

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2016048897101**

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

RE: Elimam Sanousi, Respondent
Former Associated Person

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

From July 2014 to February 2016, Elimam Sanousi was a systems analyst for National Financial Services LLC ("NFS"). His duties included, among other things, analyzing and contributing to the design and architecture of the firm's operational systems. Sanousi has no securities licenses. NFS terminated Sanousi's association with the firm on or about February 10, 2016.

Although Sanousi is no longer associated with a FINRA member firm, FINRA retains jurisdiction over him pursuant to Article V, Section 4 of FINRA's By-Laws.

OVERVIEW

Between March and October 2015, Sanousi charged approximately \$3,726 in personal expenses to his corporate credit card. By falsely claiming that approximately \$1,898 of the charges were fraudulent and misrepresenting that approximately \$1,062 of the charges were business related, Sanousi converted approximately \$2,960 from NFS, in violation of FINRA Rule 2010.¹

FACTS AND VIOLATIVE CONDUCT

Between March and October 2015, Sanousi charged approximately \$3,726 in personal expenses to his corporate credit card.² The firm questioned the charges when Sanousi failed to respond to email reminders to account for the outstanding charges. In an effort to avoid responsibility for certain of the charges, Sanousi then falsely told the firm and the credit card issuer that \$1,898 of the charges were fraudulent, and falsely labeled another \$1,062 of the charges as business related. After being confronted by NFS with evidence that he had made the charges and that they were not business related, Sanousi admitted that the charges were neither fraudulent nor business related. The firm thereafter terminated Sanousi's employment. Sanousi did not pay \$2,960 of the disputed personal charges made to his corporate card at any point before or after NFS terminated him. As a result, the firm was required to pay for those charges.

FINRA Rule 2010 requires members and associated persons to observe high standards of commercial honor and just and equitable principles of trade. Conversion is an intentional and unauthorized taking of and/or exercise of ownership over property by one who neither owns the property nor is entitled to possess it. Conversion violates Rule 2010 because such conduct is inconsistent with high standards of commercial honor and just and equitable principles of trade. Charging personal expenses to a firm-issued credit card and then falsely claiming that the charges were fraudulent or business related to avoid responsibility for paying those expenses constitutes conversion. Therefore, by charging personal expenses to his corporate credit card and falsely disputing the charges as fraudulent or claiming they were business related, Sanousi converted approximately \$2,960 in violation of FINRA Rule 2010.

¹ Sanousi paid the credit card issuer \$391 directly and NFS deducted \$375 from Saounsi's paycheck prior to his termination. Accordingly, the total amount converted was approximately \$2,960.

² The credit card was a joint-liability card on which Sanousi was responsible for personal expenses charged to the card and NFS was responsible for all other charges, including legitimate business expenses and other unaccounted for or unpaid expenses.

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

A bar from associating with any FINRA member in all capacities.

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. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

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.

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.

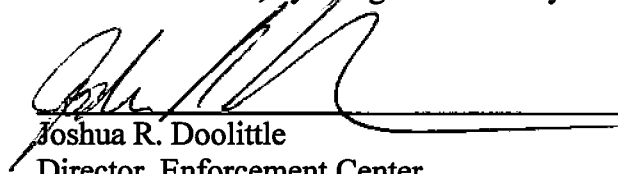
8/22/16
Date (mm/dd/yyyy)

ES
Respondent

Accepted by FINRA:

August 27, 2016
Date

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

A handwritten signature in black ink, appearing to read "Joshua R. Doolittle", is written over a horizontal line.

Joshua R. Doolittle
Director, Enforcement Center
FINRA Department of Enforcement
15200 Omega Drive, 3rd Floor
Rockville, MD 20850
301.258.8523