

- (3) Respondent held an Ohio securities salesperson license through his affiliation with Stifel from November 29, 2001 until on or about October 3, 2008;
- (4) Respondent held an Ohio investment advisor representative license through his affiliation with Stifel from January 2, 2002 until on or about October 3, 2008;
- (5) On or about October 3, 2008, Respondent was terminated from Stifel based on allegations of unauthorized trading;
- (6) As a licensed securities salesperson and investment advisor representative in Ohio, Respondent is required to comply with all relevant provisions of the Ohio Revised Code and the Ohio Administrative Code, particularly the Ohio Securities Act, Revised Code Chapter 1707, and the administrative rules adopted thereunder;
- (7) In 2007, the Financial Industry Regulatory Authority ("FINRA") opened a formal investigation for enforcement against Respondent under Case Number 2007009431001 ("FINRA Investigation");
- (8) On May 27, 2010 without admitting or denying the FINRA allegations, the FINRA investigation was resolved when Respondent entered into a Letter of Acceptance, Waiver and Consent ("AWC") with FINRA, consenting to a fine in the amount of \$7,500.00 and a suspension for two months from associating in any capacity with any FINRA member firm;
- (9) The FINRA suspension was in effect from August 16, 2010 through October 15, 2010;
- (10) The AWC revealed that between 2003 and 2008, Respondent exercised discretion with verbal, but not written authorization, in the accounts of six customers; not including the customers delineated in paragraphs (11), (12), (13), (14) and (15) herein. Respondent did not have written authorization from these clients or from his member firm employer to engage in discretionary trading. The total number of trades initiated without written authorization exceeded 260 trades;
- (11) The AWC further indicated that the Respondent made unsuitable trade recommendations in the accounts of a customer. Specifically, between October 2004 and December 2005, Respondent recommended purchases resulting in an over-concentration of non-investment grade bonds and other equities for an unsophisticated couple over 60 years of age with a combined annual income of \$25,000, total net worth under \$250,000, and no previous investment experience;

- (12) The AWC stated that between October 2004 and December, 2005, Respondent mismarked the order tickets for approximately 22 purchases for the same client. Between November 2003 and December 2008, Respondent mismarked 30 order tickets for purchases for another client as "unsolicited" when they were "solicited";
- (13) Respondent's record with the CRD maintained by FINRA indicated that on or about December 29, 2005, David Pavkov and Elaine Pavkov filed a complaint alleging that Respondent misled the clients and invested the clients' funds in inappropriate investments and further alleging damages in excess of \$75,000. The complaint was settled for \$33,000, with Respondent contributing the full amount of settlement;
- (14) Respondent's record with the CRD further indicated that on or about July 13, 2006, Susanne Pavkov filed a complaint alleging that Respondent invested her funds in inappropriate investments and further alleging damages in the amount of \$19,160. The complaint was settled for \$12,000, with Respondent contributing the full amount of settlement;
- (15) On or about December 9, 2005, a notice of complaint was filed with Stifel by Troy A. Cramer against Respondent alleging misrepresentations in the sale of securities and unsuitable investments. The notice of complaint alleged damages in the amount of \$131,000. The complaint was settled on or about May 21, 2007 for \$34,000, with Respondent contributing the full amount of settlement;
- (16) Revised Code section 1707.19(A)(4) provides that the license of any securities salesperson or investment adviser representative may be suspended or revoked after notice and a hearing in accordance with Revised Code Chapter 119 if the Division determines that the licensee "[h]as knowingly violated any provision of section 1707.01 to 1707.45 of the Revised Code, or any regulation or order made thereunder";
- (17) Rule 1301:6-3-19(A)(4) of the Ohio Administrative Code states that "[n]o dealer or salesperson shall...[e]xercise any discretionary authority in selling, pledging, hypothecating or purchasing securities for a customer without first obtaining a manually signed, written authorization from the customer, unless the discretionary authority relates solely to the time or price for execution of orders";
- (18) Rule 1301:6-3-19(A)(5) of the Ohio Administrative Code states that "[n]o dealer or salesperson shall... [s]ell, purchase, or recommend the sale or purchase of any security without reasonable grounds to believe that the transaction or recommendation is suitable for the customer, based upon reasonable inquiry concerning the customer's investment objectives,

financial situation and needs, and any other relevant information known to dealer or salesperson”;

- (19) Revised Code 1707.44(M)(1)(d) provides in relevant part that no investment advisor or investment advisor representative shall “[e]ngage in any act, practice, or course of business that is fraudulent, deceptive, or manipulative;”
- (20) Revised Code section 1707.19(A)(1) provides that the license of any securities salesperson or investment adviser representative may be suspended or revoked after notice and a hearing in accordance with Revised Code Chapter 119 if the Division determines that the licensee is not of “good business repute” as that term is defined in paragraph (D) of Rule 1301:6-3-19 of the Ohio Administrative Code;
- (21) Rule 1301:6-3-19(D)(2) of the Ohio Administrative Code states that the Division may consider, in determining a lack of “good business repute,” whether or not the licensee “[h]as been the subject of any cease and desist order, permanent or temporary injunction, bar, or consent order against the applicant, investment adviser, investment adviser representative, dealer, salesperson, state retirement system officer, bureau of workers’ compensation chief investment officer or any dealer, investment adviser or state retirement system with whom the applicant, investment adviser representative, or salesperson was associated in any capacity at the time the order, injunction, or bar was issued”;
- (22) Rule 1301:6-3-19(D)(7) of the Ohio Administrative Code states that the Division may consider, in determining a lack of “good business repute,” whether or not a licensee “[h]as been the subject of any suspension, expulsion, bar, revocation, fine, censure or any other disciplinary action by any state or federal agency, by any association of investment advisers, investment adviser representatives, securities salesperson or dealers, by any professional association granted disciplinary or regulatory authority by state or federal law, or by any recognized securities exchange”;
- (23) Rule 1301:6-3-19(D)(8) of the Ohio Administrative Code states that the Division may consider, in determining a lack of “good business repute,” whether or not a licensee “[h]as violated any provision of paragraph (A) or (B) of this rule, any provision of Chapter 1707. of the Revised Code or any rule promulgated thereunder”;
- (24) Rule 1301:6-3-19(D)(9) of the Ohio Administrative Code states that the Division may consider, in determining a lack of “good business repute,” whether or not a licensee “[h]as engaged in any conduct which would reflect on the reputation for honesty, integrity, and competence in

business and personal dealings of the . . . salesperson or investment adviser representative[;]" and

- (25) Rule 1301:6-3-19(D)(11) of the Ohio Administrative Code states that the Division may also consider, in determining a lack of "good business repute," whether or not a licensee "[h]as been the subject of any complaint, arbitration or civil litigation that alleges a violation of state or federal law, or the rules or code of ethics of any association of . . . salespersons, any professional association granted disciplinary or regulatory authority, or by any recognized securities exchange[;]"

WHEREAS, based on Paragraphs (1) through (25) above, the Division finds that Respondent has knowingly violated provisions of Ohio Revised Code 1707.01 to 1707.45 and the regulations made thereunder, as set forth in R.C. 1707.19(A)(4), by violating Ohio Administrative Code 1301:6-3-19(A)(4), 1301:6-3-19(A)(5) and Ohio Revised Code 1707.44(M)(1)(d); the Division further finds that Respondent is not of good business repute as set forth in R.C. 1707.19(A)(1) based on the considerations set forth in Ohio Administrative Code 1301:6-3-19(D)(2), 1301:6-3-19(D)(7), 1301:6-3-19(D)(8), 1301:6-3-19(D)(9), and 1301:6-3-19(D)(11) and further based on violations of Ohio Administrative Code Rules 1301:6-3-19(A)(4) and 1301:6-3-19(A)(5) and R.C. 1707.44(M)(1)(d);

THEREFORE, IT IS ORDERED THAT, pursuant to Ohio Revised Code 1707.19, the Ohio Investment Adviser Representative License and Ohio Securities Salesperson License No. 2250146 of CLINT H. KEENER is hereby **SUSPENDED** for a period of ten (10) days from February 18, 2011 through February 28, 2011, inclusive.

JLH/cn

WITNESS MY HAND AND THE OFFICIAL SEAL OF THIS DIVISION at
Columbus, Ohio this 16th day of February, 2011.



Andrea L. Seidt, Commissioner of Securities

EXHIBIT A

STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF SECURITIES
COLUMBUS, OHIO 43215-6131

IN THE MATTER OF: CLINT H. KEENER
CRD NO. 2250146

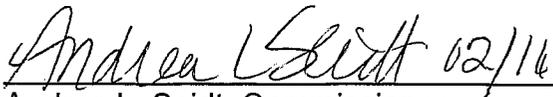
CONSENT AGREEMENT

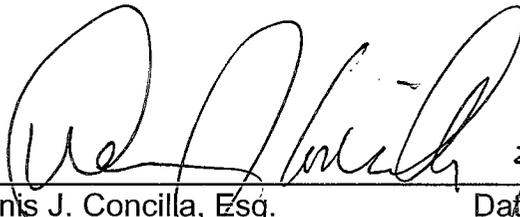
Based upon discussions between representatives of the Ohio Division of Securities ("the Division") and Clint H. Keener ("Respondent"), by and through counsel, the Division and Respondent stipulate and agree to the following:

- (1) Respondent waives the issuance, lawful service and receipt of a Notice of Opportunity for Hearing in this matter, and stipulates to the jurisdiction of the Division.
- (2) Respondent, with full knowledge of his rights, voluntarily waives the right to an adjudicative hearing in accordance with R.C. Chapter 119, as well as any other appeal rights found therein.
- (3) The Division and Respondent consent, stipulate, and agree to the findings, conclusions, and order set forth in the attached Suspension Order ("Order"), and to the issuance of the same.
- (4) After being fully and adequately apprised of the right to appeal the attached Order, as set forth in R.C. 119.12, Respondent knowingly and voluntarily waives such right.
- (5) The undersigned have read this Consent Agreement, understand all of its terms, have authority to sign this Consent Agreement, and have executed this Consent Agreement voluntarily.

SO AGREED:

BY:  2/9/11
Clint H. Keener, Respondent Date
2297 N. Galena Road
Sunbury, Ohio 43074

 02/16
Andrea L. Seidt, Commissioner Date
Division of Securities
Ohio Department of Commerce
77 S. High St., 22nd Floor
Columbus, OH 43215-6131

BY:  2/16/11
Dennis J. Concilla, Esq. Date
CARLILE PATCHEN & MURPHY LLP
366 East Broad Street
Columbus, Ohio 43215
Counsel for Respondent,
Clint H. Keener