15 October 12, 2013 meeting (i.e. Drivers license #, issue and expiration date).

16 40. During the Oronan's October 12, 2013, meeting Plaintiff read and  
17 discussed each part of the form to the Plaintiffs. The blank spaces were completed  
18 by the Oronans or Plaintiff during that meeting.

19 41. The Oronans filled in the blanks in the form, but did not initial each place  
20 where they had filled in the forms. Initialing the filled in spaces was not required  
21 prior to that time by JP Morgan compliance officers or the form instructions, nor had  
22 Plaintiff received any JP Morgan training which required initialing of handwritten  
23 portions of any form.

24 42. On October 12, 2013, Philame Oronan had signed in six places (once for  
25 each of the four Broker/ Dealer Change forms being requested, once for the Customer  
26 Information form pertaining to the three insurance contracts that he was the sole  
27

1 owner, and once for the Customer Information form that he and his spouse were the  
2 joint owners). Sylvia signed in two places (once for the Broker/ Dealer Change  
3 Request that she was a joint contract owner and once for the Customer Information  
4 form that she was a joint contract owner on.

5 43. Shortly after Oronan's meeting, all the requests were faxed in accordance  
6 with JP Morgan's processing rules. The forms were immediately processed without  
7 complaint by JP Morgan.

8 44. After the forms were processed, the forms were organized for retention and  
9 placement in the Oronan's customer file. In efforts to maintain what was thought to  
10 be appropriate for the client files, a copy of the originally signed Customer  
11 Information form (pages 3 - 4) used to process all three of the requests of which  
12 Philame Oronan was the sole owner was stapled to the original Agency / Broker  
13 Dealer of Record Change Request forms (pages 1 - 2) for two of the three sets of  
14 forms created for Philame.

15 45. Plaintiff did three things associated with the Oronan/JPMC "new client"  
16 professional relationship: (1) contacted by phone Philam Oronan to discuss and/or  
17 otherwise learn basic business information about himself and his wife, Sylvia  
18 Oronan; (2) arranged a date for a meeting at JPMC's offices on or about October 12,  
19 2013; and (3) to prepare the "JPMC Change Form" from information in existing  
20 JPMC records and from communications directly or by phone, and/or social media.  
21 The "JPMC Change Form" requested basic administrative information, including, but  
22 not limited to the formal names of the new clients, addresses, insurance and annuity  
23 products owned outside the JPMC relationship, but intended by the "new clients" to  
24 be considered in a financial plan suited to their specific needs.

25 46. JPMC fabricated reasons to "write up" and/or otherwise "document"  
26 Plaintiff for his preparation of the Oronans respective "JPMC Change Forms"  
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1 because Plaintiff believed that the redemption of the JPMC insurance annuity  
2 products would be expensive and not justified by any available replacement product's  
3 return on investment.

4 47. Shortly after October 12, 2013, Courtney Vysocky, initiated an internal  
5 audit of the Tierrasanta bank branch of JPMC, which was one of two locations  
6 assigned to Plaintiff as an insurance annuity securities licensed Broker. The audit  
7 specifically focused on paperwork prepared by Plaintiff in conjunction with the  
8 Oronans' business relationship with JPMC as a "Broker-Dealer" and Plaintiff as the  
9 Oronans' "Broker of Record".

10 48. Shortly after Plaintiff's meeting with the Oronans was held on October  
11 12, 2013, Plaintiff submitted the four "JPMC Change Forms" numbers one (1)  
12 through four (4) to JPMC processing department for review and comment. Because  
13 he had attached copies of Philam Oronan's "Suitability Section" from his "JPMC  
14 Change Form" one (1), pages two (2) and three (3) to his "JPMC Change Forms" two  
15 (2) and three (3), and explained his why to his compliance department, he was  
16 resolved of immediate wrongdoing and Vysocky was questioned for instructing  
17 Plaintiff to leave blank those sections.

18 49. During January, 2014, JP Morgan conducted a routine audit of Plaintiff's  
19 customer files. After which, Plaintiff's Supervisory Manager - Courtney Vysocky told  
20 Plaintiff that any partly typed and partly handwritten form required separate client  
21 initials adjacent to any handwritten sections of the form regardless of the client  
22 authorizing completeness and accuracy of the document and then signing the end of  
23 the form.

24 50. Courtney Vysocky cited Plaintiff for this in the above case and other files.  
25 She also cited Plaintiff specifically for the above mentioned file because there were  
26 two copies of the original Customer Information form (pages 3 - 4) attached to pages  
27

1 1 - 2 on two of the three Agency / Broker Dealer of Record Change Request forms  
2 processed on behalf of Philame Oronan. She asked Plaintiff why there were copies  
3 of the Customer Information form to which I replied per my understanding of  
4 processing and conversation with broker services only one original Customer  
5 Information form was necessary. As a result of Plaintiff's conversation with  
6 Courtney Vysocky in January, 2014, Plaintiff believed there was simply a lapse in  
7 communication between Broker Services, Processing, and Plaintiff regarding  
8 initialing requirements.

9 51. Plaintiff did not learn until after February 1, 2013, that JPMC had  
10 determined that Plaintiff's performance in arranging and participating in the Oronans  
11 meeting was deficient and/or violated JPMC policies, procedures and/or protocols.  
12 When Plaintiff learned that his participation in that meeting was improper or  
13 otherwise deficient, he was only instructed to be more careful with documents  
14 maintained in his broker and/or client files. 52. Defendant created and used  
15 new forms as part of its fraudulent sales practices. In this case, the "JPMC Change  
16 Form" was used as a tool to convince "new clients" to purchase more expensive and  
17 less profitable products. When Plaintiff refused to leave parts of the form blank and  
18 misrepresenting rates of return and redemption costs, JPMC determined that Plaintiff  
19 should be terminated for cause.

20 53. JPMC used the "JPMC Change Form" as a tool justify purchasing "new  
21 clients" complained about surrender fees, high commissions, lack of liquidity, high  
22 risk, and lower annuity returns, the "Broker of Record" listed in the "JPMC Change  
23 Form" was deemed responsible for the same.

24 54. During October of 2013, Plaintiff requested JPMC's internal policies,  
25 rules, and regulations regarding file retention and destruction of sales materials used  
26 in providing advice to clients. At the time that this request was made, Plaintiff did  
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1 not believe or have any reason to believe that JPMC was attempting to destroy “The  
2 Company’s” fraudulent sales materials that had been used to sell its financial  
3 products.

4 55. Subsequently, Plaintiff was targeted by Vysocky acting in her capacity as  
5 a manager with upper level instructions to target any broker who questioned the  
6 destruction of JPMC sales materials relied upon in providing investment advice.  
7 During 2013, JPMC initiated a policy to “clean” up its client files. This was allegedly  
8 being done as firm wide attempt to organize and streamline its operations.

9  
10 **PLAINTIFF REPORTS MANAGEMENT DESTRUCTION OF**  
11 **DOCUMENTS**

12 56. During October, 2013, JPMC managers and supervisors were told by  
13 JPMC upper management of its securities business, not to keep any documents in  
14 their customer files other than actual financial transaction documents. At that time,  
15 JPMC was involved in private negotiations with the United States Department of  
16 Justice over the fraudulent sale of collateral backed securities, hereinafter sometimes  
17 referred to as “collateralized derivative products”.

18 57. The October 2013 negotiations between JPMC and DOJ took place in the  
19 United States Attorney General Office in Washington, D.C.. As a result of these  
20 private negotiations, JPMC attorneys and upper management, initiated a plan to  
21 prevent other investigations related to the fraudulent sale of its securities. That  
22 scheme involved retaliation against any JPMC broker that questioned the removal and  
23 destruction of its customer files.

24 58. Subsequent to the October 2013 SEC settlement, all client/customer records  
25 were  
26 incomplete records that could not be used by SEC/FINRA auditors to determine if  
27

1 misrepresentations were being made to its FA/Brokers and thereafter passed on to  
2 client/customers

3 59. Mr. Sayre relied upon marketing materials and/or “internal JP Morgan”  
4 documents in determining projected rates of return and risk for securities products  
5 approved for sale to his clients, he copied the same and placed them in his clients’  
6 files.

7 60. Prior to March 4, 2014, other JP Morgan FA/Brokers had also maintained  
8 their  
9 securities product notes and internal/external materials in client files.

10 61. Shortly before March 4, 2014, an internal auditor discovered that Mr. Sayre  
11 was taking detailed notes about JP Morgan representations concerning product rates  
12 of return and risk factors. Mr. Sayre’s written notes concerning JP Morgan  
13 represented rates of return and risk factors were contained in his client/customer files.  
14 JP Morgan searched for and destroyed Mr. Sayre’s written notes reflecting  
15 misrepresented rates of return and risk factors.

16 62. Prior to March 4, 2014, Mr. Sayre had experienced a number of internal  
17 audits without being told that he should not take and/or retain written notes from  
18 product seminars, meetings and/or any other communication.

19 63. Mr. Sayre complained that there were no protocols for client files and it  
20 was improper to remove and destroy documents. Specifically, Mr. Sayre requested  
21 instructions regarding notes he had taken during JP Morgan product seminars,  
22 meetings, and discussions with other FA/Brokers. Mr. Sayre also questioned  
23 internal/external JPMorgan product documents which detailed historic and projected  
24 rates of return along with risks associated thereto.

25 64. Shortly before March 4, 2014, Mr. Sayre was instructed to remove most of  
26 his notes and internal JP Morgan product documents he had relied upon in making  
27

1 presentations to his clients/customers. The “internal use only” product records were  
2 documents that JP Morgan provided to its FA’s to be used in oral presentations to  
3 clients. The “internal use only” records contained upwardly inflated rates or return  
4 and lower risk factors.

5 65. After realizing that Mr. Sayre had taken notes of intentionally false  
6 statements made by JP Morgan sales supervisors and his managers, Mr. Sayre was  
7 instructed not to put his notes and/or JP Morgan “internal use only” documents in  
8 client files. This was done to avoid the SEC finding that JP Morgan was still  
9 misrepresenting its products through unknowing FA’s.

10 66. Shortly before March 4, 2014, Mr. Sayre was told to exclude his product  
11 notes  
12 and/or internal/external JP Morgan materials in his client files. Prior to that time, Mr.  
13 Sayre had maintained those notes in his client files.

14 67. At the time that Mr. Sayre was instructed to destroy his client securities  
15 notes, he did not have any client complaints pending and was not formally told that  
16 the notes contained any false representations. Mr. Sayre’s notes came from 4 sources:  
17 (1) his clients; (2) JP Morgan seminars; (3) JP Morgan product meetings; and (4)  
18 from private meetings with JP Morgan managers, supervisors or JP Morgan approved  
19 wholesalers.

20 68. In this case, JP Morgan was instructing its brokers to cleanse its customer  
21 files for insurance annuities which could be redeemed early and reinvested in other  
22 annuities which were technically securities products can be disastrous. The result  
23 of forfeiting one insurance annuity and placing those funds in another annuity that  
24 is deemed to be a security had no business rational since they reduced the overall  
25 value of client investments generate much needed cash for JP Morgan .

26 69. Prior to March 4, 2014, Mr. Sayre had requested specific protocols  
27

1 regarding the  
2 composition of JP Morgan client files. Despite that request, Mr. Sayre never received  
3 client file protocols, let alone specific instructions to omit product notes and/or  
4 internal/external product materials from client files.

5 70. Mr. Sayre reported and questioned the policy of destroying documents  
6 contained in his clients' files.

7 71. Plaintiff also complained that it was improper to leave the "suitability"  
8 section of a client's form blank, and attached the suitability information to the form.

9 After Plaintiff complained to his manager about being instructed to leave blank  
10 "suitability sections" in 3 out of 4 of the Oronos Broker-Dealer-Broker of Record  
11 forms, he was subjected to an intense internal audit.

12 72. The internal audit allegedly determined that Plaintiff was not maintaining  
13 customer files and/or document retention correctly.

14 73. JP Morgan as a broker-dealer was obligated to train its FA/Brokers about  
15 its  
16 securities products.

17 74. JP Morgan product training included, but was not limited to, seminars,  
18 meetings,  
19 and information provided in "internal use only" documents.

20 75. During October 2013, JP Morgan settled a number of actions with the SEC  
21 for \$13  
22 billion. The SEC suit and settlement concerned misrepresentations made to JP  
23 Morgan clients in order to induce the purchase of securities products. After JP  
24 Morgan was fined \$13 billion in October 2013 by the SEC, the company instructed  
25 its FA/Brokers not to keep product notes and/or its "internal use only product"  
26 documents in its client files.

1 76. JP Morgan did not have an established protocol for maintaining what was  
2 essentially its client “work product” in separate non-client files. The “work product”  
3 included any product notes and/or JP Morgan “internal use only” records used by Mr.  
4 Sayre and other FA’s in providing financial advice to their clients.

5 77. Once JP Morgan FA notes and its “internal use only” records are removed  
6 from a client file, it is difficult to prove that any product misrepresentations have been  
7 made.

8 78. JP Morgan caused all of its FA/Brokers product notes and its own “internal  
9 use only” records to be removed from all of its client files. This was done to destroy  
10 evidence that could be used to prove that misrepresentations were knowingly made  
11 by JP Morgan during its product training process.

12 79. Shortly before Mr. Sayre’s March 4, 2014 termination, he was instructed  
13 by a JP  
14 Morgan supervising manager, Morgan Mertz, and a JP Morgan compliance manager,  
15 that he  
16 should not keep “securities product notes” and/or JP Morgan “internal use only  
17 product  
18 memoranda” in client files.

### 19 RETALIATION

20 80. JPMC retaliated against Plaintiff when he reported he was being  
21 instructed to leave blank the “Client Information” section of “JPMC’s Change  
22 Forms” numbered two (2) and three (3).

23 81. The retaliation involved but is not limited to:

24 A. Plaintiff was provided two “new clients with previously acquired  
25 ownership of insurance annuity products.

26 B. Plaintiff was instructed to prepare documents necessary for the Oronans  
27 to become “JPMC new clients with insurance annuity products. To become  
JPMC “new clients”, the Oronans were required to prepare and appropriately

1 execute a “JPMC Change Form”.

2 C. Plaintiff was told by JPMC managers and “JPMC Broker Services” to  
3 prepare four (4) separate “JPMC Change Forms,” one for each insurance  
annuity product acquired by another “Broker-Dealer” independent from JPMC.

4 D. JPMC was aware The insurance annuity products owned prior the Oronans  
5 presenting to JPMC, were the subject of fraud allegations.

6 E. Because the Oronans’ insurance annuity products were the subject of fraud  
7 allegations, JPMC welcomed the Oronans. JPMC intended to disclose that the  
8 Oronans’ insurance annuity products were worth substantially less than the  
9 amount that they were purchased for. JPMC intended to purchase the Oronans’  
10 insurance annuity products at a substantial discount, bundle and sell them as  
11 part of a derivative investment product offered to the public. The derivative  
12 investment would yield fees, costs, early withdrawal penalties, sell the Oronans  
replacement insurance annuity products subject to substantial commissions,  
early penalty withdrawals of principal; and eventually life insurance benefits.

13 F. Plaintiff was given the Oronans as “new clients with insurance annuity  
14 products” acquired from another Broker-Dealer independent from JPMC.  
15 Plaintiff was then instructed not to include vital information on the change  
16 forms.

17 G. When Plaintiff questioned JPMC orders to leave blank “client suitability  
18 sections” of a compliance form used for insurance annuity products (i.e.,  
19 “JPMC Change Form” in the “Client Information Section” dealing with  
20 “suitability”, Plaintiff decided to attach a copy to each of the Oronans Second  
21 (2<sup>nd</sup>) and Third (3<sup>rd</sup>) “JPMC Change Forms” and file the paperwork with  
22 JPMC’s processing and compliance departments.

23 H. Termination.

24 I. Failed to timely file correct U-5.

25 J. Interfered with prospective employment opportunities.

26 82. From September 1, 2013, until after the JPMC filed Plaintiff’s FINRA  
27 form U-5 on or about, May 16, 2014, Plaintiff did not know that he was being  
28 retaliated against due to admissions made by JPMC attorneys that Plaintiff’s  
termination was a mistake that would be corrected.

**TERMINATION; UNTIMELY FALSE U-5; AND INTERFERENCE  
WITH PLAINTIFF’S EMPLOYMENT OPPORTUNITIES**

83. On or about, March 4, 2014, Mr. Sayre was informed by his manager,  
Morgan

1 Mertz and another JP Morgan compliance manager, that his employment was  
2 terminated and he was physically escorted from JP Morgan in front of JP Morgan  
3 bank employees.

4 84. Shortly before Mr. Sayre's March 4, 2014, termination, JP Morgan  
5 informed Mr.

6 Sayre to remove his product notes and JP Morgan's "internal use only records" from  
7 his file. Mr. Sayre questioned the propriety of destroying documents.

8 85. After being terminated on March 4, 2014, Mr. Sayre requested from JP  
9 Morgan

10 his U-5. Mr. Sayre never received a U-5 which discussed his March 4, 2014,  
11 termination.

12 Instead, Mr. Sayre received a letter from JP Morgan employee, Mr. Pakvan, dated  
13 May 19, 2014. Attached to the May 19, 2014, letter was a U-5, that states that Mr.  
14 Sayre had voluntarily terminated his position on May 12, 2014, and his termination  
15 was voluntary without being told to resign in lieu of an involuntary termination.

16 86. JP Morgan was required to file Mr. Sayre's U-5 within 30 days following  
17 his

18 termination March 4, 2014. JP Morgan did not comply. Instead, JP Morgan realized  
19 that it had no grounds to terminate Mr. Sayre on March 4, 2014. In order to prevent  
20 regulatory problems including, but not limited to: being told to remove from client  
21 files his personal notes, marketing materials and "internal use only product  
22 documents".

23 87. During the latter part of April 2014 JP Morgan took the position that the  
24 March 4, 2014, termination was incorrect, and therefore, JP Morgan did not have to  
25 file a U-5 related to that incident. JP Morgan's position would only be true if Mr.  
26 Sayre had not been terminated on March 4, 2014, and remained an employee until  
27

1 May 12, 2014, the date filed on the attached U-5.

2 88. As of March 4, 2014, the value of Mr. Sayre's book of business was  
3 approximately \$800,000. In Mr. Pakvan's May 19, 2014, letter to Mr. Sayre, JP  
4 Morgan took the position that Mr. Sayre's book of business was owned by JP  
5 Morgan, and therefore, Mr. Sayre was not entitled to any remuneration for the same.  
6 Shortly after March 4, 2014, Mr. Sayre's clients were transferred to other JP Morgan  
7 FA's/Brokers who solicited Mr. Sayre's clients by explaining that Mr. Sayre had left  
8 JP Morgan. That was not true as according to JP Morgan, Pakvan's May 19, 2014,  
9 letter and attached U-5, Mr. Sayre was still a JP Morgan employee until May 12,  
10 2014.

11 89. When Mr. Sayre went to work for USAA, none of his clients/customers  
12 (i.e., "book of business") were left. As a result, Mr. Sayre's job hunting was restricted  
13 to RIA type of positions (i.e., Registered Investment Advisors). Because Mr. Sayre's  
14 "book of business" was distributed immediately after his March 4, 2014, termination,  
15 Mr. Sayre was not eligible for "signing bonuses" normally paid by wire houses such  
16 as Merrill Lynch, Wells Fargo, and Bank of Tokyo Mitsubishi.

17 90. Upon information and belief, JP Morgan intentionally used deceptive trade  
18 practices in order to obtain Mr. Sayre's "book of business" and to protect itself from  
19 further SEC/FINRA investigations.

20 91. The deceptive techniques used, include, but are not limited to: (1) denying  
21 that Mr. Sayre had been terminated on or about March 4, 2014; (2) insisting that Mr.  
22 Sayre had never terminated, but instead was classified as a JP Morgan employee, on,  
23 or about, March 4, 2014; (3) refusing Mr. Sayre's access to his client/customer files,  
24 their addresses, e-mails, and/or telephone numbers; (4) misrepresented to Mr. Sayre  
25 that his clients were temporarily being managed by other FA/Brokers until his false  
26 March 4, 2014 termination could be resolved. (5) At the same time that JP Morgan  
27

1 was representing to Mr. Sayre that his clients were being temporarily managed, JP  
2 Morgan had already permanently distributed Mr. Sayre's "book of business" to other  
3 JP Morgan FA/Brokers; (6) and, upon information and belief, instructing those so  
4 called temporary JP Morgan FA/Brokers to tell Mr. Sayre's clients/other  
5 employees/customers (i.e., "book of business") that an internal audit had uncovered  
6 compliance problems associated with the manner in which Mr. Sayre was conducting  
7 his securities business. As a consequence, Mr. Sayre has lost his "book of business"  
8 which was worth more than \$800,000.00 and took over 7 years to develop; prevented  
9 Mr. Sayre from and forced him to become a RIA without being able to conduct his  
10 securities business on a  
11 commission basis.

12 92. Upon information and belief, after Mr. Sayre's March 4, 2014, false  
13 termination,  
14 misrepresentations were made to Mr. Sayre's clients until, at least May 12, 2014, the  
15 date  
16 shown on JP Morgan's U-5 attached to the Pakvan letter dated May 19, 2014. Upon  
17 information and belief, Mr. Sayre's clients were informed by JP Morgan that he had  
18 violated a number of compliance statutes, rules and regulations and/or had terminated  
19 his relationship or been terminated for cause by JP Morgan on or about March 4,  
20 2014.

21 93. JP Morgan has failed, refused and/or neglected to pay Mr. Sayre the fair  
22 market value of his "book of business".

23 94. Upon information and belief, JP Morgan used its alleged investigation of  
24 Mr. Sayre to stop him from seeking employment elsewhere; to buy time necessary to  
25 convince Mr. Sayre's clients to stay at JP Morgan; to destroy Mr. Sayre's reputation  
26 in the securities business; and to prevent Mr. Sayre from disclosing JP Morgan's  
27

1 intentional destruction of significant evidence; that, upon information and belief, JP  
2 Morgan was systematically misrepresenting securities products through its training  
3 and “internal use only” memoranda.

4 95. JP Morgan knew that FINRA required the filing of a Form U-5 whenever  
5 one of  
6 its FA/Brokers were terminated.

7 96. JP Morgan also knew that the U-5 had to be filed within 30 days after Mr.  
8 Sayre’s March 4, 2014, termination.

9 97. JP Morgan has never filed with FINRA and/or sent Mr. Sayre, a U-5 related  
10 to his  
11 March 4, 2014 termination.

12 98. Mr. Sayre was told he was terminated on March 4, 2014, but was not  
13 actually terminated. In a “Statement of Claim” filed with FINRA, Plaintiff, believed  
14 that JP Morgan had kept Mr. Sayre as an employee for fear that he would disclose  
15 to regulators that his notes proved that JP Morgan, both prior to and after October  
16 2013, misrepresented rates of return and risk related to its securities products.

17 99. JP Morgan justified its failure to file a FINRA Form U-5 by acting as if Mr.  
18 Sayre’s March 4, 2014 termination did not occur. JP Morgan used the 30 day FINRA  
19 filing date to remove “Internal use only” product documents from his client files and  
20 to adjust its position from termination to always an employee to prevent Mr. Sayre  
21 from making any allegations to FINRA/SEC.

22 100. Following his false termination, JP Morgan intentionally designated Mr.  
23 Sayre as an unpaid JP Morgan employee, without a place to work; with his “book of  
24 business” scattered amongst its remaining FA/Brokers; without authority and/or  
25 permission to transact any securities business.

26 101. Upon information and belief, Mr. Sayre was falsely reclassified as an  
27

1 employee after his March 4, 2014 termination at JP Morgan in order to buy enough  
2 time to “cull” his client files of his notes and JP Morgan “internal use only” records.

3 102. On May 19, 2014, JP Morgan sent Mr. Sayre a letter which instructed Mr.  
4 Sayre that he was to (1) cease transacting all business on behalf of JPMS and/or its  
5 customers; (2) stop representing himself as having any affiliation with JP Morgan or  
6 any affiliate with JPMS or any of its Affiliates in any capacity; (3) cease, for one year,  
7 following his termination from soliciting, contacting or inducing to leave JP  
8 Morgan/Chase any of its employees or any customers acquired, maintained, serviced  
9 or developed while employed by JPMS; and that he was required to deliver all  
10 information concerning all current JP Morgan customers to his supervisor.

11 103. JPMorgan has failed, refused and/or neglected to compensate Mr. Sayre  
12 for the time period from March 4 - May 11, 2014 in which Mr. Sayre was apparently  
13 an employee of JP Morgan, yet he did not receive a paycheck because JP Morgan  
14 misrepresented to Mr. Sayre that he was terminated. JPMorgan has also failed,  
15 refused, and/or neglected to pay Mr Sayre for his “book of business” valued at  
16 approximately \$800,000.00.

17 104. Subsequent to his March 4, 2014, termination, Mr. Sayre and/or his  
18 counsel,  
19 repeatedly requested a correct Form U-5. The U-5 was necessary for Mr. Sayre to  
20 obtain FA/Broker employment elsewhere.

21 105. Since Mr. Sayre’s March 4, 2014 termination, JP Morgan has not paid Mr.  
22 Sayre  
23 any commissions generated from his “book of business”, any salary, or draw.

24 106. Prior to March 4, 2014, Mr. Sayre did not believe nor was he told that he  
25 was going to be terminated for any securities compliance issues.

26 107. On or about, May 12, 2014, Mr. Sayre instructed JP Morgan to transfer  
27

1 his securities licenses to USAA Securities.

2 108. Mr. Sayre specifically did not state that he had voluntarily resigned  
3 without cause, because he was at least “constructively terminated” and/or  
4 misrepresentations were made to Mr. Sayre that he was terminated by JP Morgan on  
5 March 4, 2014.

6 109. On or about, September 11, 2014, Mr. Sayre verified that his March 4,  
7 2014, termination had caused him damage in an amount in excess of \$800,000.00.  
8 That amount reflected the loss of his “book of business” and 2 months of income  
9 from March-May 2014.

10 110. On or about May 12, 2014, Mr. Sayre was forced to accept a position with  
11 another securities firm as an Registered Investment Advisor.

12 111. On May 12, 2014, Mr. Sayre accepted employment with USAA  
13 Investment Managers. Mr. Sayre was not paid a “signing bonus” because he did not  
14 have a “book of business” by the time that he accepted that employment.

15 112. The USAA RIA job is a fixed salary position which is substantially less  
16 than the  
17 commission income generated by Mr. Sayre’s “book of business” at JP Morgan.

18 **FINRA Arbitration Claim**

19 113. Following his termination and false U-5, Mr. Sayre filed a Statement of  
20 Claim against JP Morgan Chase to be arbitrated before the Financials Industry  
21 Regulatory Authority (FINRA).

22 114. JP Morgan Chase delayed filing its answer to the IFNRA Statement of  
23 Claim for over a year.

24 115. According to, “JPM’s Answer to Plaintiff’s Statement of Claim”, the  
25 internal audit resulted in fabricated findings stating in pertinent part as follows:  
26  
27

1 Chase Wealth Management Branch Supervisory Log from the Tierrasanta  
2 branch noted on November 27, 2012 that it had to discard outdated marketing  
material from Claimant's files and that "FA [Claimant] was advised of policy."

3 Chase Wealth Management Branch Supervisory Log from Clairemont Square  
4 dated October 23, 2013 found two instances where Claimant made alterations  
without getting the necessary initials from the client. Outdated marketing  
5 materials were also reported within Claimant's files.

6 A Chase Wealth Management Branch Supervisory Log from Kearney Mesa  
also dated October 23, 2013 identified outdated sales materials in Claimant's  
7 files and denoted re-reviewing the sales material policy with him.

8 A Chase Wealth Management Branch Supervisory Log from Tierrasanta again  
dated October 23, 2013 found two files with changes lacking the necessary  
9 client-initialed approval. Outdated sales materials were again found in  
Claimant's files, and it was noted the sales material policy was reviewed with  
10 Claimant.

11 An audit of the Kearny Mesa branch dated November 10, 2013 identified that  
it encountered an outdated prospectus within Claimant's files.

12 An email from supervisory manager Courtney Vysocky to Claimant, dated  
13 January 30, 2014, identified over ten questions with Claimant's file  
maintenance spread throughout three branches. Despite the fact that JPMS  
14 reviewed the sales materials policy with Claimant just a few months before,  
Ms. Vysocky reported finding additional sales materials violations. Ms.  
15 Vysocky also requested, "Please clean out your drawers there. I found a ton of  
old call lists, training material, expense reports, etc."

16 116. According to Defendant's "Answer to Petitioner's FINRA Statement of  
17 Fact", Plaintiff was terminated as a result of these internal audit findings, on March  
18 4, 2014, and escorted out of JPM offices on the same day.

19 117. Three out of the six internal audit findings occurred on or about October  
20 23, 2013. Each of the internal audit findings dealt with maintenance of customer files  
21 and/or document retention.

22 118. The March 4, 2014, termination was based on file maintenance and  
23 document retention issues. The file maintenance and document retention were  
24 contrary to the rules and regulations of the SEC, State of California Coronations  
25 Code, FINRA rules and regulations, JPMorgan's internal rules, which prohibit the  
26 destruction of evidence.

1 119. After being accused of violating file maintenance and document retention  
2 rules, Plaintiff requested a copy of written policies and procedures for customer file  
3 maintenance and document retention.

4 JPM's Code of Finance Professionals provides in pertinent part as follows:

5 (4) Adherence to this Policy is a term and condition of employment for  
6 Finance Professionals.

7 (6) JPM made it very clear that violations of this Policy would constitute  
8 violations of law, which may expose both Employees and the firms to  
9 criminal or civil penalties.

10 JPM's Code of Finance Professionals also provided Standards of Conduct in  
11 pertinent part as follows:

12 (1) JPMC Finance Officers and Finance Professionals must act honestly,  
13 promote ethical conduct and comply with the law, particularly as related  
14 to the maintenance of the firm's financial books and records and the  
15 preparation of its financial statements. They are specifically required to:

16 (B) **Comply with applicable government laws, rules and  
17 regulations** of federal, state and local governments and other  
18 appropriate regulatory agencies

19 (C) **Assist in the production of full, fair, accurate, timely  
20 and understandable disclosure in reports and documents** that  
21 the firm and its subsidiaries file with, or submit to, the Securities  
22 and Exchange Commission and other regulators and in other  
23 public communications made by JPMC

24 The JPM Code of Finance Professionals also required certain reporting  
25 requirements, which provide in pertinent part as follows:

26 (D) JPM procedures, rules, regulations, and **protocols strictly  
27 prohibited intimidation or retaliation** against anyone who made  
28 a good faith report about a known or suspected violation of this  
Policy, or of any law or regulation.

120. JPMorgan violated its own policies and procedures, as well as federal  
and state law.

121. JP Morgan's deceptive trade practices have violated a number of state  
and federal securities rules, regulations and statutes. JP Morgan violated a number of  
state and federal statutes, rules and regulations by requiring its FA's to conceal and  
destroy client notes taken by its FA's and "internal use only" product documents from

1 securities regulators and clients.

2 122. JP Morgan not only violated SEC/FINRA rules and regulations by  
3 destroying documents it also violated its obligation to timely file a truthful U-5  
4 within 30 days of Mr. Sayre's March 4, 2014, termination. Its subsequent conduct  
5 constituted a fraudulent "cover up". The "cover up" consisted of intentionally not  
6 filing a timely U-5; taking and distributing Mr. Sayre's "book of business" after the  
7 March 4, 2014, termination without paying him the market value for the same;  
8 directing Mr. Sayre to file a false U-4 stating that he voluntarily resigned; and  
9 threatening to file a false U-5 with allegations that Mr. Sayre had violated JP Morgan  
10 internal compliance rules and regulations related to the sale and/or purchase of  
11 securities; being told to find and destroy "internal use only" product records that  
12 inflated expected rates of return and risk factors contained in his file

13  
14 **FIRST CAUSE OF ACTION**

15 **VIOLATION OF THE DODD-FRANK**

16 **WALL STREET REFORM AND CONSUMER PROTECTION ACT**

17 123. Plaintiff incorporates by reference all the allegations of this complaint as  
18 if more fully set forth herein.

19 124. At all relevant time periods, Plaintiff was an employee of Defendant JP  
20 Morgan Securities, LLC, a wealth management business conducted by JPMorgan  
21 Chase & Co.

22 125. Plaintiff complained to Defendant's officers, directors, and/or managing  
23 agents that certain of JP Morgan Chase's activities violated securities and industry  
24 rules and regulations, including internal controls.

25 126. The Dodd-Frank Act protects all covered employees from retaliation for  
26 ... (c) "making disclosures that are required or protected under the Sarbanes-Oxley  
27

1 Act of 2002," the Securities Exchange Act of 1934, or "any other law, rule, or  
2 regulation subject to the jurisdiction of the [SEC]." 15 U.S.C. § 78u-6(h).

3 127. The Dodd-Frank anti-retaliation provision, 15 U.S.C. § 78u-6(h)(1)(A),  
4 provides that "[n]o employer may discharge, demote, suspend, threaten, harass,  
5 directly or indirectly, or in any other manner discriminate against, a whistle blower  
6 in the terms and conditions of employment because of any lawful act done by the  
7 whistle blower."

8 128. Plaintiff reported to his supervisors and complained and disclosed JP  
9 Morgan Chase's conduct which violated the state and federal securities law, rules and  
10 regulations. As such, Plaintiff was a whistle blower and is protected by the Dodd  
11 Frank Act.

12 129. On March 4, 2014, Defendant JP Morgan Chase & Co. terminated  
13 Plaintiff. This termination was substantially motivated by the complaints and  
14 disclosures made by Plaintiff as detailed above.

15 130. Defendant intentionally engaged in ongoing retaliation against Plaintiff  
16 in reckless disregard for his federally protected rights under the Dodd-Frank Wall  
17 Street Reform and Consumer Protection Act, specifically 15 U.S.C. § 78u-6(h)(1)(A),  
18 by, among other things, terminating his Employment Agreement without cause and  
19 against public policy, and terminating his implied Employment Agreement against  
20 public policy in response to complaints he made to management regarding conduct  
21 he believed to be violative of the Sarbanes-Oxley Act of 2002, the Exchange Act,  
22 Dodd Frank Act, and SEC rules and regulations, and conduct that he believed  
23 adversely impacted and was purposefully hidden.

24 131. Plaintiff made complaints to management regarding the illegal conduct  
25 detailed above. Plaintiff was then targeted and retaliated against and his employment  
26 was wrongfully terminated.

1           132. As a proximate result of Mr. Sayre’s complaints about the destruction of  
2 “internal use only” memoranda which misstated the value and financial return on JP  
3 Morgan securities products, JP Morgan wrongfully terminated the Plaintiff, initially  
4 refused to file a timely U-5, made false representations subsequently to Plaintiff about  
5 his termination (i.e., that he was not terminated, and when he requested a FINRA  
6 arbitration hearing he was maligned with a false and misleading answer which was  
7 late filed in an attempt to further destroy his credibility in the securities industry.

8           133. As a proximate result of JP Morgan’s conduct, Mr. Sayre has suffered  
9 harm,  
10 including lost earnings and other employment benefits, humiliation, embarrassment,  
11 and mental anguish, and other special and general damages, all to his damage in an  
12 amount to be established at trial.

13           134. In committing the acts set forth above, JP Morgan and the other  
14 Defendants knew  
15 that the conduct that they would have required of Mr. Sayre was unlawful, and  
16 required Mr. Sayre to choose between violating the law and/or JP Morgan policy and  
17 losing his job. Notwithstanding this knowledge, JP Morgan subjected Mr. Sayre to  
18 cruel and unjust hardship in conscious disregard of Mr. Sayre’s rights by resisting Mr.  
19 Sayre’s efforts and then terminating Mr. Sayre’s employment. JP Morgan’s conduct  
20 warrants the assessment of punitive damages.

21           135. Plaintiff has retained an attorney in order to prosecute this action and  
22 accordingly, Plaintiff is entitled to reasonable attorney fees and costs related thereto.

23           136. In committing the acts herein mentioned, Defendant acted arbitrarily,  
24 capriciously, maliciously and with reckless disregard for Plaintiff and accordingly  
25 Plaintiff is entitled to punitive damages in an amount to be determined at the time of  
26 trial.

1 WHEREFORE, Plaintiff prays for relief as set forth herein.

2 **SECOND CAUSE OF ACTION**

3 **WRONGFUL TERMINATION IN VIOLATION OF PUBLIC POLICY**

4 137. Plaintiff incorporates by reference each of the allegations contained  
5 herein.

6 138. Plaintiff's termination was wrongful because it was in violation of the  
7 public policy of the United States in that Plaintiff's termination was in retaliation for  
8 Plaintiff's opposing and reporting illegal activity, as described in preceding  
9 allegations.

10 139. Defendant's termination of Plaintiff was in violation of the Dodd-Frank  
11 Act which makes it illegal to fire or otherwise discriminate against an employee for  
12 providing information of a violation of a rule of the Securities and Exchange  
13 Commission or any provision of federal law relating to fraud against shareholders.  
14 18U.S.C. § 1514A(a)(1), including when the employee provides information or  
15 assistance to someone with "supervisory authority over the employee" or with  
16 authority to "investigate, discover, or terminate misconduct" as Plaintiff did.

17 140. As a direct, foreseeable, and proximate result of defendant's wrongful  
18 termination of Plaintiff in violation of the public policy of the State of California,  
19 Plaintiff has lost and will continue to lose income and benefits, and has suffered  
20 emotional distress.

21 141. As a legal and proximate result of Defendants' actions, Plaintiff has  
22 suffered  
23 special and general damages in an amount in excess of \$100,000 to be proven at trial.

24 142. Plaintiff has retained an attorney in order to prosecute this action and  
25 accordingly, Plaintiff is entitled to reasonable attorney fees and costs related thereto.

26 143. In committing the acts herein mentioned, Defendant through its  
27

1 managerial employees or managing agents acted arbitrarily, capriciously, maliciously  
2 and with reckless disregard for Plaintiff and accordingly Plaintiff is entitled to  
3 punitive damages in an amount to be determined at the time of trial.

4 WHEREFORE, Plaintiff prays for relief as set forth herein.

5 **THIRD CAUSE OF ACTION**

6 **VIOLATION OF THE SECURITIES EXCHANGE ACT OF 1934 10B-5**

7 **FRAUD IN THE TRADE OF SECURITIES.**

8 144. Plaintiff incorporates by reference each of the allegations contained  
9 herein.

10 145. The Securities and Exchange Act of 1934 Rule 10b-5, which prohibits  
11 fraud, misrepresentation, and deceit in the sale and purchase of securities.

12 146. Defendant by its conduct, employed a scheme to defraud its employees  
13 and customers.

14 147. Defendant made untrue statements of a material fact and/or to omitted a  
15 material fact necessary in order to make the statements not misleading. Defendant  
16 instructed its employees, including Plaintiff to participate in this wrongful conduct.  
17 Employee refused.

18 148. Defendant engaged in acts, practices, and a course of business which  
19 operated as a fraud or deceit upon any person, in connection with the purchase or sale  
20 of any security.

21 149. Plaintiff refused to participate in the fraudulent conduct, and as a result  
22 was chastised, humiliated, and ultimately terminated.

23 150. As a legal and proximate result of Defendants' actions, Plaintiff has  
24 suffered  
25 and has suffered emotional distress, special and general damages in an amount in  
26 excess of \$1,000,000 to be proven at trial.

1 151. Plaintiff has retained an attorney in order to prosecute this action and  
2 accordingly, Plaintiff is entitled to reasonable attorney fees and costs related thereto.

3 152. In committing the acts herein mentioned, Defendant through its  
4 managerial employees or managing agents acted arbitrarily, capriciously, maliciously  
5 and with reckless disregard for Plaintiff and accordingly Plaintiff is entitled to  
6 punitive damages in an amount to be determined at the time of trial.

7 WHEREFORE, Plaintiff prays for relief as set forth herein.

8 **FOURTH CAUSE OF ACTION**

9 **VIOLATION OF CALIFORNIA CORPORATIONS CODE SECTION 25401**

10 Plaintiff incorporates by reference each of the allegations contained herein.

11 153. California Corporations Code Section 25401 provides that it is unlawful  
12 for any person to offer or sell a security in this state, or to buy or offer to buy a  
13 security in this state, by means of any written or oral communication that includes an  
14 untrue statement of a material fact.

15 154. Defendant by its conduct, employed a scheme to defraud its employees  
16 and customers in violation of California Corporations Code Section 25401.

17 155. Defendant made untrue statements of a material fact and/or to omitted a  
18 material fact necessary in order to make the statements not misleading. Defendant  
19 failed to exercise reasonable care to determine the truth or falsity of the statement.  
20 Defendant instructed its employees, including Plaintiff to participate in this wrongful  
21 conduct. Employee refused.

22 156. Defendant engaged in acts, practices, and a course of business which  
23 operated as a fraud or deceit upon any person, in connection with the purchase or sale  
24 of any security.

25 157. Plaintiff refused to participate in the fraudulent conduct, and as a result  
26 was chastised, humiliated, and ultimately terminated.

1 158. Plaintiff has lost and will continue to lose income and benefits, and has  
2 suffered emotional distress.

3 159. As a direct legal and proximate result of Defendants' actions, Plaintiff has  
4 suffered emotional distress, and special and general damages in an amount in excess  
5 of \$1,000,000 to be proven at trial.

6 160. Plaintiff has retained an attorney in order to prosecute this action and  
7 accordingly, Plaintiff is entitled to reasonable attorney fees and costs related thereto.

8 161. In committing the acts herein mentioned, Defendant through its  
9 managerial employees or managing agents acted arbitrarily, capriciously, maliciously  
10 and with reckless disregard for Plaintiff and accordingly Plaintiff is entitled to  
11 punitive damages in an amount to be determined at the time of trial.

12 WHEREFORE, Plaintiff prays for relief as set forth herein.

13 **FIFTH CAUSE OF ACTION**

14 **VIOLATION OF CALIFORNIA BUSINESS AND PROFESSIONS**

15 **CODE 17200 ET SEQ.**

16 162. Plaintiff incorporates by reference each of the allegations contained  
17 herein.

18 163. By committing the acts alleged herein, the defendant engaged in an  
19 unlawful, unfair, and/ or fraudulent business act or practice. Defendant has violated  
20 and continues to violate Business & Professions Code, section 17200, et seq. by  
21 engaging in acts of unfair competition.

22 164. Plaintiff refused to participate in the unlawful, unfair or fraudulent  
23 conduct, and as a result was chastised, humiliated, and ultimately terminated.  
24 Moreover, JP Morgan contends that Plaintiff's employment did not end until May 12,  
25 2014; however JP Morgan failed to pay wages owed to Plaintiff from March through  
26 May of 2014, in a timely manner in violation of Labor Code section 204.

1 165. Plaintiff has lost and will continue to lose income and benefits, and has  
2 suffered emotional distress.

3 166. As a direct legal and proximate result of Defendants' actions, Plaintiff has  
4 suffered emotional distress, and special and general damages in an amount in excess  
5 of \$1,000,000 to be proven at trial.

6 167. Plaintiff has retained an attorney in order to prosecute this action and  
7 accordingly, Plaintiff is entitled to reasonable attorney fees and costs related thereto.

8 168. In committing the acts herein mentioned, Defendant through its  
9 managerial employees or managing agents acted arbitrarily, capriciously, maliciously  
10 and with reckless disregard for Plaintiff and accordingly Plaintiff is entitled to  
11 punitive damages in an amount to be determined at the time of trial.

12 WHEREFORE, Plaintiff prays for relief as set forth herein.

13 **SIXTH CAUSE OF ACTION**

14 **Claim for Wages under California Labor Code**

15 169. Plaintiff incorporates by reference all the previous paragraphs as if more  
16 fully set forth herein.

17 170. JP Morgan contends that the Plaintiff voluntarily terminated his position  
18 on May 12, 2014. Plaintiff was not paid any wages from March 4, 2014 through May  
19 12, 2014. Accordingly, Plaintiff was not compensated under California's wage and  
20 hour laws for this time period.

21 171. Pursuant to California Labor Code § 1194, "Notwithstanding any  
22 agreement to work for a lesser wage, any employee receiving less than the legal  
23 minimum wage or the legal overtime compensation applicable to the employee is  
24 entitled to recover in a civil action the unpaid balance of the full amount of this  
25 minimum wage or overtime compensation, including interest thereon, reasonable  
26 attorney's fees, and costs of suit." See Lab. Code, § 1194.

1 172. Plaintiff never agreed to work for a lesser wage.

2 173. As a result of Defendant's material breach of contract, Plaintiff has been  
3 substantially damaged in excess of \$100,000.00. The exact amount of these damages  
4 will be determined at trial.

5 174. Plaintiff has retained an attorney in order to prosecute this action and  
6 accordingly are entitled to reasonable attorney fees and costs related thereto.

7 **WHEREFORE**, Plaintiff Plaintiff prays for relief as set forth below:

8 **PRAYER FOR RELIEF**

9 With respect to the preceding claims for relief, Plaintiff prays for relief as set  
10 forth below:

11 1. That Defendant be ordered to pay to Plaintiff a sum in excess of  
12 \$1,000,000.00, the exact amount of which will be proven at the time of trial;

13 2. That Defendant be ordered to pay to Plaintiff a sum, the exact amount of  
14 which will be proven at the time of trial, for Plaintiff's lost earnings, wages, both past  
15 and future;

16 3. That Defendant be ordered to pay Plaintiff a sum in excess of  
17 \$1,000,000.00, the exact amount of which will be proven at the time of trial, for  
18 Plaintiff's physical and mental pain.

19 4. That Plaintiff be awarded exemplary damages, as permitted by law, as a  
20 result of Defendant willful and wanton misconduct in a sum in excess of  
21 \$1,000,000.00;

22 5. That Plaintiff be awarded the attorney's fees and court costs that Plaintiff  
23 incurred in the prosecution of this Complaint; and

24 6. Such other and further relief as the court may deem just and equitable in the  
25 premises.

26 **JURY DEMAND**

1 Plaintiff demands a jury in this action.  
2

3 Dated this 3<sup>rd</sup> day of April, 2017.

4 By /s/ Erin E. Hanson

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