

FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS

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REGISTERED & DISCLOSURE

Department of Enforcement,

Complainant,

v.

Dean Allen Raber
CRD No. 2214667,

Respondent.

DISCIPLINARY PROCEEDING
NO. 2008016254501

HEARING OFFICER - _____

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Between April 2007 and November 2007, Dean Allen Raber ("Raber" or "Respondent") misappropriated approximately \$44,000 that had been entrusted to him by an individual, who was not his customer or a customer of his member firm employer, for the purpose of making investments on her behalf in violation of NASD Rule 2110. In addition, Raber misappropriated approximately \$10,000 that had been entrusted to him by a customer for the purpose of making an investment on her behalf in violation of NASD Rules 2330(a) and 2110. Raber also failed to respond to FINRA's Rule 8210 requests for information and documents in this matter in violation of FINRA Rules 8210 and 2010.

JURISDICTION

2. Raber became employed at Primerica Financial Services Inc. ("Primerica") in March 1985 as an insurance salesperson. Raber was registered with FINRA at Primerica's

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broker-dealer affiliate, PFS Investments, Inc. ("PFS" or the "Firm") in July 1992, as an Investment Company and Variable Contracts Products Representative (Series 6).

3. In May 2003, Raber was approved as an Investment Company and Variable Contracts Products Principal (S26) while at PFS.

4. Raber remained dually employed by Primerica and the Firm until he was terminated by PFS on January 13, 2009.

5. Respondent is no longer associated with a FINRA member.

6. FINRA retains jurisdiction over Respondent pursuant to Article V, Section 4 of the FINRA By-Laws.

FIRST CAUSE OF ACTION
(CONVERSION – NASD RULE 2110)

7. The Department re-alleges and incorporates by reference paragraphs 1 through 6 above.

8. During all relevant times, AB was a member of the public and a personal acquaintance of the Respondent.

9. Early in 2007, AB began discussing the possibility of investing money with Respondent.

10. AB informed Respondent that she was planning to use funds from the sale of her small business to build a garage on her property in the coming months.

11. Respondent persuaded AB to give him the funds so that he could invest them for her on a short-term basis until she was ready to build the garage.

12. On April 12, 2007, at Respondent's instruction, AB issued four personal checks payable to Respondent personally, which Respondent represented he would invest for AB. Three of these checks were drawn in the amount of \$9,000, and the fourth check was drawn in the amount of \$3,000.

13. Respondent did not open an investment account for AB and did not make any investment on behalf of AB, using the \$30,000 payment that AB had given to Respondent for investment.

14. Instead, without AB's knowledge or consent, Respondent negotiated the checks that AB had given to him and kept the funds for Respondent's own uses and purposes.

15. In early 2007, AB also began to discuss with Respondent the idea of establishing a personal retirement account.

16. Respondent told AB that he could get her more for her money than she was then earning on an individual retirement account ("IRA") she had with her credit union.

17. Around April 2007, Respondent met with AB and showed her various brochures advertising IRAs. Respondent gave AB one of the pamphlets that described certain IRAs and encouraged AB to think about opening an IRA through Respondent.

18. On or about May 23, 2007, AB issued a personal check payable to Respondent in the amount of \$14,000, which Respondent represented he would use to open an IRA account for AB.

19. Respondent did not open an IRA account and did not make any other investment on behalf of AB, using the \$14,000 payment that AB had given to Respondent for investment.

20. Instead, without AB's knowledge or consent, Respondent negotiated the \$14,000 check that AB had given to him and kept the funds for Respondent's own uses and purposes.

21. In September 2007, AB requested that Respondent return the money she had given him so that she could pay for the garage she was building.

22. Respondent admitted to AB that he had deposited her money in his own personal account and never opened any account for AB.

23. Respondent never returned any of the \$44,000 given to him by AB.

24. Accordingly, Respondent violated NASD Rule 2110.

SECOND CAUSE OF ACTION

(MISUSE OF CUSTOMER FUNDS – NASD RULES 2330(a) and 2110)

25. The Department re-alleges and incorporates by reference paragraphs 1 through 24 above.

26. During all relevant times, BB was a member of the public and a customer of the Firm.

27. BB had purchased a variable annuity through the Respondent at PFS during 2007 in the amount of \$65,000.

28. In November 2007, BB agreed to give Respondent an additional \$10,000 for a new investment.

29. On or about November 17, 2007, BB issued two personal checks payable to Respondent in the amounts of \$6,000 and \$4,000, which Respondent represented he would invest for BB.

30. Respondent did not make any investment on behalf of BB using the \$10,000 payment that BB had given to Respondent for investment.

31. Instead, without BB's knowledge or consent, Respondent negotiated the two checks that BB had given to him and kept the funds for Respondent's own uses and purposes.

32. Respondent never returned any of the \$10,000 to BB.

33. Accordingly, Respondent violated NASD Rules 2330(a) and 2110.

THIRD CAUSE OF ACTION

(FAILURE TO PROVIDE INFORMATION AND DOCUMENTATION

FINRA RULES 8210 AND 2010)

34. The Department re-alleges and incorporates by reference paragraphs 1 through 33 above.

35. On June 23, 2009, FINRA sent a letter to Respondent pursuant to FINRA Rule 8210, requesting that he provide, among other things, a signed written statement responding to allegations that he misappropriated funds from AB and then used the funds for personal expenses; and that he invested \$10,000 from BB in a non-Firm investment. The letter was sent to Respondent's CRD address by certified mail return receipt requested and first class mail. A copy of the letter was also sent by certified mail return receipt requested and first class mail, to the Respondent at a new residential address that was provided to FINRA by Respondent's former member firm employer, PFS (the "New Address"). The letter required a response no later than July 1, 2009.

36. Neither the certified letter addressed to Respondent's CRD address dated June 23, 2009 nor the copy of the June 23, 2009 letter sent by certified mail to the New Address were returned to FINRA.

37. Neither of the copies of the June 23, 2009 letter sent by first class mail to Respondent's CRD and New Address was returned to FINRA.

38. No response to FINRA's June 23, 2009 request was received from Respondent.

39. On September 4, 2009, FINRA sent a letter to Respondent pursuant to FINRA Rule 8210, requesting that he provide, among other things, a signed written statement responding to allegations that he misappropriated funds from AB and BB. The letter was sent to Respondent's New Address by certified mail return receipt requested and first class mail. The letter required a response no later than September 19, 2009.

40. On or about September 11, 2009, the return receipt requested for the September 4, 2009 letter was returned to FINRA indicating that the certified letter had been delivered to, and signed for by, a member of Respondent's household. The copy of this letter sent by first class mail was not returned to FINRA.

41. No response to FINRA's September 4, 2009 request was received from Respondent.

42. On October 7, 2009, FINRA sent a letter to Respondent pursuant to FINRA Rule 8210, requesting that he provide, among other things, a signed written statement requesting the same information previously requested in the September 4, 2009 letter. The letter was sent to Respondent's New Address by certified mail return receipt requested and first class mail. The letter required a response no later than October 23, 2009.

43. The original certified letter dated October 7, 2009 was returned to FINRA unclaimed. The copy of this letter sent by first class mail was not returned to FINRA.

44. No response to FINRA's October 7, 2009 request was received from Respondent.

45. On November 10, 2009, FINRA sent a letter to Respondent pursuant to FINRA Rule 8210, requesting the same information previously requested in the October 7, 2009 letter. A copy of FINRA's October 7, 2009 letter was enclosed with the November 10, 2009 letter. The

letter was sent to Respondent's CRD address by certified mail return receipt requested and first class mail. A copy of the letter was also sent by certified mail return receipt requested and first class mail to the Respondent at the New Address. The letter required a response no later than November 27, 2009.

46. The certified letter dated November 10, 2009 addressed to Raber's CRD address and the copy sent to his CRD address by first class mail were returned to FINRA with labels affixed by the United States Post Office indicating that "forward time" to Raber at the New Address had expired.

47. The copy of the November 10, 2009 letter sent by certified mail letter to Respondent's New Address was returned to FINRA marked "unclaimed" by the United States Post Office.

48. The copy of the November 10, 2009 letter sent by first class mail to the New Address was not returned to FINRA.

49. No response to FINRA's November 10, 2009 request was received from Respondent.

50. To date, Respondent has not responded to any of the staff's 8210 letters and has not provided any of the information or documentation requested therein.

51. By virtue of the foregoing, Respondent has violated, and is continuing to violate, FINRA Rules 8210 and 2010.

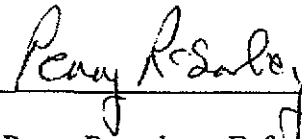
RELIEF REQUESTED

WHEREFORE, the Department respectfully requests that the Panel:

- A. order that one or more of the sanctions provided under FINRA Rule 8310(a), including monetary sanctions, be imposed; and
- B. order that the Respondent bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Date: January 6, 2010



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