

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

Dennis Zator (CRD No. 812662),

Respondent.

DISCIPLINARY PROCEEDING

No. 2009020519501

Hearing Officer LOM

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: May 31, 2012

INTRODUCTION

Disciplinary Proceeding No. 2009020519501 was filed on December 9, 2011, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Dennis Zator submitted an Offer of Settlement (Offer) to Complainant dated May 4, 2012. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint, 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, to the entry of findings and violations consistent with the allegations of the Complaint, and to the imposition of

the sanctions set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

In 1975, Zator entered the securities industry as a General Securities Representative of a FINRA registered firm. He has since received his Series 5, 15, 63, and 66 licenses. Between the dates of January 3, 2003 and November 13, 2009, he was registered in these capacities with Oppenheimer & Co., Inc. (Oppenheimer), a FINRA registered firm. Zator is currently registered with a different FINRA registered firm in these capacities.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

FIRST CAUSE OF ACTION

Borrowing from Customers

(NASD Conduct Rules 2370 and 2110 and FINRA Rule 2010)

1. On or about October 10, 2007, Zator borrowed \$40,000 from RZ (Zator's cousin) and \$90,000 from PW (Zator's friend). Zator recorded the loans against his home with the local recorder of deeds. Both RZ and PW were Oppenheimer customers and Zator serviced their accounts. Zator did not seek his firm's approval prior to the loans. Zator used the money to purchase his wife's share of their marital home during a divorce proceeding.
2. At the time of these loans, Oppenheimer did not have written supervisory procedures allowing registered representatives to borrow from customers.
3. On September 3, 2008, Zator completed an Oppenheimer branch office questionnaire. In response to the question, "Have you made loans to or borrowed from any customer?" Zator responded, "No."

4. On June 10, 2009, Zator completed an Oppenheimer branch office questionnaire. In response to the question, "Have you made loans to or borrowed from any customer?" Zator responded, "No."

Based on the foregoing, Respondent violated NASD Conduct Rules 2370 and 2110 and FINRA Rule 2010.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

It is ordered that Respondent be

A 30-calendar day suspension in all capacities from any FINRA registered firm and a \$2,500 fine.

Respondent agrees to pay the monetary sanction upon notice that this Offer has been accepted and that such payments are due and payable. Respondent has submitted an Election of Payment form showing the method by which he proposes to pay the fine imposed.

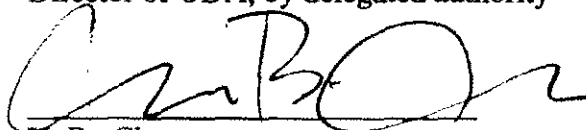
The sanctions imposed herein shall be effective on a date set by FINRA staff.

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SO ORDERED.

FINRA

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

A handwritten signature in black ink, appearing to read 'UnBo Chung', written over a horizontal line.

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