

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 2706 / February 15, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-12963

In the Matter of

PETER J. DAWSON,

Respondent.

**CORRECTED ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Peter J. Dawson (“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 Sections III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, 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. From late 2004 through December 2006, Dawson was the president and sole shareholder of BMG Advisory Services Ltd. ("BMG"), an investment adviser previously registered with New York State, and sole officer and shareholder of Ethan Thomas Co., Inc., ("Ethan Thomas"), a private New York corporation. Dawson, 50 years old, is currently incarcerated in the Nassau County Correctional Center in New York.

2. On December 13, 2007, Dawson pled guilty to two counts of Grand Larceny in violation of Section 155.40(1) of the New York Penal Law and one count of Scheme to Defraud in violation of Section 190.65(1) of the New York Penal Law in People v. Peter Dawson, Docket No. 31469/06.

3. The counts to which Dawson pled guilty alleged, *inter alia*, that Dawson defrauded investors and obtained money and property by means of materially false and misleading statements. In connection with his guilty plea, on December 13, 2007, Dawson executed an allocution affidavit in which he admitted that he had persuaded clients to surrender their existing annuity policies and/or mortgage their residences, and deposit the proceeds with him for investment. Dawson admitted that, rather than investing those proceeds, he used them to pay other investors and for his own expenses.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Dawson be, and hereby is barred from association with any investment adviser;

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.

For the Commission, by its Secretary, pursuant to delegated authority.

Nancy M. Morris
Secretary