

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. C9B050038

TO: Department of Enforcement
NASD

RE: **Jersey Shore Trading Group, Inc.**
BD No. 47440
54 Broad Street #201
Suite 201
Red Bank, New Jersey 07701

John F. Helbock
CRD No. 1593811

Pursuant to Rule 9216 of NASD Code of Procedure, Jersey Shore Trading Group, Inc. ("Jersey Shore") and John F. Helbock ("Helbock") 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 us alleging violations based on the same factual findings.

We 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 us; and
3. If accepted:
 - a. this AWC will become part of our permanent disciplinary record and may be considered in any future actions brought by NASD or any other regulator against us;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about our disciplinary record;
 - c. NASD may make a public announcement concerning this agreement and the

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

- d. We 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 our testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

We also understand that our 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:

Jersey Shore has been a member of NASD since on or about November 15, 1999. Jersey Shore conducts a general securities business. Jersey Shore employs approximately 15 registered persons. In or about July 2004, Jersey Shore was censured and fined \$7,500 for trade reporting violations.

Helbock became registered with NASD as a Series 7 general securities representative on or about November 15, 1986. Subsequently, Helbock obtained Series 4, 24, 55 and 63 licenses. From in or about November 1999 through the present, Helbock has been associated with Jersey Shore.¹ While associated with Jersey Shore, Helbock has served as its President. Prior to his association with Jersey Shore, Helbock was associated with several other NASD member firms. Helbock has no prior NASD disciplinary history.

I. WAIVER OF PROCEDURAL RIGHTS

We 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 us;
- 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;

¹ From in or about June 2004 through the present, Helbock has also been associated with Manor Securities, LLC, an NASD member firm.

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, we 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.

We 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. We hereby accept and consent, without admitting or denying the allegations or 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:

- At various times from in or about September 2003 through in or about July 2004, Jersey Shore, acting through Helbock, permitted JH, a statutorily disqualified person as defined under the Securities and Exchange Act of 1934 and Article III of the NASD By-Laws, to be associated with and conduct activities on behalf of the firm. As a result of such conduct, Jersey Shore and Helbock violated NASD Conduct Rule 2110;
- A review of seventy-three (73) order tickets for equity and municipal transactions executed by the firm between March 1, 2004 and May 31, 2004, revealed the following deficiencies:
 - There was no time of receipt and/or an inaccurate time of receipt recorded for seventeen (17) transactions;
 - Time stamps were illegible for four (4) transactions;
 - There was no time of receipt stamped, no affirmative determination made, and the price

terms of the order were not clearly identified for nine (9) transactions;

- There was no affirmative determination made and the price terms of the order were not clearly identified for two (2) transactions;
- There was no time of order entry, or time of receipt stamped on the order ticket; in addition, there was no affirmative determination made for one (1) transaction;
- There was no time of receipt stamped or affirmative determination made for one (1) transaction;
- The price terms of the order were not clearly identified for one (1) transaction; and
- There was no time of receipt stamped, no affirmative determination specified, the limit price was not clearly distinguished from the execution price, and the number of shares executed was incorrectly recorded for one (1) transaction.

As a result of such conduct, Jersey Shore violated MSRB Rule G-8, NASD Conduct Rules 2110, 3110 and 3370 and SEC Rules 17a-3 and 17a-4; and

- A review of twenty-six (26) municipal transactions executed by the firm between January 1, 2004 and March 31, 2004, revealed that three (3) of the trades or 11.5% were reported late by the firm. As a result of such conduct, Jersey Shore violated MSRB Rules G-14 and G-27.

B. We also consent to the imposition, at a maximum, of the following sanctions:

Jersey Shore is censured and fined \$25,000, \$15,000 of which is assessed jointly and severally with Helbock. In addition, Helbock is suspended from association with any NASD member firm in any principal or supervisory capacity for thirty (30) business days.

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

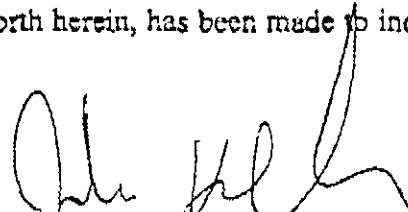
III.

III. OTHER MATTERS

- A. We understand that they we may attach a Corrective Action Statement to this AWC, which is a statement of demonstrable corrective steps taken to prevent future misconduct. We further understand that they we 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. We agree to pay any monetary sanctions imposed on us upon notice that this AWC has been accepted and that such payments are due and payable and have attached an Election of Payment form showing the method by which we propose to pay any fine imposed.
- C. We specifically and voluntarily waive any right to claim that we are unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.

We certify that we 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, has been made to induce us to submit it.

5/5/05
Date


John F. Helbock, Individually, and as
President of Jersey Shore Trading Group, Inc.

Accepted by NASD:

Date


Gary K. Liebowitz
Senior Vice President and District Director
Signed on behalf of the Director of ODA, by
delegated authority