

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014042807501**

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

RE: Marco Antonio Daniel, a.k.a. Tony Daniel, Respondent
Investment Company Products/Variable Contracts Principal
CRD No. 4974945

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Marco Antonio Daniel ("Daniel"), 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 entered the securities industry in October 2002 when he became associated with PFS Investments Inc. ("PFS or the "Firm") and was registered as an Investment Company Products/Variable Contracts Representative ("IR") on October 6, 2005. On June 7, 2010, Daniel also became registered as an Investment Company Products/Variable Contracts Principal ("IP"). Daniel continues to be registered with FINRA in those capacities through an association with PFS.

RELEVANT DISCIPLINARY HISTORY

Daniel has no disciplinary history with FINRA, the Securities and Exchange Commission, any other self-regulatory organization or any state securities regulator.

OVERVIEW

Between August 2009 and May 2010 (the "Relevant Period"), while associated with a FINRA member, Daniel borrowed a total of \$19,015 from a customer of his member firm in violation of NASD Rule 2370 and FINRA Rule 2010. Further, between August 2009 and June 2010, Daniel engaged in an outside business activity without providing any notice to his member firm, in violation of NASD Rule 3030 and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

Customer Loans

NASD Rule 2370 prohibits associated persons from borrowing money from a customer except in narrowly defined circumstances and where the member firm has written procedures allowing borrowing from a customer. In any lending arrangement, the member firm must pre-approve, in writing, the lending arrangement.

During the Relevant Period, the Firm's written policies and procedures prohibited lending arrangements between associated persons and customers under any circumstances. On November 28, 2008, Daniel certified on the Firm's annual compliance questionnaire that he had read and understood the Firm's policies and procedures. However, during the Relevant Period, Daniel accepted ten loans totaling \$19,015 from a customer of the firm. Those loans were not repaid until 2015, after the customer complained to the Firm.

Daniel did not disclose the loans to the Firm or receive the Firm's approval. On November 9, 2010, after accepting the loans, Daniel inaccurately certified to the Firm on an annual compliance questionnaire that he had not borrowed money from any customer.

In view of the foregoing, Daniel violated NASD Rule 2370 and FINRA Rule 2010.

Outside Business Activities

NASD Rule 3030 provides that no person registered with a member "shall be employed by, or accept compensation from, any other person as a result of any business activity...outside the scope of his relationship with his employer firm, unless he has provided prompt written notice to the member."

Between August 2009 and June 2010, Daniel purchased pre-owned automobiles at a dealer auction with the intent to resell the automobiles for profit. Daniel used some of the funds he borrowed from the customer to engage in this activity. During this time period, Daniel purchased approximately ten automobiles that he

repaired and resold privately. Daniel engaged in this outside business activity without providing written notice to PFS.

In view of the foregoing, Daniel violated NASD Rule 3030 and FINRA Rule 2010.

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

- a four-month suspension from association with any FINRA member 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 FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

Respondent has submitted a sworn financial statement and demonstrated an inability to pay. In light of the financial status of Respondent, no monetary sanctions have been imposed.

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.

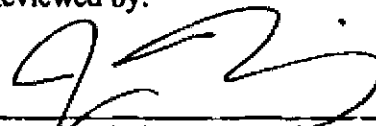
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute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

12/3/2015
Date


Marco Antonio Daniel - Respondent

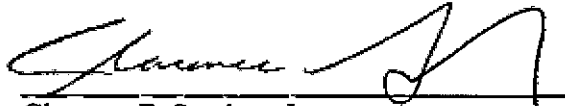
Reviewed by:


Jason R. Lindsay, Esq.
Counsel for Respondent
Greenberg Traurig, LLP
1840 Century Park East, Suite 1900
Los Angeles, CA 90067-2121
(T) 310.586.3861

Accepted by FINRA:

01/08/16
Date

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

A handwritten signature in black ink, appearing to read "Clarence Sanders, Jr.", written over a horizontal line.

Clarence E. Sanders, Jr.
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