

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 86962 / September 13, 2019

INVESTMENT ADVISERS ACT OF 1940
Release No. 5342 / September 13, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19445

In the Matter of

DANIEL T. LEVINE,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Daniel T. Levine (“Levine” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that

1. Between June 2013 and July 2018, Levine was associated with a registered broker-dealer and investment adviser. Levine, age 48, is a resident of Englewood, Colorado.
2. On March 5, 2019, the Colorado Securities Commissioner, in In the Matter of Daniel T. Levine, Consent Order No. 2019-CDS-003, entered a final order against Levine permanently revoking his sales representative and investment adviser representative licenses, which bars Levine from associating with any broker-dealer or investment adviser in Colorado.
3. The state level sanction was entered by consent to resolve allegations made against Levine by the Colorado Division of Securities ("CDS"). According to a Stipulation for Consent Order filed by the CDS on March 3, 2019, the CDS alleges that, between December 2017 and February 2018, Levine, among other things: offered to his brokerage and investment advisory clients an investment scheme involving his brother related to an over-the-counter sale of discounted bitcoin; failed to disclose his brother's criminal history to his clients, including but not limited to the fact that his brother has been living outside the United States as a fugitive since at least 2005; failed to perform sufficient due diligence on the ownership of the bitcoin; failed to develop and implement a secure procedure for the transfer of funds and bitcoin, such that his brother was able to abscond with approximately \$1.5 million in funds, though a number of investors were fully refunded their principle investment by Levine; failed to adequately disclose to investors the high risk of transacting with an unknown third party seller without a secure procedure for the transfer of funds or bitcoin; and failed to provide written notice to his registered broker-dealer and investment adviser employer that he was engaged in a business activity outside of the scope of his employment for which he was or expected to be compensated.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Levine's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Levine be, and hereby is:

barred from association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Vanessa A. Countryman
Secretary