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REGISTRATION & DISCLOSURE

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2006003890601

TO: Department of Enforcement
NASD

RE: Kevin Patrick Brennan, Respondent
General Securities Principal
[CRD No. 3009014]

John Joseph Conroy, Respondent
General Securities Principal
[CRD No. 3008995]

Pursuant to Rule 9216 of NASD Code of Procedure, Kevin Patrick Brennan ("Brennan") and John Joseph Conroy ("Conroy") (collectively, "Respondents") submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described in Part II below. This AWC is submitted on the condition that, if accepted, NASD will not bring any future actions against Respondents alleging violations based on the same factual findings.

Respondents understand that:

1. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by NASD's Department of Enforcement and National Adjudicatory Council ("NAC") Review Subcommittee or Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondents; and
3. If accepted:
 - a. this AWC will become part of Respondents' permanent disciplinary record and may be considered in any future actions brought by NASD or any other regulator against Respondents;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about Respondents' disciplinary record;
 - c. NASD may make a public announcement concerning this

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agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-2; and

- d. Respondents may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation in this AWC or create the impression that the AWC is without factual basis. Nothing in this provision affects Respondents' testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

Respondents also understand that their experience in the securities industry and disciplinary history may be factors that will be considered in deciding whether to accept this AWC. That experience and history are as follows:

Brennan was the Chief Executive Officer of member firm, Benson York Group, Inc. ("Benson York") from in or about September 2003 through in or about September 2006.¹ Brennan entered the securities industry on or about July 24, 1998 as a General Securities Representative ("GSR") of a member of NASD. Brennan became registered with NASD as a General Securities Principal ("GSP") on or about January 13, 2004.

Conroy was the President of Benson York from in or about January 2005 through in or about September 2006. Conroy entered the securities industry on or about June 29, 1998 as a GSR of a member of NASD. Conroy became registered with NASD as a GSP on or about December 13, 2000.

Respondents do not have any relevant disciplinary history with the United States Securities and Exchange Commission, any state securities regulator, or self-regulatory organization.

I.

WAIVER OF PROCEDURAL RIGHTS

Respondents specifically and voluntarily waive the following rights granted under NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against them;

¹ Benson York filed a Uniform Request for Broker-Dealer Withdrawal (BDW) on June 7, 2006. On or about September 27, 2006, Benson York was expelled from NASD for failing to pay the balance on a fine incurred in connection with a settlement.

- B. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondents specifically and voluntarily waive any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

Respondents further specifically and voluntarily waive any right to claim that a person violated the *ex parte* prohibitions of Rule 9143 or the separation of functions prohibitions of Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

II.

ACCEPTANCE AND CONSENT

- A. Respondents hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of NASD, or to which NASD is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by NASD:
 - 1. As of February 9, 2006, Benson York was required to establish, maintain and enforce taping procedures for the supervision of the telemarketing activities of all of its registered persons. Benson York, acting through Respondents, failed to implement such procedures after February 9, 2006, yet continued to transact securities business. By reason of the foregoing, Respondents violated NASD Conduct Rules 3010(b)(2) and 2110.
 - 2. In or around February 2006, Benson York, acting through Respondents, transferred more than twenty-five percent of its assets or brokerage business to another member firm without filing an application for such transfer with NASD. By reason of the foregoing, Respondents violated NASD Membership and Registration Rule 1017 and NASD Conduct Rule 2110.

- B. Respondents also consent to the imposition, at a maximum, of the following sanctions:
- A joint and several fine of \$20,000.00; and,
 - A sixty (60) calendar day suspension, in a principal capacity, against each Respondent.
- C. The sanctions imposed herein shall be effective on a date set by NASD Staff.

III.

OTHER MATTERS

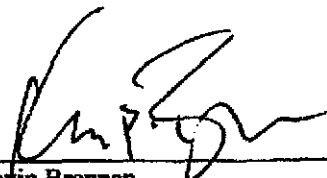
- A. Respondents understand that they may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondents understand that they may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by NASD, nor does it reflect the views of NASD or its staff.
- B. Respondents agree to pay any monetary sanctions imposed on them upon notice that this AWC has been accepted and that such payments are due and payable and have attached Election of Payment forms showing the method by which Respondents propose to pay any fine imposed.
- C. Respondents specifically and voluntarily waive any right to claim that they are unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.

Respondents certify that they have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, have been made to induce Respondents to submit it.

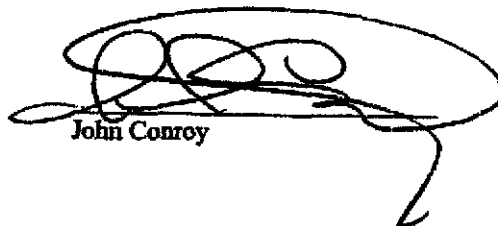
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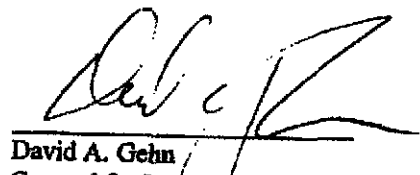
7/23/07

Kevin Brennan



7/23/07
Date


John Conroy


David A. Geln
Counsel for Respondents
Gusrae, Kaplan, Bruno & Nusbaum PLLC
120 Wall Street
New York, New York 10005
(212) 269-1400; Fax: (212) 809-5449

7/30/07
Date

Signed on behalf of the Director of
ODA, by delegated authority


Vaishali S. Shetty
Regional Counsel
NASD Department of Enforcement
Two Jericho Plaza, 2nd Floor
Jericho, New York 11753
(516) 949-4237; Fax: (516) 949-4201

NASD Deputy District Director

Patricia A. Cappeto
NASD, District 10, Long Island
Two Jericho Plaza, 2nd Floor
Jericho, New York 11753
(516) 949-4237; Fax: (516) 949-4201