

**NASD
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

Complainant

vs.

MARTIN R. HERSHNER,
Registered Representative
(CRD No. 2860063)

Respondent

**Disciplinary Proceeding
No. C8A050020**

Hearing Officer

COMPLAINT

Upon information and belief, Complainant alleges as follows:

1. Between approximately April 1997 and May 2004, Martin R. Hershner ("Respondent") was registered as an Investment Company/Variable Contracts Products Representative with MML Investors Services, Inc. ("Member"), a member of NASD. Respondent therefore is subject to the jurisdiction of the NASD, pursuant to Article V, Section 4 of the NASD's By-Laws.

**FIRST CAUSE FOR COMPLAINT
Conversion and Misuse of Customers' Funds
Violations of NASD Conduct Rules 2110 and 2330(a)**

2. During all relevant times, A.L., C.P., T.P. and M.B. were public customers who each maintained securities accounts at the Member that were serviced by Respondent.

3. On or about February 3, 2003, Respondent caused a redemption of

approximately \$26,670 from customer A.L.'s Oppenheimer mutual fund, and committed conversion by cashing the \$25,670 check and using the funds for his own use or benefit, without the knowledge or consent of A.L.

4. In or about September 2003, Respondent converted customer funds by cashing a check in the approximate amount of \$5,119.37 that was a redemption from Oppenheimer mutual funds by customer C.P., and used the funds for his own use or benefit, without the knowledge or consent of C.P.

5. In or about November 2003, Respondent converted customer funds by cashing a check in the approximate amount of \$3,437 that was a redemption from an AIM mutual fund by customer T.P., and used the funds for his own use or benefit, without the knowledge or consent of T.P.

6. On or about November 18, 2003, Respondent caused a redemption of \$30,000 from customer M.B.'s Oppenheimer mutual fund, directed M.B. to bring the envelope containing the \$30,000 withdrawal check to him, and converted the \$30,000 by cashing the check and using the funds for his own use or benefit, without the knowledge or consent of M.B.

7. The acts, practices and conduct above constitute separate and distinct violations of NASD Conduct Rules 2110 and 2330(a) by Respondent.

SECOND CAUSE FOR COMPLAINT
NASD Conduct Rule 2110 and NASD Procedural Rule 8210
Refusal to Respond to Requests for Information

8. On or about September 17, 2004, NASD staff sent to Respondent a request that he provide certain documents and information, pursuant to and in accordance with the provisions of NASD Procedural Rule 8210. That request for information was sent by

first class mail and by certified mail, return receipt requested, to Respondent's address of record as contained in the records of the Central Registration Depository ("CRD address"). The mailings were not returned to NASD staff.

9. On or about September 29, 2004, Respondent, through his attorney, wrote a letter to NASD staff in which Respondent acknowledged receipt of NASD staff's 8210 request, described in Paragraph 8 above, and declined to respond.

12. Respondent has failed to respond to the request for documents and information described in Paragraph 8 above to date, and the date for responding to the request has passed.

13. The acts, practices and conduct described above constitutes a violation of NASD Conduct Rule 2110 and Procedural Rule 8210 by Respondent.

PRAYER FOR RELIEF

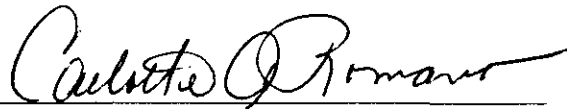
WHEREFORE, Complainant respectfully requests:

- A. Findings of fact and conclusions of law that Respondent committed the violations charged and alleged herein;
- B. An order imposing sanctions upon Respondent in accordance with NASD Procedural Rule 8310;
- C. An order imposing such costs of any proceeding as are deemed fair and appropriate under the circumstances in accordance with NASD Procedural Rule 8330; and

D. An order imposing any other fitting sanction.

March 18, 2005

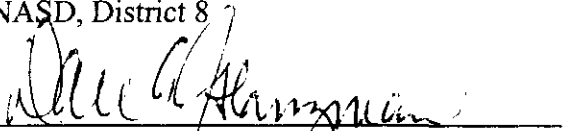
Dated



Carlotta A. Romano
Senior Vice President and Regional Director
NASD, District 8

March 18, 2005

Dated



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