

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20100225484**

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

RE: Daniel Bull, Respondent
General Securities Representative
CRD No. 5495145

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Daniel Bull ("Bull"), 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

Bull entered the securities industry in February 2008 with Pruco Securities, LLC ("Pruco")¹ where he was employed until March 2010. From March to May 2010, Bull was associated with New England Securities Corporation. From September 2010 until February 2011, Bull was associated with Bill Few Securities, Inc. Bull is not currently associated with a FINRA member firm, but holds Series 6 and 63 licenses. Bull remains subject to FINRA's jurisdiction for purposes of this proceeding pursuant to Article V, Section 4 of FINRA's By-Laws until February 16, 2013.

RELEVANT DISCIPLINARY HISTORY

Bull has no disciplinary history.

¹ Pruco is a subsidiary of Prudential Financial, Inc. ("Prudential").

OVERVIEW

Between December 2009 and February 2011 ("the relevant period"), Bull carried out a scheme to defraud twelve investors, including three customers of Prudential, of funds totaling over \$491,000. In general, Bull's scheme involved persuading potential investors to invest in an entity called "Venture Advisory Associates." Bull told the investors they were purchasing mutual funds and tax-free municipal bonds, but converted the funds for his own use, including repaying earlier investors. To conceal the conversion, Bull provided investors with fraudulent account statements showing a return on their investments.

Bull's conduct constitutes violations of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, FINRA Rule 2020, and FINRA Rule 2010 (misrepresentations and fraud in connection with the sale of securities); FINRA Rule 2150(a) and FINRA Rule 2010 (improper use and conversion of customer funds); and FINRA Rule 2010 (improper use and conversion of non-customer funds).

FACTS AND VIOLATIVE CONDUCT

During the relevant period, Bull was the principal owner of a company called Venture Advisors LP, LLC ("Venture Advisors"). Bull, along with two other partners, established Venture Advisors in January 2010 and dissolved it in the spring of 2011.

Bull falsely represented to clients that they were investing with Venture Advisors. Bull touted the success of his "new company" and provided potential investors with Venture Advisors brochures. He made numerous false statements and misrepresentations to gain the confidence of investors. For example, Bull told investors that he was independently wealthy after selling several start-up companies for millions of dollars. Bull also informed several investors that he had invented a strategy of buying and selling short-term municipal bonds to generate large returns.

However, the investors did not invest with Venture Advisors. Bull separately established an account in the name of "Venture Advisory Associates," which was not affiliated with Venture Advisors. Investors' funds were funneled to Bull through his "Venture Advisory Associates" account. To cover up his fraud, Bull provided investors with fictitious Venture Advisors/Venture Advisory Associates account statements.

Through the misrepresentations and fraud described below, Bull converted over \$491,000 from three Prudential customers and nine additional investors.

A. Bull's Fraudulent Misrepresentations and Conversion of Funds from Three Prudential Customers

1. BPD

BPD, a married couple, were Bull's customers at Prudential. On April 7, 2010, BPD invested \$10,000 with Venture Advisory Associates, believing they were purchasing municipal bonds. Bull did not repay BPD.

2. JE / AT

JE was a Prudential customer who met Bull in the fall of 2008, when she retired and opened an Individual Retirement Account. In early 2010, Bull informed JE that he was starting a company called Venture Advisory Associates that offered the same products as Prudential. Bull advised JE to liquidate her Prudential account and transfer the \$28,367 to Venture Advisory Associates, which she did in March 2010. In September 2010, JE invested an additional \$10,000 with Venture Advisory Associates.

AT, JE's 89-year old mother, held an account at another firm. JE had power of attorney over the account, which was being used to pay for the assisted living facility where AT resided. In the fall of 2010, Bull advised JE to liquidate AT's account and transfer the funds to Venture Advisory Associates. Bull told JE that he had a strategy of buying and selling municipal bonds that could provide AT with \$9,000 a month for 30 months, and could double the amount of time AT could afford to stay in the assisted living facility. Between July and October 2010, JE wrote Bull six checks totaling \$137,000, payable to Venture Advisory Associates from AT's account. After JE wrote the first check, Bull gave her a Venture Advisors brochure.

Between July and November 2010, Bull hand-delivered approximately 10 fictitious Venture Advisors/Venture Advisory Associates account statements to JE's home. The statements showed that JE was invested in mutual funds and that AT was invested in short-term municipal bonds, and indicated significant growth in the value of their accounts.

Bull informed JE that the bonds in AT's account would mature every month and that he would give her a \$9,000 check on the 15th of every month to pay for AT's living expenses. However, Bull gave JE only one \$9,000 check on December 27, 2010. In February 2011, JE instructed Bull to liquidate the accounts and wire her the funds. Bull failed to do so.

3. KL

KL was a Prudential customer related to Bull by marriage. In or around December 2009, Bull advised KL to liquidate his savings account, his wife's savings account, and his daughter's college savings account and invest the proceeds with Venture Advisory Associates. Bull falsely represented to KL that Venture Advisory Associates was a subsidiary of Prudential and that he would invest KL's money in tax-free municipal bonds. On or around December 28, 2009, KL followed Bull's advice and invested \$91,676 with Venture Advisory Associates. KL also signed

an electronic account opening form for a Prudential account, which was opened but never funded.

From February to November 2010, Bull provided KL with four fictitious account statements, including a "Prudential Premier Series" account statement and three Venture Advisors/Venture Advisory Associates account statements. The account statements indicated that KL was invested in municipal bonds and showed significant growth in the value of his account.

Due to Bull's repeated failure to respond to KL's requests for information and documentation regarding his account, KL asked Bull to return his funds in the fall of 2010. After numerous requests from KL, Bull finally delivered to KL a check in the amount of \$87,290, which KL was able to cash on December 8, 2010.

B. Bull's Fraudulent Misrepresentations and Conversion of Funds from Nine Additional Investors

1. GL

GL is KL's father and related to Bull by marriage. In the spring of 2010, Bull informed GL that he had started a new business called Venture Advisory Associates. On June 4, 2010, GL invested \$10,000 in Venture Advisory Associates, believing he was purchasing mutual funds. In August 2010, after several requests from GL for paperwork on his account, Bull gave GL a fictitious Venture Advisors/Venture Advisory Associates account statement showing that GL was invested in mutual funds and indicating a growth in the value of his account. Bull did not repay GL.

2. JCG

JCG, a married couple, were friendly with GL. In early 2010, JCG met with Bull to discuss investing funds with Venture Advisors. JCG told Bull that they wanted a low-risk investment and wanted access to the funds. In February 2010, JCG signed a Prudential new account form that Bull never submitted to Prudential. JCG invested \$12,000 with Venture Advisory Associates.

Over the next several months, JCG requested account documentation from Bull, who continually assured them that they would be receiving a statement. In October 2010, JCG instructed Bull to liquidate their account. At Bull's request, JCG signed a Prudential mutual fund account transfer form, believing they were authorizing the liquidation of the account. JCG never received the funds.

3. JB / RI

JB is friendly with GL and had known Bull for several years. JB owned a business that he was planning to sell to RI in 2010. In June 2010, Bull offered to help negotiate the sale of JB's business and obtain financing for RI. On July 7, 2010, at the request of Bull, JB wrote Bull a \$5,000 check payable to Venture Advisory Associates, believing it would be held in escrow to

make the business more attractive to finance companies. On August 2, 2010, JB sold his business to RI for \$125,000, and Bull told JB that he would invest the proceeds of the sale in tax-free municipal bonds. In or around September 2010, Bull gave JB a fraudulent Venture Advisors/Venture Advisory Associates statement showing that he had invested \$130,000 in municipal bonds and had made a substantial return during the first month.

Bull falsely represented to RI that he had arranged financing for him to purchase JB's business. Between July and November 2010, RI wrote five checks to Venture Advisory Associates totaling \$20,350.

In early November 2010, after repeated requests from JB regarding his transaction with RI, Bull wired JB \$10,000.

4. TH / GH

TH is GH's son. GH and TH owned an insurance company that was working with Venture Advisors to sell insurance products to the venture capital community. On April 20, 2010, TH wired \$10,000 to Venture Advisory Associates for the purchase of municipal bonds.

Bull falsely represented to GH that Venture Advisors was establishing a treasury management program and that two other individuals would invest millions of dollars to fund the program. On August 6, 2010, GH wired \$250,000 to Venture Advisory Associates account to be used in establishing the Venture Advisors treasury management program.

After repeated requests from TH, Bull repaid TH \$10,943 in August 2010, using the funds he had recently obtained from GH. Bull did not repay GH's \$250,000 investment.

5. MR

On June 21, 2010, MR gave Bull a \$72,000 check from a personal injury lawsuit to be held in escrow. Instead, Bull used the money for personal expenses. In July 2010, Bull repaid MR \$59,085.

6. DW

On November 17, 2010, DW invested \$11,000 with Venture Advisory Associates, believing he was purchasing municipal bonds. Bull did not repay DW.

Accordingly, based on the conduct described above, Bull willfully violated Section 10(b) of the Securities Exchange Act of and Rule 10b-5 thereunder, FINRA Rule 2020, and FINRA Rule 2010 by making fraudulent misrepresentations to customers and non-customers to induce them to invest funds in Venture Advisory Associates; FINRA Rule 2150(a) and FINRA Rule 2010 by improperly using and converting customer funds; and FINRA Rule 2010 by improperly using and converting non-customer funds.

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

A bar from association with any FINRA member in any capacity.

The sanction imposed herein shall be effective on a date set by FINRA staff.
Pursuant to FINRA Rule 8313(e), 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 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 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.

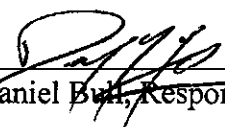
OTHER MATTERS

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 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 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 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 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.

12/01/2011
Date


Daniel Bull, Respondent

Reviewed by:

Stanley W. Greenfield, Esq. by Gayle R. Kraut, Esq.

Stanley W. Greenfield, Esq.
Counsel for Respondent
Greenfield & Kraut, Attorneys at Law
1040 Fifth Avenue
Pittsburgh, PA 15219
Tel: 412-261-4466
Fax: 412-261-4408

Accepted by FINRA:

12-7-11
Date

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

Susan Schroeder
Susan Schroeder
Senior Vice President and Deputy Counsel
FINRA Department of Enforcement
One World Financial Center
200 Liberty Street, 11th Floor
New York, NY 10281-1003
Tel: 646-315-7466
Fax: 202-689-3592