

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013038483501**

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Dale Kenneth Dahmen, Respondent
CRD No. 2866507

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the findings, 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, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Respondent Dale Kenneth Dahmen entered the securities industry in 1997. At various times between 1997 and March 2003, Dahmen was associated with three FINRA member firms. Between March 2003 and September 2013, Dahmen was registered as an Investment Company and Variable Contracts Representative (Series 6) with O.N. Equity Sales Company ("ONESCO" or "the Firm"). While associated with ONESCO, Dahmen was also an insurance agent with the Firm's insurance affiliate, Ohio National Life Insurance Company ("Ohio National").

On October 2, 2013, ONESCO filed a Form U5 with FINRA stating that Dahmen had been terminated on September 27, 2013 because, "[Dahmen] accepted \$5,000 cash from a customer to be applied to a life insurance policy. The payment was not applied to the life insurance policy and was eventually repaid to the customer by the representative approximately three months after acceptance." Dahmen has not been associated with another FINRA member since being terminated by the Firm. However, FINRA retains jurisdiction over Dahmen pursuant to Article V, Section 4(a) of the FINRA By-Laws.

OVERVIEW

Dahmen converted an insurance customer's funds to his own benefit in violation of FINRA Rule 2010. Dahmen also failed to disclose on his Form U4 a 2011 tax lien and a 2013 civil judgment entered against him, in violation of Article V, Section 2 of the FINRA By-Laws and FINRA Rules 1122 and 2010. Finally, Dahmen failed to provide documents and appear for testimony in violation of FINRA Rules 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

Dahmen Converted Funds from an Insurance Customer

In June 2013, Dahmen received \$5,000 in cash from his insurance customer, JH. JH gave the cash to Dahmen and instructed him to use the funds to purchase money orders and forward those money orders to Ohio National to repay a loan JH had taken against his life insurance policy. Without JH's knowledge or authorization, Dahmen instead used the \$5,000 to pay for personal expenses. After JH inquired several times about the money, Dahmen repaid JH on September 25, 2013.

FINRA Rule 2010 requires an associated person to observe high standards of commercial honor and just and equitable principals of trade in the conduct of his business. The unauthorized use of an insurance customer's funds to pay for personal expenses is conversion and is inconsistent with high standards of commercial honor and just and equitable principals of trade. Therefore, Dahmen violated FINRA Rule 2010.

Dahmen Failed to Disclose a Lien and a Judgment on His Form U4

On or about December 9, 2011 the Internal Revenue Service obtained a federal tax lien in the amount of \$8,051 against Dahmen. Dahmen did not amend his Uniform Application for Securities Industry Registration or Transfer (Form U4) to disclose the lien.

On or about March 26, 2013, a judgment was entered in favor of Autovest, LLC against Dahmen in the amount of \$21,786. Dahmen did not amend his Form U4 to disclose the judgment.

Article V, Section 2(c) of the FINRA By-Laws provides that every application for registration with FINRA shall be kept current at all times by supplementary amendments to be filed no later than 30 days after learning of the facts or circumstances giving rise to the amendment. FINRA Rule 1122 prohibits an associated person from filing with FINRA a registration which is incomplete or inaccurate so as to be misleading, or from failing to correct a filing after receiving

notice of an event that causes an earlier filing to be incomplete or inaccurate so as to be misleading. By failing to amend his Form U4 to disclose the 2011 tax lien and the 2013 judgment, Dahmen violated Article V, Section 2 of the FINRA By-Laws and FINRA Rule 1122. By virtue of these violations, Dahmen also violated FINRA Rule 2010.

Dahmen Failed to Produce Documents and Failed to Appear for Testimony Requested by FINRA

In connection with an investigation into Dahmen's possible conversion of funds and failure to amend his Form U4 to reflect a lien and a judgment filed against him, FINRA sent Dahmen certain requests.

By letters dated January 16, 2014 and February 7, 2014, FINRA Staff requested Dahmen to provide documents and information pursuant to FINRA Rule 8210. Dahmen failed to provide the documents and information sought by the requests.

By letter dated January 16, 2014, FINRA staff requested Dahmen to appear for on-the-record testimony pursuant to FINRA Rule 8210. FINRA staff rescheduled Dahmen's testimony at his request. However, Dahmen failed to appear for testimony as requested.

Pursuant to FINRA Rule 8210, FINRA may require any person subject to its jurisdiction to provide documents, testimony and information regarding any matter under investigation. Further, Rule 8210(c) provides that "[n]o member or person shall fail to provide information or testimony or to permit an inspection and copying of books, records, or accounts pursuant to this Rule." By failing to provide documents and information and by failing to appear and provide testimony, Dahmen violated FINRA Rule 8210, and by virtue of that violation, also violated FINRA Rule 2010.

B. I also consent to the imposition of the following sanctions:

- A permanent bar in all capacities from associating with any FINRA member.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

I further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

I understand that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and

C. If accepted:

1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my disciplinary record;
3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
4. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

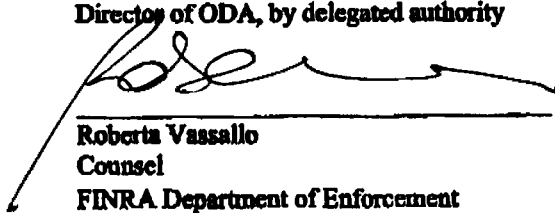
5-16-14
Date


Dale Kenneth Dahmen
Respondent

Accepted by FINRA:

6/9/14
Date

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



Roberta Vassallo
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