UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 60091 / June 10, 2009

ADMINISTRATIVE PROCEEDING
File No. 3-13512

IN THE MATTER OF KEEVIN H. LEONARD AND ROBERT F. MALIN

The United States Securities and Exchange Commission (Commission) announced the
issuance of an Order Instituting Administrative Proceedings Pursuant to Section 15(b) of
the Securities Exchange Act of 1934 and Notice of Hearing (Order) against Keevin H.
Leonard (Leonard) and Robert F. Malin (Malin) (collectively, Respondents). The Order
alleges that:

From February 2002 through March 2003, Leonard was a manager of the proprietary
desk at A.B. Watley, Inc. (Watley), a day trading firm registered with the Commission as
a broker-dealer, and a general securities principal of Watley. During all relevant times,
Leonard had Series 7 and 24 licenses.

Malin was Vice Chairman of Watley Group, the parent company of Watley, from
approximately January 1999 through 2004, and President of Watley, a day trading firm
registered with the Commission as a broker-dealer, from approximately September 2002
trough April 2004. During all relevant times, Malin had Series 7 and 63 licenses.

For a portion of the time in which Respondents engaged in the conduct underlying the
indictment described below, Respondents were associated with a broker-dealer registered
with the Commission.

The Order further alleges that on April 22, 2009, Respondents were found guilty of one
count of conspiracy to commit securities fraud, a felony, in the United States District
Court in the Eastern District of New York. U.S. v. Mahaffy, No. 05-CR-613 (JG)
(E.D.N.Y. April 22, 2009). The conspiracy count of the criminal indictment of which
Respondents were found guilty alleges, inter alia, that, while associated with Watley,
Respondents participated in a scheme to use confidential information improperly
obtained from broker-dealers' “squawk boxes” to trade ahead of the broker-dealers' institutional orders.

A hearing will be scheduled before an administrative law judge to determine whether the
allegations contained in the Order are true, to provide Leonard and Malin an opportunity
to respond to these allegations, and to determine what sanctions, if any, are appropriate
and in the public interest. As directed by the Commission, an administrative law judge
shall issue an initial decision in this matter no later than 210 days from the date of service of the Order Instituting Proceedings.