

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013039647901**

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

RE: Daniel Harutunian, Respondent
Former Registered Representative
CRD No. 2481103

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I 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 Harutunian ("Harutunian") first entered the securities industry in April 1994. Harutunian obtained his Series 6 license in May 1994. He subsequently obtained Series 7, 24 and 63 licenses. Harutunian registered with NPB Financial Group, LLC ("NPB" or the "Firm") in February 2008. His registration with NPB was terminated in February 2015. Harutunian is not currently registered with a member firm.

Although Harutunian is no longer associated with a FINRA member firm, FINRA retains jurisdiction over him pursuant to Article V, Section 4 of the FINRA By-Laws.

OVERVIEW

During the period 2011-2014, Harutunian failed to timely amend his Form U4 to disclose two IRS tax liens; filed a misleading Form U4; and, also engaged in an outside business activity without providing prior written notice to the Firm. As a result, Harutunian willfully violated Article V, Section 2(c) of FINRA's By-Laws and violated FINRA Rules 1122, 3270, and 2010.

FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of the FINRA By-Laws requires registered persons to keep their Form U4 "current at all times," and amendments to the Form U4 must be filed within 30 days after learning of the facts and circumstances giving rise to the amendment. FINRA Rule 1122 requires registered persons to maintain a Form U4 that is complete and accurate. FINRA Rule 2010 requires a member, in the conduct of its business, to observe high standards of commercial honor and just and equitable principles of trade.

In August 2011 and then in December 2013, the IRS filed tax liens against Harutunian that remained unsatisfied for more than 30 days. Harutunian, however, failed to timely amend his Form U4 to disclose either lien. In addition, in August 2012, Harutunian filed a Form U4 in which he answered "no" to the question: "Do you have any unsatisfied judgments or liens against you?" even though the August 2011 lien had not been satisfied. In February 2014, after FINRA inquired about the liens, he amended his Form U4 to disclose for the first time that he was the subject of an IRS tax lien, but only disclosed one of the two unsatisfied liens and also inaccurately stated the amount owed to the IRS.

By failing to timely amend Form U4 to disclose the two IRS tax liens and filing misleading and inaccurate Forms U4, Harutunian willfully violated Article V, Section 2(c) of FINRA's By-Laws and FINRA Rules 1122 and 2010.

FINRA Rule 3270 requires a registered person to provide his employer prior written notice of outside business activities. In March 2013, Harutunian became a member of a limited liability company ("LLC") engaged in brand development and marketing. Thereafter, he was actively involved in the business of the LLC and was compensated by the LLC for his services. Harutunian, however, failed to provide timely notice to NPB and also failed disclose these activities when NPB specifically asked him to describe his outside business activities during a December 2013 branch office review. In February 2014, in response to a FINRA inquiry, he disclosed his activities in the outside business activity to his Firm for the first time.

By failing to provide prior written notice of his involvement in the LLC to his Firm, Harutunian violated FINRA Rules 3270 and 2010.

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

1. A five-month suspension from associating with any FINRA member firm in any capacity; and
2. A \$10,000 fine.

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

I understand that if I am 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 function, during the period of the suspension (*see* FINRA Rules 8310 and 8311).

I understand that this settlement includes a finding that I willfully omitted to state material facts 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, these omissions make 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 Chief Legal Officer, 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:

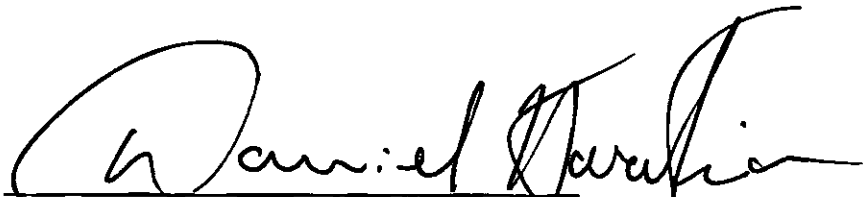
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will 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 accordance with FINRA Rule 8313;

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.

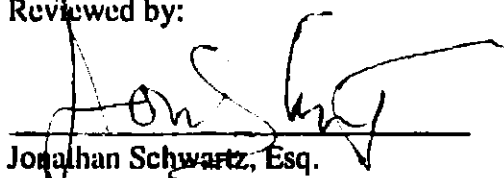
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute 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.

Sept 7, 2015
Date (mm/dd/yyyy)


Daniel Harutunian, Respondent

Reviewed by:

A handwritten signature in black ink, appearing to read "Jonathan Schwartz", is written over a horizontal line.

Jonathan Schwartz, Esq.
Counsel for Respondent
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Accepted by FINRA:

September 28, 2015
Date

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



David L. Fenimore
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