

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2011030085101**

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

RE: Daniel P. Deighan, Respondent
General Securities Principal and
General Securities Representative
[CRD No. 1029361]

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Daniel P. Deighan, 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

Deighan entered the securities industry on April 9, 1985, as an Investment Company and Variable Contracts Products Representative of a former FINRA member firm. On January 24, 2007, Deighan became associated with Boogie Investment Group, Inc. and registered with FINRA as a General Securities Principal and General Securities Representative and remained registered in those capacities during all periods mentioned herein. Deighan's association with Boogie ended on September 28, 2011. Although Deighan is not currently associated with a FINRA member firm, he remains subject to the jurisdiction of FINRA until September 27, 2013, pursuant to Article V, Section 4 of FINRA's By-Laws, which provides for a two-year period of retained jurisdiction over formerly registered persons. Deighan has not previously been subject of any formal disciplinary action.

OVERVIEW

Deighan made unsuitable recommendations of private placements in three customer accounts. Deighan overstated the customers' net worth and annual income on new account documents and made recommendations that resulted in an overconcentration of the three customers' net worth in the private placements, in violation of NASD Conduct Rules 2310 and 2110 and FINRA Rule 2010. As president of Boogie Investments, Deighan also failed to timely file amendments to his Uniform Application for Securities Industry Registration or Transfer ("Form U4"), by failing to disclose reportable events within 30 days of learning of the facts or circumstances giving rise to the required amendments, in violation of FINRA By-Laws Article V, Section 2(e), NASD Rule 2110 and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

1. From June 9, 2006 through July 17, 2009, Deighan, while registered with Boogie Investment Group, recommended and effected the sale of high risk private placements to customers DE, JS, and DK and SK, without a reasonable basis to believe that the transactions were suitable given the financial circumstances and condition of the customers.

Customers DK and SK

At the time of the transactions, DK and SK were retired, and 56 and 59 years old, respectively. During the period from June 9, 2006 through July 23, 2008, Deighan recommended that DK and SK invest \$1,097,700 in sixteen private placements. Deighan overstated their net worth and annual income on their new account documents. Deighan's recommendations resulted in approximately 61% of their liquid net worth being invested in those private placements. The concentration level compounded the risk of these already high risk investments. Given the concentration levels of the investments in private placements, Deighan had no reasonable basis for recommending that DK and SK invest a total of \$1,097,700 in the sixteen private placements.

Customer JS

At the time of the transactions, JS was single, retired and 58 years old. During the period from August 10, 2007 through August 21, 2008, Deighan recommended that JS invest \$390,000 in eight private placements. Deighan overstated JS's net worth and annual income on her new account documents. JS's actual liquid net worth did not qualify her as an accredited investor. Deighan's recommendations resulted in approximately 92% of her investment account being invested in those private placements. The concentration level compounded the risk of these already high risk investments. Given JS's unaccredited status and the concentration levels of the investments in private placements, Deighan had no reasonable basis for

recommending that JS invest a total of \$390,000 in the eight private placements.

Customer DE

At the time of the transactions, DE was a single mother, 49 years old with two school-aged children. During the period from April 11, 2008 through July 17, 2009, Deighan recommended that DE invest \$291,000 in ten private placements. Deighan overstated DE's net worth and annual income on her new account documents. DE's actual liquid net worth did not qualify her as an accredited investor. Deighan's recommendations resulted in approximately 97% of her investment account being invested in those private placements. The concentration level compounded the risk of these already high risk investments. Given DE's unaccredited status and the concentration levels of the investment in private placements, Deighan had no reasonable basis for recommending that DE invest a total of \$291,000 in the ten private placements.

As a result of the foregoing conduct, Respondent Deighan violated NASD Rule 2310 and NASD Rule 2110 (from June 9, 2006 through December 14, 2008) and FINRA Rule 2010 (from December 15, 2008 through July 17, 2009).

2. From November 25, 2009 through April 8, 2011, as president of Boogie Investments, Deighan failed on eight occasions to timely amend his Form U4 to disclose reportable events. The amendments were made between four and 161 days late, in violation of FINRA By-Laws Article V, Section 2(c) and FINRA Rule 2010.

As a result of the foregoing conduct, Respondent Deighan violated FINRA By-Laws Article V, Section 2(c) and FINRA Rule 2010.

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

A seven-month suspension in all capacities from any FINRA member firm and a \$27,500 fine.

The fine shall be due and payable either immediately upon reassociation with a member firm following the seven-month suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

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: (i) testimonial obligations; or (ii) 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.

6/14/13
Date (mm/dd/yyyy)

Daniel P. Deighan
Daniel P. Deighan, Respondent

Reviewed by:

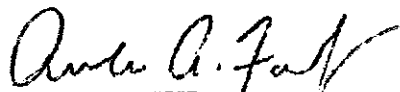
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Accepted by FINRA:

July 11, 2013

Date

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



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