

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2017054137001**

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

RE: Benjamin B. Lowder, Jr., Respondent
Former Registered Representative
CRD No. 3014106

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent Benjamin B. Lowder, Jr. ("Respondent" or "Lowder") 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

Lowder first became registered with a FINRA member firm in 1998. On August 8, 2000, Lowder became registered with MSI Financial Services, Inc. (f/k/a MetLife Securities, Inc.) ("MSI") as an Investment Company and Variable Contracts Products Representative (Series 6). Lowder remained associated with MSI until voluntarily terminating his registration with the firm on February 22, 2017. Lowder has not been associated with a FINRA member firm since his termination from MSI.

On May 23, 2018, MSI filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") amendment for Lowder reporting that he was the subject of two civil lawsuits alleging unfair and deceptive trade practices and state securities fraud regarding investments in fictitious entities. MSI amended Lowder's Form U5 again on November 12, 2018; January 28, 2019; April 4, 2019; and July 22, 2019, to report similar civil lawsuits filed by additional plaintiffs. Although Lowder is no longer associated with a FINRA member firm, he remains subject to FINRA's jurisdiction pursuant to Article V, Section 4, of FINRA's By-Laws.

RELEVANT DISCIPLINARY HISTORY

Respondent does not have any disciplinary history with the Securities and Exchange Commission, any state securities regulators, FINRA, or any other self-regulatory organization.

OVERVIEW

In September 2019, Lowder refused to appear for testimony in violation of FINRA Rules 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA began investigating Lowder after learning of investor-related civil lawsuits disclosed in the amended Form U5s described above.

FINRA Rule 8210(a)(1) states, in relevant part, that FINRA may “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 . . . and to testify at a location specified by FINRA staff . . . with respect to any matter involved in the investigation[.]” A violation of FINRA Rule 8210 is also a violation of FINRA Rule 2010, which requires associated persons, in the conduct of their business, to “observe high standards of commercial honor and just and equitable principles of trade.”

On September 3, 2019, FINRA staff sent a request to Respondent for on-the-record testimony pursuant to FINRA Rule 8210. As stated during his counsel’s phone call with FINRA staff on September 16, 2019, and by this agreement, Respondent acknowledges that he received FINRA’s request and will not appear for on-the-record testimony at any time.

By refusing to appear for on-the-record testimony as requested pursuant to FINRA Rule 8210, Respondent has violated FINRA Rules 8210 and 2010.

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

- A bar from associating with any FINRA member in any capacity.

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 herein shall be effective on a date set by FINRA staff. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

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 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 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 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 Respondent's: (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.**

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 herein and the prospect of avoiding the issuance of a Complaint, has been made to induce him to submit this AWC.

9/23/19

Date

BBJ12

Benjamin B. Lowder, Jr.
Respondent

Reviewed by:

[Signature]

Paul Porter, Esq.
Counsel for Respondent
8845 Red Oak Boulevard
Charlotte, NC 28217

Accepted by FINRA:

10/2/19

Date

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

[Signature]

Robyn W. Baggetta
Principal Counsel
FINRA
Department of Enforcement
15200 Omega Drive, Suite 300
Rockville, MD 20850-3241