

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2010024607801**

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

RE: Edward R. Von Lumm IV, Respondent
Registered Representative and
Investment Company and Variable Contracts Products Representative
CRD No. 4843052

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

On November 15, 2004, Edward R. Von Lumm IV ("Von Lumm") first became registered with FINRA as an Investment Company and Variable Contracts Products Representative. From July 14, 2009 through October 6, 2010, Von Lumm was registered in that capacity through MML Investor Services, Inc. ("Firm"). He is not currently associated with a FINRA member firm. Von Lumm has no FINRA disciplinary history.

OVERVIEW

Von Lumm improperly borrowed money from a customer and made improper use of a customer's funds. He also failed to provide a complete response to FINRA staff's written requests for information, and failed to appear for on-the-record testimony. This conduct violated NASD Conduct Rule 2370 and FINRA Rules 2150(a), 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

On about April 14, 2010, Von Lumm borrowed \$5,000 from one of his customers. He executed a promissory note stating that the loan was to be paid in full by May 14, 2010, with \$1,000 in interest. Since then, Von Lumm has repaid approximately \$2,100 to the customer. He did not disclose the loan to the Firm. Moreover, the Firm prohibited its representatives from borrowing from customers. By improperly borrowing money from his customer, Von Lumm violated NASD Conduct Rule 2370 and FINRA Rule 2010.

On April 30, 2010, the same customer gave Von Lumm \$500 towards the purchase of auto and homeowners insurance. Von Lumm, however, failed to procure any insurance policies for the customer and did not immediately return the funds to the customer. On September 10, 2010, and pursuant to the customer's request, Von Lumm wrote a note to the customer promising to return the \$500. Von Lumm has since returned the funds to the customer. By improperly using customer funds, Von Lumm violated FINRA Rules 2150(a) and 2010.

By letters dated November 3, 2010, November 30, 2010 and February 10, 2011, FINRA staff requested, pursuant to FINRA Rule 8210, that Von Lumm provide information and/or testimony in connection with the findings described above. Von Lumm, however, provided an incomplete response to the information requests and failed to appear for testimony. By failing to provide a complete response to the staff's written requests and failing to appear for testimony, Von Lumm violated FINRA Rules 8210 and 2010.

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

- a bar from association with any FINRA member in any capacity.

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).

The sanction imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion 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 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;

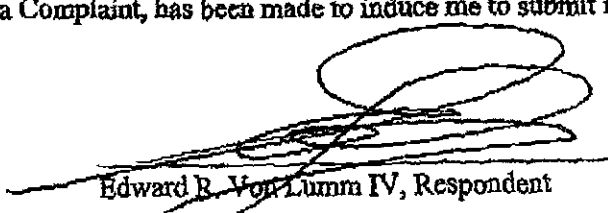
B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and

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 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.

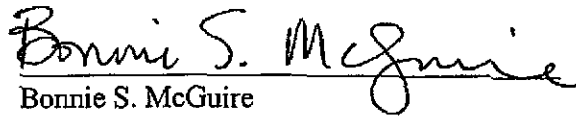
3/10/2011
Date (mm/dd/yyyy)


Edward R. Von Lumm IV, Respondent

Accepted by FINRA:

4/1/11
Date

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



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