

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2007007205801**

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REGISTRATION & DISCLOSURE

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Bannon, Ohanesian, & Lecours, Inc.
Member
CRD No. 23757

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Bannon, Ohanesian, & Lecours, Inc. ("BOL") submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against BOL alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. BOL hereby accepts and consents, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA 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 FINRA:

BACKGROUND

BOL has been a FINRA member since September 15, 1989. The firm is also registered as an investment adviser with the Securities and Exchange Commission. BOL is a full service broker-dealer, with its main office located in West Hartford, Connecticut. The firm employs approximately 30 registered representatives, over half of whom are also registered investment adviser agents. BOL has no FINRA disciplinary history.

OVERVIEW

From January 2001 through June 2007, BOL failed to establish, maintain and enforce a reasonably designed supervisory system and written procedures with respect to mutual fund Class C transactions. This conduct violated NASD Conduct Rules 3010 and 2110.

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FACTS AND VIOLATIVE CONDUCT

From January 2001 through June 2007, BOL failed to establish, maintain and enforce a reasonably designed supervisory system and written procedures with respect to recommending mutual fund Class C share transactions in qualified accounts. The firm's procedures did not provide for reasonable supervisory review of such recommendations. For example, BOL failed to provide for any follow up and review to ensure the recommendations were suitable in view of the costs associated with Class C shares and the anticipated holding period. The firm also lacked procedures reasonably designed to ensure that its representatives made appropriate disclosures to customers regarding the costs and fee structure of mutual fund Class C shares, which are generally designed to be held short-term, and the potential disadvantages of holding such investments long-term. BOL also did not provide for an assessment of the suitability of mutual fund Class C share investments in qualified accounts. By failing to establish, maintain and enforce a reasonably designed supervisory system and written procedures, BOL violated NASD Conduct Rules 3010 and 2110.

B. BOL also consents to the imposition of the following sanctions:

- a censure and a \$25,000 fine.

BOL agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. BOL has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

BOL specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

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

II.

WAIVER OF PROCEDURAL RIGHTS

BOL specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against BOL;

- 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; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, BOL specifically and voluntarily waives 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.

BOL further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA 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.

III.

OTHER MATTERS

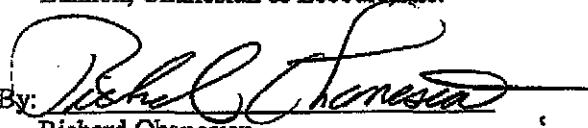
BOL understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against BOL;
- C. If accepted:
 - 1. this AWC will become part of BOL's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against BOL;

2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about BOL's disciplinary record;
 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 4. BOL 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 finding in this AWC or create the impression that the AWC is without factual basis. BOL may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects BOL's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party; and
- D. BOL may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. BOL understands that it 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 FINRA, nor does it reflect the views of FINRA or its staff.

The undersigned, on behalf of BOL, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that BOL has agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce BOL to submit it.

4/3/2009
Date

Bannon, Ohanesian & Lecours, Inc.
By: 
Richard Ohanesian
President

Accepted by FINRA:

4/24/2009
Date

Signed on behalf of the
Director of ODA, by delegated authority



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