

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

Michael William Keleher,
CRD No. 3244480,

Respondent.

Disciplinary Proceeding
No. 2008013229701

Hearing Officer: RSH

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: February 4, 2011

INTRODUCTION

Disciplinary Proceeding No. 2008013229701 was filed on July 21, 2010, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Michael William Keleher submitted an Offer of Settlement (Offer) to Complainant dated January 28, 2011. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint, 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, to the entry of

findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

In 2000, Respondent first became registered with FINRA as a General Securities Representative through a former member firm. From June 7, 2007 through April 22, 2008, Respondent was registered in that same capacity through member firm ING Financial Partners, Inc. (Firm). On April 23, 2008, the Firm filed a Form U5 on Respondent's behalf stating that he was discharged. On September 3, 2009, the Firm filed an amendment to that Form U5 that disclosed that Respondent may have engaged in conduct actionable under FINRA rules.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

Falsification of Records (NASD Conduct Rules 3110 and 2110 and IM-2310-2)

1. On or about November 1, 2007, Firm customer DS, then 84 years old, signed a Firm Account Information form dated November 1, 2007.
2. On or about February 27, 2008, Respondent altered that Account Information form by changing the November 1, 2007 date next to DS' signature to February 27, 2008, without the authorization or consent of DS.
3. Respondent then caused DS' altered Account Information form to be used to open a commission-based brokerage account, which she did not authorize.

4. On or about March 23, 2007, Firm customer JS, then 65 years old, signed a Firm Account Information form dated March 23, 2007 in connection with a fee-based brokerage account.
5. On or about March 23, 2008, Respondent altered that Account Information form by changing the March 23, 2007 date next to JS' signature to March 23, 2008, without the authorization or consent of JS.
6. Respondent then caused JS' altered Account Information form to be used to open a commission-based brokerage account, which she did not authorize.
7. On or about March 16, 2007, Firm customer FM, then 91 years old, signed a Firm Account Information form dated March 16, 2007 in connection with a fee-based brokerage account.
8. On or about March 16, 2008, Respondent altered that Account Information form by changing the March 16, 2007 date next to FM's signature to March 16, 2008, without the authorization or consent of FM.
9. Respondent then caused FM's altered Account Information form to be used to open a commission-based brokerage account, which she did not authorize.
10. By falsifying the above-referenced Account Information forms and then using those forms to open commission-based brokerage accounts which the customers did not authorize, Respondent violated NASD Conduct Rules 3110 and 2110 and IM-2310-2.

Unauthorized Transactions
(Violations of NASD Conduct Rule 2110 and IM-2310-2)

11. After opening a commission-based brokerage account without DS' authorization,

Respondent made the following unauthorized trades in that account:

Date	Buy/Sell	Name of Security	Symbol	Amount Per Share	Quantity	Total Dollar Amount
3/10/08	B	Eaton Vance CR Opportunities Fd Com	EOE	14.30	500	7,402.75
3/10/08	B	ING Clarion Real Estate Income Fd	IIA	10.41	750	8,083.26
3/10/08	B	Nicholas Applegate Conv & Income Fd	NCV	12.12	750	9,410.65
3/10/08	B	Nuveen Core Equity Alpha Fd	JCE	14.95	500	7,739.13
3/10/08	B	Pengrowth Energy Tr	PGH	18.97	400	7,856.08
3/10/08	B	Penn West Energy Tr	PWE	28.00	300	8,696.50
3/10/08	B	Powershares Exchange Traded Fd Tr Dynamic Basic Matls Sector Port	PYZ	33.55	300	10,394.61
3/10/08	B	Provident Energy Tr	PVX	10.52	750	8,168.65
3/17/08	B	Eaton Vance Cr Opportunities Fd	EOE	12.95	500	6,704.13
3/17/08	B	ING Clarion Real Estate Income Fd	IIA	10.34 & 10.35	750	8,035.59
3/17/08	B	Nicholas Applegate Conv & Income Fd	NCV	11.04	750	8,572.30

12. As a result of Respondent's unauthorized transactions, DS paid commissions of \$3,054.21.
13. After opening a commission-based brokerage account without JS' authorization, Respondent made the following unauthorized trades in that account:

Date	Buy/Sell	Name of Security	Symbol	Amount Per Share	Quantity	Total Dollar Amount
3/31/08	S	Vanguard Windsor II Fund	VWNFX	27.76	110.585	3,067.34
3/31/08	S	Van Kampen Strategic Municipal Income	VKMHX	11.91	1,083.707	12,904.45
3/31/08	S	Royce Premier Fund	RYPRX	16.90	323.649	5,467.17
3/31/08	S	Growth Fund of America	GFAFX	31.13	432.857	13,472.34
3/31/08	S	Calamos Growth Fund	CVGRX	50.39	122.184	6,154.35
3/31/08	S	Artisan International Fund	ARTIX	26.49	232.766	6,163.47
3/31/08	S	Davis New York Venture	DNVYX	36.76	233.730	8,589.41
3/31/08	B	Provident Energy Tr	PVX	10.63	500	5,503.53
3/31/08	B	Powershares Exchange Traded Fd Tr Dynamic Basic Matls Sector Port	PYZ	34.39	150	5,341.00
3/31/08	B	Powershares QQQ	QQQQ	43.65	150	6,730.00
3/31/08	B	Pioneer Mun High Income Advantage Tr	MAV	13.79	350	5,022.06
3/31/08	B	Pimco Global Stockplus Inc Fd	PGP	21.91	250	5,671.71
3/31/08	B	Pengrowth Energy Tr	PGH	19.16	250	4,984.10
3/31/08	B	Nuveen Core Equity Alpha	JCE	14.67	300	4,579.54

3/31/08	B	Nicholas Applegate Conv & Income Fd	NCV	11.76	500	6,088.30
3/31/08	B	ING Clarion Global Real Estate Income Fd	IGR	14.23	400	5,893.72
3/31/08	B	Evergreen Utils & High Income Fd	ERH	23.33	200	4,855.14
3/31/08	B	Eaton Vance Cr Opportunities Fd	EOE	13.59	400	5,628.76

14. As a result of Respondent's unauthorized transactions, JS paid commissions of \$2,080.36.

15. After opening a commission-based brokerage account without FM's authorization, Respondent made the following unauthorized trades in that account:

Date	Buy/Sell	Name of Security	Symbol	Amount Per Share	Quantity	Total Dollar Amount
3/26/08	B	Eaton Vance Cr Opportunities Fd	EOE	13.55	1,250	17,448.13
3/26/08	B	Evergreen Utils & High Income Fd	ERH	23.47	750	18,133.08
3/26/08	B	ING Clarion Real Estate Income Fd	IIA	11.66	1,500	18,017.20
3/26/08	B	ING Clarion Global Real Estate Income Fd	IGR	14.15	1,000	14,612.38
3/26/08	B	Nicholas Applegate Conv & Income Fd	NCV	11.95	1,500	18,465.25
3/26/08	B	Pengrowth Energy Tr	PGH	19.00	750	14,715.63
3/26/08	B	Pimco Global Stockplus Inc Fd	PGP	21.85	750	16,881.63
3/26/08	B	Pioneer Mun	MAV	13.82	1,000	14,271.65

		High Income Advantage Tr				
3/26/08	B	Provident Energy Tr	PVX	10.40	1,500	16,070.50
3/27/08	S	American Century Growth Fund	TWCGX	23.78	1,185.910	28,200.94
3/27/08	S	Lazard Intl Equity Portfolio	LZIEX	15.73	1,682.460	26,462.60
3/27/08	S	Davis New York Venture	DNVYX	36.79	502.898	18,449.12
3/27/08	S	Dividend Cap Rlty Income Allocation Fd	DCA	7.29	27	149.32
3/27/08	S	T Rowe Price Intl Bond	PAIBX	10.82	3,049.038	32,988.09
3/28/08	B	Claymore Exchange Traded Fd	EEB	46.82	300	14,408.50
3/28/08	B	Powershares QQQ Tr	QQQQ	44.02	500	22,612.50
3/28/08	B	Powershares Exchange Traded Fd Tr Dynamic Basic Matls Sector Port	PYZ	34.38	400	14,201.44
3/31/08	B	Nicholas Applegate Conv & Income Fd	NCV	11.76	500	6,088.30
3/31/08	B	Penn West Energy Tr	PWE	28.05	500	14,483.31
3/31/08	B	Pioneer Mun High Income Advantage Tr	MAV	13.79	500	7,138.83
4/2/08	B	Market Vectors ETF Tr Gold Miners	GDX	46.55	300	14,327.50

16. As a result of Respondent's unauthorized transactions, FM paid commissions of \$7,145.33.
17. On or about March 14, 2007, Firm customer EG, then 35 years old, opened a Firm fee-based brokerage account.

18. In or about March 2008, Respondent opened a commission-based brokerage account for EG, which she did not authorize.
19. In or about March 2008, Respondent caused the securities and funds in EG's fee-based brokerage account to be transferred to the commission-based brokerage account without her authorization.
20. In or about March 2008, Respondent made the following unauthorized trades in that commission-based brokerage account:

Date	Buy/Sell	Name of Security	Symbol	Amount Per Share	Quantity	Total Dollar Amount
3/31/08	S	Royce Premier Fund	RYPRX	16.90	175.515	2,963.70
3/31/08	S	Neuberger Berman Intl Fund Trust	NBITX	21.23	804.528	17,077.63
3/31/08	S	Growth Fund of America	GFAFX	31.13	948.554	29,525.99
3/31/08	S	T Rowe Price Intl Bond	PAIBX	10.82	1,291.736	13,974.08
3/31/08	S	Davis New York Venture	DNVYX	36.76	511.830	18,812.37
3/31/08	S	Alger Small Cap Growth Inst Fund	ALSRX	23.70	174.43	4,134.06
3/31/08	B	Provident Energy Tr	PVX	10.63	1,000	10,977.98
3/31/08	B	Powershares Exchange Traded Fd Tr Dynamic Basic Matls Sector Post	PYZ	34.39	300	10,654.80
3/31/08	B	Powershares QQQ Tr	QQQQ	43.65	250	11,215.00
3/31/08	B	Pioneer Mun High Income Advantage	MAV	13.79	750	10,681.13
3/31/08	B	PIMCO Global Stockplus Inc Fd	PGP	21.91	500	11,313.54

3/31/08	B	Pengrowth Energy Tr	PGH	19.16	600	11,872.12
3/31/08	B	Nuveen Core Equity Alpha Fd	JCE	14.67	700	10,605.24
3/31/08	B	Nicholas Applegate Conv & Income Fd	NCV	11.76	1,000	12,144.70
3/31/08	B	ING Clarion Global Real Estate Income Fd	IGR	14.23	750	11,021.86
3/31/08	B	Evergreen Utils & High Income Fd	ERH	23.00	500	11,876.25
3/31/08	B	Eaton Vance Cr Opportunities Fd	EOE	13.59	750	10,526.26
3/31/08	B	Claymore Exchange Traded Fd	EEB	46.00	250	11,802.50
4/2/08	B	Market Vectors ETF Tr Gold Miners	GDX	46.55	250	11,940.00

21. As a result of Respondent's unauthorized transactions, EG paid commissions of \$4,414.38.
22. By making unauthorized transactions in the accounts of DS, JS, FM and EG, Respondent violated NASD Conduct Rule 2110 and IM-2310-2.

**Paying Commissions to an Unregistered Person
(Violations of NASD Conduct Rule 2110)**

23. While registered with the Firm, Respondent worked with another registered representative at the Firm named RP.
24. Respondent and RP split commissions on accounts that they serviced while RP was still registered with ING.

25. On November 16, 2007, the Firm discharged RP. He has not been associated with a member firm since that date.
26. During the time period of November 30, 2007 through February 8, 2008, Respondent entered into a commission splitting arrangement with RP in which Respondent would be paid 60% and RP would be paid 40% of the commissions on securities business that Respondent transacted.
27. During the time period of November 30 2007, through February 8, 2008, Respondent paid RP \$78,266 in commissions, which were derived from securities business.
28. By paying commissions to an unregistered individual, Respondent violated NASD Conduct Rule 2110.

Based on the foregoing, Respondent violated NASD Conduct Rules 3110 and 2110 and IM-2310-2.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

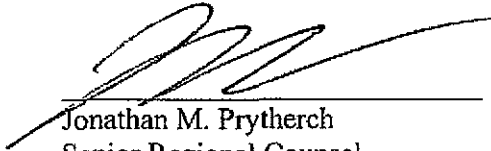
It is ordered that Respondent be barred from association with any FINRA member in any capacity.

The sanction imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA

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

A handwritten signature in black ink, appearing to read 'JP', is written over a horizontal line.

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