UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 106172 / August 21, 2026

ADMINISTRATIVE PROCEEDING
File No. 3-22675

In the Matter of **IBRAHIM "ALBERT" FOUERTI and ELIE FOUERTI** **Respondents.**	**ORDER INSTITUTING CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTION 21C OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING A CEASE-AND-DESIST ORDER**

I.

The Securities and Exchange Commission ("Commission") deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 ("Exchange Act"), against Ibrahim "Albert" Fouerti and Elie Fouerti (collectively, "Respondents").

II.

In anticipation of the institution of these proceedings, Respondents have submitted Offers of Settlement (the "Offers") which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting the findings herein, except as to the Commission's jurisdiction over him and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondents consent to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order ("Order"), as set forth below.

III.

On the basis of this Order and Respondents' Offers, the Commission finds[1] that:

Summary

1. These proceedings arise from materially misleading statements and omissions made by Respondents Albert Fouerti, the former chief executive officer ("CEO") and director of Company A, and Elie Fouerti, the former chief operating officer ("COO") of Company A, in March 2022 to Company A's auditor in connection with its audit of Company A's financial statements for the fiscal year ended December 31, 2021 (the "2021 10-K") by failing to disclose in related party questionnaires at least $290,000 in personal and/or unauthorized expenses that Respondents charged on credit cards that were held in their names but paid for by Company A.

Respondents

2. **Ibrahim "Albert" Fouerti**, age 46, resides in Brooklyn, New York. Albert Fouerti served as the CEO of Company A between September 2021 and his resignation in October 2022, and as President of Company B, a subsidiary of Company A, from June 2021 until his resignation. Albert Fouerti also served as a director of Company A from June 2021 to January 2023. Albert Fouerti has never been associated with or registered with a Commission registrant in any capacity.

3. **Elie Fouerti** age 47, resides in Brooklyn, New York. Elie Fouerti served as the Chief Operating Officer ("COO") of Company A between January 2022 and his resignation in October 2022, and as Vice President of Company B from June 2021 until his resignation. Elie Fouerti has never been associated with or registered with a Commission registrant in any capacity.

Relevant Entities and Individuals

4. **Company A** is a Delaware corporation headquartered in Brooklyn, New York that sold appliances, furniture, and home goods. Company A's common stock was registered pursuant to Section 12(b) of the Exchange Act and traded on the New York Stock Exchange. Company A's common stock currently trades on the OTC Expert Market. On March 7, 2024, Company A and its affiliated subsidiaries filed for Chapter 7 bankruptcy in the United States District Court for the District of Delaware.

Background

5. Respondents, who are brothers, sold Company B, their privately owned appliances and furniture retailer, to Company A. The deal closed in June 2021, and Albert

[1] The findings herein are made pursuant to Respondents' Offers of Settlement and are not binding on any other person or entity in this or any other proceeding.

Fouerti was subsequently appointed as the CEO of Company A in September 2021. Elie Foeurti initially served as the Vice President of Company B, and was later appointed as the COO of Company A as of January 2022.

6. For a period after the acquisition, Company A continued to charge millions of dollars of general business expenses, such as purchases of inventory, monthly on certain credit cards that Company B had used for general business expenses prior to the acquisition (the "Credit Cards"). The Credit Cards were opened by the Respondents and held in their names but paid for by Company A.

7. From June 2021 through February 2022, Respondents collectively charged at least $290,000 in personal and/or unauthorized expenses on the Credit Cards, including donations to religious organizations, tuition expenses for their children, and unauthorized travel expenses (the "Credit Card Charges").

8. In February 2022, as a part of its audit of the 2021 financial statements, Company A's auditor ("Auditor A") sent related party questionnaires to Respondents. The questionnaire asked, among other things, whether during the review period from January 1, 2021 onwards, Respondents or any related parties had "any interest, direct or indirect" in any completed or pending "sales, purchases, transfers . . . or any other transactions" of which the Company was, or was to be, a party, and whether Respondents or any related parties were "indebted to, or had a receivable from, the Company."

9. In March 2022, Respondents submitted their respective responses to the questionnaire, which disclosed certain leases between Company A and entities that they controlled, but not the Credit Card Charges, which rendered the responses false and/or misleading.

10. In or around June 2022, the Audit Committee of Company A's Board of Directors commenced an internal investigation (the "Internal Investigation"). In October 2022, prior to the conclusion of the Internal Investigation, Respondents resigned from their respective roles as officers of Company A.

11. On December 22, 2022, Company A issued a press release, later furnished as an exhibit to a Form 8-K filed on December 27, 2022 (the "Form 8-K"). The Form 8-K announced the Internal Investigation had concluded that, among other things, Albert Fouerti had charged Company A for expenses unrelated to Company A and its operations.

12. The Form 8-K also disclosed that Company A's Board of Directors had reached an agreement with Albert Fouerti. Specifically, on December 21, 2022, Albert Fouerti entered into a Settlement and Cooperation Agreement pursuant to which he agreed to pay $3,700,000 to Company A to resolve claims relating to the Internal Investigation's findings concerning "expenses incurred for non-business purposes," as well as the costs of the Internal Investigation.

13. Additionally, Company A disclosed in the Form 8-K that Auditor A had resigned effective as of December 20, 2022 because among other things, the Internal Investigation identified facts that, if further investigated by Auditor A, might cause Auditor A to no longer be able to rely

on the representations of former management in connection with Auditor A's audit report for the 2021 10-K and its association with the quarterly financial statements for the periods ended June 30, 2021, September 30, 2021 and March 31, 2022. Auditor A also withdrew its audit opinion for the 2021 10-K and declined to be associated with the relevant quarterly financial statements.[2]

14. Respondents' failure to disclose the Credit Card Charges rendered their responses to the related party questionnaire materially false and/or misleading. The information about the charges was material to Auditor A because it would have affected the audit team's testing procedures and assessment of management integrity. The concerns raised by the Credit Card Charges were one of the primary factors that caused Auditor A to resign as Company A's auditor.

Violations of the Federal Securities Laws

15. Rule 13b2-2(a) of the Exchange Act prohibits officers and directors from, directly or indirectly, making or causing to be made materially false or misleading statements or omissions to accountants in connection with an audit or preparation of reports to be filed with the Commission.

16. As a result of the conduct described above, Respondents violated Rule 13b2-2(a) under the Exchange Act.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondents' Offers.

Accordingly, it is hereby ORDERED that**:**

A. Pursuant to Section 21C of the Exchange Act, Respondents Albert Fouerti and Elie Fouerti cease and desist from committing or causing any violations and any future violations of Rule 13b2-2(a) of the Exchange Act.

B. Albert Fouerti and Elie Fouerti shall each pay a civil penalty as follows:

(1) Albert Fouerti shall, within ten (10) days of the entry of this Order, pay a civil money penalty in the amount of $75,000.00 to the Securities and Exchange Commission for transfer to the general fund of the United States

[2] Company A subsequently engaged a new auditor, and in July 2023, filed a comprehensive 10-K for the fiscal years ended December 31, 2022 and December 31, 2021—which included the results of the quarterly periods ended June 30, 2021 and September 30, 2021 reviewed by the new auditor—and the quarterly periods ended March 31, 2022, June 30, 2022, September 30, 2022, and March 31, 2023, which among other things, restated its financial results for the fiscal year ended December 31, 2021 and quarter ended March 31, 2022. However, the Credit Card Charges did not factor into the restatements.

Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

(2) Elie Fouerti shall, within ten (10) days of the entry of this Order, pay a civil money penalty in the amount of $50,000.00 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

Payment must be made in one of the following ways:

(1) Respondents may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;

(2) Respondents may make direct payment from a bank account via Pay.gov through the SEC website at http://www.sec.gov/about/offices/ofm.htm; or

(3) Respondents may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Albert Fouerti and Elie Fouerti as Respondents in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Thomas P. Smith, Jr., Associate Director, Division of Enforcement, Securities and Exchange Commission, 100 Pearl Street, Suite 20-100, New York, NY 10004.

C. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondents agree that in any Related Investor Action, they shall not argue that they are entitled to, nor shall they benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondents' payments of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondents agree that they shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondents by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by Respondents, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondents under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondents of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

By the Commission.

Vanessa A. Countryman
Secretary