

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2011030466701**

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

RE: Irfan Ahmad Nagi, Respondent
CRD No. 2987136

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

Nagi entered the securities industry in March 1999 as a Limited Representative—Investment Company and Variable Contracts Products with MetLife Securities Inc. Nagi remained registered with MetLife Securities until December 2, 2011, when MetLife terminated his registrations. Nagi is not currently employed in the securities industry.

OVERVIEW

Nagi failed to timely amend his Uniform Application for Securities Industry Regulation or Transfer (Form U4) after a judgment was entered against him in September 2007. In addition, although he knew that judgments were required to be disclosed, Nagi failed to amend his Form U4 to disclose four more judgments that were entered against him during 2009 through 2011.

By failing to timely disclose the September 2007 judgment on his Form U4, Nagi violated Article V, Section 2(c) of the FINRA By-Laws of the Corporation, NASD Rule IM-1000-1, and NASD Rule 2110. By failing to disclose other four judgments, Nagi willfully violated Article V, Section 2(c) of the FINRA By-Laws of the Corporation and FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

Facts

During the period September 2007 through May 2011, five judgments were entered in favor of creditors against Nagi. Nagi disclosed only the first of the five judgments on his Form U4, and he failed to make that disclosure in a timely manner. Specifically:

- On September 19, 2007, a judgment was entered in favor of Chase Bank USA against Nagi in the amount of \$5,627 for unpaid credit card bills. Nagi did not disclose this judgment for over a year. He disclosed it in his amended Form U4 dated December 15, 2008.
- On September 15, 2009, a judgment was entered in favor of Chase Bank against Nagi in the amount of \$2,345.25 for unpaid credit card bills. Nagi never disclosed this judgment on his Form U4.
- On July 13, 2009, a judgment was entered in favor of RAB Performance Recoveries LLC against Nagi in the amount of \$7,215.61 for unpaid credit card bills. Nagi never disclosed this judgment on his Form U4.
- On January 21, 2010, a judgment was entered in favor of Cach LLC against Nagi in the amount of \$8,282.55 for unpaid credit card bills. Nagi never disclosed this judgment on his Form U4.
- On May 6, 2011, a judgment was entered in favor of Midland Funding LLC against Nagi in the amount of \$4,990.95 for unpaid credit card bills. Nagi never disclosed it.

After disclosing the September 2007 Chase Bank judgment, Nagi knew that judgments were events required to be disclosed on his Form U4. In addition, Nagi received general reminders from branch management regarding the requirement to update his Form U4. And in January 2011, a member of MetLife Securities Corporate Licensing and Registration department emailed Nagi informing him that her department had been notified that his wages were being garnished by Chase Bank and that it appeared to be an event that should have been disclosed on his Form U4. The email also noted that such disclosures were required to be made within 30 days of the event and that Nagi should make that disclosure immediately. Despite these instructions and his knowledge that judgments were required to be disclosed, Nagi did not amend his Form U4 to disclose any of the four judgments entered against him during 2009 through 2011.

Violations

Article V, Section 2(c) of FINRA's By-Laws of the Corporation provides that "[e]very application for registration [Form U4] filed with the corporation shall be kept current at

all times by supplementary amendments . . . not later than 30 days after learning of the facts or circumstances giving rise to the amendment." Until August 17, 2009, NASD Rule IM 1000-1 also provided that filing a Form U4 that was incomplete or inaccurate so as to be misleading, or the failure to correct such filing, could constitute a violation of NASD Rule 2110. Effective August 17, 2009, FINRA Rule 1122 superseded NASD Rule IM 1000-1. Rule 1122 directly prohibits the same conduct. A willful failure to disclose material information on Form U4 also results in a statutory disqualification. Substantive information required to be disclosed on the Form U4 is presumptively material.

Question 14M of the Form U4 asks: "Do you have any unsatisfied judgments or liens?" By failing to disclose the September 2007 Chase Bank judgment within 30 days of the event, Nagi violated Article V, Section 2(c) of the FINRA By-Laws of the Corporation, NASD Rule IM 1000-1, and NASD Rule 2110. By failing to disclose the four judgments entered against him in 2009 through 2011 when he knew that judgments were required to be disclosed, Nagi willfully violated Article V, Section 2(c) of the FINRA By-Laws of the Corporation, and FINRA Rules 1122 and 2010.

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

- A three-month suspension from associating with any FINRA member in any capacity;
- A \$5,000 fine.

The fine shall be due and payable either immediately upon reassociation with a member firm following the three-month suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

I understand that this settlement includes a finding that I willfully omitted to state a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 and Article III, Section 4 of FINRA's By-Laws, this omission makes me subject to a statutory disqualification with respect to association with a member.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

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 General Counsel, 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 response to public inquiries about my disciplinary record;
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.

- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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.

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.

10/02/13
Date

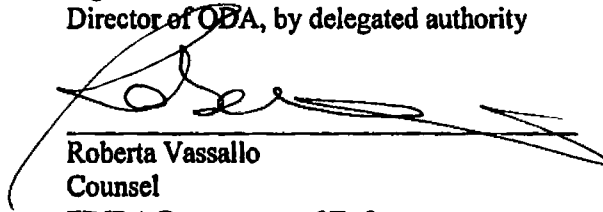


Irfan Ahmad Nagi
Respondent

Accepted by FINRA:

10/8/13
Date

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

A handwritten signature in black ink, appearing to read 'Roberta Vassallo', is written over a horizontal line.

Roberta Vassallo
Counsel
FINRA Department of Enforcement
15200 Omega Drive
3rd Floor
Rockville, MD 20850-3241