

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20150461914-01**

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

RE: Fenix Securities, LLC, Respondent
BD No. 159481

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, the Respondent, Fenix Securities, LLC ("Fenix" or the "Firm"), 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 the Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. The 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

Fenix has been a member of FINRA since August 2012 and employs approximately 29 registered persons. The Firm maintains two registered branch locations, including its headquarters in New York, New York, and 26 non-registered offices.

RELEVANT DISCIPLINARY HISTORY

Fenix does not have any relevant disciplinary history with the Securities and Exchange Commission, FINRA, any other self-regulatory organization or any state securities regulator.

OVERVIEW

During the period of October 2013 to January 2015 (the "Review Period"), Fenix permitted 12 persons living outside the United States (the "Unregistered Foreign Associates") to conduct a securities business with approximately 120 off-shore investors, even though those representatives were not registered with FINRA in

any capacity and should have been registered as Foreign Associates. As a result of the foregoing, Fenix violated NASD Membership and Registration Rule 1100 and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

NASD Membership and Registration Rule 1100 provides that individuals who conduct securities activities entirely outside of the United States and with non-U.S. persons, and who are not themselves U.S. persons, should register as Foreign Associates.

During the Review Period, Fenix permitted the Unregistered Foreign Associates to conduct a securities business with approximately 120 off-shore investors, including opening customer accounts and placing orders on behalf of customers. The Firm had attempted to register three of the Unregistered Foreign Associates with FINRA, but failed to submit legible fingerprint cards to complete the registration process. The Firm made no attempt during the Review Period to register with FINRA the remaining nine Unregistered Foreign Associates, each of whom were registered with local regulators in their home jurisdictions.

As a result of the foregoing, Fenix violated NASD Membership and Registration Rule 1100 and FINRA Rule 2010.

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

- a censure and a fine of \$30,000.

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

The Respondent specifically and voluntarily waives any right to claim that the Respondent 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

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

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

- 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, the Respondent specifically and voluntarily waives 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.

The Respondent 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

The 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 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 the Respondent; and
- C. If accepted:
 - 1. this AWC will become part of the Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against the Respondent;
 - 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

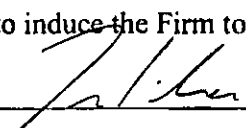
4. The Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. The Respondent may not take any position 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 the Respondent's: (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. The Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The Respondent 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 the Firm, 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 the Firm 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 the Firm to submit it.

9/28/2016

Date (mm/dd/yyyy)



Respondent

Fenix Securities, LLC (BD No. 159481)

Gabriel Indihar
By: Principal - Managing Member

[Name and Title]

Accepted by FINRA:

October 18, 2016

Date

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

A handwritten signature in black ink, reading "Michael Wajda" followed by a stylized flourish that appears to be "pdd". The signature is written over a horizontal line.

Michael Wajda

Senior Counsel

FINRA Department of Enforcement

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