

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013036613701**

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

RE: Eric Zebrauskas, Respondent
General Securities Representative
CRD No. 4391319

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Respondent Eric Zebrauskas 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. 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

Zebrauskas entered the securities industry in April 2001 when he became registered with FINRA as a General Securities Representative ("GSR") through an association with a FINRA member firm. He was registered at four FINRA member firms from April 2001 to September 2012. On October 2, 2012 he became registered with FINRA as a GSR through an association with Securities Service Network, Inc., (BD No. 13318) (the "Firm"). Zebrauskas was employed as a GSR in the Firm's Carmel, Indiana branch office until April 15, 2013, when the Firm terminated his employment. Zebrauskas is currently employed as a GSR at another FINRA registered member firm.

RELEVANT DISCIPLINARY HISTORY

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

OVERVIEW

From October 2, 2012 to April 15, 2013, while Zebrauskas was employed as a GSR with the Firm, he engaged in an outside business activity as a life insurance agent, for which he received compensation. Zebrauskas failed to disclose this outside business activity in writing to the Firm in violation of FINRA Rules 3270 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 3270 states that

[n]o registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person as a result of any business activity outside of the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member, in such form as specified by the member.

FINRA Rule 2010 requires associated persons to observe high standards of commercial honor and just and equitable principles of trade.

At all times during Zebrauskas's employment with the Firm, the Firm's written policies and procedures prohibited employees from engaging in an outside business activity without first providing written notice to the Firm of the outside business activity, and receiving approval from the Firm to engage in the outside business activity.

In May 2012, Zebrauskas agreed to join the Firm as a GSR on a future date. As part of the hiring process, on May 15, 2012, Zebrauskas completed and signed a Firm Disclosure of Outside Business Form, on which he indicated that he was not engaged in an outside business activity. At that time Zebrauskas was a life insurance agent, for which he received compensation.

On October 2, 2012, Zebrauskas became employed at the Firm. In April 2013, as a result of a branch audit, the Firm found that at all times during Zebrauskas's employment with the Firm, he was engaged in an outside business activity as a life insurance agent. Zebrauskas received approximately \$40,000 in income for this outside activity during his Firm employment. Zebrauskas did not provide prior written notice to, or receive written approval from, the Firm to engage in this outside business activity.

As a result of this conduct, Zebrauskas violated FINRA Rules 3270 and 2010.

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

- a 30 calendar day suspension from association with any FINRA regulated firm in all capacities; and
- a \$5,000 fine.

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

I agree to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. I have submitted an Election of Payment form showing the method by which I propose to pay the fine imposed.

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

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).

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.

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.
- 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.

10/20/2016
Date


Eric Zebraykas, Respondent

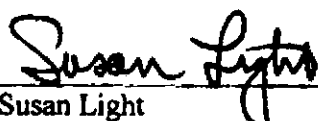
Reviewed by:

Kristine R. Thomson
Kristine Thomson
Counsel for Respondent
Saretsky, Hart, Michaels and Gould PC
995 South Eton
Birmingham, Michigan 48009
Tel 248-502-3300

Accepted by FINRA:

Nov 8, 2016
Date

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


Susan Light
Senior Vice President and Chief Counsel
FINRA Department of Enforcement
One World Financial Center
200 Liberty Street
New York, New York 10281-1003
Tel: (646) 315-7333