

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2010022805201**

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

RE: Douglas D. Ivan, Respondent
General Securities Representative, General Securities Principal,
Municipal Securities Principal and Investment Banking Limited Representative
CRD No. 2321165

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Douglas D. Ivan, 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

Douglas D. Ivan obtained his General Securities Representative (Series 7) license and General Securities Principal (Series 24) license in 1993, and his Municipal Securities Principal (Series 53) license in 2003. Ivan was registered with FINRA through Halter Financial Securities, Inc., formerly known as WLT Brothers Capital, Inc. (the Firm), as a General Securities Representative, General Securities Principal, and Municipal Securities Representative from May 16, 2008 to May 7, 2010, and as an Investment Banking Limited Representative from April 29, 2010 to May 7, 2010. Ivan is not currently associated with a FINRA member firm. He has no relevant disciplinary history.

OVERVIEW

Ivan converted funds from a corporation that was not a customer of his employer Firm, provided false information and documents to FINRA in his Rule 8210 response, and failed to disclose an outside brokerage account. As a result, he violated FINRA Rules 2010 and 8210 and NASD Conduct Rule 3050(c).

FACTS AND VIOLATIVE CONDUCT

1. Conversion of Non-Customer Funds

In February 2010, Ivan, without the knowledge, consent or authorization of his employer Firm, executed an agreement purportedly on behalf of the Firm, in which a non-customer corporation, CACM, agreed to pay to the Firm a \$35,000.00 refundable deposit in exchange for the Firm agreeing to act as an exclusive placement agent to assist CACM in arranging for \$8 million dollars in debt financing. In connection with this agreement, on or about March 1, 2010, Ivan instructed CACM to wire the \$35,000.00 deposit to a personal brokerage account Ivan controlled at another FINRA member firm. Rather than using the funds as he represented to CACM and in accordance with the terms of the signed agreement, Ivan diverted CACM's funds. On or about March 2, 2010, Ivan wired \$25,000.00 of CACM's deposit to another business entity that was supposedly going to assist CACM with arranging the financing. Ivan used the remaining \$10,000.00 he received from CACM for his personal benefit. The debt financing for CACM never materialized, and CACM did not receive the return of its \$35,000.00 deposit.

By misappropriating \$10,000.00 from CACM for his personal benefit, Ivan violated FINRA Rule 2010.

2. Providing false information and documents to FINRA

On May 25, 2010, FINRA staff sent a letter to Ivan requesting information and documents pursuant to FINRA Rule 8210, in connection with the staff's investigation that Ivan engaged in unauthorized business activities away from his employer Firm.

The staff's Rule 8210 letter requested, among other things, a detailed signed statement from Ivan describing his participation in arranging financing for CACM, and that Ivan respond to specific questions about whether or not he had received any payments for any business activities relating to arranging the

financing. The Rule 8210 letter also requested Ivan to produce documents relating to the business activities described in Ivan's response.

Ivan untruthfully represented in his June 1, 2010 written response sent to the FINRA staff, that he had forwarded the \$35,000.00 from CACM to a business entity assisting with the financing, and that he did not receive any compensation or payments relating to his participation in arranging the financing. Ivan also provided to the FINRA staff, a document purporting to be a March 2010 account statement for his outside brokerage account, which falsely reflected a wire transfer of \$35,000.00 out of his account to a business entity assisting with the arrangement of financing, when in fact, the wire transfer amount out of his account had only been \$25,000.00. This brokerage account statement also had false entries for the figures representing the total amount of checks written and total amount of checking, debit card, and cash withdrawals for March 2010.

By making untruthful statements and providing falsified documents to FINRA staff, Ivan committed separate and distinct violations of FINRA Rules 8210 and 2010.

3. Undisclosed Outside Brokerage Account

Between March 2008 and May 2010, while associated with the Firm, Ivan held a financial interest in a brokerage account maintained at another FINRA member firm without giving prompt written notification to the Firm that he had such an account, and without notifying the other brokerage firm of his association with the Firm. Moreover, in March 2008, on a Firm outside brokerage account new hire certification form, Ivan falsely answered "N/A" on the form, when requested to list every brokerage account over which he had full or partial ownership.

By engaging in the foregoing conduct prior to December 15, 2008, Ivan committed separate and distinct violations of NASD Conduct Rules 3050(c) and 2110. By engaging in this conduct on or after December 15, 2008, Ivan violated NASD Conduct Rule 3050(c) and FINRA Rule 2010.

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

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

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any

FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

The sanctions 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 prejudice 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.

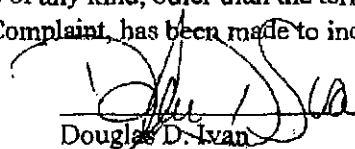
OTHER MATTERS

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.

3/11/11
Date (mm/dd/yyyy)



Douglas D. Ivan

Accepted by FINRA:

3/21/2011
Date

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



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