

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012034512101**

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

RE: Charles E. O'Hara (CRD No. 735399),
Respondent

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Charles E. O'Hara ("O'Hara" or "Respondent"), submit 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 me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, 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

On August 7, 1981, O'Hara first became registered with FINRA as an Investment Company and Variable Contracts Products Representative. On May 24, 1983, he also became registered with FINRA as a Direct Participation Program Representative.

From March 25, 1999 to December 31, 2009, O'Hara was registered in those two capacities through Investors Capital Corp. (BD No. 30613) ("ICC" or the "Firm"). On July 25, 2000 and March 5, 2003, he also became registered as a Corporate Securities Representative and as a General Securities Principal, respectively, through the Firm.

From February 18, 2010 through May 31, 2013, O'Hara was registered with FINRA in the same four capacities above through another FINRA member firm. On May 31, 2013, that firm filed a Uniform Termination Notice for Securities Industry Registration (Form U5) stating that O'Hara had been terminated. His last date of employment was May 31, 2013. Since then, O'Hara has not been associated with a FINRA member firm. Pursuant to Article V, Section 4 of the By-Laws, however, FINRA retains jurisdiction over him.

RELEVANT DISCIPLINARY HISTORY

On May 20, 2010, an AWC submitted by O'Hara was approved by FINRA. In the AWC, O'Hara consented to a \$5,000 fine and a 10 business day suspension from association with any FINRA member in any capacity and to findings that, on June 12, 2008, he borrowed \$8,000 from two of his customers, a married couple, in violation of the Firm's procedures.

O'Hara has no other relevant formal disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state securities regulator.

FACTS AND VIOLATIVE CONDUCT

On March 5, 2008, while he was registered with FINRA through an association with ICC, O'Hara borrowed \$14,650 from a married couple. The husband was one of O'Hara's customers at the Firm. O'Hara promised to pay them 12% annual interest and repay the loan in full by December 5, 2008.

ICC's procedures, however, prohibited registered representatives from borrowing money from customers. Moreover, O'Hara did not seek or obtain the Firm's approval before entering into the loan.

By December 5, 2008, O'Hara had only paid \$480 to the married couple. In 2009, he paid them an additional \$6,770 toward the loan. On or about February 8, 2010, O'Hara completed repayment of the loan, including accrued interest, making a final payment of \$11,000 to the couple.

By borrowing money from a customer in contravention of the Firm's procedures, O'Hara violated NASD Conduct Rules 2370 and 2110.

B. I also consent to the imposition of the following sanctions:

- a suspension from association with any FINRA member in any and all capacities for a period of two months; and
- a \$5,000 fine.

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

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

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

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- B. To be notified of the 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, I specifically and voluntarily waive 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.

I further specifically and voluntarily waive 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

I understand 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 me;
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my 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. I 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. I 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 my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party; and
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have 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 me to submit it.

9/23/13
Date (mm/dd/yyyy)


Charles E. O'Hara, Respondent

Reviewed by:

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Valerie S. Carter, Esq.
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Accepted by FINRA:

10/17/2013
Date

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


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