

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014040575801**

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

RE: Chaim Ilowitz, Respondent
CRD No. 6035241

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Chaim Ilowitz, 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

Respondent Chaim Ilowitz ("Respondent" or "Ilowitz") first became registered with FINRA as an Investment Company Products/Variable Contracts Representative (Series 6) ("IR") in June 2012 through MetLife Securities Inc. (BD No. 14251) ("MetLife"). In March 2014, MetLife terminated Ilowitz's registration and filed a Uniform Termination Notice for Securities Industry Registration ("Form U5"), reporting that Ilowitz "resigned while under review with respect to payments made on insurance policies sold by the representative." In May 2014, Ilowitz became registered with FINRA as an IR through another member firm. In September 2014, that employer firm filed a Form U5 reporting that it terminated Ilowitz in September 2014.

Ilowitz is not currently registered with FINRA or associated with any FINRA member firm. FINRA retains jurisdiction over Ilowitz pursuant to Article V, Section 4 of the FINRA By-Laws.

RELEVANT DISCIPLINARY HISTORY

Ilowitz has no relevant disciplinary history.

OVERVIEW

During the time period of June 2012 through June 2013, while registered through MetLife, Ilowitz willfully failed to timely disclose his Chapter 7 bankruptcy filing on his Uniform Application for Securities Industry Registration or Transfer ("Form U4"). By such conduct, Ilowitz violated Article V, Section 2(c) of the FINRA By-Laws and FINRA Rules 1122 and 2010.

In addition, between March 26, 2015 and May 18, 2015, Ilowitz failed to cooperate with FINRA's requests for documents, information and testimony. By such conduct, Ilowitz violated FINRA Rules 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

Failure to Disclose Bankruptcy

Article V, Section 2(c) of the FINRA By-Laws requires registered persons to keep their Form U4 "current at all times," and that amendments to Forms U4 be filed "not later than 30 days after learning of the facts or circumstances giving rise to the amendment." FINRA Rule 1122 requires registered persons to correct incomplete or inaccurate information on their Form U4. 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."

Question 14K on the Form U4 asks "[w]ithin the past 10 years[,] have you made a compromise with creditors, filed a bankruptcy petition or been the subject of an involuntary bankruptcy petition?" At all times, Respondent was required to keep his application current by filing amendments within 30 days of learning of facts that are required to be disclosed.

While registered through MetLife, Ilowitz filed a voluntary Chapter 7 bankruptcy petition on June 5, 2012. Therefore, Ilowitz was required to disclose the filing of his bankruptcy petition on his Form U4 by no later than July 5, 2012 (not later than 30 days after learning of the facts or circumstances giving rise to the amendment). However, he did not disclose it on his Form U4 until June 3, 2013.

As a result of the foregoing conduct, Ilowitz willfully failed to timely amend his Form U4 to disclose the bankruptcy petition and violated Article V, Section 2(c) of the FINRA By-Laws, and FINRA Rules 1122 and 2010.

Failure to Provide Requested Information

FINRA Rule 8210 authorizes FINRA to “require a member, person associated with a member, or any other person subject to FINRA’s jurisdiction to provide information orally, in writing, or electronically (if the requested information is, or is required to be, maintained in electronic form) and to testify at a location specified by FINRA staff, under oath or affirmation administered by a court reporter or a notary public if requested, with respect to any matter involved in the investigation, complaint, examination, or proceeding.” FINRA Rule 8210(c) further states that “[n]o member or [associated] person shall fail to provide information or testimony or to permit an inspection and copying of books, records, or accounts pursuant to this Rule.” 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.”

In March 2014, MetLife filed a Form U5, disclosing that Ilowitz “resigned while under review with respect to payments made on insurance policies sold by the representative.”

Between March 26, 2015 and May 18, 2015, as part of its investigation into the circumstances involving Ilowitz’s resignation and pursuant to FINRA Rule 8210, the staff of FINRA’s Department of Member Regulation issued two requests for documents and information and three requests for on-the-record interviews. Ilowitz was required to provide the requested documents, information and testimony. However, Ilowitz refused to provide the requested documents, information and testimony.

As a result of the foregoing conduct, Ilowitz failed to cooperate with FINRA’s requests and violated FINRA Rules 8210 and 2010.

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

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

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).

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. A bar 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;

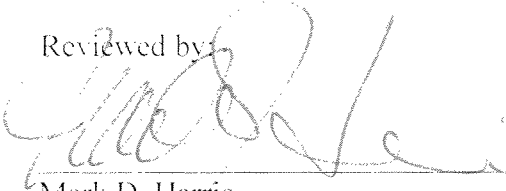
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against 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.

7/7/15
Date (mm/dd/yyyy)


Chaim Ilowitz, Respondent

Reviewed by:

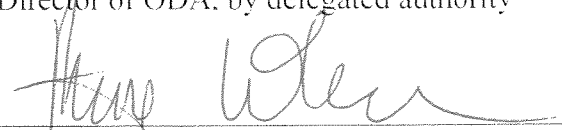

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Fax: (212) 969-2900

Accepted by FINRA:

7/29/2015
Date

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

A handwritten signature in dark ink, appearing to read "Artur Wlazlo", written over a horizontal line.

Artur M. Wlazlo
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FINRA Department of Enforcement
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