

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20120337219**

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

RE: Daniel P. Johnson, Respondent
Former General Securities Representative
CRD No. 5416012

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Daniel P. Johnson ("Johnson") 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. Johnson 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

In or around October 2007, Johnson first became registered with FINRA as a General Securities Representative ("GSR") through an association with a regulated broker-dealer. In May 2009, Johnson became employed as a GSR with Money Concepts Capital Corp. ("Money Concepts") (BD No. 12963). In June 2011, Johnson became employed as a GSR with Merrill Lynch, Pierce, Fenner & Smith Inc. ("Merrill Lynch") (BD No. 7691). Merrill Lynch terminated Johnson's employment on July 20, 2012.

From November 2012 through November 8, 2013, Johnson was registered as a GSR through an association with a FINRA-regulated broker-dealer. Johnson is not currently associated with any FINRA-regulated broker-dealer. Johnson remains subject to FINRA's jurisdiction pursuant to FINRA's Bylaws, Article V, Section 4.

RELEVANT DISCIPLINARY HISTORY

Johnson has no relevant disciplinary history with the Securities and Exchange Commission, any state securities regulatory, FINRA, or any other self-regulatory body.

OVERVIEW

As set forth more fully below, Johnson engaged in outside business activities by serving as Owner-Manager of WG and Chief Executive Officer (“CEO”) of QWM without providing prompt written notice to Money Concepts. In addition, Johnson failed to promptly disclose to Merrill Lynch his continuous affiliation with WG. Accordingly, Johnson violated NASD Rule 3030 and FINRA Rules 3270 and 2010.¹

FACTS AND VIOLATIVE CONDUCT

Prior to entering the securities industry in 2007, Johnson established WG, a management consulting company, in the State of Florida in 2004. Johnson had a 50% ownership interest in WG and acted as its Owner-Manager. Through WG, Johnson served as an independent contractor for several companies, including with FGC, an “angel investor group.” Johnson received a finder’s fee from FGC and other such companies when he successfully introduced potential investors to community members seeking financing for various projects.

When Johnson entered the securities industry in 2007, he disclosed to his FINRA-regulated broker-dealer employer his previous compensation and residual commissions by WG. However, when he secured employment with Money Concepts in July 2009, Johnson did not disclose, in writing or otherwise, his outside business activity with WG. Furthermore, approximately one month after he began working at Money Concepts, Johnson established QWM, a company through which he performed insurance and business consulting as its CEO. Johnson did not disclose, in writing or otherwise, his involvement with QWM to Money Concepts.

Thereafter, when Johnson secured employment with Merrill Lynch in June 2011, he failed to provide prompt written notice that he continued to serve as Owner-Manager of WG.² Approximately one year later, Johnson was informed by a FGC principal that FGC may be coming into funds that would enable it to make a project management payment to Johnson for his previous consulting work, prompting Johnson to disclose WG as an outside business activity to Merrill Lynch on July 11, 2012. Following a prompt investigation, Merrill Lynch

¹ NASD Rule 3030 applies to all conduct on or before December 14, 2010 and FINRA Rule 3270 applies to conduct on or subsequent to December 15, 2010.

² On or about the time he became employed by Merrill Lynch, Johnson ceased doing business through QWM, which he reported to Merrill Lynch.

terminated Johnson's employment on July 20, 2012, for failing to promptly disclose WG as an outside business activity.

By engaging in the above-referenced outside business activities without providing written notice to Money Concepts and Merrill Lynch, Johnson violated NASD Rule 3030 and FINRA Rules 3270 and 2010.

SANCTIONS

B. Johnson also consents to the imposition of the following sanctions:

1. A 30-day suspension from association with any FINRA member firm in any capacity; and
2. A deferred fine in the amount of \$5,000.

The fine shall be due and payable either immediately upon reassociation with a member firm following the one-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.

Johnson specifically and voluntarily waives any right to claim that he is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

Johnson understands that if he is barred or suspended from associating with any FINRA member, he 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, Johnson 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).

II.

WAIVER OF PROCEDURAL RIGHTS

Johnson 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, Johnson 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.

Johnson 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

Johnson understands that:

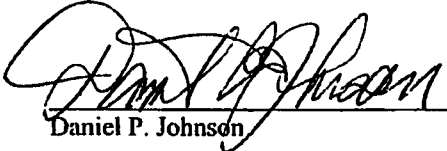
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against him; and
- C. If accepted:
 - 1. This AWC will become part of his 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 his 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. He 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. Johnson 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: (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. Johnson may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Johnson understands that he 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.

Johnson certifies that he has read and understands all of the provisions of this AWC and has 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.

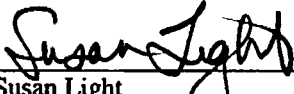
11/15/2013
Date


Daniel P. Johnson

Accepted by FINRA:

12/6/13
Date

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


Susan Light
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