

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

Vladimir Khosid
(CRD No. 5603183),

Respondent.

Disciplinary Proceeding
No. 20100235700 01

Hearing Officer: MAD

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: 1/19/2012

INTRODUCTION

Disciplinary Proceeding No. 20100235700 was filed on December 12, 2011 by the Department of Enforcement of the Financial Industry Regulatory Authority ("FINRA") ("Complainant"). Respondent Vladimir Khosid submitted an Offer of Settlement ("Offer") to Complainant dated January 6, 2012. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council ("NAC"), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA") have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint, 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, to the entry of

findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

1. Employment History

Khosid entered the securities industry in October 2008 as a General Securities Representative with Wells Fargo Investments, LLC, a FINRA regulated broker-dealer (the "Firm"). Since October 2008, Khosid was also dually employed with a banking affiliate of the Firm, Wells Fargo Bank. Khosid remained associated with the Firm until June 2010 when his employment was terminated. Khosid is not currently associated with a FINRA regulated broker-dealer.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:¹

1. In or about May 2010, while an assistant branch manager at Wells Fargo Bank, Khosid, without permission or authority, wrongfully processed two bank wire transfers where funds totaling \$98,847 were transferred from the account of a deceased Wells Fargo Bank customer, RH, to the account of Khosid's co-conspirator, JF.
2. In or about May 2010, Khosid was compensated \$25,000 by JF for his role in the wrongful conversion of RH's funds.

¹ The findings herein are pursuant to Respondent Vladimir Khosid's Offer of Settlement and are not binding on any other person or entity named as a respondent in this or any other proceeding.

3. On or about June 29, 2010, during an interview with a Wells Fargo Bank investigator, Khosid admitted to participating in the wrongful conversion of RH's funds.
4. Subsequently, Khosid admitted to Enforcement his role in the wrongful conversion. Khosid stated that he accepted a wire transfer submitted to him by JF that he knew was "fraudulent." Khosid further admitted that he was aware customer RH was deceased at the time of the transfer and that the proceeds of the wire transfer were going into JF's account. Khosid also admitted that JF transferred \$25,000 to Khosid in May 2010 as a result of Khosid's participation in the scheme.
5. In connection with Khosid's activities described above, in November 2010, Khosid pled guilty in the United States District Court, Northern District of California, to Financial Institution Fraud (18 U.S.C. section 1344), Conspiracy to Commit Financial Institution Fraud (18 U.S.C. section 1349), and Theft, Embezzlement, or Misapplication by Bank Officer or Employee (18 U.S.C. section 656).
6. As part of his guilty plea, Khosid admitted that he "helped transfer money out of an account that was not his to another person while being employed by [Wells Fargo Bank]," and when Khosid "knew the money did not belong to him."
7. In July 2011, Khosid was sentenced to serve six months in prison.
8. The above acts, practices and conduct constitute a violation of FINRA Rule 2010.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

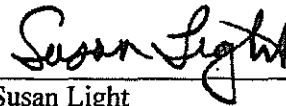
It is ordered that Respondent be barred from association with any member of FINRA in any capacity.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA

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



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