

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2018057692701**

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

RE: Antoine Nabih Souma (Respondent)
General Securities Representative
CRD No. 4210987

Pursuant to FINRA Rule 9216, Respondent Antoine Nabih Souma 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 in this AWC.

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

Souma first became registered with FINRA in August 2000 as a General Securities Representative (GSR) through an association with a FINRA member. Souma was registered through an association with that firm until March 2008. From March 2008 to August 2010, Souma was registered with FINRA as a GSR through an association with a different FINRA member.

From July 2010 to June 2016, Souma was registered with FINRA as a GSR through an association with FINRA member J.P. Morgan Securities, LLC (BD No. 79) (JPMS).

Thereafter, from June 2016 to July 2020, Souma was registered as a GSR through an association with a different FINRA member. Since July 2020, Souma has been registered as GSR through a different FINRA member.¹

¹ For more information about the respondent, visit BrokerCheck® at www.finra.org/brokercheck.

OVERVIEW

During the period from November 2014 to December 2015, when Souma was associated with JPMS, he provided six incorrect and misleading account reports to a JPMS customer that, among other things, included incorrect account values and account performance information, omitted positions held in the customer's accounts, and, in one report, understated the amount of commissions that the customer paid for transactions. The account reports included incorrect information about the customer's municipal securities, corporate bonds, structured products and other securities holdings and transactions in these securities. As a result, Souma violated FINRA Rules 2210(d)(1)(A), 2210(d)(1)(B) and 2010, and MSRB Rule G-17.

FACTS AND VIOLATIVE CONDUCT

This matter originated from a Form U5 (Uniform Termination Notice for Securities Registration) amendment filed by JPMS with respect to Souma.

FINRA Rule 2210(d)(1)(A) requires all member communications with the public to be fair and balanced, and must provide a sound basis for evaluating the facts in regard to any particular security, type of security, industry, or service, and may not omit material facts or qualification if it would cause the communication to be misleading. FINRA Rule 2210(d)(1)(B) prohibits members from making false, exaggerated, unwarranted, promissory, or misleading statements or claims in any communication. A violation of Rule 2210 is also a violation of FINRA Rule 2010, which provides that “[a] member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.”

MSRB Rule G-17 provides that “[i]n the conduct of its municipal securities business or municipal advisory activities, each broker, dealer, municipal securities dealer, and municipal advisor shall deal fairly with all persons and shall not engage in any deceptive, dishonest and unfair practice.” Providing inaccurate or misleading information to a customer may constitute a violation of Rule G-17.

Souma handled numerous accounts for a JPMS customer who periodically requested that Souma provide reports to him concerning his accounts at the firm. Between November 2014 and December 2015, Souma provided six documents to the customer that purported to be customized reports of information about the holdings in and performance of the JPMS accounts held by the customer's companies, including information about transactions and holdings in municipal securities.

Certain of the reports contained incorrect account values and account performance information, and certain of the reports omitted positions held in the accounts, and contained incorrect values for commissions paid for multiple transactions. The reports contained incorrect information about municipal securities, corporate bonds, structured products, and other types of securities. For example, one report understated the amount of commissions paid for bond transactions, including municipal bond transactions.

Additionally, three reports overstated account values and account performance during certain time periods, while two reports understated account values.

Therefore, Souma violated FINRA Rules 2210(d)(1)(A), 2210(d)(1)(B) and 2010. In addition, Souma violated MSRB Rule G-17.

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

- a two-month suspension from associating with any FINRA member in all capacities; and
- a \$20,000 fine (\$10,000 of which pertains to the violations of MSRB Rule G-17).

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

Respondent understands that if he is barred or suspended from associating with any FINRA member, he 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, he 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 in this AWC shall be effective on a date set by FINRA.

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 him;
- 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 its acceptance or rejection.

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:

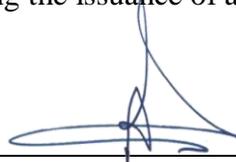
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not 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 action 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 its subject matter 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 Respondent's testimonial obligations or 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 he 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.

Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; Respondent has agreed to the AWC's provisions voluntarily; and no offer, threat, inducement, or promise of any kind, other than the terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce him to submit this AWC.

10/13/2021

Date



Antoine Nabih Souma
Respondent

Reviewed by:



Sylvia M. Scott, Esq.
Counsel for Respondent
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Los Angeles, CA 90064



Brian L. Rubin, Esq.
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Washington, DC 20001

Accepted by FINRA:

11/05/2021

Date

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



Frank M. Weber
Senior Counsel
FINRA
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