

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20160494962 0 !**

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

**RE: Eric Eugene Ott, Respondent
Former Registered Representative
CRD No. 6262487**

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

Eric Eugene Ott ("OTT") entered the securities industry in November of 2013 when he became registered with a FINRA member firm. In August of 2015 Ott registered as an Investment Company Products/Variable Contracts Representative with MML Investor Services, LLC ("MML"). Ott was terminated by MML effective March 28, 2016 and has not been registered with any FINRA member firm since that time. Ott remains subject to the jurisdiction of FINRA pursuant to Article V, Section 4(a) of FINRA's By-Laws, which provides for a two-year period of retained jurisdiction over formerly-registered persons.

RELEVANT DISCIPLINARY HISTORY

Ott has no relevant disciplinary history.

OVERVIEW

Ott signed a customer's name to two applications for insurance without the customer's knowledge or consent. After the customer complained to the issuing insurance company, the policies were canceled at no cost to the customer. Further, prior to beginning his employment at MML, Ott was a part owner in a business that invested in past due taxes, and he failed to disclose his continued involvement in this business to MML.

FACTS AND VIOLATIVE CONDUCT

Signing Customer's Name on Insurance Applications

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

In December of 2015, Ott signed the name of a customer ("JT") on a Traditional Life Insurance policy application and a Disability Income Insurance policy application. Although the two had discussed the possibility of JT applying for life insurance, JT did not consent or approve of the submission of either insurance application, nor did she consent to the signing of her name on the applications.

Ott also paid the initial premiums for the two insurance policies, without JT's knowledge. JT did not become aware of the issuance of the two insurance policies in her name until she received correspondence from the issuing company concerning an address change on the account. JT then called the issuing company to complain, and the issuing company investigated the matter and canceled the policies at JT's request at no cost. MML also investigated the matter and terminated Ott.

As a result of the foregoing conduct, Ott violated FINRA Rule 2010.

Outside Business Activity

FINRA Rule 3270 provides, in relevant part, 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 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."

MML's written policies required registered employees to disclose any and all outside business activities, whether or not they were securities related.

Prior to becoming registered with MML, Ott was a part owner in a business which

invested in real estate distressed by tax delinquencies. In addition to his ownership interest, Ott performed services for this business, including analyzing potential purchases and attending tax lien sales.

Ott's failure to disclose his involvement with the real estate business to MML constituted a violation of FINRA Rule 3270 and 2010.

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

- a thirteen (13) month suspension from association with any FINRA member firm in any capacity; and
- a \$15,000 fine.

The fine shall be due and payable either immediately upon reassociation with a member firm, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction(s) 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).

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

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

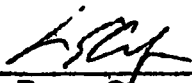
I understand that:

- 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.**
- 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 understand and acknowledge that FINRA does not represent or advise me and I cannot rely on FINRA or FINRA staff members for legal advice; 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.

3/6/17
Date (mm/dd/yyyy)


Eric Eugene Ott

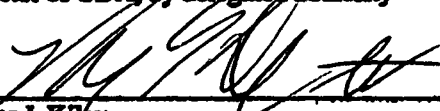
Reviewed by:

Attorney Name
Counsel for Respondent
Firm Name
Address
City/State/Zip
Phone Number

Accepted by FINRA:

4/13/17
Date

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


Roger J. Kiley
Principal Regional Counsel
FINRA Department of Enforcement
55 West Monroe Street, Suite 2700
Chicago, IL 60603
Roger.Kiley@finra.org
(312)899-4353; (312)899-4600 (fax)