

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014042732201**

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

RE: Frank Morizio, Jr.
Investment Company Products/
Variable Contracts Limited Representative
CRD No. 3029586

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent Frank Morizio, Jr. ("Respondent" or "Morizio") 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

Respondent entered the securities industry in February 1998 through his association with MetLife Securities, Inc. (MetLife) (BD No. 14251). He became registered through MetLife as an Investment Company Products/Variable Contracts Limited Representative (IR) on July 5, 1999. On September 22, 2014, MetLife filed a Uniform Termination Notice for Securities Industry Registration (Form U5) for Respondent terminating his registration as of September 12, 2014. He is not currently registered with FINRA or associated with a FINRA member firm. Respondent remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of the FINRA By-Laws.

RELEVANT DISCIPLINARY HISTORY

Respondent has no prior disciplinary history.

OVERVIEW

On April 4, 2012, and on June 17, 2014, while Respondent was registered through MetLife, the Internal Revenue Service (IRS) filed liens for unpaid taxes against Respondent, who willfully failed to amend his Uniform Application for Securities Industry Registration and Transfer (Form U4) to report the liens. As a result, he violated Article V, Section 2 of the FINRA By-Laws and FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

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.”

On April 4, 2012, while Respondent was registered through MetLife, the IRS recorded a tax lien against Respondent for unpaid taxes for tax years 2009 and 2010, in the amount of \$79,477. Additionally, on June 17, 2014, while Respondent was registered through MetLife, the IRS recorded a tax lien against Respondent for unpaid taxes for tax year 2013, in the amount of \$34,083. On or around each of the dates that the liens were recorded, Respondent received notice of and was aware of the liens filed by the IRS. The liens have not been satisfied.

Question 14M on the Form U4 asks “[d]o you have any unsatisfied judgments or liens against you?” 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. Respondent never amended his Form U4 to disclose the IRS liens.

As a result of Respondent’s willful failure to amend his Form U4 and disclose the liens, he violated Article V, Section 2 of the FINRA By-Laws and FINRA Rules 1122 and 2010.

- B. Respondent also consents to the imposition of the following sanctions:
- A three-month suspension in all capacities from association with any FINRA member firm.

Respondent has submitted a sworn financial statement and demonstrated an inability to pay. In light of the financial status of Respondent, no monetary sanctions have been 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).

Respondent understands that this settlement includes a finding that he 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 him 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

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 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.

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:

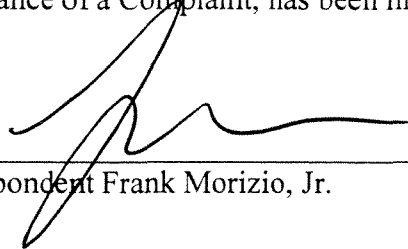
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will 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 him;
 - 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 his: (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 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 or its staff.

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; that he has 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 him to submit it.

5/26/15

Date (mm/dd/yyyy)



Respondent Frank Morizio, Jr.

Accepted by FINRA:

6/9/15

Date

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



Kathleen Lynch
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FINRA, District 10
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