

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2007010750201**

RECEIVED
2008 DEC -8 P 4: 24
REGISTRATION & DISCLOSURE

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

RE: Daniel Alan Fowler, Respondent
General Securities Representative
CRD No.: 3008473

Pursuant to NASD 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

Daniel Alan Fowler entered the securities industry in February 1998 with a FINRA (f/k/a NASD) member firm. Fowler first became registered, as a general securities representative, in May 1998. He was registered as a general securities representative with FINRA member H&R Block Financial Advisors from March 18, 2005, until September 27, 2007. Fowler is currently registered as a general securities representative with a FINRA member. FINRA retains jurisdiction over Fowler pursuant to its By-Laws. Respondent Fowler has no prior relevant disciplinary history.

OVERVIEW

On or about August 28, 2007, Fowler exercised discretion without written authorization in purchasing 20,000 shares of SG Structured Products (SG) common stock in each of two customer accounts, in violation of NASD Conduct Rules 2110 and 2510(b).

FACTS AND VIOLATIVE CONDUCT

On August 28, 2007, Respondent Fowler purchased 20,000 shares of SG common stock on a discretionary basis in each of the accounts of customers JW and JS. Respondent Fowler failed to obtain prior written authorization from the customers to exercise discretionary powers in their accounts and failed to obtain acceptance of the accounts as discretionary by his employing FINRA member firm, which prohibited discretionary accounts. Respondent Fowler's failure to obtain prior written authorization to exercise discretionary powers in the customers' accounts and his failure to obtain acceptance of the accounts as discretionary by his employing FINRA member firm violates NASD Conduct Rules 2110 and 2510(b).

- B. I also consent to the imposition of the following sanctions: a \$5,000 fine and a five business-day suspension from association with any FINRA member in all capacities. I agree to pay the fine upon notice that this AWC has been accepted and that such payment is due and payable. I have submitted an Election of Payment form showing the method by which I propose to pay the fine imposed. I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the fine imposed in this matter.

~~I understand that if I am suspended from associating with any FINRA member, I become~~ subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the suspension. (See NASD Rule 8310 and IM-8310-3.)

The sanctions imposed herein shall be effective on a date set by FINRA staff.

II. WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Formal Complaint issued specifying the allegations against me;
- B. To be notified of the Formal 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 General Counsel, 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 NASD Rule 9143 or the separation of functions prohibitions of NASD 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 NASD 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 response to public inquiries about my disciplinary record;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-3; 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 right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

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.

12/21/08
Date

Daniel Alan Fowler
Daniel Alan Fowler, Respondent

Accepted by FINRA:

12/8/08
Date

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

Gene E. Carasick
Gene E. Carasick
Senior Regional Counsel
FINRA Department of Enforcement
One Securities Centre, Suite 500
3490 Piedmont Road, N.E.
Atlanta, Georgia 30106
(404) 239-6125; (404) 264-1586
E-Mail: gene.carasick@finra.org