

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014041988001**

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

RE: Daniel David Hillius, Respondent
Former Registered Representative
CRD No. 6252277

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 Hillius was associated as an Investment Company Products and Variable Contracts Representative with Wells Fargo Advisors, LLC ("Wells Fargo Advisors" or the "firm") from October 2013 until the firm terminated his registration on July 18, 2014. While associated with Wells Fargo Advisors, Hillius was also employed by the firm's bank affiliate, Wells Fargo Bank. Hillius is not currently associated with a FINRA member firm, but he remains subject to FINRA's jurisdiction pursuant to Article V, Section 4(a) of FINRA's By-Laws of the Corporation.

OVERVIEW

In December 2013, Hillius, as an employee of Wells Fargo Bank, opened a bank account in another person's name and funded the account with a forged and misappropriated check in the amount of \$922.84. Hillius thereafter used two Wells Fargo Bank debit ATM cards associated with this bank account to withdraw the funds for his personal benefit. By misappropriating and forging

another person's check and converting the funds for his personal benefit, Hillius violated FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

In December 2013, a courtesy check for an account held by PS and AS was delivered to Hillius' residence.¹ Using the courtesy check intended for PS and AS, Hillius forged the check to make it payable to a third individual, JZ, in the amount of \$922.84. Hillius, in his role as a Wells Fargo Bank employee, then opened a bank account at Wells Fargo Bank in the name of JZ and funded the account using the forged courtesy check from PS's and AS's account. Hillius then obtained two ATM debit cards associated with the JZ bank account, established the PIN numbers for these cards, and used the cards at an ATM to withdraw at least \$900 from the account for his personal benefit.

In October 2014, the State of Idaho filed a four-count felony criminal information against Hillius charging him with Grand Theft, in violation of Idaho Code Section 18-2403(1) and 18-2407(1)(b) (Count I), Forgery of a Financial Transaction Card, in violation of Idaho Code Section 18-3123 (Count II), Criminal Possession of a Financial Transaction Card, in violation of Idaho Code Section 18-3125 (Count III), and Forgery, in violation of Idaho Code Section 18-3601 (Count IV). On January 20, 2015, as a result of his conversion of bank funds, Hillius pled guilty to Count III of the information. The plea agreement provides for a sentence of two and a half years of probation and requires Hillius to make restitution of the \$922.84 he converted.

FINRA Rule 2010 requires that a registered representative, in the conduct of his business, shall observe high standards of commercial honor and just and equitable principles of trade. Forgery and conversion are inconsistent with high standards of commercial honor and just and equitable principles of trade and violate FINRA Rule 2010. As described above, Hillius converted \$922.84 by misappropriating and forging a check he deposited in a bank account he established in another's name and by withdrawing funds from the account for his own use. By misappropriating and forging the check and converting funds to his personal use, Hillius violated FINRA Rule 2010.

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

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

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

¹ PS and AS were former residents of Hillius' residence.

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 sanctions 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

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:

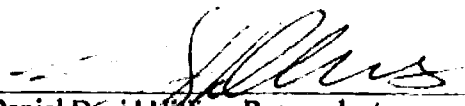
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of

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.

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.

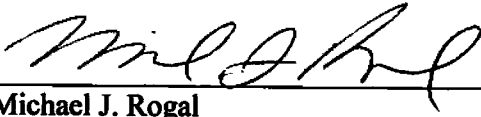
03/13/2015
Date (mm/dd/yyyy)


Daniel David Hillius, Respondent

Accepted by FINRA:

3/27/15
Date

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



Michael J. Rogal
Senior Counsel
FINRA Department of Enforcement
15200 Omega Drive
3rd Floor
Rockville, MD 20850-3241