

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013036782802**

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

RE: William Edward Hogan II, Respondent
General Securities Principal
General Securities Representative
Limited Representative - Investment Banking
Operations Professional
CRD No. 4573091

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent William Edward Hogan II 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 Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

A. Respondent 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

Respondent William Edward Hogan II has been associated with FINRA member The Hogan Company (CRD No. 122399) since April 24, 2001. He is registered through the firm in the following capacities: 1) General Securities Principal and General Securities Representative (1/22/03-present); 2) Limited Representative - Investment Banking (12/18/09-present); and 3) Operations Professional (11/28/11-present). He is the sole registered representative of The Hogan Company and its Chairman of the Board, Chief Executive Officer, Chief Compliance Officer, and Chief Operating Officer, among other things. He has not been associated with another FINRA member firm. He has no disciplinary history.

OVERVIEW

Respondent failed to provide documents and information and to appear for testimony in response to several Rule 8210 request letters issued by FINRA staff. The staff issued these requests in connection with two separate matters: a cycle examination of The Hogan Company;

and an investigation concerning the distribution of investor funds from an investment group (the "Investment Group") of which Respondent served as the Chief Manager. As a result of Respondent's failure to provide documents and information, and to appear for testimony, Respondent violated FINRA Rules 8210 and 2010, and is barred from association with any FINRA member.

FACTS AND VIOLATIVE CONDUCT

1. Background

a. The Cycle Examination and the First Rule 9552 Proceeding

In March 2013, FINRA staff commenced a cycle examination of The Hogan Company. The staff issued a series of Rule 8210 request letters to Respondent and the firm, to which Respondent and the firm provided an incomplete response. As a result, on April 30, 2013, FINRA staff initiated a Rule 9552 proceeding against Respondent and the firm. The Rule 9552 notice issued to Respondent and the firm stated that they would be suspended on May 24, 2013, if they failed to provide all of the information requested by the staff. Respondent and the firm did not produce the balance of the information requested until just prior to and on the suspension date.

b. The Investment Group Investigation

In May 2013, FINRA staff commenced an investigation concerning the Investment Group. During the period covered by the staff's investigation, Respondent served as the Chief Manager of the Investment Group. The purpose of the investigation was to determine, among other things, the use of investor proceeds from the Investment Group. This included a request that Respondent provide an explanation of the source of deposits made into the bank account for the Investment Group and the basis for and the calculation of certain disbursements from the Investment Group's bank account to investors and others, including Respondent.

2. The Rule 8210 Requests and the Second Rule 9552 Proceeding

On May 20, 2013, the staff issued a Rule 8210 letter to Respondent, requesting that he appear for testimony in the Investment Group investigation. Respondent did not appear on the date scheduled for his testimony. In response to another letter rescheduling Respondent's appearance, through counsel, Respondent informed the staff that he would not appear for testimony.

On May 31, 2013, the staff issued a Rule 8210 letter to Respondent, requesting documents and information related to the cycle examination and the Investment Group investigation. Respondent did not respond to the May 31 letter or to a follow-up Rule 8210 letter. Through counsel, Respondent informed the staff that he would not provide the requested information.

On June 4, 2013, the staff issued another Rule 8210 letter to Respondent, requesting additional documents and information in the Investment Group investigation. Respondent did not respond to the June 4 letter or to a follow-up Rule 8210 letter. Through counsel, Respondent informed the staff that he would not provide the requested information.

As a result of Respondent's failure to provide documents and information and to appear for testimony in response to the request letters detailed above, Respondent violated FINRA Rules 8210 and 2010.

On June 24, 2013, FINRA staff initiated a second Rule 9552 proceeding against Respondent, based on his failure to respond to the Rule 8210 requests for documents, information, and testimony described in this section.

B. Respondent also consents to the imposition of the following sanction: A bar from association with any FINRA member in any capacity.

Respondent 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 Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, Respondent 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).

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

Respondent 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, Respondent 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.

Respondent 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

Respondent 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. He 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.

Respondent 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.

8/20/2013
Date (mm/dd/yyyy)

William Edward Hogan II
William Edward Hogan II
Respondent

Reviewed by:

James L. Volling
James L. Volling, Esq.
Counsel for Respondent
Faegre Baker Daniels LLP
2200 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402-3901
(612) 766-7758
James.Volling@FaegreBD.com

Accepted by FINRA:

8/21/13
Date

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

Sandra J. Harris
Sandra J. Harris
Senior Director, Policy & Expedited Proceedings
FINRA Department of Enforcement
300 South Grand Avenue, 16th Floor
Los Angeles, CA 90071
(213) 613-2601; (213) 617-1570 (fax)
Sandra.Harris@finra.org