

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015044972001**

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

RE: Jaime Jassid Menahem, Respondent ("Menahem")
General Securities Representative
CRD No. 5992848

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I 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

Menahem entered the securities industry in 2011 when he registered as a Series 7 General Securities Representative ("GSR") with a FINRA regulated broker-dealer. In August 2014, Menahem became registered with the same firm as a Series 24 General Securities Principal. In October 2014, Menahem voluntarily terminated his employment with that firm and registered with Wells Fargo Advisors, LLC ("Wells Fargo" or the "Firm"), another FINRA regulated broker-dealer, as a GSR. Although registered as a GSR, Menahem functioned as a registered assistant. On March 31, 2015, Wells Fargo filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") disclosing that Menahem's employment with Wells Fargo was terminated on March 24, 2015 because of "concerns as to whether Menahem, in his role as a registered assistant, followed the Firm's policies in contacting a customer by telephone to verify a wire before actually processing a wire transfer request." Although Menahem has not reassociated with another FINRA regulated broker-dealer, pursuant to Article V, Section 4(a) of FINRA's By-Laws, FINRA retains jurisdiction over Menahem.

RELEVANT DISCIPLINARY HISTORY

Menahem has no relevant disciplinary history in the securities industry.

OVERVIEW

In January 2015, Menahem falsely represented on a wire transfer request form and to a Firm investigator that he had personally confirmed a wire request with a customer over the telephone, in violation of FINRA Rule 2010. By falsely representing on the wire request form that he had personally confirmed the wire request with the customer, Menahem caused his employing FINRA regulated broker-dealer to maintain inaccurate books and records, in violation of FINRA Rules 4511 and 2010.

FACTS AND VIOLATIVE CONDUCT

1. Violation of FINRA Rule 2010.

FINRA Rule 2010 requires associated persons to observe high standards of commercial honor and just and equitable principles of trade. Making false statements on firm documents or verbally to a firm is a violation of FINRA Rule 2010.

On January 20, 2015, Menahem received an email purportedly from Firm customer RP requesting that Wells Fargo transfer money to an associate of RP's in Singapore. Unbeknownst to Menahem, an unknown third party had accessed RP's email without authorization from RP. Menahem responded to the email, asking RP to complete a Letter of Authorization ("LOA") with details of the requested wire, per the Firm's written procedures. Shortly thereafter, Menahem received the completed LOA from the purported customer.

On January 22, 2015, Menahem completed a wire request form to initiate the wire purportedly requested by RP. On the form, Menahem falsely indicated that he had verbally confirmed the wire request with RP over the telephone on January 21, 2015 at 11:00 am. Menahem also falsely indicated that he had confirmed the customer's identity on the telephone by asking the customer about his date of birth and phone number. Additionally, when the Firm interviewed Menahem after discovering the attempted fraud by the unknown third party, Menahem again falsely stated that he was not certain whether he had made the call to the customer to confirm the wire transfer request, when in fact he was certain that he had not made the call to the customer.

By making false statements on the wire transfer form and to a Firm investigator, Menahem violated FINRA Rule 2010.

2. *Violation of FINRA Rules 4511 and 2010.*

FINRA Rule 4511 requires each member to make and preserve books and records in conformity with applicable FINRA Rules, the Securities Exchange Act of 1934 and Rules 17a-3 and 17a-4 thereunder. Inherent in this requirement is the requirement that the records the firm makes are accurate. Violation of FINRA Rule 4511 is inconsistent with high standards of commercial honor and just and equitable principles of trade and is also, therefore, a violation of FINRA Rule 2010. When an associated person falsifies a firm's records, he causes the Firm to maintain inaccurate books and records in violation of FINRA Rules 4511 and 2010.

Here, Menahem caused the Firm to make and preserve a wire transfer form that falsely indicated that Menahem had personally spoken with customer RP and confirmed the wire transfer request when, in fact, he had not spoken to RP. Through this action, Menahem violated FINRA Rules 4511 and 2010.

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

A 30 calendar-day suspension from associating with any FINRA member in any capacity and a \$5,000 fine.

The fine shall be due and payable either immediately upon reassociation with a member firm following the 30 calendar-day suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

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 Chief Legal Officer, 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; and

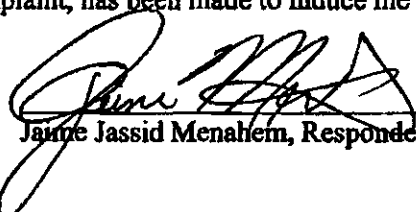
C. If accepted:

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 accordance with FINRA Rule 8313;
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.

- 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.

06-24-2016
Date (mm/dd/yyyy)


Jaime Jassid Menahem, Respondent

Reviewed by:


Martin Mushkin
Counsel for Respondent
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Accepted by FINRA:


Date

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


Richard Chin
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