



## State Securities Board

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KENNETH W. ANDERSON, JR.  
MEMBER

### SSB Docket No. 01-01

IN THE MATTER OF THE  
AGENT REGISTRATION  
OF DANIEL REGAN ANDERSON

§  
§  
§

Order No. CAF-1414

TO: Mr. Daniel Regan Anderson (CRD# 2801593)  
1200 Fuller Wiser Rd. #1422  
Eules, Texas 76039

### DISCIPLINARY ORDER REPRIMANDING AN AGENT

Be it remembered that Daniel Regan Anderson ("Respondent"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and, without admitting or denying the Findings of Fact and Conclusions of Law contained herein, except Findings of Fact one through five which are admitted.

#### FINDINGS OF FACT

1. Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to Respondent by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2000) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2000) ("Administrative Procedure Act").
2. Williams Financial Group, Inc. (BD# 22704) is currently registered with the Securities Commissioner as a general dealer and investment adviser.
3. Williams Financial Group, Inc. has a branch office located at 1845 Precinct Line Road, Suite 106, Hurst, Texas. This location had previously been the subject of an Enforcement Action by the Securities Commissioner while registered as a branch office of another securities dealer.
4. Williams Financial Group, Inc. entered into an Undertaking with the Securities Commissioner as a condition of registration of the branch office.

5. Respondent was registered with the Securities Commissioner as an agent of Williams Financial Group, Inc. and was responsible for supervision of the branch office located at 1845 Precinct Line Road, Suite 106, Hurst, Texas on behalf of Williams Financial Group, Inc.
6. During the week of July 17, 2000, the Staff of the State Securities Board conducted an inspection of this branch office location. As a result of this inspection, the Staff discovered that this branch office violated the firm's internal compliance procedure, violated provisions of the Texas Securities Act, the Rules and Regulations of the State Securities Board, NASD Code Conduct Rules and the Undertaking entered into as a condition of registration of this branch.
7. Williams Financial Group, Inc. through Respondent permitted agents in this branch office to send out correspondence that contained projections on the returns of certain types of mutual funds which were misleading in that they failed to contain the basis for the projections. Such projections also violated the requirement under the federal securities laws, NASD Code Conduct Rules and the anti-fraud provisions of the Texas Securities Act. This misleading correspondence constitutes a violation of Section 14.A(3) of the Texas Securities Act.
8. Williams Financial Group, Inc. through Respondent failed to maintain accurate records as required by Rule 115.5(a)(1)(A) of the Rules and Regulations of the State Securities Board. The failure to comply with this rule by the branch office caused Williams Financial Group, Inc. and Respondent to violate Section 14.A(6) of the Texas Securities Act.
9. Williams Financial Group, Inc. through Respondent allowed the branch office to operate under an assumed name and failed through its agents to clearly disclose and/or communicate to potential clients that all securities transactions were executed as an agent of Williams Financial Group, Inc. The foregoing constituted an inequitable practice in the sale of securities in violation of Section 14.A(3) of the Texas Securities Act.
10. Williams Financial Group, Inc. through Respondent failed to establish an adequate supervisory structure designed to reasonably enforce Williams Financial Group, Inc.'s own internal compliance rules, The Securities Act and the Rules and Regulations of the State Securities Board. The failure to enforce Williams Financial Group, Inc.'s internal compliance procedures is a violation of Section 14.A(3) of the Texas Securities Act.
11. Williams Financial Group, Inc. and Respondent have cooperated with the investigation of the Staff and Williams Financial Group, Inc. voluntarily implemented corrective actions in several areas noted by the Staff throughout the investigation.

CONCLUSIONS OF LAW

- 1 Pursuant to Section 14.A(3) and (6) of the Texas Securities Act, the foregoing violations constitute a basis for the issuance of an order reprimanding an agent.
- 2 Pursuant to Section 23-1 of the Texas Securities Act, the foregoing violations constitute a basis for the issuance of an order assessing an administrative fine against an agent.

ORDER

1. It is therefore ORDERED that Respondent is hereby REPRIMANDED.
2. It is further ORDERED that Respondent is hereby ASSESSED AN ADMINISTRATIVE FINE in the amount of Two Thousand Five Hundred Dollars (\$ 2,500.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Two Thousand Five Hundred Dollars (\$2,500.00), payable to the State of Texas, contemporaneously with the delivery of this Order.

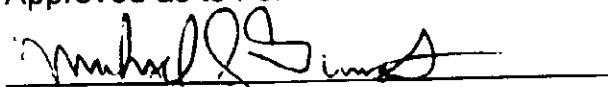
SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 25<sup>th</sup> day  
of January, 2001.

  
DENISE VOIGT CRAWFORD  
Securities Commissioner

Respondent:

  
\_\_\_\_\_  
Daniel Regan Anderson

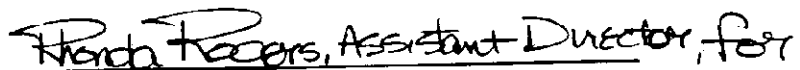
Approved as to Form:



Michael S. Gunst

Director

Dealer Registration Division



David Grauer

Director

Enforcement Division

**ACKNOWLEDGMENT**

On the 25<sup>th</sup> day of January, 2000, Daniel Regan Anderson(Respondent), personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent has read the foregoing Order;
2. Respondent has been fully advised of Respondent's rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order without admitting or denying the Findings of Fact and Conclusions of Law contained herein, except Findings of Fact one through five which are admitted; and,
4. Respondent, by consenting to the entry of the foregoing Order has knowingly and voluntarily waived Respondent's rights as set forth therein.

Jennifer E. DeLuca  
Notary Public in and for  
the State of Texas

[affix notary seal here]

My commission expires on: Feb. 02, 2004

