

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 73605 / November 14, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-16277

In the Matter of

DOUGLAS L. SWENSON, CPA

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) OF THE SECURITIES EXCHANGE
ACT OF 1934 AND NOTICE OF HEARING
AND ORDER OF SUSPENSION PURSUANT
TO RULE 102(e)(2) OF THE COMMISSION'S
RULES OF PRACTICE**

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 Douglas L. Swenson (“Respondent” or “Swenson”) and also deems it appropriate to issue an order of forthwith suspension of Swenson pursuant to Rule 102(e)(2) of the Commission’s Rules of Practice [17 C.F.R. § 201.102(e)(2)].¹

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Swenson was the president of DBSI and the founder and president of numerous entities related to the DBSI group of companies. Swenson signed at least two Forms D filed with the Commission by a DBSI-related company. From August 1979 until March 2009, Swenson was associated with various broker-dealers registered with the Commission, including DBSI Securities Corporation. Swenson was a licensed Certified Public Accountant (“CPA”) in Idaho from March 1981 until June 1995.

¹ Rule 102(e)(2) provides in pertinent part: “any person who has been convicted of a felony or a misdemeanor involving moral turpitude shall be forthwith suspended from appearing or practicing before the Commission.” See 17 C.F.R. 201.102(e)(2).

B. RESPONDENT'S CRIMINAL CONVICTION

2. On April 14, 2014, a jury convicted Swenson of forty-four (44) counts of securities fraud in violation of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and thirty-four (34) counts of wire fraud in violation of 18 U.S.C. § 1343, before the United States District Court for the District of Idaho, in United States v. Swenson et al, Case. No. 1:13-CR-00091. Swenson was sentenced to twenty years in prison and three years of supervised release with restitution to be determined at a later date.

3. The counts of the criminal indictment for which Swenson was found guilty alleged, among other things, that during 2008, Swenson, in connection with the sale of securities, used a device or scheme to defraud; made an untrue statement of a material fact or failed to disclose a material fact that resulted in making his statement misleading; and engaged in acts, practices, or courses of business that operated as a fraud or deceit upon any person.

III.

In view of the foregoing, the Commission finds that Swenson has been convicted of a felony within the meaning of Rule 102(e)(2) of the Commission's Rules of Practice.

Accordingly, it is ORDERED that Douglas L. Swenson is forthwith suspended from appearing or practicing before the Commission pursuant to Rule 102(e)(2) of the Commission's Rules of Practice.

IV.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act.

V.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section IV hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Brent J. Fields
Secretary