

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2011026482601**

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

RE: John Charles Guys, Respondent
CRD No. 2199744

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, John Charles Guys ("Guys" or "Respondent") submits 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 him alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent hereby accepts and consents, 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

Respondent first entered the securities industry in December 1991. From January 2003 to November 2010, Guys was registered as an Investment Company Products/Variable Contracts Representative in the Norwalk, Connecticut branch office of Nationwide Securities LLC ("Nationwide" or the "Firm"), a FINRA regulated broker-dealer. He held Series 6 and 63 licenses with Nationwide. From December 6, 2005 to November 1, 2010, Guys was also licensed as an insurance agent, and employed by Nationwide's affiliated insurance entity, Boccarossa Insurance LLC ("Boccarossa Insurance"). On November 1, 2010, Guys voluntarily ended his employment with Nationwide and Boccarossa Insurance. Guys has not been associated with any FINRA regulated broker-dealer since November 1, 2010. FINRA retains jurisdiction over Guys pursuant to Article V, Section 4(a) of the By-Laws because (a) the conduct that serves as the basis for this action commenced prior to his termination of registration from a FINRA regulated broker-dealer and (b) this AWC has been initiated within two years after the effective date of Guys' last termination of registration from a FINRA regulated broker-dealer.

Respondent has no prior disciplinary history.

OVERVIEW

Between August 2009 and September 2010 (the "Relevant Period"), while registered with Nationwide and as an insurance agent with Boccarossa Insurance, Respondent misappropriated approximately \$123,000 by creating and submitting false documents to an insurance premium finance company. Among other things, these fictitious documents falsely stated that customers of Boccarossa Insurance were seeking financing for upfront premium payments to insurance carriers. Respondent converted the funds obtained from the premium financing company and used at least a portion of the funds for personal expenses.

By virtue of this conduct, Guys violated FINRA Rules 2010.

FACTS AND VIOLATIVE CONDUCT

Misappropriation of Funds, Falsification of Documents

During the Relevant Period, as an insurance agent with Boccarossa Insurance, an entity owned by PB, a primary insurance agent, Guys was primarily responsible for Boccarossa Insurance's premium finance operations. Boccarossa Insurance's daily operations included assisting customers in securing financing for their insurance premiums. If a customer did not have the funds for such an insurance payment or desired to finance a payment, Boccarossa Insurance would contact First Insurance Funding Corporation ("First Insurance"), an outside funding institution that provided customers with payment plan options. To request funding for a customer, insurance agents were required to complete and submit to First Insurance a document entitled "Commercial Premium Finance Agreement and Disclosure Statement" (the "Premium Finance Agreement"). Both the insurance agent and the customer were required to sign the Premium Finance Agreement. Upon receiving such an agreement, First Insurance would fund the premium by wiring funds directly to a Boccarossa Insurance bank account. Boccarossa Insurance would then forward the funds directly to the insurance carriers identified in the agreements.

During the Relevant Period, Guys created at least 15 fictitious Premium Finance Agreements and submitted them to First Insurance. Among other things, these fictitious documents falsely stated that particular customers of the Firm were seeking financing in order to obtain insurance coverage of a certain type from various insurance carriers. Guys invented fictitious premium amounts and in some incidents invented fictitious insurance policy numbers for the agreements. In at least some of these agreements, Guys also forged the signatures of the customers who were purportedly seeking the financing and randomly inserted the names of the insurance companies that were purportedly providing the insurance policies.

For example, on or about January 19, 2010, Guys created a fictitious Premium Finance Agreement that stated that Company X (an existing customer of Boccarossa Insurance) was seeking financing for a premium in the amount of \$50,064 to obtain package/shipment insurance from Company A, an insurance carrier. These statements were false.

Upon receiving the fictitious documents that Guys created and submitted, First Insurance wired the requested funds to an account that Boccarossa Insurance maintained at a bank. Guys misappropriated approximately \$123,000 and used at least a portion of the funds received for his personal use.

Guys violated FINRA Rule 2010 by misappropriating funds from First Insurance for personal use.

OTHER FACTORS

B. Respondent also consents to the imposition of the following sanction:

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

Respondent understands that if he is barred or suspended from associating with any FINRA member, Respondent becomes 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, Respondent 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 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

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

A. To have a Complaint issued specifying the allegations against him;

- 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, Respondent specifically and voluntarily waives 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.

Respondent further specifically and voluntarily waives 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

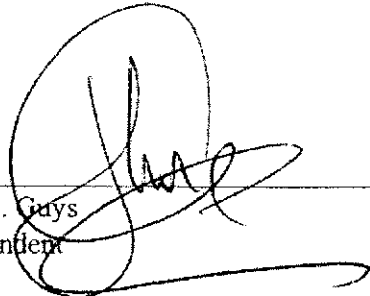
Respondent understands that:

- 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 him; and
- C. If accepted:
 - 1. this AWC will become part of Respondent’s permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against him;

2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Respondent's 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. Respondent 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. He 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 his right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

Respondent certifies that he has read and understands all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that he has 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 him to submit it.

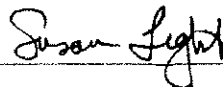
July 3, 2002
Date



John C. Gays
Respondent

Date

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



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