

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 90921 / January 14, 2021**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-20203**

**In the Matter of**

**DANIEL J. MERRIMAN,**

**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 15(b) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934,**  
**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”) against Daniel J. Merriman (“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 paragraph 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, 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. Merriman from at least 2016 participated in two inter-related fraudulent schemes in the form of a high-yield currency trading program and a fraudulent scheme to sell unregistered shares of ConTXT, Inc. (“ConTXT”) stock. Merriman purported to have an algorithm capable of

generating excessive returns when in fact his algorithm only lost investor funds. Merriman also remained an undisclosed principal of ConTXT due to his criminal history and engaged in the sale of their unregistered securities. Merriman, 50 years old, is a resident of Kaysville, Utah.

2. On January 13, 2021, a final judgment was entered by consent against Merriman, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (“Securities Act”), Sections 15(a) and 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Merriman, et al., Civil Action Number 2:21-cv-00013-RJS, in the United States District Court, District of Utah, Central Division.

3. The Commission’s complaint alleged that, in connection with the sale of the foreign currency trading program and the sale of ConTXT common stock, Merriman misused and misappropriated investor funds, falsely stated to investors that their funds were invested, reported to investors that his algorithm successfully earned excessive returns, and otherwise engaged in a variety of conduct which operated as a fraud and deceit on investors. The complaint also alleged that Merriman sold unregistered securities. Finally, the Commission’s complaint alleged that Merriman acted as an unregistered broker. Merriman engaged in all aspects of the distribution of ConTXT stock including, soliciting investors, negotiating prices, receiving transaction based compensation, and handling customer funds.

#### IV.

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

Accordingly, it is hereby ORDERED, pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Merriman be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Merriman be, and hereby is 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, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) 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 (e) 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