

III. Violation

Based upon the stipulated facts, the Disciplinary Panel concludes that:

- 1.) Lennon delayed and impeded an Exchange investigation in violation of Exchange Rule 31 by failing to cooperate with the Exchange's investigation in a timely manner, as set forth in paragraphs 2.0 through 2.13 of the Stipulation.
- 2.) Lennon violated Rule 17a-3(12) of the Securities Exchange Act of 1934 (made applicable to registered employees pursuant to Article V, Section 4(i) of the Exchange Constitution and Exchange Rule 345(a)(1)) by failing to maintain a current address on his CRD, as set forth in paragraphs 2.0 through 2.13 of the Stipulation.

IV. Penalties and Publicity

The Stipulation proposes that the Disciplinary Panel impose upon Lennon a censure and a thirty (30) day suspension from functioning as a regular member, regular options principal, holding associated or allied membership, holding the status of approved person or limited permit holder, and from employment or association in any capacity with an Exchange Member or Member organization. At the hearing, the Parties urged the Disciplinary Panel to accept the proposed penalty as being appropriate to the facts and circumstances of this case. After consideration of the Stipulation and the agreed-upon penalty, the Disciplinary Panel finds the proposed penalty is at the appropriate level to be imposed in this proceeding and therefore accepts the penalty proposed in the Stipulation.

The Disciplinary Panel further finds that the results of this disciplinary proceeding should be publicly disclosed, as provided in Rule 12 of the Exchange Rules on Disciplinary Proceedings.¹

V. Conclusion

Based on the foregoing, the Disciplinary Panel, by unanimous vote, accepts the Stipulation of Facts and Consent to Penalty and hereby imposes upon Lennon a censure and a thirty (30) day suspension from functioning as a regular member, regular options principal, holding associated or allied membership, holding the status of approved person or limited permit holder, and from employment or association in any capacity with an Exchange Member or Member organization.

FOR THE DISCIPLINARY PANEL

Jerome Nelson, Chair

Dated: September 7, 2004

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¹ Rule 12 exempts from publicity those cases where the Panel finds that the offense "related solely to minor administrative requirements of the Exchange and does not materially affect the public interest or the interest of investors." Those exemptions do not apply to the facts of this case.