

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 84968 / December 26, 2018

INVESTMENT ADVISERS ACT OF 1940
Release No. 5097 / December 26, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18959

In the Matter of

WALTER JOHN DUBIEL,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
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”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Walter John Dubiel (“Dubiel” or “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)(6) of the Exchange Act and Section 203(f) of the Advisers Act, 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. Dubiel, 73, is a resident of Farmington, Connecticut. Dubiel was associated with ProEquities, Inc. ("ProEquities"), a dually registered broker-dealer and investment adviser, as a registered representative from April 8, 2014 through July 3, 2014, and as an investment adviser representative from April 15, 2014 to July 3, 2014. Dubiel was associated with First Allied Securities, Inc., a registered broker-dealer, from June 6, 2014 to November 30, 2015 and an investment adviser representative of First Allied Advisory Services, Inc., a registered investment adviser, from June 12, 2014 to December 11, 2015 (collectively, First Allied Securities, Inc. and First Allied Advisory Services, Inc. are referred to as "First Allied").

2. On July 12, 2018, Dubiel consented to an order issued by the Securities and Business Investments Division of the Connecticut Department of Banking ("Securities Division"), In the Matter of Walter John Dubiel, Docket No. CO-18-8440-S ("Connecticut Order"), barring Dubiel for a period of seven (7) years, "from directly or indirectly, through any person, organization, entity or other device, (i) transacting business in or from Connecticut as a broker-dealer, agent, investment adviser or investment adviser agent, as such terms are defined in the [Connecticut Uniform Securities] Act, and notwithstanding any definitional exclusion that might otherwise be available under the Act; and (ii) acting in any other capacity which requires a license or registration from the Commissioner." The Connecticut Order became final upon its entry.

3. As a result of an investigation, the Connecticut Order found that the Securities Division obtained evidence of the following facts, which are set out in paragraphs 4 through 8 below.

4. In approximately 2014, Dubiel and Matthew C. Woodard ("Woodard")¹ began working together as agents of ProEquities out of office space Woodard rented at 1031 Farmington Avenue, Farmington, Connecticut.

5. One particular Connecticut investor, ("Investor One") was one of Woodard's active brokerage clients at ProEquities from approximately September 2013 through June 2014.

6. By September 2014, Dubiel and Woodard ceased working at ProEquities and Dubiel began working as an agent of First Allied out of the same 1031 Farmington Avenue, Farmington, Connecticut location. When Woodard left ProEquities, he was not registered under the Connecticut Uniform Securities Act in any capacity, but through an arrangement, Woodard continued to work in a role assisting Dubiel with computer, technological and administrative tasks related to Dubiel's securities business at First Allied. Several of Woodard's former clients, including Investor One, moved their accounts to First Allied and became Dubiel's clients.

¹ Woodard was the subject of a separate Commission Order permanently barring him from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization, as well as imposing a penny stock bar against him. (See In the Matter of Matthew C. Woodard, Administrative Proceeding File No. 3-18581 (July 10, 2018))

Investor One was one of Dubiel's clients at First Allied from approximately June 2014 to approximately November 2015. Investor One's accounts were serviced by a joint representative number belonging to Dubiel and another First Allied agent. In testimony, Dubiel represented to staff of the Connecticut Department of Banking Division that he had never met or communicated with Investor One.

7. In approximately January 2015, Dubiel, without giving notice to the affected clients, shared his First Allied confidential client account log-in credentials with Woodard. Dubiel knew Woodard was not registered in any capacity under the Connecticut Uniform Securities Act, but thought Woodard was affiliated with First Allied in some capacity. The account log-in credentials gave Woodard access to all of Dubiel's client accounts, including Investor One's account. First Allied policies and procedures prohibited agents from sharing log-in credentials with any other individual.

8. As a result of Dubiel's sharing his confidential client account log-in credentials with Woodard, Woodard used the credentials to access Investor One's advisory account to execute securities transactions in Investor One's account. These transactions were done without Investor One's knowledge or consent and despite the fact that Woodard was not registered under the Connecticut Uniform Securities Act.

9. The Connecticut Order directed Dubiel to pay an administrative fine of \$10,000. In addition, the Connecticut Order directed Dubiel to permanently cease and desist from violating any provision of the Connecticut Uniform Securities Act and Regulations thereunder, including but not limited to the section relating to dishonest or unethical business practices.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Dubiel 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 Dubiel 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, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served

as the basis for the Commission order; (c) 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 (d) 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.

Brent J. Fields
Secretary