

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20110274084**

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

RE: Daniel John Zigo, Respondent
Registered Representative
CRD No. 2909624

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Daniel John Zigo 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 John Zigo ("Zigo" or "Respondent") entered the securities industry in June 1997 as a registered representative with a FINRA-regulated firm and remained there until June 1999. From June 1999 through June 2004, Zigo was associated with two additional FINRA-regulated firms. On June 30, 2004, Zigo became associated with Genworth Financial Securities Corporation ("Genworth") as a general securities representative. Zigo obtained his Series 7 registration on September 18, 1997. On or about March 29, 2011, Genworth terminated Zigo's employment and filed a Uniform Termination Notice for Securities Industry Registration, which reported that Zigo was terminated for "*Failure to respond to firm requests for information regarding IRS levy.*" While Zigo is not currently associated with any FINRA member, pursuant to Article V, Section 4 of FINRA's By-Laws, FINRA maintains jurisdiction over Zigo until March 29, 2013.

RELEVANT DISCIPLINARY HISTORY

Zigo has no relevant disciplinary history.

OVERVIEW

Between January 2009 and December 2010, while associated with Genworth, Zigo willfully failed to disclose tax liens and judgments totaling \$50,234 on his Uniform Application for Securities Industry Registration ("Form U4").

Accordingly, Zigo violated NASD IM-1000-1 and FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

Article V, Section 2 of FINRA's By-Laws requires that a person applying for registration with FINRA disclose certain information, including whether he has an unsatisfied judgment or lien. At all times, the applicant is required to keep his application current by filing amendments within 30 days of learning of facts that are required to be disclosed.¹

NASD Membership and Registration IM-1000-1 requires registered representatives to fully and accurately disclose information required in the Form U4. FINRA Rule 1122, which replaced NASD IM-1000-1 as of August 17, 2009, likewise forbids registered representatives from filing incomplete or inaccurate registration information on the Form U4.

FINRA Rule 2010 provides that "[a] member, in the conduct of his business, shall observe high standards of commercial honor and just and equitable principles of trade."

The failure to disclose all information required by the Form U4, including unsatisfied judgments or liens, constitutes a violation of NASD IM-1001-1 and FINRA Rules 1122 and 2010.

a. Judgments and Liens Against Zigo

On January 13, 2009, a civil judgment for \$6,689 was filed against Zigo in the Clarkston District Court in Oakland County, Michigan.

On July 21, 2009, the Internal Revenue Service ("IRS") filed a tax lien against Zigo in Michigan State Court for unpaid taxes totaling \$5,995.

¹ See Article V, Section 2(c) of the NASD By-Laws and FINRA By-Laws.

On August 10, 2009, the State of Michigan filed a tax lien against Zigo in Michigan State Court for \$791.

On April 14, 2010, a civil judgment for \$1,210 was filed against Zigo in the Clarkston District Court in Oakland County, Michigan.

On July 9, 2010, a civil judgment for \$18,441 was filed against Zigo in the Clarkston District Court in Oakland County, Michigan.

On September 16, 2010, a civil judgment for \$1,123 was filed against Zigo in the Clarkston District Court in Oakland County, Michigan.

On September 29, 2010, a civil judgment for \$12,388 was filed against Zigo in the Clarkston District Court in Oakland County, Michigan.

On December 16, 2010, a civil judgment for \$3,588 was filed against Zigo in the Clarkston District Court in Oakland County, Michigan.

Question 14M of the Form U4 asks whether any "unsatisfied judgments or liens" exist and requests separate details if there are "multiple, unrelated events". Zigo willfully failed to amend his Form U4 to disclose the six civil judgments and two tax liens described above within 30 days, as required, of learning of the judgments and liens.

By willfully failing to disclose the judgments and liens as required, Zigo violated NASD Rule 2110, NASD IM-1000-1 and FINRA Rules 1122 and 2010.

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

- a four-month suspension from association with any FINRA member in any capacity.

On March 13, 2012, Respondent filed a Chapter 13 bankruptcy petition pursuant to Title 11, United States Code. Accordingly, no monetary sanction is being assessed in this matter.

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).

I also understand that this settlement includes a finding that I willfully omitted to state a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities

Exchange Act of 1934 and Article III, Section 4 of FINRA's By-Laws, this omission makes me subject to a statutory disqualification with respect to association with a member.

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 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.

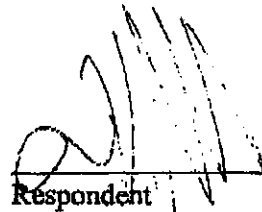
OTHER MATTERS

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.
- 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.

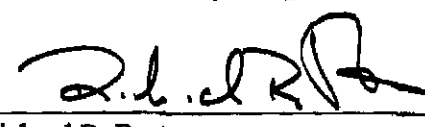
1/2/2013
Date


Respondent
Daniel John Zigo

Accepted by FINRA:

2-4-13
Date

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


Richard R. Best
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FINRA Department of Enforcement
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