

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015044059101**

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

RE: Michael Androulakis, Respondent
Registered Representative
CRD No. 2793638

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

I.

ACCEPTANCE AND CONSENT

- A. 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

Androulakis first became registered with FINRA as a General Securities Representative ("GSR") through an association with a member firm in 2001. From September 2010 through July 2016, he was registered as a GSR through an association with Legend Securities, Inc. (BD No. 44952) ("Legend"). He is currently registered as a GSR through an association with another member firm.

RELEVANT DISCIPLINARY HISTORY

Androulakis has no disciplinary history with the Securities and Exchange Commission, any state securities agency, FINRA or any other self-regulatory organization.

OVERVIEW

On December 4, 2014, Androulakis, while registered through an association with Legend, executed an unauthorized transaction in a customer account. Based on the foregoing, Androulakis violated FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

On December 4, 2014, Androulakis was notified of an email purportedly sent from Customer JK's email account requesting a wire transfer of approximately \$54,000. Unbeknownst to Androulakis, the email was sent by an imposter.

In an effort to raise proceeds to fund the wire transfer, Androulakis sold shares of a stock in Customer JK's account for approximately \$52,720. The imposter claimed to be unreachable by phone because of a death in his family. Androulakis executed the transaction without seeking authority or receiving instructions from JK.

FINRA Rule 2010 provides that "[a] member, in the conduct of his business, shall observe high standards of commercial honor and just and equitable principles of trade." It is well established that unauthorized trading violates FINRA Rule 2010.

By effecting an unauthorized transaction for a Legend customer account, Androulakis violated FINRA Rule 2010.

- B. Respondent also consents to the imposition of the following sanctions:
- A suspension from associating with any FINRA member firm in any capacity for 10 business days; and
 - A fine in the amount of \$5,000.

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

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

Respondent understands that if Respondent is barred or suspended from associating with any FINRA member, Respondent becomes 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, Respondent 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

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 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, 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.

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

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 Respondent; and
- C. If accepted:
 - 1. this AWC will become part of Respondent’s permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against 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. 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. 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 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. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that Respondent 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.

Respondent certifies that Respondent has read and understands all of the provisions of this AWC

and has not been given any opportunity to ask questions about it. The Respondent has agreed to its provision, without any payment, at 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 the Respondent to submit it.

10-7-16
Date (month/day/year)

Michael Androulakis
Respondent Michael Androulakis

Received by:

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Accepted by FINRA

November 10, 2016

Signed on behalf of the
Director of FINRA by delegated authority

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