

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2008011571101**

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REGISTRATION & DISCLOSURE

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Bennett Ross, Inc., Respondent
CRD No. 42850

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent hereby accepts and consents, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA 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 FINRA:

BACKGROUND

Bennett Ross, Inc. became a member of FINRA on May 15, 1997, and operates pursuant to provisions of the Exchange Act Rule 15c3-3k(2)(ii). The firm is owned by Ben-Mar, Ltd., a family-owned limited partnership co-owned by Ben Weber. Ben Weber is also the President, Chief Executive Officer, and sole Director of Synfuels International, Inc., an affiliate of Bennett Ross. The majority of the firm's revenue is derived from the soliciting of interests in private offerings issued by Synfuels.

RELEVANT DISCIPLINARY HISTORY

On November 16, 2004, FINRA accepted a Letter of Acceptance, Waiver and Consent in which Bennett Ross, Inc. and an individual consented to a monetary sanction in the amount of \$5,000.00 for violations of NASD Conduct Rules 2110 and 3011.

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OVERVIEW

From December 1, 2003, through December 21, 2006, Bennett Ross Inc. sold three private placement offerings issued by Synfuels International, Inc. without the benefit of registration under the Securities Act of 1933. In addition, the firm failed to disclose to customers in the private placement memoranda for the Synfuels' offerings the common control of the issuer, Synfuels International, Inc., and the broker dealer, Bennett Ross Inc.

FACTS AND VIOLATIVE CONDUCT

- A. 1. For the period from December 1, 2003, through December 21, 2006, Bennett Ross, Inc. participated in three private placement offerings of preferred stock issued by Synfuels International, Inc. an affiliate of Bennett Ross. Each of these offerings claimed an exemption from registration under the Securities Act of 1933.
- 2. The three Synfuels offerings were not separate and distinct, and were, therefore, subject to integration because:
 - a. all three Synfuels offerings were part of a single plan of continuous financing;
 - b. all three Synfuels offerings were for the purpose of obtaining general operating capital;
 - c. the three Synfuels offerings were issued for the same class of securities in the form of preferred stock;
 - d. the three Synfuels offerings were made at or about the same time-the offering period for Series E overlapped with Series X, and the offering period for Series X overlapped with Series Y; and
 - e. the same type of consideration in the form of cash was received for all three Synfuels offerings.
- 3. The three integrated offerings had a total of 60 non-accredited investors.
- 4. None of the Synfuels offerings offered and sold was registered with the United States Securities and Exchange Commission under the provisions of the Securities Act 1933.

5. For the reasons described above, the three Synfuels offerings became integrated into one offering, the exemption under Regulation D of the Securities Act 1933 did not apply and the offerings were subject to the securities registration requirements of public offerings.

Such acts, practices, and conduct constitute separate and distinct violations of Section 5 of the Securities Act of 1933 and NASD Conduct Rule 2110 by Respondent Bennett Ross, Inc.

6. The private placement memoranda for Series E, Series X, and Series Y Synfuels' offerings failed to disclose to customers the existence of the common control of the issuer, Synfuels International, Inc., and the broker dealer, Bennett Ross Inc. In addition, Bennett Ross Inc. failed to give or send written disclosure of such common control at or before the completion of the transactions with the customers.

Such acts, practices, and conduct constitute separate and distinct violations of SEC Rule 15c1-5 and NASD Conduct Rules 2240 and 2110 by Respondent Bennett Ross, Inc.

- B. Respondent also consents to the imposition of the following sanctions:

Censure and a monetary fine in the amount of \$20,000.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against it;
- B. To be notified of the 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 National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondent specifically and voluntarily waives any right to claim bias or prejudice 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.

Respondent further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA 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.

III.

OTHER MATTERS

Respondent understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
1. this AWC will become part of its permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against it;
 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my disciplinary record;
 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and

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2008011571101/Bennett Ross, Inc.

4. Respondent 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 finding in this AWC or create the impression that the AWC is without factual basis. Respondent may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects its right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that Respondent 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 FINRA, nor does it reflect the views of FINRA or its staff.

The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce the Firm to submit it.

March 18, 2009
Date

Bennett Ross, Inc.

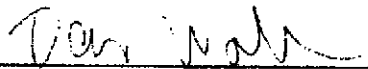
By: Charles Cludius
(Signature)

Name: Charles Cludius
(Print Name)

Title: President

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2008011571101/Bennett Ross, Inc.

Reviewed by:



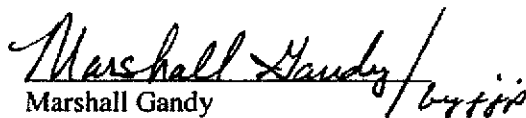
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Secore & Waller, L.L.P.
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Suite 1350
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Counsel for Respondent,
Bennett Ross, Inc.

Accepted by FINRA:

April 1, 2009
Date

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



Marshall Gandy
Senior Regional Counsel
FINRA Department of Enforcement
12801 North Central Expressway
Suite 1050
Dallas, TX 75243
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Robert Ross Inc.
INVESTMENT

BY: FINRA DIST 06

THIS CORRECTIVE ACTION STATEMENT IS SUBMITTED BY THE RESPONDENT. IT DOES NOT CONSTITUTE FACTUAL OR LEGAL FINDINGS BY FINRA, NOR DOES IT REFLECT THE VIEWS OF FINRA, OR ITS STAFF.

Charles Cludius