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**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20070094512**

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REGISTRATION & DISCLOSURE

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

RE: Charles Michael Ronson, Respondent
Registered Representative
CRD No. 1667081

Pursuant to NASD Rule 9216 of FINRA's Code of Procedure, Charles Michael Ronson ("Ronson" or "Respondent") 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 Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A.** Respondent 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

Ronson entered the securities industry as a General Securities Representative in November 1986. In January 2005, Ronson became associated with NASD (now known as FINRA) member Tradition Asiel Securities Inc. ("Tradition Asiel" or the "Firm") as a General Securities Representative, Research Principal, Research Analyst, and Supervisory Analyst. He was employed at Tradition Asiel until April 2007, when he was terminated for the misconduct alleged herein. Ronson is presently associated with another FINRA member firm as a General Securities Representative. He has no prior disciplinary history.

FACTS AND VIOLATIVE CONDUCT

From March 2006 to April 2007 ("the relevant period"), Ronson was the only employee at the Firm performing research, and was responsible for writing, reviewing, approving, and distributing a weekly research report (the "Research Report") to approximately 40 institutional customers via email. The Research Report provided in-depth research on companies restructuring in Chapter 11, special situations, and spin-offs. During the relevant period, Ronson engaged in certain violations in connection with the Research Report as detailed below.

1.

From on or about April 3, 2006, until on or about February 1, 2007, Ronson executed 14 purchases and/or sales of securities issued by companies that were followed in the Research Report in his personal securities account, during a period beginning 30 calendar days before and ending five calendar days after the publication of the Research Report.

Such acts, practices, and conduct constitute separate and distinct violations by Ronson of NASD Conduct Rule 2711(g)(2), which prohibits a research analyst from purchasing or selling any security issued by a company followed by the research analyst for a period beginning 30 calendar days before and ending five calendar days after the publication of a research report concerning the company. Such conduct is also a violation by Ronson of NASD Conduct Rule 2110, which requires FINRA members to observe high standards of commercial honor and just and equitable principles of trade.

2.

From on or about March 30, 2006, until on or about January 29, 2007, Ronson issued 20 Research Reports in which he failed to disclose that he held securities of the companies covered by the Research Reports.

Such acts, practices, and conduct constitute separate and distinct violations by Ronson of NASD Conduct Rule 2711(h)(1)(A), which requires a research analyst to disclose in a research report whether he has a financial interest in the securities of the subject company and the nature of his financial interest. Such conduct is also a violation by Ronson of NASD Conduct Rule 2110, which requires FINRA members to observe high standards of commercial honor and just and equitable principles of trade.

3.

During the relevant period, Ronson issued 49 Research Reports, which defined "buy," "hold," and "sell" ratings as either "attractively valued," "appropriately valued," or "over valued" in comparison with "the market over the next 12 months." However, Ronson failed to adequately define the meaning of each of these ratings as he failed to further identify "the market."

Such acts, practices, and conduct constitute separate and distinct violations by Ronson of NASD Conduct Rule NASD Rule 2711(h)(4), which requires a member to define the meaning of each rating used in a research report consistent with its "plain meaning." Such conduct is also a violation by Ronson of NASD Conduct Rule 2110, which requires FINRA members to observe high standards of commercial honor and just and equitable principles of trade.

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

1. A fine in the amount of \$25,000.
2. A suspension from associating with any FINRA member firm, in any capacity, for a period of 15 business days.
3. An additional suspension from associating with any FINRA member firm, as a research analyst, for a period of 30 business days.

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

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent 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 him;
- 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, Respondent specifically and voluntarily waives any right to claim bias or prejudice 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.

Respondent further specifically and voluntarily waives any right to claim that a person violated the *ex parte* prohibitions of NASD Rule 9143 or the separation of functions prohibitions of NASD 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

Respondent 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 NASD Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
 - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Respondent;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Respondent's disciplinary record;

3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-3; and
 4. Respondent 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. Respondent 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 Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that he 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.

Respondent certifies that he has read and understood all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent 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 Respondent to submit it.

2 July 2008

Date

Charles Michael Ronson

Charles Michael Ronson
Respondent

Accepted by FINRA:

7/9/08
Date

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



Linda Riefberg
Vice President

FINRA Department of Enforcement
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