

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
April 8, 2009

ADMINISTRATIVE PROCEEDING
File No. 3-13433

In the Matter of

DOUGLAS F. SAMUELS,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND NOTICE OF HEARING

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 F. Samuels (“Respondent”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. From 1979 to 1998, Respondent worked for John Dawson & Associates, Inc. (“JDAI”), a broker-dealer registered with the Commission. Respondent began as an accountant at JDAI and eventually became Chief Financial Officer.

B. RESPONDENT’S CRIMINAL CONVICTION

2. On November 8, 2007, Respondent pleaded guilty to one count of wire fraud under 18 U.S.C. §§ 1343 and 1346 before the United States District Court for the Northern District of Illinois, in United States v. Cho, et al., Crim. Indictment No. 04-CR-166. An order of conviction was entered against Respondent on June 19, 2008. He was sentenced to a term of imprisonment of 12 months and one day, ordered to pay restitution in the amount of \$2,312,484 and placed on 3 years probation following his release from prison.

3. The count of the criminal indictment to which Respondent pled guilty alleged, inter alia, that Respondent for the purpose of executing a scheme to defraud caused and directed fraudulent “trade allocations” by creating, assigning, and/or transferring profitable

securities and options trades to certain firm, employee, and customer accounts, and losing trades to other accounts.

III.

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. 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)(6) of the Exchange Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III. 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 the 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 the 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 the Respondent personally or by certified mail.

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.

Elizabeth M. Murphy
Secretary