

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Dale F. Roehrich, )  
 )  
 Respondent. )

CONSENT ORDER

.....  
The North Dakota Securities Commissioner has advised the Respondent, Dale Roehrich, that the Commissioner is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and has determined as follows:

1. Respondent, Dale F. Roehrich, is a resident of Fargo, North Dakota. Roehrich (CRD # 1775964) is currently employed as an agent of Walnut Street Securities, Inc., a dealer headquartered in St. Louis, Missouri.
2. For all times relevant to this matter, Respondent was employed as an agent of Pruco Securities Corp., a dealer headquartered in New York. Respondent has been registered as an agent for all times relevant to this matter.
3. On or around June 27, 2001, Respondent converted a \$5,000 life insurance policy for a \$100,000 variable life policy for the account of a North Dakota resident. The variable life insurance policy was not suitable based on the investment objectives and risk temperament of the investor, as the costs associated with maintaining the policy exceeded the ability of the investor.
4. At the time of this investment, the investor was nearing retirement. The investor had only a high school education and no previous investment experience. The allocation of the investment sub-accounts, as selected by the

Respondent, was not suitable based on the investment objectives and risk temperament of the investor, in that they were aggressive investments.

5. Pursuant to Sections 73-02-09-02(3) and 73-02-09-03(6) N.D.A.C., it is a dishonest or unethical practice for an agent to recommend a securities transaction that is not suitable based on the customer's investment objectives, financial situation and needs. The facts described above are dishonest or unethical practices according to these sections.

6. On June 6, 2005, the Securities Commissioner issued an Order for Civil Penalty in the above-referenced matter. Respondent made a timely request for a hearing.

7. On July 15, 2005, the Securities Commissioner entered into a Consent Order with Pruco Securities, LLC based on the facts and circumstances briefly described in this Consent Order. Pruco Securities admitted the factual findings set forth in that Consent Order, and paid a \$2,000 civil penalty that was assessed in that Consent Order.

8. Pruco Securities, LLC has resolved this matter with the North Dakota resident who was the subject of this matter.

9. Pursuant to Section 10-04-16(1) N.D.C.C., when it shall appear to the Commissioner that any person has engaged in, or is engaging in, or is about to engage in any act or practice which is declared illegal in this chapter, the Commissioner may issue any order and collect civil penalties against any person found in an administrative action to have violated any provision of the chapter in an amount not to exceed \$10,000 for each violation. The violations described above

are sufficient grounds for the Commissioner to assess civil penalties against the Respondent pursuant to Section 10-04-16(1) N.D.C.C.

10. Respondent acknowledges its right to a hearing on this matter and waives this right to a hearing and to present arguments to the Commissioner. Respondent agrees to resolve this matter with the Securities Commissioner by this Consent Order.

11. The following Order is necessary and appropriate in the public interest and for the protection of investors.

**NOW, THEREFORE, IT IS ORDERED, THAT:**

1. Respondent shall not offer for sale or sell any security in North Dakota unless Respondent has reason to believe that the transaction is suitable for the investor.
2. Respondents shall pay a civil penalty of \$5,000, made payable to the North Dakota Securities Department, pursuant to Section 10-04-16(1) N.D.C.C.
3. The Order for Civil Penalty issued by the Commissioner on June 6, 2005, as discussed above, is hereby vacated.
4. This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this 24 day of October, 2005.



  
Karen J. Tyler, Securities Commissioner  
North Dakota Securities Department  
State Capitol-5th Floor  
600 East Boulevard Ave.  
Bismarck, ND 58505-0510  
(701) 328-2910

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 Respondent. )

**CONSENT TO ENTRY  
OF ORDER**

.....

Based on mutual concessions and a willingness to resolve all matters discussed in the foregoing Consent Order, the undersigned Respondent states that:

1. He has read the foregoing Consent Order, and knows and fully understands its contents and effects.
2. The Respondent has been advised of his rights to a hearing with regard to this matter, and has specifically waived his rights to a hearing.
3. The Respondent has been advised that any willful violation of this order is a Class B Felony pursuant to Section 10-04-18(1) N.D.C.C. and is punishable by a \$10,000 fine and 10 years' imprisonment, with respect to a natural person, pursuant to Section 12.1-32-01(3) N.D.C.C.
4. The foregoing Consent Order constitutes the entire settlement agreement between the Respondent and the Securities Commissioner, there being no other promises or agreements, either expressed or implied.
5. The Respondent admits the accuracy of the factual determinations of the Commissioner, as set forth in the foregoing Consent Order, and he is specifically precluded from denying those determinations in any forum, public or otherwise.

6. The Respondent consents to entry of the foregoing Consent Order by the Securities Commissioner, and does so willingly for the purpose of resolving the issues described in the foregoing Consent Order.

Dated this 24<sup>th</sup> day of October, 2005.



Dale F. Roehrich  
Roehrich Financial Services  
2506 35th Avenue SW  
Fargo, ND 58104

Subscribed and Sworn before me this 24 day of October, 2005.



(Notary Seal) TWYLLA K CONNER  
Notary Public  
State of North Dakota  
My Commission Expires Oct. 21, 2008

Notary Public  
State: \_\_\_\_\_ County: \_\_\_\_\_  
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