

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 4775 / September 26, 2017**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18212**

**In the Matter of**

**BRIAN J. KEENAN,**

**Respondent.**

**ORDER INSTITUTING ADMINISTRATIVE  
PROCEEDINGS PURSUANT TO SECTION  
203(f) OF THE INVESTMENT ADVISERS  
ACT OF 1940**

**AND NOTICE OF HEARING**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Brian J. Keenan (“Respondent” or “Keenan”).

**II.**

After an investigation, the Division of Enforcement alleges that:

**A. RESPONDENT**

1. From 1997 through July 2012, Respondent was a principal and employee of Train Babcock Advisors, LLC (“TBA”), an investment adviser registered with the Commission. Keenan, 60 years old, was a resident of Red Bank, New Jersey and currently is incarcerated in Watertown Correctional Facility in Watertown, New York.

**B. RESPONDENT’S CRIMINAL CONVICTION**

2. On December 7, 2016, Keenan pled guilty to Grand Larceny in the First Degree in violation of New York Penal Law § 155.42 before the Supreme Court of the State of

New York, County of New York: Part 42, in The People of the State of New York vs. Brian J. Keenan, Indictment # 04875/2015, and was ordered to pay restitution in the amount of \$1,622,500.00. On December 21, 2016, Keenan was sentenced to a prison term of 28 months to seven years.

3. The counts of the criminal indictment to which Keenan pled guilty alleged, inter alia, that Keenan misappropriated assets from client accounts for which he served as the investment adviser and trustee from 2008 through 2012. Keenan subsequently used his clients' funds to pay his personal expenses. In connection with that plea, Respondent admitted that he improperly and without client authorization or knowledge transferred assets from accounts for which he served as the trustee to a joint account in his name, and then transferred the funds to his personal account or withdrew the funds.

### III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act.

### IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice, 17 C.F.R. § 201.360(a)(2), the Administrative Law Judge shall issue an initial decision no later than 75 days from the occurrence of one of the following events: (A) The completion of post-hearing briefing in a proceeding where the hearing has been completed; (B) Where the hearing officer has determined that no hearing is necessary, upon completion of briefing on a motion pursuant to Rule 250 of the Commission's Rules of Practice, 17 C.F.R. § 201.250; or (C) The determination by the hearing officer that a party is deemed to be in default under Rule 155 of the Commission's Rules of Practice, 17 C.F.R. § 201.155 and no hearing is necessary.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Brent J. Fields  
Secretary