

BrokerCheck Report

MML INVESTORS SERVICES, LLC

CRD# 10409

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Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

About BrokerCheck®



BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

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For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. [For more information about FINRA, visit www.finra.org.](http://www.finra.org)



MML INVESTORS SERVICES, LLC

CRD# 10409

SEC# 8-27250

Main Office Location

1295 STATE STREET
SPRINGFIELD, MA 01111-0001
Regulated by FINRA Boston Office

Mailing Address

1295 STATE STREET
SPRINGFIELD, MA 01111-0001

Business Telephone Number

(413) 737-8400

This firm is a brokerage firm and an investment adviser firm. For more information about investment adviser firms, visit the SEC's Investment Adviser Public Disclosure website at:

<https://www.adviserinfo.sec.gov>

Report Summary for this Firm

This report summary provides an overview of the brokerage firm. Additional information for this firm can be found in the detailed report.

Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Massachusetts on 01/01/2011.

Its fiscal year ends in December.

Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

Firm Operations

This firm is registered with:

- the SEC
- 1 Self-Regulatory Organization
- 53 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 15 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm has referral or financial arrangements with other brokers or dealers.

Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	25
Arbitration	1
Bond	2

The number of disclosures from non-registered control affiliates is 42



Firm Profile

This firm is classified as a limited liability company.
This firm was formed in Massachusetts on 01/01/2011.
Its fiscal year ends in December.

Firm Names and Locations

This section provides the brokerage firm's full legal name, "Doing Business As" name, business and mailing addresses, telephone number, and any alternate name by which the firm conducts business and where such name is used.

MML INVESTORS SERVICES, LLC
Doing business as MML INVESTORS SERVICES, LLC
CRD# 10409
SEC# 8-27250

Main Office Location
1295 STATE STREET
SPRINGFIELD, MA 01111-0001
Regulated by FINRA Boston Office

Mailing Address
1295 STATE STREET
SPRINGFIELD, MA 01111-0001

Business Telephone Number
(413) 737-8400

Other Names of this Firm

Name	Where is it used
MASSMUTUAL FINANCIAL GROUP	NH
MML INVESTORS SERVICES	AK, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NJ, NM, NV, NY, OH, OK, OR, PA, PR, RI, SC, SD, TN, TX, UT, VA, VT, WA, WI,

	WV, WY
THE ESTABLISHMENT	NY
THE ESTABLISHMENT BY BARNUM FINANCIAL GROUP	CT
THE ESTABLISHMENT BY MASSMUTUAL	OK



Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

Direct Owners and Executive Officers

Legal Name & CRD# (if any): MASSMUTUAL HOLDING LLC

Is this a domestic or foreign entity or an individual? Domestic Entity

Position MEMBER

Position Start Date 07/2004

Percentage of Ownership 75% or more

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company?

Legal Name & CRD# (if any): BAUER, THOMAS K

4759472

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF TECHNOLOGY OFFICER

Position Start Date 03/2017

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): BOWMAN, VAUGHN CHARLES

4725044

Is this a domestic or foreign entity or an individual? Individual

Position PRESIDENT AND DIRECTOR

Position Start Date 06/2023

Firm Profile



Direct Owners and Executive Officers (continued)

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): CRADDOCK, GEOFFREY
1444771

Is this a domestic or foreign entity or an individual? Individual

Position DIRECTOR

Position Start Date 11/2017

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): DUCH III, EDWARD KARL
4808341

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF LEGAL OFFICER, SECRETARY AND VICE PRESIDENT

Position Start Date 06/2022

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): HOLTZER, DAVID MICHAEL

Firm Profile



Direct Owners and Executive Officers (continued)

	4345697
Is this a domestic or foreign entity or an individual?	Individual
Position	FIELD RISK OFFICER
Position Start Date	03/2017
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	LAPIANA, PAUL ANTHONY 2237245
Is this a domestic or foreign entity or an individual?	Individual
Position	DIRECTOR
Position Start Date	06/2023
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	MINK, DAVID MYERS 2606831
Is this a domestic or foreign entity or an individual?	Individual
Position	VICE PRESIDENT AND CHIEF OPERATIONS OFFICER
Position Start Date	03/2017
Percentage of Ownership	Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): NEWTH, SEAN PATRICK
7375822

Is this a domestic or foreign entity or an individual? Individual

Position DIRECTOR

Position Start Date 07/2021

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): RISPOLI, FRANK JOSEPH
4364402

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF FINANCIAL OFFICER AND TREASURER

Position Start Date 06/2022

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): ROGERS REID, COURTNEY MCKENZIE
5374512

Firm Profile



Direct Owners and Executive Officers (continued)

Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF COMPLIANCE OFFICER
Position Start Date	10/2021
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	VACCARO, JOHN ARTHUR 2264004
Is this a domestic or foreign entity or an individual?	Individual
Position	CEO, CHAIRMAN OF THE BOARD
Position Start Date	12/2016
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	WILKINSON, MARY BEA 2159909
Is this a domestic or foreign entity or an individual?	Individual
Position	VICE PRESIDENT
Position Start Date	03/2017
Percentage of Ownership	Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Firm Profile

This section provides information relating to any indirect owners of the brokerage firm.



Indirect Owners

Legal Name & CRD# (if any):	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	MASSMUTUAL HOLDING LLC
Relationship to Direct Owner	PARENT COMPANY
Relationship Established	07/2004
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	

Firm History



This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.

This firm was previously:	MML INVESTORS SERVICES, INC.
Date of Succession:	01/01/2011
Predecessor CRD#:	10409
Predecessor SEC#:	8-27250
Description	MML INVESTORS SERVICES, INC. IS A CORPORATION THAT WAS FORMED IN MASSACHUSETTS ON DECEMBER 31, 1981. EFFECTIVE JANUARY 1, 2011, THE CORPORATION WILL CONVERT TO A MASSACHUSETTS LIMITED LIABILITY COMPANY. THE CONVERSION MERELY ALTERS THE CORPORATE FORM OF THE BROKER-DEALER AND WILL NOT RESULT IN ANY CHANGES IN ITS OWNERSHIP, CONTROL OR OPERATIONS. THE LIMITED LIABILITY COMPANY WILL RETAIN ALL OF THE ASSETS AND LIABILITIES OF THE CORPORATION.

This firm was previously:	MML INVESTORS SERVICES, INC.
Date of Succession:	01/01/2011
Predecessor CRD#:	10409
Predecessor SEC#:	8-27250
Description	MML INVESTORS SERVICES, INC. IS A CORPORATION THAT WAS FORMED IN MASSACHUSETTS ON DECEMBER 31, 1981. EFFECTIVE JANUARY 1, 2011, THE CORPORATION WILL CONVERT TO A MASSACHUSETTS LIMITED LIABILITY COMPANY. THE CONVERSION MERELY ALTERS THE CORPORATE FORM OF THE BROKER-DEALER AND WILL NOT RESULT IN ANY CHANGES IN ITS OWNERSHIP, CONTROL OR OPERATIONS. THE LIMITED LIABILITY COMPANY WILL RETAIN ALL OF THE ASSETS AND LIABILITIES OF THE CORPORATION.



Firm Operations

Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

This firm is currently registered with the SEC, 1 SRO and 53 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	02/19/1982

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: Yes

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	03/30/1982



Firm Operations

Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	10/06/1982
Alaska	Approved	10/06/1982
Arizona	Approved	05/10/1986
Arkansas	Approved	08/15/1984
California	Approved	04/15/1982
Colorado	Approved	02/01/1983
Connecticut	Approved	03/17/1982
Delaware	Approved	06/01/1982
District of Columbia	Approved	03/24/1982
Florida	Approved	04/27/1983
Georgia	Approved	07/23/1982
Hawaii	Approved	08/09/1982
Idaho	Approved	10/21/1982
Illinois	Approved	09/03/1982
Indiana	Approved	07/02/1982
Iowa	Approved	07/14/1983
Kansas	Approved	06/08/1982
Kentucky	Approved	08/20/1982
Louisiana	Approved	04/21/1983
Maine	Approved	02/13/1984
Maryland	Approved	08/30/1982
Massachusetts	Approved	03/31/1982
Michigan	Approved	02/02/1983
Minnesota	Approved	08/20/1982
Mississippi	Approved	06/24/1982
Missouri	Approved	07/18/1983
Montana	Approved	04/20/1983
Nebraska	Approved	09/28/1982
Nevada	Approved	07/18/1983
New Hampshire	Approved	02/02/1983
New Jersey	Approved	07/13/1983
New Mexico	Approved	08/16/1982
New York	Approved	07/08/1982

U.S. States & Territories	Status	Date Effective
North Carolina	Approved	07/15/1982
North Dakota	Approved	06/30/1982
Ohio	Approved	07/16/1982
Oklahoma	Approved	08/18/1982
Oregon	Approved	06/22/1982
Pennsylvania	Approved	04/20/1982
Puerto Rico	Approved	02/28/1995
Rhode Island	Approved	02/01/1983
South Carolina	Approved	06/29/1982
South Dakota	Approved	08/09/1982
Tennessee	Approved	07/01/1982
Texas	Approved	07/25/1983
Utah	Approved	04/21/1983
Vermont	Approved	02/13/1984
Virgin Islands	Approved	02/23/2016
Virginia	Approved	07/16/1982
Washington	Approved	04/20/1983
West Virginia	Approved	04/12/1982
Wisconsin	Approved	06/21/1982
Wyoming	Approved	08/24/1982



Firm Operations

Types of Business

This section provides the types of business, including non-securities business, the brokerage firm is engaged in or expects to be engaged in.

This firm currently conducts 15 types of businesses.

Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Mutual fund retailer
U S. government securities broker
Municipal securities broker
Broker or dealer selling variable life insurance or annuities
Broker or dealer selling oil and gas interests
Put and call broker or dealer or option writer
Investment advisory services
Broker or dealer selling tax shelters or limited partnerships in primary distributions
Non-exchange member arranging for transactions in listed securities by exchange member
Private placements of securities
Broker or dealer involved in a networking, kiosk or similar arrangement with a: bank, savings bank or association, or credit union
Broker or dealer involved in a networking, kiosk or similar arrangement with a: insurance company or agency
Other - DIRECTED BROKERAGE, NETWORKING FEES, DISTRIBUTION FEES, CERTIFICATE OF DEPOSITS. BROKER SELLING REAL ESTATE INVESTMENT TRUSTS AND BUSINESS DEVELOPMENT COMPANIES. STRUCTURED PRODUCTS.

Other Types of Business

This firm does not effect transactions in commodities, commodity futures, or commodity options.

This firm does engage in other non-securities business.

Non-Securities Business Description: INVESTMENT INCOME, TRADITIONAL INSURANCE REVENUE, PRECIOUS METALS.



Firm Operations

Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

Name:	NATIONAL FINANCIAL SERVICES LLC
CRD #:	13041
Business Address:	82 DEVONSHIRE STREET L 4 D BOSTON, MA 02109
Effective Date:	02/08/1995
Description:	PURSUANT TO THIS AGREEMENT, NFS EXECUTES ORDERS AND SETTLES CONTRACTS AND TRANSACTIONS IN SECURITIES FOR CUSTOMERS WHO ARE INTRODUCED TO NFS BY REGISTRANT. NFS WILL ENGAGE IN ALL CASHIERING FUNCTIONS FOR THE CUSTOMERS INTRODUCED TO THEM BY REGISTRANT AND WILL GENERATE, PREPARE AND MAIL PERIODIC REPORTS TO SUCH CUSTOMERS. NFS WILL ALSO CONSTRUCT AND MAINTAIN THE PRESCRIBED BOOKS AND RECORDS FOR ALL TRANSACTIONS EXECUTED OR CLEARED THROUGH THEM.

Firm Operations

Industry Arrangements



This firm does have books or records maintained by a third party.

Name:	EFILE CABINET
Business Address:	4101 N THANKSGIVING WAY LEHI, UT 84043
Effective Date:	10/20/2022
Description:	PURSUANT TO AN AGREEMENT, EFILE CABINET MAINTAINS AND PRESERVES CERTAIN ELECTRONIC RECORDS OF MML INVESTORS SERVICES, LLC.
Name:	REG ED
Business Address:	2100 GATEWAY CENTRE BLVD. MORRISVILLE, NC 27580
Effective Date:	01/05/2021
Description:	REG ED MAINTAINS AND PRESERVES CERTAIN ELECTRONIC RECORDS OF MML INVESTORS SERVICES, LLC ("MMLIS"). IN 2021, NRS WAS ACQUIRED BY REG ED, AND REG ED ASSUMED THE OBLIGATIONS OF NRS UNDER NRS'S CONTRACT WITH MMLIS.
Name:	MOMENTUM ECM, LLC
Business Address:	27 MILLER ST. LEMOYNE, PA 17043
Effective Date:	10/01/2019
Description:	MOMENTUM ECM, LLC MAINTAINS AND PRESERVES CERTAIN ELECTRONIC RECORDS OF MML INVESTORS SERVICES, LLC ("MMLIS"). IN 2019, LASERFISCHE WAS ACQUIRED BY MOMENTUM ECM, AND MOMENTUM ECM ASSUMED THE OBLIGATIONS OF LASERFISCHE UNDER LASERFISCHE'S CONTRACT WITH MMLIS.
Name:	SMARSH
Business Address:	851 SW 6TH AVE., #800 PORTLAND, OR 97204
Effective Date:	02/01/2022
Description:	SMARSH MAINTAINS AND PRESERVES CERTAIN ELECTRONIC RECORDS OF MML INVESTORS SERVICES, LLC ("MMLIS"). IN 2022,

Firm Operations



Industry Arrangements (continued)

MICRO FOCUS INTERNATIONAL WAS ACQUIRED BY SMARSH, AND SMARSH ASSUMED THE OBLIGATIONS OF MICRO FOCUS INTERNATIONAL UNDER MICRO FOCUS INTERNATIONAL'S CONTRACT WITH MMLIS.

Name: INFOSHRED

Business Address: 3 CRAFTSMAN ROAD
EAST WINDSOR, CT 06088

Effective Date: 03/12/2007

Description: PURSUANT TO AN AGREEMENT, INFOSHRED MAINTAINS AND PRESERVES CERTAIN PAPER RECORDS OF MMLIS.

Name: IRON MOUNTAIN

Business Address: 1 FEDERAL STREET
BOSTON, MA 02110

Effective Date: 10/03/2013

Description: PURSUANT TO AN AGREEMENT, IRON MOUNTAIN MAINTAINS AND PRESERVES CERTAIN PAPER RECORDS OF MMLIS.

Name: 4U PLATFORM, LLC

Business Address: 613 TALCOTT AVENUE
LEMONT, IL 60439

Effective Date: 10/24/2021

Description: PURSUANT TO AN AGREEMENT, 4U PLATFORM MAINTAINS AND PRESERVES CERTAIN ELECTRONIC RECORDS OF MMLIS.

Name: A360

Business Address: 133 BOSTON POST ROAD
WESTON, MA 02493

Effective Date: 05/24/2021

Description: PURSUANT TO AN AGREEMENT, A360 MAINTAINS AND PRESERVES CERTAIN ELECTRONIC RECORDS OF MMLIS

Name: MICROSOFT

Business Address: ONE MICROSOFT WAY
REDMOND, WA 98052

Effective Date: 01/07/2020

Description: PURSUANT TO AN AGREEMENT, MICROSOFT MAINTAINS AND PRESERVES CERTAIN ELECTRONIC RECORDS OF MMLIS.

Firm Operations



Industry Arrangements (continued)

Name:	PROOFPOINT
Business Address:	892 ROSS DRIVE SUNNYVALE, CA 94089
Effective Date:	02/06/2019
Description:	PURSUANT TO AN AGREEMENT, PROOFPOINT MAINTAINS AND PRESERVES CERTAIN ELECTRONIC RECORDS OF MMLIS.
Name:	BIZNEWS24.COM DOING BUSINESS AS PINPOINT GLOBAL
Business Address:	9 TRAFALGAR SQUARE SUITE 150 NASHUA, NH 03063
Effective Date:	03/27/2017
Description:	PURSUANT TO AN AGREEMENT, BIZNEWS24.COM, DOING BUSINESS AS PINPOINT GLOBAL COMMUNICATIONS, MAINTAINS AND PRESERVES CERTAIN ELECTRONIC RECORDS OF MMLIS.
Name:	METROPOLITAN LIFE INSURANCE COMPANY
Business Address:	1095 AVENUE OF THE AMERICAS NEW YORK, NY 10036
Effective Date:	03/27/2017
Description:	IN 2016, MMLIS'S PARENT COMPANY PURCHASED A BROKER-DEALER FROM METLIFE, AND IN 2017 MMLIS MERGED WITH THIS BROKER-DEALER. METLIFE PREVIOUSLY HELD THESE ELECTRONIC AND PAPER RECORDS ON BEHALF OF THE METLIFE BROKER-DEALER. PURSUANT TO AN AGREEMENT, METLIFE IS HOLDING THESE RECORDS ON BEHALF OF MMLIS.
Name:	BOX, INC.
Business Address:	900 JEFFERSON AVE REDWOOD CITY, CA 94063
Effective Date:	04/25/2017
Description:	PURSUANT TO AN AGREEMENT, BOX, INC. MAINTAINS AND PRESERVES CERTAIN ELECTRONIC RECORDS OF MMLIS.
Name:	MUNIMETRIX
Business Address:	1575 DELUCCHI LANE SUITE 223 RENO, NV 89502

Firm Operations



Industry Arrangements (continued)

Effective Date: 07/21/2005

Description: PURSUANT TO AGREEMENTS, MUNIMETRIX MAINTAINS AND PRESERVES CERTAIN ELECTRONIC RECORDS OF MMLIS.

Name: MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
("MASSMUTUAL")

Business Address: 1295 STATE STREET
SPRINGFIELD, MA 01111

Effective Date: 01/01/1982

Description: REGISTRANT HAS A CONTRACTUAL RELATIONSHIP WITH ITS PARENT COMPANY PURSUANT TO WHICH MASSMUTUAL MAINTAINS CERTAIN BOOKS AND RECORDS WITH RESPECT TO VARIABLE LIFE INSURANCE AND VARIABLE ANNUITY CONTRACTS SOLD THROUGH REGISTRANT. REGISTRANT AND MASSMUTUAL HAVE ENTERED INTO A MANAGEMENT SERVICE AGREEMENT WHEREBY MASSMUTUAL PROVIDES CERTAIN ADMINISTRATIVE SERVICES AND MAINTAINS CERTAIN ADMINISTRATIVE RECORDS FOR REGISTRANT.

This firm does not have accounts, funds, or securities maintained by a third party.

This firm does have customer accounts, funds, or securities maintained by a third party.

Name: NATIONAL FINANCIAL SERVICES LLC

CRD #: 13041

Business Address: 82 DEVONSHIRE STREET
BOSTON, MA 02109

Effective Date: 02/08/1995

Description: PURSUANT TO THIS AGREEMENT, NFS EXECUTES ORDERS AND SETTLES CONTRACTS AND TRANSACTIONS IN SECURITIES FOR CUSTOMERS WHO ARE INTRODUCED TO NFS BY REGISTRANT. NFS WILL ENGAGE IN ALL CASHIERING FUNCTIONS FOR THE CUSTOMERS INTRODUCED TO THEM BY REGISTRANT AND WILL GENERATE, PREPARE AND MAIL PERIODIC REPORTS TO SUCH CUSTOMERS. NFS WILL ALSO CONSTRUCT AND MAINTAIN THE PRESCRIBED BOOKS AND RECORDS FOR ALL TRANSACTIONS EXECUTED OR CLEARED THROUGH THEM.

Name: C.M. LIFE INSURANCE COMPANY ("C.M. LIFE")

Business Address: 100 BRIGHT MEADOW BLVD.
ENFIELD, CT 06082

Effective Date: 03/01/1996

Firm Operations



Industry Arrangements (continued)

Description: PURSUANT TO TRI-PARTY CONTRACTS WITH MASSMUTUAL AND VARIOUS SEPARATE ACCOUNTS, REGISTRANT HAS A CONTRACTUAL RELATIONSHIP WITH C.M. LIFE PURSUANT TO WHICH C.M. LIFE MAINTAINS CERTAIN ACCOUNTS. SINCE C.M. LIFE IS AN ISSUER OF THE VARIABLE ANNUITIES AND VARIABLE INSURANCE PRODUCTS FOR WHICH SUCH ACCOUNTS ARE MAINTAINED, THIS COMPANY, IN ITS CAPACITY AS AN ISSUER, MAY BE DEEMED TO BE HOLDING OR MAINTAINING CUSTOMER FUNDS OR SECURITIES.

Name: MML BAY STATE LIFE INSURANCE COMPANY ("BAY STATE")

Business Address: 100 BRIGHT MEADOW BLVD.
ENFIELD, CT 06082

Effective Date: 02/05/1990

Description: PURSUANT TO TRI-PARTY CONTRACTS WITH MASSMUTUAL AND VARIOUS SEPARATE ACCOUNTS, REGISTRANT HAS A CONTRACTUAL RELATIONSHIP WITH BAY STATE PURSUANT TO WHICH BAYSTATE MAINTAINS CERTAIN ACCOUNTS. SINCE BAY STATE IS AN ISSUER OF THE VARIABLE ANNUITIES AND VARIABLE INSURANCE PRODUCTS FOR WHICH SUCH ACCOUNTS ARE MAINTAINED, THIS COMPANY, IN ITS CAPACITY AS AN ISSUER, MAY BE DEEMED TO BE HOLDING OR MAINTAINING CUSTOMER FUNDS OR SECURITIES.

Name: MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
("MASSMUTUAL")

Business Address: 1295 STATE STREET
SPRINGFIELD, MA 01111

Effective Date: 07/28/1988

Description: SINCE MASSMUTUAL IS AN ISSUER OF THE VARIABLE ANNUITIES AND VARIABLE INSURANCE PRODUCTS FOR WHICH SUCH ACCOUNTS ARE MAINTAINED, THIS COMPANY IN ITS CAPACITY AS AN ISSUER MAY BE DEEMED TO BE HOLDING OR MAINTAINING CUSTOMER FUNDS OR SECURITIES.

Control Persons/Financing

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.



Firm Operations

Organization Affiliates

This section provides information on control relationships the firm has with other firms in the securities, investment advisory, or banking business.

This firm is, directly or indirectly:

- in control of
 - controlled by
 - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

MM ASCEND LIFE INVESTOR SERVICES, LLC is under common control with the firm.

CRD #:	36451
Business Address:	GREAT AMERICAN INSURANCE TOWER, 14-N 301 E. FOURTH STREET CINCINNATI, OH 45202
Effective Date:	05/28/2021
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	MM ASCEND LIFE INVESTOR SERVICES, LLC, FORMERLY KNOWN AS GREAT AMERICAN ADVISORS LLC, IS A REGISTERED BROKER-DEALER AND STATE REGISTERED INVESTMENT ADVISER. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY OWNS GLIDEPATH HOLDINGS, INC. WHICH OWNS MASSMUTUAL ASCEND LIFE INSURANCE COMPANY (FORMERLY GREAT AMERICAN LIFE INSURANCE COMPANY) WHICH OWNS MM ASCEND LIFE INVESTOR SERVICES, LLC.

FLOURISH FINANCIAL LLC is under common control with the firm.

CRD #:	293019
Business Address:	2 PARK AVENUE 11TH FLOOR NEW YORK, NY 10016
Effective Date:	02/01/2021
Foreign Entity:	No
Country:	

Firm Operations



Organization Affiliates (continued)

Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF THE APPLICANT AND THE AFFILIATE IS MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY.

JEFFERIES FINANCE LLC is under common control with the firm.

CRD #:	162264
Business Address:	520 MADISON AVENUE 19TH FLOOR NEW YORK, NY 10022
Effective Date:	04/02/2012
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	JEFFERIES FINANCE LLC IS A FINANCE COMPANY AND REGISTERED INVESTMENT ADVISER CO-OWNED BY JEFFERIES GROUP, INC. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY HOLDS 50% VOTING OWNERSHIP INTEREST AND JEFFERIES GROUP LLC HOLDS 50% VOTING OWNERSHIP INTEREST.

MML INVESTMENT ADVISERS, LLC is under common control with the firm.

CRD #:	169568
Business Address:	100 BRIGHT MEADOW BLVD. ENFIELD, CT 06082
Effective Date:	11/21/2013
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	MML INVESTMENT ADVISERS, LLC IS A DIRECT SUBSIDIARY OF

Firm Operations



Organization Affiliates (continued)

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY.

MML STRATEGIC DISTRIBUTORS, LLC is under common control with the firm.

CRD #: 168638

Business Address: 1295 STATE STREET
SPRINGFIELD, MA 01111-0001

Effective Date: 06/07/2013

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: MML STRATEGIC DISTRIBUTORS, LLC IS OWNED BY MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY WHICH IS MML INVESTORS SERVICES, LLC'S INDIRECT OWNER.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP is under common control with the firm.

Business Address: SOUTHWEST HOUSE
11A REGENT STREET
LONDON, ENGLAND SW1Y 4LR

Effective Date: 06/23/2010

Foreign Entity: Yes

Country: ENGLAND

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP (FORMERLY KNOWN AS CORNERSTONE REAL ESTATE ADVISERS EUROPE FINANCE, LLP) IS OWNED BY BARINGS REAL ESTATE UK HOLDINGS LIMITED WHICH IS OWNED BY BARINGS LLC WHICH IS OWNED BY MM ASSET MANAGEMENT HOLDING LLC WHICH IS OWNED BY MASSMUTUAL HOLDING LLC.

BARINGS INVESTMENT ADVISERS (HONG KONG) LIMITED is under common control with the firm.

Business Address: 22/F ST., GEORGE'S BUILDING, SUITES 2203-06

Firm Operations



Organization Affiliates (continued)

	2 ICE HOUSE STREET CENTRAL, HONG KONG
Effective Date:	01/23/2008
Foreign Entity:	Yes
Country:	HONG KONG
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	THE PARENT OF BARINGS INVESTMENT ADVISERS (HONG KONG) LTD (FORMERLY KNOWN AS BABSON CAPITAL CORNERSTONE ASIA LIMITED) IS BARINGS LLC. BARINGS LLC IS OWNED BY MM ASSET MANAGEMENT HOLDING LLC WHICH IS OWNED BY MASSMUTUAL HOLDING LLC.

BARINGS AUSTRALIA PTY LTD is under common control with the firm.

CRD #:	169697
Business Address:	SUITE 22.06 LEVEL 22 GROSVENOR PLACE, 225 GEORGE STREET SYDNEY, NSW 2000, AUSTRALIA
Effective Date:	10/16/2009
Foreign Entity:	Yes
Country:	AUSTRALIA
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	BARINGS AUSTRALIA PTY LIMITED (FORMERLY KNOWN AS BARING ASSET MANAGEMENT (AUSTRALIA) PTY LIMITED) IS OWNED BY BARING ASSET MANAGEMENT (ASIA) HOLDINGS LIMITED, WHICH IS OWNED BY BARINGS LLC. THE ULTIMATE PARENT OF BARINGS LLC IS MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY.

BARING ASSET MANAGEMENT (ASIA) LIMITED is under common control with the firm.

Business Address:	19/F EDINBURGH TOWER, THE LANDMARK 15 QUEEN'S ROAD CENTRAL HONG KONG, HONG KONG
Effective Date:	03/05/1985

Firm Operations



Organization Affiliates (continued)

Foreign Entity:	Yes
Country:	CHINA
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	BARING ASSET MANAGEMENT (ASIA) LIMITED IS AN INVESTMENT ADVISER. THE ULTIMATE PARENT OF BARING ASSET MANAGEMENT (ASIA) LIMITED IS MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY.

BARINGS (U.K.) LIMITED is under common control with the firm.

CRD #:	158277
Business Address:	61 ALMACK LONDON, UNITED KINGDOM SW1Y6XA
Effective Date:	05/24/2004
Foreign Entity:	Yes
Country:	UNITED KINGDOM
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	BARINGS (U.K.) LIMITED (FORMERLY KNOWN AS BABSON CAPITAL MANAGEMENT (UK) LIMITED IS OWNED BY BARINGS GUERNSEY LIMITED WHICH IS OWNED BY BARINGS LLC. BARINGS LLC IS OWNED BY MM ASSET MANAGEMENT HOLDING LLC WHICH IS OWNED BY MASSMUTUAL HOLDING LLC.

BARING INTERNATIONAL INVESTMENT LTD is under common control with the firm.

CRD #:	105724
Business Address:	155 BISHOPSGATE LONDON, ENGLAND, UNITED KINGDOM EC2M 3XY
Effective Date:	03/31/2005
Foreign Entity:	Yes
Country:	UNITED KINGDOM
Securities Activities:	No

Firm Operations



Organization Affiliates (continued)

Investment Advisory Activities: Yes

Description: BARING INTERNATIONAL INVESTMENT LTD. IS OWNED BY BARING ASSET MANAGEMENT LIMITED, WHICH IS OWNED BY MASSMUTUAL HOLDINGS (BERMUDA) LTD., WHICH IS OWNED BY MASSMUTUAL HOLDING LLC.

BARING ASSET MANAGEMENT LIMITED is under common control with the firm.

Business Address: 155 BISHOPSGATE
LONDON, ENGLAND, UNITED KINGDOM EC2M 3XY

Effective Date: 03/31/2005

Foreign Entity: Yes

Country: UNITED KINGDOM

Securities Activities: No

Investment Advisory Activities: Yes

Description: BARING ASSET MANAGEMENT LIMITED IS 100% OWNED BY MASSMUTUAL HOLDINGS (BERMUDA) LTD., WHICH IS 100% OWNED BY MASSMUTUAL HOLDING LLC.

BARINGS JAPAN LIMITED is under common control with the firm.

Business Address: 12/F SANNO PARK TOWER
2-11-1 NAGATA-CHO
CHRYODA-KU, TOKYO, JAPAN 100-6166

Effective Date: 03/31/2005

Foreign Entity: Yes

Country: JAPAN

Securities Activities: No

Investment Advisory Activities: Yes

Description: BARINGS JAPAN LIMITED WAS FORMERLY KNOWN AS BARING ASSET MANAGEMENT (JAPAN) LIMITED. BARINGS JAPAN LIMITED IS OWNED BY BARING ASSET MANAGEMENT (ASIA) HOLDINGS LIMITED, WHICH IS OWNED BY BARINGS LLC. BARINGS LLC. THE ULTIMATE PARENT OF BARINGS LLC IS MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY.

THE MASSMUTUAL TRUST COMPANY, FSB ("MMTC") is under common control with the firm.

Firm Operations



Organization Affiliates (continued)

Business Address: 100 BRIGHT MEADOW BLVD
ENFIELD, CT 06082

Effective Date: 01/12/2000

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: MMTC, A WHOLLY-OWNED SUBSIDIARY OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY AND A FEDERALLY REGISTERED INVESTMENT ADVISOR, IS A FEDERALLY CHARTERED SAVINGS BANK WHICH PERFORMS TRUST SERVICES.

MML DISTRIBUTORS, LLC is under common control with the firm.

CRD #: 38030

Business Address: 1295 STATE STREET
SPRINGFIELD, MA 01111

Effective Date: 03/01/1996

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: MASSMUTUAL IS THE PRINCIPAL OWNER OF MML DISTRIBUTORS, LLC, A REGISTERED BROKER-DEALER AND UNDERWRITER OF MASSMUTUAL VARIABLE INSURANCE PRODUCTS.

BARINGS SECURITIES LLC is under common control with the firm.

CRD #: 36929

Business Address: INDENPEDENCE WHARF
470 ATLANTIC AVENUE
BOSTON, MA 02210

Effective Date: 06/30/1995

Foreign Entity: No

Firm Operations



Organization Affiliates (continued)

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: BARINGS SECURITIES LLC (FORMERLY BABSON CAPITAL SECURITIES LLC) IS OWNED BY BARINGS LLC WHICH IS OWNED BY MM ASSET MANAGEMENT HOLDING LLC. MM ASSET MANAGEMENT HOLDING LLC IS OWNED BY MASSMUTUAL HOLDING LLC. MASSMUTUAL HOLDING LLC IS OWNED BY MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY.

BARINGS LLC is under common control with the firm.

CRD #: 106006

Business Address: 550 SOUTH TRYON STREET
SUITE 3300
CHARLOTTE, NC 28202

Effective Date: 06/30/1995

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: BARINGS LLC(FORMERLY KNOWN AS BABSON CAPITAL MANAGEMENT LLC) IS OWNED BY MM ASSET MANAGEMENT HOLDING LLC. MM ASSET MANAGEMENT HOLDING LLC IS OWNED BY MASSMUTUAL HOLDING LLC.

MML INSURANCE AGENCY, LLC ("MMLIAI") is controlled by the firm.

Business Address: 1295 STATE STREET
SPRINGFIELD, MA 01111-0001

Effective Date: 12/17/1990

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Firm Operations



Organization Affiliates (continued)

Description: THE REGISTRANT IS THE OWNER OF MML INSURANCE AGENCY, LLC. MML INSURANCE AGENCY, LLC HAS THE AUTHORITY TO SELL LIFE, HEALTH AND VARIABLE INSURANCE PRODUCTS.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY controls the firm.

Business Address: 1295 STATE STREET
SPRINGFIELD, MA 01111

Effective Date: 01/25/1982

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: MASSMUTUAL, REGISTRANT'S ULTIMATE PARENT, SERVES AS THE DEPOSITOR OF VARIOUS SEPARATE ACCOUNTS WHICH ARE REGISTERED AS INVESTMENT COMPANIES.

This firm is not directly or indirectly, controlled by the following:

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank



Disclosure Events

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	25	0
Arbitration	N/A	1	N/A
Bond	N/A	2	N/A



Disclosure Event Details

What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - A law enforcement agency must file formal charges before a brokerage firm is required to disclose a particular criminal event.
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - Disclosure events for this brokerage firm were reported by the firm and/or regulators. When the firm and a regulator report information for the same event, both versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
 - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" event involves allegations that have not been proven or formally adjudicated.
 - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" event has been concluded and its resolution is not subject to change.
 - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.
5. **You may wish to contact the brokerage firm to obtain further information regarding any of the disclosure events contained in this BrokerCheck report.**

Regulatory - Final

This type of disclosure event involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the U.S. Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of the authority of a brokerage firm or its control affiliate to act as an attorney, accountant or federal contractor.

Disclosure 1 of 25

Reporting Source: Regulator

Current Status: Final



Allegations:	<p>3. MML WAS RESPONSIBLE FOR SUBMITTING THE RELEVANT INVESTMENT ADVISER REPRESENTATIVE REGISTRATION APPLICATION MATERIALS FOR THE INDIVIDUAL, BUT IT FAILED TO DO SO FROM 2013 THROUGH 2023.MML'S PERIODIC REVIEW OF REGISTRATION RECORDS DID NOT CAPTURE THE FAILURE TO REGISTER THE INDIVIDUAL AS AN INVESTMENT ADVISER REPRESENTATIVE, NOTWITHSTANDING INTERNAL RECORDS SHOWING THE INDIVIDUAL AS PROPERLY REGISTERED. PRIOR TO SELF-REPORTING, MML CONFIRMED THAT ALL OTHER INVESTMENT ADVISER REPRESENTATIVES REQUIRED TO BE REGISTERED IN MICHIGAN WERE PROPERLY REGISTERED.</p> <p>4. DESPITE BEING UNREGISTERED, THE INDIVIDUAL PROVIDED INVESTMENT ADVISORY SERVICES ON MML'S BEHALF THAT REQUIRED THE INDIVIDUAL TO REGISTER UNDER MCL 451.2404 FROM 2010 THROUGH 2023. THE BUREAU ALLEGES THAT MML'S INADVERTENT FAILURE TO PROPERLY SUBMIT REGISTRATION MATERIALS RESULTED IN IT MATERIALLY AIDING VIOLATIONS OF MCL 451.2404 BY THE INDIVIDUAL.</p>
Initiated By:	MICHIGAN
Date Initiated:	09/26/2023
Docket/Case Number:	ENF-23-020109
URL for Regulatory Action:	HTTPS://WWW.MICHIGAN.GOV/LARA/BUREAU-LIST/CSCL/COMPLAINTS/DISCIPLINARY/SECURITIES
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	STIPULATION AND CONSENT ORDER IN LIEU OF CEASE AND DESIST PROCEEDINGS
Resolution:	Stipulation and Consent
Resolution Date:	09/26/2023
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Monetary/Fine \$10,000.00
Other Sanctions Ordered:	MML AND BUREAU STAFF ("THE PARTIES") AGREE TO RECOMMEND THAT,



IN LIEU OF ISSUING AN ENFORCEMENT ACTION AGAINST THE INDIVIDUAL INVESTMENT ADVISER REPRESENTATIVE, THE ADMINISTRATOR ENTER AN ORDER TO RESOLVE THE REGISTRATION ISSUE IDENTIFIED ABOVE BASED ON THE TERMS OF THE ORDER.

Sanction Details:

\$10,000 FINE PAID ON 10-5-2023

Regulator Statement

MML AGREES TO SEND A NOTIFICATION LETTER THAT IS NOT UNACCEPTABLE TO BUREAU STAFF TO CLIENTS FROM WHOM FEES WERE COLLECTED WHILE THE INVESTMENT ADVISER REPRESENTATIVE WAS UNREGISTERED NOTIFYING THE CLIENTS OF THIS CONSENT ORDER AND THAT THE CLIENTS MAY HAVE RIGHTS UNDER THE ACT. THE NOTIFICATION LETTER MUST BE MAILED WITHIN (30) DAYS OF THE ISSUED AN ENTERED DATE OF THE CONSENT ORDER. MML MUST PROVIDE THE BUREAU WITH PROOF OF MAILING, INCLUDING NAME, ADDRESS (WHICH MAY BE ELECTRONIC), AND DATE THAT THE NOTIFICATION WAS PROVIDED FOR EACH CLIENT. THE PROOF OF MAILING REQUIRED BY THIS PARAGRAPH MUST BE PROVIDED TO THE BUREAU WITHIN SIXTY (60) DAYS OF THE ISSUED AND ENTERED DATE OF THIS CONSENT ORDER.

Reporting Source:

Firm

Current Status:

Final

Allegations:

MML INVESTORS SERVICES, LLC ("MMLIS") SELF REPORTED TO THE STATE OF MICHIGAN, CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU AND THE DIRECTOR OF THE BUREAU, THAT IT DID NOT PROPERLY SUBMIT MATERIALS IN ORDER TO REGISTER AN INDIVIDUAL AS AN INVESTMENT ADVISER REPRESENTATIVE ASSOCIATED WITH MMLIS FROM 2010 TO 2023. THE INDIVIDUAL WAS REGISTERED AS A BROKER DEALER AGENT DURING THE PERIOD AND BECAME REGISTERED AS AN INVESTMENT ADVISER REPRESENTATIVE ON OR AROUND AUGUST 23, 2023.

Initiated By:

STATE OF MICHIGAN, CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

Date Initiated:

09/26/2023

Docket/Case Number:

ENF-23-020109

Principal Product Type:

Other

Other Product Type(s):

INVESTMENT ADVISORY SERVICES

Principal Sanction(s)/Relief Sought:

Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief

STIPULATION AND CONSENT ORDER IN LIEU OF CEASE AND DESIST



Sought:	PROCEEDINGS.
Resolution:	Stipulation and Consent
Resolution Date:	09/26/2023
Sanctions Ordered:	Monetary/Fine \$10,000.00
Other Sanctions Ordered:	MMLIS AGREED TO CONDUCT A REVIEW OF ITS POLICIES AND PROCEDURES TO IDENTIFY WEAKNESSES WITH THE POLICIES AND PROCEDURES AND CORRECT THEM TO PREVENT FUTURE FAILURES TO REGISTER INDIVIDUAL AGENTS OR INVESTMENT ADVISER REPRESENTATIVES.
Sanction Details:	MMLIS AGREED TO PAY A CIVIL FINE IN THE AMOUNT OF \$10,000.00 WITHIN 60 DAYS AFTER THE DATE OF THE ISSUED AND ENTERED DATE OF THE CONSENT ORDER. NO PORTION OF THE FINE WAS WAIVED.
Firm Statement	<p>MMLIS WAS RESPONSIBLE FOR SUBMITTING THE INVESTMENT ADVISER REPRESENTATIVE APPLICATION MATERIALS FOR AN INDIVIDUAL AND DID NOT SUBMIT THE REQUEST FOR THE REGISTRATION OF THE INDIVIDUAL FROM THE PERIOD 2010 THROUGH 2023. THE FIRMS' REVIEW OF REGISTRATION RECORDS DID NOT IDENTIFY THAT THE INDIVIDUAL WAS NOT REGISTERED ALTHOUGH ITS INTERNAL RECORDS INDICATED THAT THE INDIVIDUAL WAS REGISTERED. THE INDIVIDUAL PROVIDED INVESTMENT ADVISORY SERVICES ON BEHALF OF MMLIS THAT REQUIRED THE INDIVIDUAL'S REGISTRATION UNDER MCL 451.2404 FROM 2010 THROUGH 2023. THE BUREAU ALLEGED THAT MMLIS'S INADVERTENT FAILURE TO SUBMIT REGISTRATION MATERIALS RESULTED IN MATERIALLY AIDING VIOLATIONS OF MCL 451.2404 BY THE INDIVIDUAL. MMLIS AND THE BUREAU AGREED IN LIEU OF ISSUING AN ENFORCEMENT ACTION AGAINST THE INDIVIDUAL INVESTMENT ADVISER REPRESENTATIVE, THE ADMINISTRATOR WOULD ENTER AN ORDER TO RESOLVE THE REGISTRATION ISSUE BASED ON THE FOLLOWING: MMLIS NEITHER ADMITTED OR DENIED THAT IT MATERIALLY AIDED IN VIOLATIONS OF MCL 451.2404 BY FAILING TO SUBMIT INVESTMENT ADVISER REPRESENTATIVE REGISTRATION APPLICATION MATERIALS FOR THE INDIVIDUAL FROM 2010 TO 2023. MML AGREED TO SEND A NOTIFICATION LETTER THAT IS NOT UNACCEPTABLE TO BUREAU STAFF, TO CLIENTS FROM WHOM FEES WERE COLLECTED WHILE THE INVESTMENT ADVISER REPRESENTATIVE WAS UNREGISTERED, NOTIFYING THE CLIENTS OF THE CONSENT ORDER AND THE CLIENTS MAY HAVE RIGHTS UNDER THE ACT. THE NOTIFICATION LETTER MUST BE MAILED WITHIN 30 DAYS OF THE ISSUED AND ENTERED DATE OF THE CONSENT ORDER. MMLIS MUST PROVIDE PROOF OF THE MAILING TO THE BUREAU AND THE DATE EACH CLIENT WAS NOTIFIED. THE PROOF OF THE MAILING MUST BE PROVIDED TO THE BUREAU WITHIN 60 DAYS OF THE ISSUED AND ENTERED DATE OF THE CONSENT ORDER. MMLIS AGREED TO CONDUCT A REVIEW OF ITS POLICIES AND</p>



PROCEDURES TO IDENTIFY WEAKNESSES WITHIN THE POLICIES AND PROCEDURES AND CORRECT THEM TO PREVENT FUTURE FAILURES TO REGISTER AGENTS OR INVESTMENT ADVISER REPRESENTATIVES. MMLIS AGREED TO PAY A FINE IN THE AMOUNT OF \$10,000.00 WITHIN 60 DAYS AFTER THE ISSUED AND ENTERED DATE OF THE CONSENT ORDER.

Disclosure 2 of 25

Reporting Source:	Firm
Current Status:	Final
Allegations:	MML INVESTORS SERVICES NOTIFIED THE SECURITIES ADMINISTRATOR OF THE ON-SITE INSPECTIONS AND VIRTUAL INSPECTIONS OF ITS MAINE BRANCH OFFICES DURING 2022 AS REQUIRED BY JANUARY 31, 2023. THE SECURITIES ADMINISTRATOR ALLEGED THAT MML INVESTORS SERVICES FAILED TO CONDUCT ON-SITE BRANCH OFFICE INSPECTIONS OF ALL OF ITS MAINE BRANCH OFFICES IN VIOLATION OF ORDER AND RULE CH. 504 §(7)(4)(B).
Initiated By:	STATE OF MAINE OFFICE OF SECURITIES
Date Initiated:	07/19/2023
Docket/Case Number:	CASE NUMBER 23-19295
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Consent
Resolution Date:	08/14/2023
Sanctions Ordered:	Monetary/Fine \$2,500.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, MML INVESTORS SERVICES AGREED TO PAY A FINE IN THE AMOUNT OF \$2,500.00 AND THE FIRM AGREED IT WILL COMPLY WITH ALL LICENSING AND OTHER LEGAL REQUIREMENTS GOVERNING PERSONS ACTING AS SECURITIES BROKER DEALERS IN MAINE AT ALL TIMES.
Firm Statement	ON APRIL 26, 2021 THE SECURITIES ADMINISTRATOR ISSUED ORDER 2021-23 GRANTING BROKER-DEALERS RELIEF UNTIL DECEMBER 31, 2021 FROM



ON-SITE BRANCH OFFICE INSPECTION REQUIREMENTS. ORDER 2021-12 REQUIRED BROKER-DEALER FIRMS WITH MAINE BRANCHES TO CONDUCT ON-SITE INSPECTIONS OF EACH BRANCH BEFORE DECEMBER 31, 2022. ORDER 2021-12 FURTHER REQUIRED BROKER-DEALER FIRMS TO NOTIFY THE SECURITIES ADMINISTRATOR BY JANUARY 31, 2023 THE SPECIFIC BRANCH OFFICES THAT WERE INSPECTED. MML INVESTOR SERVICES NOTIFIED THE SECURITIES ADMINISTRATOR OF THE 2022 ON-SITE INSPECTIONS OF CERTAIN MAINE BRANCH OFFICES AND VIRTUAL INSPECTIONS OF OTHER MAINE BRANCH OFFICES. THE SECURITIES ADMINISTRATOR ALLEGED THAT FAILING TO CONDUCT ON-SITE BRANCH OFFICE INSPECTIONS OF ALL MAINE BRANCH OFFICES, MML INVESTORS SERVICES VIOLATED ORDER 2021-12 AND RULE CH.504 §(7)(4)(B). MML INVESTORS SERVICES REPRESENTED TO THE ADMINISTRATOR THAT IT WAS NOT THEIR INTENTION TO VIOLATE ORDER 2021-12 OR RULE CH. 504 § (7)(4)(B). WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, MML INVESTORS SERVICES AGREED TO PAY A FINE IN THE AMOUNT OF \$2,500.00 AND THE FIRM AGREED IT WILL COMPLY WITH ALL LICENSING AND OTHER LEGAL REQUIREMENTS GOVERNING PERSONS ACTING AS SECURITIES BROKER DEALERS IN MAINE AT ALL TIMES. THE ADMINISTRATOR AGREED NOT TO TAKE FURTHER ACTION AGAINST MML INVESTORS SERVICES BASED ON THE FIRM'S FAILURE TO COMPLY WITH ORDER 2021-12.

Disclosure 3 of 25

Reporting Source: Regulator

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO TIMELY AMEND ITS ASSOCIATED PERSONS' UNIFORM APPLICATIONS FOR SECURITIES INDUSTRY REGISTRATION OR TRANSFER (FORMS U4) AND UNIFORM TERMINATION NOTICES FOR SECURITIES INDUSTRY REGISTRATION (FORMS U5) TO REPORT DISCLOSABLE EVENTS, INCLUDING BUT NOT LIMITED TO CUSTOMER COMPLAINTS AND ARBITRATIONS, THE DISPOSITION OF COMPLAINTS, CRIMINAL CHARGES, BANKRUPTCIES, INTERNAL REVIEWS AND INVESTIGATIONS, AND REGULATORY ACTIONS. THE FINDINGS STATED THAT THE DISCLOSURE DELAYS RANGED FROM THREE DAYS TO OVER 1,100 DAYS AFTER THE FIRM RECEIVED NOTICE OF THE REPORTABLE EVENTS AT ISSUE. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE REASONABLE SUPERVISORY PROCEDURES, INCLUDING WRITTEN SUPERVISORY PROCEDURES (WSPS), TO TIMELY AND ACCURATELY REPORT REGULATORY EVENTS ON FORMS U4 AND U5. THE FIRM'S PROCEDURES WERE NOT REASONABLE TO ENSURE EFFECTIVE



COMMUNICATION AMONG THE FIRM'S DEPARTMENTS CONCERNING EVENTS THAT MAY WARRANT DISCLOSURE. IN ADDITION, THE FIRM'S SYSTEM FOR UPDATING PREVIOUSLY REPORTED CUSTOMER COMPLAINTS AND ARBITRATIONS LED TO OVER A DOZEN LATE FILINGS. THE FIRM RELIED IN PART ON A SHARED EMAIL ADDRESS WHERE EMPLOYEES COULD PROVIDE UPDATES REGARDING THE DISPOSITION OF OPEN COMPLAINTS AND ARBITRATIONS TO THE REGULATORY REPORTING TEAM. THIS SYSTEM RELIED ON EMPLOYEES IN OTHER DEPARTMENTS TO TIMELY COMMUNICATE UPDATES REGARDING OPEN MATTERS TO THE REGULATORY REPORTING TEAM, WHICH WOULD ALSO RUN SEARCHES IN AN ATTEMPT TO IDENTIFY RELEVANT UPDATES. HOWEVER, THIS PROCESS WAS NOT MEMORIALIZED IN THE FIRM'S PROCEDURES AND THERE WAS NO SET CADENCE FOR WHEN SUCH SEARCHES WOULD BE PERFORMED AND BY WHOM. THE FIRM HAS SINCE RECOGNIZED THESE DEFICIENCIES AND SUBSEQUENTLY REVISED ITS SUPERVISORY SYSTEM. THE FIRM ALSO IMPLEMENTED A NEW SYSTEM PROVIDED BY A THIRD-PARTY VENDOR DESIGNED TO IMPROVE INTERDEPARTMENTAL COMMUNICATION OF REPORTABLE EVENTS.

Initiated By: FINRA

Date Initiated: 05/16/2023

Docket/Case Number: [2020065534802](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/16/2023

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$250,000.00

Other Sanctions Ordered:



Sanction Details: THE FIRM WAS CENSURED AND FINED \$250,000. FINE PAID IN FULL ON MAY 23, 2023.

Reporting Source: Firm

Current Status: Final

Allegations: IT WAS ALLEGED THAT MML INVESTORS SERVICES, LLC DID NOT TIMELY AMEND ITS ASSOCIATED PERSONS' FORMS U4 AND FORMS U5 DURING THE PERIOD FROM DECEMBER 2018 THROUGH FEBRUARY 2021 AND THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM DESIGNED TO ENSURE THE TIMELY REPORTING OF DISCLOSABLE EVENTS DURING THE PERIOD IN VIOLATION OF ARTICLE V, SECTIONS 2 AND 3 OF FINRA'S BY-LAWS AND FINRA RULES 1122, 3110 AND 2010.

Initiated By: FINRA

Date Initiated: 05/16/2023

Docket/Case Number: [2020065534802](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINE IN THE THE AMOUNT OF \$250,000.

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/16/2023

Sanctions Ordered: Censure
Monetary/Fine \$250,000.00

Other Sanctions Ordered:

Sanction Details: THE FIRM CONSENTED TO THE IMPOSITION OF THE FOLLOWING SANCTIONS: A CENSURE AND A FINE IN THE AMOUNT OF \$250,000.

Firm Statement IT WAS ALLEGED THAT THE FIRM DID NOT TIMELY AMEND ITS ASSOCIATED PERSONS' UNIFORM APPLICATIONS FOR SECURITIES INDUSTRY REGISTRATION OR TRANSFER (FORMS U4) AND UNIFORM TERMINATION NOTICES FOR SECURITIES INDUSTRY REGISTRATION (FORMS U5) TO REPORT DISCLOSABLE EVENTS, INCLUDING BUT NOT LIMITED TO CUSTOMER COMPLAINTS AND ARBITRATIONS, THE DISPOSITION OF COMPLAINTS, CRIMINAL CHARGES, BANKRUPTCIES, INTERNAL REVIEWS



AND INVESTIGATIONS, AND REGULATORY ACTIONS. THE FINDINGS STATED THAT THE DISCLOSURE DELAYS RANGED FROM THREE DAYS TO OVER 1,100 DAYS AFTER THE FIRM RECEIVED NOTICE OF THE REPORTABLE EVENTS AT ISSUE. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE REASONABLE SUPERVISORY PROCEDURES, INCLUDING WRITTEN SUPERVISORY PROCEDURES (WSPS), TO TIMELY AND ACCURATELY REPORT REGULATORY EVENTS ON FORMS U4 AND U5. THE FIRM'S PROCEDURES WERE NOT REASONABLE TO ENSURE EFFECTIVE COMMUNICATION AMONG THE FIRM'S DEPARTMENTS CONCERNING EVENTS THAT MAY WARRANT DISCLOSURE. IN ADDITION, THE FIRM'S SYSTEM FOR UPDATING PREVIOUSLY REPORTED CUSTOMER COMPLAINTS AND ARBITRATIONS LED TO OVER A DOZEN LATE FILINGS. THE FIRM RELIED IN PART ON A SHARED EMAIL ADDRESS WHERE EMPLOYEES COULD PROVIDE UPDATES REGARDING THE DISPOSITION OF OPEN COMPLAINTS AND ARBITRATIONS TO THE REGULATORY REPORTING TEAM. THIS SYSTEM RELIED ON EMPLOYEES IN OTHER DEPARTMENTS TO TIMELY COMMUNICATE UPDATES REGARDING OPEN MATTERS TO THE REGULATORY REPORTING TEAM, WHICH WOULD ALSO RUN SEARCHES IN AN ATTEMPT TO IDENTIFY RELEVANT UPDATES. HOWEVER, THIS PROCESS WAS NOT MEMORIALIZED IN THE FIRM'S PROCEDURES AND THERE WAS NO SET CADENCE FOR WHEN SUCH SEARCHES WOULD BE PERFORMED AND BY WHOM. AS A RESULT, MMLIS VIOLATED FINRA RULES 3110 AND 2010. THE FIRM RECOGNIZED THESE DEFICIENCIES AND SUBSEQUENTLY REVISED ITS SUPERVISORY SYSTEM. IN MARCH, 2021, THE FIRM IMPLEMENTED A NEW SYSTEM PROVIDED BY A THIRD-PARTY VENDOR, DESIGNED TO IMPROVE INTERDEPARTMENTAL COMMUNICATION OF REPORTABLE EVENTS. WITHOUT ADMITTING OR DENYING THE FINDINGS, MML INVESTORS SERVICES, LLC CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS. THE FIRM WAS CENSURED AND ORDERED TO PAY A FINE OF \$250,000.

Disclosure 4 of 25

Reporting Source:

Regulator

Current Status:

Final

Allegations:

THE SECURITIES DIVISION ALLEGED THAT MMLIS FAILED REASONABLY TO SUPERVISE ITS AGENT'S VARIABLE ANNUITY SALES PRACTICES. SPECIFICALLY, THE SECURITIES DIVISION ALLEGED THAT MMLIS FAILED TO ENSURE THAT ITS AGENT PROPERLY INFORMED CLIENTS OF THE GENERAL TERMS OF THE VARIABLE ANNUITIES HE RECOMMENDED, AND MMLIS FAILED TO ENSURE THAT ITS AGENT PROPERLY DISCLOSED THE COMMISSIONS HE WOULD RECEIVE IN CONNECTION WITH CLIENTS' PURCHASES OF VARIABLE ANNUITIES AND THEIR ADDITIONAL PREMIUM PAYMENTS. MMLIS NEITHER ADMITTED NOR DENIED THE STATEMENTS OF



FACT AND THE VIOLATIONS OF LAW IN THE CONSENT ORDER.

Initiated By: MASSACHUSETTS SECURITIES DIVISION

Date Initiated: 08/16/2022

Docket/Case Number: E-2022-0027

URL for Regulatory Action: [HTTPS://WWW.SEC.STATE.MA.US/SCT/CURRENT/SCTMMLIS-EVAN/CONSENT-ORDER-MMLIS-\(E-2022-0027\).PDF](https://www.sec.state.ma.us/SCT/CURRENT/SCTMMLIS-EVAN/CONSENT-ORDER-MMLIS-(E-2022-0027).PDF)

Principal Product Type: Annuity(ies) - Variable

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought: CEASE AND DESIST; CENSURE; REMEDIATION; RESTITUTION; DISGORGEMENT; AND CONDUCT COMPREHENSIVE REVIEW OF WRITTEN SUPERVISORY POLICIES AND PROCEDURES RELATED TO DISCLOSURE OF COMMISSIONS IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES.

Resolution: Consent

Resolution Date: 08/16/2022

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$250,000.00
Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions Ordered: REMEDIATION PAYMENTS TO CERTAIN CLIENTS AND MUST CONDUCT A COMPREHENSIVE REVIEW OF WRITTEN SUPERVISORY POLICIES AND PROCEDURES RELATED TO DISCLOSURE OF COMMISSIONS IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES.

Sanction Details: MMLIS IS ORDERED TO PAY A \$250,000 ADMINISTRATIVE FINE, MUST DISGORGE \$12,092.39 IN PROFITS AND OTHER REMUNERATION RECEIVED IN CONNECTION WITH ITS AGENT'S VARIABLE ANNUITY SALES, AND PROVIDE REMEDIATION OF \$33,837.95 TO SIX CLIENTS FOR COSTS THAT WOULD BE INCURRED IN CONNECTION WITH SURRENDERING OR EXITING THEIR EXISTING ANNUITY CONTRACTS PURCHASED THROUGH MMLIS'S AGENT.



Reporting Source:	Firm
Current Status:	Final
Allegations:	THE COMMONWEALTH OF MASSACHUSETTS SECURITIES DIVISION ALLEGED THAT MML INVESTORS SERVICES, LLC ("MMLIS") FAILED TO REASONABLY SUPERVISE ITS AGENT'S VARIABLE ANNUITY SALES PRACTICES. SPECIFICALLY, THE SECURITIES DIVISION ALLEGED THAT MMLIS FAILED TO ENSURE THAT ITS AGENT PROPERLY INFORM CLIENTS OF THE GENERAL TERMS OF THE VARIABLE ANNUITIES THE AGENT RECOMMENDED, AND MMLIS FAILED TO ENSURE THAT ITS AGENT PROPERLY DISCLOSED THE COMMISSIONS THAT THE AGENT WOULD RECEIVE IN CONNECTION WITH CLIENTS' PURCHASES OF VARIABLE ANNUITIES AND THEIR ADDITIONAL PREMIUM PAYMENTS. MMLIS NEITHER ADMITTED NOR DENIED THE STATEMENTS OF FACT AND THE VIOLATIONS OF LAW IN THE CONSENT ORDER.
Initiated By:	COMMONWEALTH OF MASSACHUSETTS SECURITIES DIVISION
Date Initiated:	08/16/2022
Docket/Case Number:	E-2022-0027
Principal Product Type:	Annuity(ies) - Variable
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	CEASE AND DESIST; CENSURE; REMEDIATION; RESTITUTION; DISGORGEMENT; AND CONDUCT COMPREHENSIVE REVIEW OF WRITTEN SUPERVISORY POLICIES AND PROCEDURES RELATED TO DISCLOSURE OF COMMISSIONS IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES.
Resolution:	Consent
Resolution Date:	08/16/2022
Sanctions Ordered:	Censure Monetary/Fine \$250,000.00 Disgorgement/Restitution Cease and Desist/Injunction
Other Sanctions Ordered:	REMEDATION PAYMENTS TO CERTAIN CLIENTS AND MMLIS MUST CONDUCT A COMPREHENSIVE REVIEW OF ITS WRITTEN SUPERVISORY POLICIES AND PROCEDURES RELATED TO DISCLOSURE OF COMMISSIONS IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES.

**Sanction Details:**

MMLIS WAS ORDERED TO PAY A \$250,000 ADMINISTRATIVE FINE, DISGORGES \$12,092.39 IN PROFITS AND OTHER REMUNERATION RECEIVED IN CONNECTION WITH ITS AGENT'S VARIABLE ANNUITY SALES, AND PROVIDE REMEDIATION OF \$33,837.95 TO SIX CLIENTS FOR COSTS THAT WOULD BE INCURRED IN CONNECTION WITH THE SURRENDERING OR EXITING THEIR EXISTING ANNUITY CONTRACTS PURCHASED THROUGH ITS AGENT.

Firm Statement

MMLIS WAS ORDERED TO PAY A FINE IN THE AMOUNT OF \$250,000; AND TO PROVIDE REMEDIATION PAYMENTS TO CERTAIN CLIENTS AND MUST CONDUCT A COMPREHENSIVE REVIEW OF ITS WRITTEN SUPERVISORY POLICIES AND PROCEDURES RELATED TO THE DISCLOSURE OF COMMISSIONS IN CONNECTION WITH THE SALE OF VARIABLE ANNUITIES. MMLIS MUST DISGORGES \$12,092.39 IN PROFITS AND OTHER REMUNERATION RECEIVED IN CONNECTION WITH ITS FORMER AGENT'S VARIABLE ANNUITY SALES, AND PROVIDE REMEDIATION OF \$33,837.95 TO SIX CLIENTS FOR THE COSTS THAT WOULD BE INCURRED IN CONNECTION WITH SURRENDERING OR EXITING THE EXISTING ANNUITY CONTRACTS PURCHASED THROUGH ITS FORMER AGENT. ON AUGUST 5, 2022, MMLIS SUBMITTED AN OFFER OF SETTLEMENT TO THE DIVISION AND CONSENTED TO THE ENTRY OF THE ORDER BY THE DIVISION WITHOUT ADMITTING OR DENYING THE STATEMENT OF FACTS AND THE VIOLATIONS OF LAW IN THE CONSENT ORDER.

Disclosure 5 of 25**Reporting Source:**

Regulator

Current Status:

Final

Allegations:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO REASONABLY SUPERVISE REGISTERED REPRESENTATIVES' 529 PLAN SHARE-CLASS RECOMMENDATIONS. THE FINDINGS STATED THAT THE FIRM'S SYSTEMS AND PROCEDURES FOR SUPERVISING REPRESENTATIVES' 529 PLAN SHARE-CLASS RECOMMENDATIONS WERE NOT REASONABLY DESIGNED. THE FIRM FAILED TO PROVIDE SUPERVISORS WITH ADEQUATE GUIDANCE AND INFORMATION NECESSARY TO EVALUATE THE SUITABILITY OF REPRESENTATIVES' 529 PLAN SHARE-CLASS RECOMMENDATIONS, AND ALSO FAILED TO PROVIDE GUIDANCE TO REPRESENTATIVES REGARDING THE SHARE-CLASS SUITABILITY FACTORS SPECIFIC TO 529 PLAN INVESTMENTS WHEN RECOMMENDING 529 PLANS. ALTHOUGH FIRM SUPERVISORS WERE REQUIRED TO REVIEW AND APPROVE ALL 529 PLAN TRANSACTIONS, THE FIRM'S PROCEDURES DID NOT SPECIFICALLY ADDRESS THE RELATIONSHIP BETWEEN ACCOUNT BENEFICIARY AGE, THE NUMBER OF



YEARS UNTIL FUNDS WOULD BE NEEDED TO PAY QUALIFIED HIGHER EDUCATION EXPENSES, AND 529 PLAN SHARE-CLASS SUITABILITY. AS A RESULT, SUPERVISORS APPROVED NUMEROUS 529 PLAN C SHARE TRANSACTIONS WITHOUT HAVING ACCESS TO OR CONSIDERING BENEFICIARY AGE, A RELEVANT FACTOR IN EVALUATING THE SUITABILITY OF 529 PLAN SHARE-CLASS RECOMMENDATIONS. MOREOVER, THE FIRM DID NOT CONDUCT ANY TRAINING FOR REPRESENTATIVES REGARDING 529 PLAN SHARE CLASSES OR OTHERWISE PROVIDE GUIDANCE WITH RESPECT TO RELEVANT SUITABILITY FACTORS WHEN RECOMMENDING A PARTICULAR 529 PLAN SHARE CLASS. AS A RESULT, THE FIRM DID NOT REASONABLY SUPERVISE 529 PLAN SHARE-CLASS RECOMMENDATIONS AND FAILED TO IDENTIFY CLASS C SHARE RECOMMENDATIONS THAT WERE INCONSISTENT WITH THE SHARE-CLASS RECOMMENDATIONS SUGGESTED BY THE AGE OF THE ACCOUNT BENEFICIARY. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO REASONABLY SUPERVISE MUTUAL FUND AND 529 PLAN TRANSACTIONS FOR AVAILABLE BREAKPOINTS. THE FIRM'S SUPERVISORY SYSTEM WAS NOT REASONABLY DESIGNED TO IDENTIFY AND APPLY ALL AVAILABLE BREAKPOINT DISCOUNTS. THE FIRM REQUIRED ITS REGISTERED REPRESENTATIVES TO COMPLETE A BREAKPOINT WORKSHEET FOR CLASS A SHARE PURCHASES IN MUTUAL FUNDS OF 529 PLANS TO IDENTIFY AVAILABLE BREAKPOINT DISCOUNTS. HOWEVER, THE FIRM DID NOT REQUIRE, AND REGISTERED REPRESENTATIVES OFTEN COULD NOT COMPLETE, BREAKPOINT WORKSHEETS FOR DIRECT OR AUTOMATIC CONTRIBUTION TRANSACTIONS MADE SUBSEQUENT TO AN INITIAL INVESTMENT, BECAUSE SUCH CONTRIBUTIONS WERE SOMETIMES MADE WITHOUT THE INVOLVEMENT OF THE REGISTERED REPRESENTATIVE. THE FIRM RELIED ON AN EXCEPTION REPORT TO IDENTIFY MISSED MUTUAL FUND AND 529 PLAN BREAKPOINTS. HOWEVER, THE EXCEPTION REPORT ONLY CAPTURED TRANSACTIONS OF \$500 OR MORE. AS A RESULT, THE FIRM FAILED TO HAVE A SYSTEM REASONABLY DESIGNED TO AGGREGATE FOR BREAKPOINT PURPOSES CUSTOMERS' CONTRIBUTIONS TO MUTUAL FUNDS AND 529 PLANS IF THOSE CONTRIBUTIONS WERE IN AMOUNTS LESS THAN \$500.

Initiated By: FINRA

Date Initiated: 12/20/2021

Docket/Case Number: [2019062530501](#)

Principal Product Type: Mutual Fund(s)

Other Product Type(s): 529 PLANS

Principal Sanction(s)/Relief Sought:



Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/20/2021

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Disgorgement/Restitution

Other Sanctions Ordered: PREJUDGMENT INTEREST ON THE RESTITUTION

Sanction Details: THE FIRM WAS CENSURED AND ORDERED TO PAY \$617,726.28, PLUS INTEREST, IN RESTITUTION TO CUSTOMERS. IN RESOLVING THIS MATTER, THE FIRM PROVIDED SUBSTANTIAL ASSISTANCE TO FINRA. ACCORDINGLY, NO ADDITIONAL MONETARY SANCTION HAS BEEN IMPOSED.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO REASONABLY SUPERVISE REGISTERED REPRESENTATIVES' 529 PLAN SHARE-CLASS RECOMMENDATIONS. THE FINDINGS STATED THAT THE FIRM'S SYSTEMS AND PROCEDURES FOR SUPERVISING REPRESENTATIVES' 529 PLAN SHARE-CLASS RECOMMENDATIONS WERE NOT REASONABLY DESIGNED. THE FIRM FAILED TO PROVIDE SUPERVISORS WITH ADEQUATE GUIDANCE AND INFORMATION NECESSARY TO EVALUATE THE SUITABILITY OF REPRESENTATIVES' 529 PLAN SHARE-CLASS RECOMMENDATIONS, AND ALSO FAILED TO PROVIDE GUIDANCE TO REPRESENTATIVES REGARDING THE SHARE-CLASS SUITABILITY FACTORS SPECIFIC TO 529 PLAN INVESTMENTS WHEN RECOMMENDING 529 PLANS. ALTHOUGH FIRM SUPERVISORS WERE REQUIRED TO REVIEW AND APPROVE ALL 529 PLAN TRANSACTIONS, THE FIRM'S PROCEDURES DID NOT SPECIFICALLY ADDRESS THE RELATIONSHIP BETWEEN ACCOUNT BENEFICIARY AGE, THE NUMBER OF YEARS UNTIL FUNDS WOULD BE NEEDED TO PAY QUALIFIED HIGHER EDUCATION EXPENSES, AND 529 PLAN SHARE-CLASS SUITABILITY. AS A RESULT, SUPERVISORS APPROVED NUMEROUS 529 PLAN C SHARE TRANSACTIONS WITHOUT HAVING ACCESS TO OR CONSIDERING



BENEFICIARY AGE, A RELEVANT FACTOR IN EVALUATING THE SUITABILITY OF 529 PLAN SHARE-CLASS RECOMMENDATIONS. MOREOVER, THE FIRM DID NOT CONDUCT ANY TRAINING FOR REPRESENTATIVES REGARDING 529 PLAN SHARE CLASSES OR OTHERWISE PROVIDE GUIDANCE WITH RESPECT TO RELEVANT SUITABILITY FACTORS WHEN RECOMMENDING A PARTICULAR 529 PLAN SHARE CLASS. AS A RESULT, THE FIRM DID NOT REASONABLY SUPERVISE 529 PLAN SHARE-CLASS RECOMMENDATIONS AND FAILED TO IDENTIFY CLASS C SHARE RECOMMENDATIONS THAT WERE INCONSISTENT WITH THE SHARE-CLASS RECOMMENDATIONS SUGGESTED BY THE AGE OF THE ACCOUNT BENEFICIARY. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO REASONABLY SUPERVISE MUTUAL FUND AND 529 PLAN TRANSACTIONS FOR AVAILABLE BREAKPOINTS. THE FIRM'S SUPERVISORY SYSTEM WAS NOT REASONABLY DESIGNED TO IDENTIFY AND APPLY ALL AVAILABLE BREAKPOINT DISCOUNTS. THE FIRM REQUIRED ITS REGISTERED REPRESENTATIVES TO COMPLETE A BREAKPOINT WORKSHEET FOR CLASS A SHARE PURCHASES IN MUTUAL FUNDS OF 529 PLANS TO IDENTIFY AVAILABLE BREAKPOINT DISCOUNTS. HOWEVER, THE FIRM DID NOT REQUIRE, AND REGISTERED REPRESENTATIVES OFTEN COULD NOT COMPLETE, BREAKPOINT WORKSHEETS FOR DIRECT OR AUTOMATIC CONTRIBUTION TRANSACTIONS MADE SUBSEQUENT TO AN INITIAL INVESTMENT, BECAUSE SUCH CONTRIBUTIONS WERE SOMETIMES MADE WITHOUT THE INVOLVEMENT OF THE REGISTERED REPRESENTATIVE. THE FIRM RELIED ON AN EXCEPTION REPORT TO IDENTIFY MISSED MUTUAL FUND AND 529 PLAN BREAKPOINTS. HOWEVER, THE EXCEPTION REPORT ONLY CAPTURED TRANSACTIONS OF \$500 OR MORE. AS A RESULT, THE FIRM FAILED TO HAVE A SYSTEM REASONABLY DESIGNED TO AGGREGATE FOR BREAKPOINT PURPOSES CUSTOMERS' CONTRIBUTIONS TO MUTUAL FUNDS AND 529 PLANS IF THOSE CONTRIBUTIONS WERE IN AMOUNTS LESS THAN \$500.

Initiated By:	FINRA
Date Initiated:	12/20/2021
Docket/Case Number:	2019062530501
Principal Product Type:	Mutual Fund(s)
Other Product Type(s):	529 PLANS
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	DISGORGEMENT/RESTITUTION. PREJUDGMENT INTEREST ON THE RESTITUTION. THE FIRM WAS CENSURED AND ORDERED TO PAY \$617,726.28, PLUS INTEREST, IN RESTITUTION TO CUSTOMERS. IN RESOLVING THIS MATTER, THE FIRM PROVIDED SUBSTANTIAL ASSISTANCE TO FINRA. ACCORDINGLY,



NO MONETARY SANCTION HAS BEEN IMPOSED.

Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	12/20/2021
Sanctions Ordered:	Censure Disgorgement/Restitution
Other Sanctions Ordered:	PREJUDGMENT INTEREST ON THE RESTITUTION
Sanction Details:	THE FIRM WAS CENSURED AND ORDERED TO PAY \$617,726.28, PLUS INTEREST, IN RESTITUTION TO CUSTOMERS. IN RESOLVING THIS MATTER, THE FIRM PROVIDED SUBSTANTIAL ASSISTANCE TO FINRA. ACCORDINGLY, NO MONETARY SANCTION HAS BEEN IMPOSED.
Firm Statement	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO REASONABLY SUPERVISE REGISTERED REPRESENTATIVES' 529 PLAN SHARE-CLASS RECOMMENDATIONS. THE FIRM WAS CENSURED AND ORDERED TO PAY \$617,726.28, PLUS INTEREST, IN RESTITUTION TO CUSTOMERS. IN RESOLVING THIS MATTER, THE FIRM PROVIDED SUBSTANTIAL ASSISTANCE TO FINRA. ACCORDINGLY, NO MONETARY SANCTION HAS BEEN IMPOSED.

Disclosure 6 of 25

Reporting Source:	Regulator
Current Status:	Final
Allegations:	THE DIVISION ALLEGES MML INVESTORS SERVICES, LLC ("MMLIS") EMPLOYED THREE HUNDRED FOUR (304) INDIVIDUALS WHO TRANSACTED SECURITIES BUSINESS IN MASSACHUSETTS, SIXTY THREE (63) INDIVIDUALS WHO SUPERVISED MMLIS AGENTS TRANSACTING SECURITIES BUSINESS IN MASSACHUSETTS, AND ONE HUNDRED ELEVEN (111) AGENCY SUPERVISORY OFFICERS WHO ASSISTED IN SUPERVISING AGENTS ALL WHILE NOT REGISTERED AS AGENTS.
Initiated By:	MASSACHUSETTS SECURITIES DIVISION
Date Initiated:	09/15/2021
Docket/Case Number:	R-2019-0096
URL for Regulatory Action:	HTTP://SEC.STATE.MA.US/SCT/CURRENT/SCTMASSMUTUAL/2021-09-15-R-2019-0096-CONSENT-ORDER-SIGNED.PDF
Principal Product Type:	No Product
Other Product Type(s):	



Principal Sanction(s)/Relief Sought: Cease and Desist

Other Sanction(s)/Relief Sought: CENSURE; REGISTRATION OF AGENTS; REVIEW OF POLICIES AND PROCEDURES; FINE

Resolution: Consent

Resolution Date: 09/15/2021

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$750,000.00
Cease and Desist/Injunction

Other Sanctions Ordered: REVIEW OF POLICIES AND PROCEDURES

Sanction Details: PURSUANT TO THE CONSENT ORDER, MMLIS PAID A FINE OF \$750,000 ON SEPTEMBER 20, 2021.

Reporting Source: Firm

Current Status: Final

Allegations: THE DIVISION ALLEGED THAT MML INVESTORS SERVICES, LLC ("MMLIS") EMPLOYED THREE HUNDRED FOUR (304) INDIVIDUALS WHO TRANSACTED SECURITIES BUSINESS IN MASSACHUSETTS, SIXTY THREE (63) INDIVIDUALS WHO SUPERVISED MMLIS AGENTS TRANSACTING SECURITIES BUSINESS IN MASSACHUSETTS, AND ONE HUNDRED AND ELEVEN (111) AGENCY SUPERVISORY OFFICERS WHO ASSISTED IN SUPERVISING AGENTS ALL WHILE NOT REGISTERED AS AGENTS.

Initiated By: MASSACHUSETTS SECURITIES DIVISION

Date Initiated: 09/15/2021

Docket/Case Number: R-2019-0096

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Cease and Desist



Other Sanction(s)/Relief Sought:	CENSURE; REGISTRATION OF AGENTS; REVIEW OF POLICIES AND PROCEDURES; FINE
Resolution:	Consent
Resolution Date:	09/15/2021
Sanctions Ordered:	Censure Monetary/Fine \$750,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	REVIEW OF POLICIES AND PROCEDURES
Sanction Details:	PURSUANT TO THE CONSENT ORDER, MMLIS PAID A FINE OF \$750,000 ON SEPTEMBER 20, 2021.

Disclosure 7 of 25

Reporting Source:	Regulator
Current Status:	Final
Allegations:	FAILURE TO SUPERVISE BROKER-DEALER AGENTS' POSTING ABOUT SECURITIES ON SOCIAL MEDIA, TRADING IN OUTSIDE ACCOUNTS OF OTHER INDIVIDUALS, AND EXCESSIVE TRADING IN PERSONAL ACCOUNTS. THESE FAILURES CONSTITUTED VIOLATIONS MASS. GEN. LAWS 204(A)(2)(J).
Initiated By:	MASSACHUSETTS
Date Initiated:	09/15/2021
Docket/Case Number:	E-2021-0004
URL for Regulatory Action:	HTTPS://WWW.SEC.STATE.MA.US/SCT/CURRENT/SCTMASSMUTUAL/MMLIS-CONSENT-ORDER-E-2021-0004.PDF
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Undertaking
Other Sanction(s)/Relief Sought:	CEASE AND DESIST, REVIEW BY INDEPENDENT THIRD PARTY COMPLIANCE CONSULTANT, BROKER-DEALER AGENT COMPLIANCE TRAINING, THREE YEARS OF ANNUAL COMPLIANCE AUDITS, AND ADMINISTRATIVE FINE.
Resolution:	Consent
Resolution Date:	09/15/2021



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Censure Monetary/Fine \$4,000,000.00
Other Sanctions Ordered:	INDEPENDENT THIRD PARTY CONSULTANT REVIEW OF POLICIES AND WRITTEN SUPERVISORY PROCEDURES REGARDING BROKER-DEALER AGENTS' (1) USE OF SOCIAL MEDIA PLATFORMS, (2) TO DETECT AND MONITOR BROKER-DEALER BROKER-DEALER AGENT TRADING IN THE ACCOUNTS OF OTHERS, AND (3) TO MONITOR THE PERSONAL TRADING OF REGISTERED AGENTS. ALSO, BROKER-DEALER COMPLIANCE TRAINING RELATED TO THE AFOREMENTION (1) AND (2) AND THREE YEARS OF ANNUAL COMPLIANCE AUDITS.
Sanction Details:	\$4,000,000 PAID ON 09/20/2021
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Reporting Source:	Firm
Current Status:	Final
Allegations:	FAILURE TO SUPERVISE BROKER-DEALER AGENTS' POSTING ABOUT SECURITIES ON SOCIAL MEDIA, TRADING IN OUTSIDE ACCOUNTS OF OTHER INDIVIDUALS, AND EXCESSIVE TRADING IN PERSONAL ACCOUNTS. THESE FAILURES CONSTITUTED VIOLATIONS MASS. GEN. LAWS 204(A)(2)(J).
Initiated By:	MASSACHUSETTS SECURITIES DIVISION
Date Initiated:	09/15/2021
Docket/Case Number:	E-2021-0004
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Undertaking
Other Sanction(s)/Relief Sought:	CEASE AND DESIST, REVIEW BY INDEPENDENT THIRD PARTY COMPLIANCE CONSULTANT, BROKER-DEALER AGENT COMPLIANCE TRAINING, THREE YEARS OF ANNUAL COMPLIANCE AUDITS, AND ADMINISTRATIVE FINE.
Resolution:	Consent



Resolution Date:	09/15/2021
Sanctions Ordered:	Censure Monetary/Fine \$4,000,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	INDEPENDENT THIRD PARTY CONSULTANT REVIEW OF POLICIES AND WRITTEN SUPERVISORY PROCEDURES REGARDING BROKER-DEALER AGENTS' (1) USE OF SOCIAL MEDIA PLATFORMS, (2) TO DETECT AND MONITOR BROKER-DEALER AGENT TRADING IN THE ACCOUNTS OF OTHERS, AND (3) TO MONITOR THE PERSONAL TRADING OF REGISTERED AGENTS. ALSO, BROKER-DEALER COMPLIANCE TRAINING RELATED TO THE AFOREMENTIONED (1) AND (2) AND THREE YEARS OF ANNUAL COMPLIANCE AUDITS.
Sanction Details:	\$4,000,000 PAID ON 09/20/2021

Disclosure 8 of 25

Reporting Source:	Regulator
Current Status:	Final
Allegations:	<p>THE SEC DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED PURSUANT TO SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECTIONS 203(E) AND 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940 AGAINST MML INVESTORS SERVICES, LLC ("MMLIS" OR "RESPONDENT"). THE COMMISSION FINDS THAT: THESE PROCEEDINGS ARISE OUT OF BREACHES OF FIDUCIARY DUTIES BY MML INVESTORS SERVICES, LLC, A DUALY REGISTERED INVESTMENT ADVISER AND BROKER-DEALER, AND MSI FINANCIAL SERVICES, INC. ("MSI"), A FORMERLY REGISTERED INVESTMENT ADVISER AND BROKER-DEALER THAT WAS INTEGRATED WITH MMLIS IN MARCH 2017, IN CONNECTION WITH THIRD-PARTY COMPENSATION THAT MMLIS AND MSI RECEIVED BASED ON THEIR ADVISORY CLIENTS' INVESTMENTS WITHOUT FULLY AND FAIRLY DISCLOSING THEIR CONFLICTS OF INTEREST. IN PARTICULAR, DURING CERTAIN PERIODS SINCE AT LEAST MARCH 2015, MMLIS AND MSI INVESTED CLIENTS IN CERTAIN SHARE CLASSES OF MUTUAL FUNDS THAT RESULTED IN THE FIRMS RECEIVING REVENUE SHARING PAYMENTS PURSUANT TO AGREEMENTS WITH THEIR UNAFFILIATED CLEARING BROKER. IN SPITE OF THESE FINANCIAL ARRANGEMENTS, MMLIS AND MSI PROVIDED NO DISCLOSURE OR INADEQUATE DISCLOSURE OF THE CONFLICTS OF INTEREST ARISING FROM THIS COMPENSATION. MMLIS AND MSI ALSO BREACHED THEIR DUTY TO SEEK BEST EXECUTION BY CAUSING CERTAIN ADVISORY CLIENTS TO INVEST IN SHARE CLASSES OF MUTUAL FUNDS THAT PAID</p>



REVENUE SHARING WHEN SHARE CLASSES OF THE SAME FUNDS WERE AVAILABLE TO THE CLIENTS THAT PRESENTED A MORE FAVORABLE VALUE FOR THESE CLIENTS UNDER THE PARTICULAR CIRCUMSTANCES IN PLACE AT THE TIME OF THE TRANSACTIONS. FURTHERMORE, MMLIS AND MSI FAILED TO ADOPT AND IMPLEMENT WRITTEN COMPLIANCE POLICIES AND PROCEDURES REASONABLY DESIGNED TO PREVENT VIOLATIONS OF THE ADVISERS ACT AND THE RULES THEREUNDER IN CONNECTION WITH ITS MUTUAL FUND SHARE CLASS SELECTION PRACTICES AND DISCLOSURE OF CONFLICTS OF INTEREST ARISING OUT OF ITS REVENUE SHARING PRACTICES. AS A RESULT OF THE CONDUCT DESCRIBED HEREIN, MMLIS WILLFULLY VIOLATED SECTIONS 206(2) AND 206(4) OF THE ADVISERS ACT AND RULE 206(4)-7 THEREUNDER.

Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Date Initiated:	09/10/2021
Docket/Case Number:	3-20536
Principal Product Type:	Mutual Fund(s)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	09/10/2021
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	Yes
Sanctions Ordered:	Censure Monetary/Fine \$700,000.00 Disgorgement/Restitution Cease and Desist/Injunction
Other Sanctions Ordered:	PREJUDGMENT INTEREST ON THE DISGORGEMENT; UNDERTAKINGS
Sanction Details:	THE FIRM SHALL CEASE AND DESIST; IS CENSURED; SHALL PAY DISGORGEMENT OF \$1,150,505 AND PREJUDGMENT INTEREST OF \$258,953.29; SHALL PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$700,000; AND SHALL COMPLY WITH THE UNDERTAKINGS ENUMERATED IN



THE OFFER.

Regulator Statement

MMLIS HAS SUBMITTED AN OFFER OF SETTLEMENT (THE "OFFER") WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. AS A RESULT OF THE CONDUCT DESCRIBED HEREIN, MMLIS WILLFULLY VIOLATED SECTIONS 206(2) AND 206(4) OF THE ADVISERS ACT AND RULE 206(4)-7 THEREUNDER. ACCORDINGLY, IT IS HEREBY ORDERED THAT: RESPONDENT CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTIONS 206(2) AND 206(4) OF THE ADVISERS ACT AND RULE 206(4)-7 PROMULGATED THEREUNDER; RESPONDENT IS CENSURED; RESPONDENT SHALL PAY DISGORGEMENT OF \$1,150,505 AND PREJUDGMENT INTEREST OF \$258,953.29; RESPONDENT SHALL PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$700,000; AND RESPONDENT SHALL COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER.

Reporting Source:

Firm

Current Status:

Final

Allegations:

THE SEC DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED PURSUANT TO SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECTIONS 203(E) AND 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940 AGAINST MML INVESTORS SERVICES, LLC ("MMLIS" OR "RESPONDENT"). THE COMMISSION FINDS THAT: THESE PROCEEDINGS ARISE OUT OF BREACHES OF FIDUCIARY DUTIES BY MML INVESTORS SERVICES, LLC, A DUALY REGISTERED INVESTMENT ADVISER AND BROKER-DEALER, AND MSI FINANCIAL SERVICES, INC. ("MSI"), A FORMERLY REGISTERED INVESTMENT ADVISER AND BROKER-DEALER THAT WAS INTEGRATED WITH MMLIS IN MARCH 2017, IN CONNECTION WITH THIRD-PARTY COMPENSATION THAT MMLIS AND MSI RECEIVED BASED ON THEIR ADVISORY CLIENTS' INVESTMENTS WITHOUT FULLY AND FAIRLY DISCLOSING THEIR CONFLICTS OF INTEREST. IN PARTICULAR, DURING CERTAIN PERIODS SINCE AT LEAST MARCH 2015, MMLIS AND MSI INVESTED CLIENTS IN CERTAIN SHARE CLASSES OF MUTUAL FUNDS THAT RESULTED IN THE FIRMS RECEIVING REVENUE SHARING PAYMENTS PURSUANT TO AGREEMENTS WITH THEIR UNAFFILIATED CLEARING BROKER, IN SPITE OF THESE FINANCIAL ARRANGEMENTS, MMLIS AND MSI PROVIDED NO DISCLOSURE OR INADEQUATE DISCLOSURE OF THE CONFLICTS OF INTEREST ARISING FROM THIS COMPENSATION. MMLIS AND MSI ALSO BREACHED THEIR DUTY TO SEEK BEST EXECUTION BY CAUSING CERTAIN ADVISORY CLIENTS TO INVEST IN SHARE CLASSES OF MUTUAL FUNDS THAT PAID REVENUE SHARING WHEN SHARE CLASSES OF THE SAME FUNDS WERE AVAILABLE TO THE CLIENTS THAT PRESENTED A MORE FAVORABLE VALUE



FOR THESE CLIENTS UNDER THE PARTICULAR CIRCUMSTANCES IN PLACE AT THE TIME OF THE TRANSACTIONS. FURTHERMORE, MMLIS AND MSI FAILED TO ADOPT AND IMPLEMENT WRITTEN COMPLIANCE POLICIES AND PROCEDURE REASONABLY DESIGNED TO PREVENT VIOLATIONS OF THE ADVISERS ACT AND THE RULES THEREUNDER IN CONNECTION WITH ITS MUTUAL FUND SHARE CLASS SELECTION PRACTICES AND DISCLOSURE OF CONFLICTS OF INTEREST ARISING OUT OF ITS REVENUE SHARING PRACTICES. AS A RESULT OF THE CONDUCT DESCRIBED HEREIN, MMLIS WILLFULLY VIOLATED SECTIONS 206(2) AND 206(4) OF THE ADVISERS ACT AND RULE 206(4)-7 THEREUNDER.

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 09/10/2021

Docket/Case Number: 3-20536

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Cease and Desist

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 09/10/2021

Sanctions Ordered: Censure
Monetary/Fine \$700,000.00
Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions Ordered: PREJUDGMENT INTEREST ON THE DISGORGEMENT, UNDERTAKINGS

Sanction Details: THE FIRM SHALL CEASE AND DESIST; IS CENSURED; SHALL PAY DISGORGEMENT OF \$1,150,505 AND PREJUDGMENT INTEREST OF \$258,953.29; SHALL PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$700,000; AND SHALL COMPLY WITH THE UNDERTAKINGS IN THE OFFER.

Firm Statement MMLIS SUBMITTED AN OFFER OF SETTLEMENT (THE "OFFER") WHICH THE COMMISSION DETERMINED TO ACCEPT. AS A RESULT OF THE CONDUCT DESCRIBED HEREIN, MMLIS WILLFULLY VIOLATED SECTIONS 206(2) AND 206(4) OF THE ADVISERS ACT AND RULE 206(4)-7 THEREUNDER. ACCORDINGLY, IT IS HEREBY ORDERED THAT: RESPONDENT CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTIONS 206(2) AND 206(4) OF THE ADVISERS ACT AND RULE 206(4)-7 PROMULGATED THEREUNDER; RESPONDENT IS



CENSURED; RESPONDENT SHALL PAY DISGORGEMENT OF \$1,150,505 AND PREJUDGMENT INTEREST OF \$258,953.29; RESPONDENT SHALL PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$700,000; AND RESPONDENT SHALL COMPLY WITH THE UNDERTAKINGS ENUMERATED IN THE OFFER.

Disclosure 9 of 25

Reporting Source:	Regulator
Current Status:	Final
Allegations:	<p>WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO PREVENT CERTAIN REGISTERED AND ASSOCIATED PERSONS WHO HAD BEEN TERMINATED FROM THE FIRM FROM CONTINUING TO ACCESS CUSTOMER RECORDS AND INFORMATION, INCLUDING NONPUBLIC PERSONAL INFORMATION, IN VIOLATION OF THE SEC'S REGULATION S-P: PRIVACY OF CONSUMER FINANCIAL INFORMATION AND SAFEGUARDING PERSONAL INFORMATION. THE FINDINGS STATED THAT THE FIRM FAILED TO ENSURE THAT ACCESS TO A THIRD-PARTY SYSTEM WAS LIMITED TO ONLY THOSE FORMER REGISTERED REPRESENTATIVES OF A COMPANY THAT WAS ACQUIRED BY ITS MEMBER FIRM FOR WHOM ACCESS WAS AGREED TO BE GIVEN. AS A RESULT, ADDITIONAL FORMER REGISTERED REPRESENTATIVES AND ASSOCIATED PERSONS OF THE COMPANY HAD ACCESS TO THE THIRD-PARTY SYSTEM AFTER THE ACQUISITION. BECAUSE THE FIRM WAS UNAWARE THAT THESE ADDITIONAL REGISTERED REPRESENTATIVES AND ASSOCIATED PERSONS HAD ACCESS TO THE THIRD-PARTY SYSTEM AFTER THE ACQUISITION, THE FIRM DID NOT NOTIFY THE INSURANCE COMPANY WHEN THOSE REGISTERED REPRESENTATIVES AND ASSOCIATED PERSONS CEASED TO BE ASSOCIATED WITH THE FIRM. AS A RESULT, THE INSURANCE COMPANY DID NOT TIMELY SHUT OFF THESE FORMER FIRM REGISTERED REPRESENTATIVES' AND ASSOCIATED PERSONS' ACCESS TO THE THIRD-PARTY SYSTEM.</p>
Initiated By:	FINRA
Date Initiated:	03/20/2020
Docket/Case Number:	2017056520301
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	


Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/20/2020

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$75,000.00

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED AND FINED \$75,000. 3/27/2020 FINE PAID IN FULL.

Reporting Source: Firm

Current Status: Final

Allegations: FROM MARCH 2017 THROUGH MARCH 2018, (THE RELEVANT PERIOD), IT WAS ALLEGED THAT MMLIS FAILED TO PREVENT CERTAIN REGISTERED AND ASSOCIATED PERSONS WHO HAD BEEN TERMINATED FROM THE FIRM FROM CONTINUING TO ACCESS CUSTOMER RECORDS AND INFORMATION, INCLUDING NONPUBLIC PERSONAL INFORMATION.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA)

Date Initiated: 03/20/2020

Docket/Case Number: MATTER NO. 2017056520301

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINE IN THE AMOUNT OF \$75.000.

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/20/2020



Sanctions Ordered:	Censure Monetary/Fine \$75,000.00
Other Sanctions Ordered:	
Sanction Details:	MMLIS ENTERED INTO A LETTER OF ACCEPTANCE, WAIVER, AND CONSENT WITH FINRA FOR THE RESOLUTION OF THE MATTER EFFECTIVE MARCH 20, 2020 AND PAID A FINE IN THE AMOUNT OF \$75,000.00.
Firm Statement	MMLIS ENTERED INTO A LETTER OF ACCEPTANCE, WAIVER, AND CONSENT WITH FINRA FOR THE RESOLUTION OF A MATTER EFFECTIVE MARCH 20, 2020. FINRA MADE FINDINGS THAT THE FIRM FAILED TO ENSURE THAT ACCESS TO A THIRD-PARTY SYSTEM WAS LIMITED TO ONLY THOSE FORMER REGISTERED REPRESENTATIVES OF A COMPANY THAT WAS ACQUIRED BY THE FIRM FOR WHOM ACCESS WAS AGREED TO BE GIVEN. AS A RESULT, ADDITIONAL FORMER REGISTERED REPRESENTATIVES AND ASSOCIATED PERSONS OF THE FIRM HAD ACCESS TO THE THIRD-PARTY SYSTEM AFTER THE ACQUISITION. BECAUSE MMLIS WAS UNAWARE THAT THESE ADDITIONAL REGISTERED REPRESENTATIVES AND ASSOCIATED PERSONS HAD ACCESS TO THE THIRD-PARTY SYSTEM AFTER THE ACQUISITION, THE FIRM DID NOT NOTIFY THE THIRD PARTY WHEN THOSE REGISTERED REPRESENTATIVES AND ASSOCIATED PERSONS CEASED TO BE ASSOCIATED WITH THE FIRM. AS A RESULT, THE THIRD-PARTY DID NOT TIMELY SHUT OFF THOSE FORMER REGISTERED REPRESENTATIVES' AND ASSOCIATED PERSONS' ACCESS TO THE THIRD-PARTY SYSTEM. THE THIRD PARTY SYSTEM STORED CUSTOMER RECORDS AND INFORMATION, INCLUDING NONPUBLIC PERSONAL INFORMATION. WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO A CENSURE, A FINE OF \$75,000, AND THE ENTRY OF FINDINGS THAT IT FAILED TO PREVENT CERTAIN REGISTERED AND ASSOCIATED PERSONS WHO HAD BEEN TERMINATED FROM THE FIRM FROM CONTINUING TO ACCESS CUSTOMER RECORDS AND INFORMATION, INCLUDING NONPUBLIC PERSONAL INFORMATION, IN VIOLATION OF THE SEC'S REGULATION S-P AND FINRA RULE 2010.

Disclosure 10 of 25

Reporting Source:	Regulator
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO MAINTAIN ELECTRONIC BROKERAGE RECORDS, PIVOTAL TO ITS BROKERAGE BUSINESSES, IN NON-ERASABLE AND NON-REWRITABLE FORMAT KNOWN AS THE "WRITE ONCE, READ MANY" (WORM) FORMAT, THAT IS INTENDED TO PREVENT THE ALTERATION OR DESTRUCTION OF



BROKER-DEALER RECORDS STORED ELECTRONICALLY.

THE FINDINGS STATED THAT THESE REQUIREMENTS ARE AN ESSENTIAL PART OF THE INVESTOR PROTECTION FUNCTION BECAUSE PRESERVATION OF THESE RECORDS IS THE PRIMARY MEANS OF MONITORING COMPLIANCE WITH APPLICABLE SECURITIES LAWS, INCLUDING ANTIFRAUD PROVISIONS AND FINANCIAL RESPONSIBILITY STANDARDS. THE FIRM SHARED AN ENTERPRISE-WIDE RETENTION SYSTEM, EMPLOYED A VARIETY OF SYSTEMS AND STORAGE MEDIA. NEVERTHELESS, THE FIRM FAILED TO RETAIN IN WORM FORMAT CLIENT PROFILE RECORDS, VARIABLE ANNUITY, VARIABLE LIFE AND RETIREMENT SERVICES TRANSACTION RECORDS AND FINANCIAL RECORDS. ALSO, THIS DEFICIENCY SPANNED MULTIPLE SYSTEMS AND AFFECTED AT LEAST SEVEN CATEGORIES OF ELECTRONIC BROKER-DEALER RECORDS, INCLUDING, BUT NOT LIMITED TO CLIENT PROFILE RECORDS, COMPLIANCE RECORDS, BUSINESS GIFT AND ENTERTAINMENT RECORDS, FINANCIAL RECORDS, AND BLOTTERS CONTAINING VARIABLE ANNUITY TRANSACTION RECORDS.

THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO PROVIDE THE REQUIRED 90-DAY NOTICE TO ITS DESIGNATED EXAMINING AUTHORITY (FINRA), PRIOR TO RETAINING A VENDOR TO PROVIDE ELECTRONIC STORAGE.

THE FINDINGS ALSO INCLUDED THAT THE FIRM EXPERIENCED RELATED TO NOTICE, AUDIT AND ATTESTATION DEFICIENCIES THAT AFFECTED THEIR ABILITY TO ADEQUATELY RETAIN AND PRESERVE ELECTRONIC RECORDS. MAINLY, THE FIRM FAILED TO IMPLEMENT AN AUDIT SYSTEM AS REQUIRED FOR THOSE RECORDS IT FAILED TO MAINTAIN IN WORM FORMAT.

FINRA FOUND THAT THE FIRM FAILED TO PROVIDE THIRD-PARTY VENDORS WITH FULL ACCESS TO AND THE ABILITY TO DOWNLOAD INFORMATION FROM THE FIRM'S ELECTRONIC STORAGE MEDIA. ALSO, THE FIRM FAILED TO OBTAIN THE REQUIRED THIRD-PARTY ATTESTATION LETTERS.

FINRA ALSO FOUND THAT THE FIRM FAILED TO ENFORCE WRITTEN SUPERVISORY PROCEDURES (WSPS) CONCERNING THE FIRM'S STORAGE OF ELECTRONIC BROKERAGE RECORDS IN WORM FORMAT.

Initiated By: FINRA
Date Initiated: 06/30/2017
Docket/Case Number: [2016052647801](#)



Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/30/2017

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$750,000.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: THE FIRM WAS CENSURED, FINED \$750,000, JOINTLY AND SEVERALLY, AND REQUIRED SUBMIT TO FINRA A WRITTEN PLAN OF HOW IT WILL UNDERTAKE TO CONDUCT A COMPREHENSIVE REVIEW OF THE ADEQUACY OF THE RELEVANT POLICIES AND PROCEDURES (WRITTEN AND OTHERWISE), INCLUDING A DESCRIPTION OF REMEDIAL MEASURES LEADING TO FULL COMPLIANCE, RELATING TO THE CONDUCT ADDRESSED IN THE AWC.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO MAINTAIN CERTAIN ELECTRONIC BROKERAGE RECORDS, IN A NON-ERASABLE AND NON-REWRITABLE FORMAT KNOWN AS THE "WRITE ONCE, READ MANY" (WORM) FORMAT, THAT IS INTENDED TO PREVENT THE ALTERATION OR DESTRUCTION OF BROKER-DEALER RECORDS STORED ELECTRONICALLY. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO PROVIDE THE REQUIRED 90-DAY NOTICE TO ITS DESIGNATED EXAMINING AUTHORITY (FINRA), PRIOR TO RETAINING A VENDOR TO PROVIDE ELECTRONIC STORAGE. THE FINDINGS ALSO INCLUDED THAT THE FIRM EXPERIENCED NOTICE, AUDIT AND ATTESTATION DEFICIENCIES THAT



AFFECTED THEIR ABILITY TO ADEQUATELY RETAIN AND PRESERVE ELECTRONIC RECORDS. MAINLY, THE FIRM FAILED TO IMPLEMENT AN AUDIT SYSTEM AS REQUIRED FOR THOSE RECORDS IT FAILED TO MAINTAIN IN WORM FORMAT. FINRA FOUND THAT THE FIRM FAILED TO PROVIDE LETTERS OF UNDERTAKING FROM AN INDEPENDENT THIRD-PARTY WITH THE ABILITY TO ACCESS AND DOWNLOAD INFORMATION FROM THE FIRM'S ELECTRONIC STORAGE MEDIA IF NEEDED. ALSO, THE FIRM FAILED TO OBTAIN THE REQUIRED THIRD-PARTY ATTESTATION LETTERS. FINRA ALSO FOUND THAT THE FIRM FAILED TO ENFORCE WRITTEN SUPERVISORY PROCEDURES (WSPS) CONCERNING THE FIRM'S STORAGE OF ELECTRONIC BROKERAGE RECORDS IN WORM FORMAT.

Initiated By:	FINRA
Date Initiated:	06/30/2017
Docket/Case Number:	2016052647801
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	06/30/2017
Sanctions Ordered:	Censure Monetary/Fine \$750,000.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	THE FIRM WAS CENSURED, FINED \$750,000, JOINTLY AND SEVERALLY, AND REQUIRED TO SUBMIT TO FINRA A WRITTEN PLAN OF HOW IT WILL UNDERTAKE TO CONDUCT A COMPREHENSIVE REVIEW OF THE ADEQUACY OF THE RELEVANT POLICIES AND PROCEDURES (WRITTEN AND OTHERWISE), INCLUDING A DESCRIPTION OF REMEDIAL MEASURES LEADING TO FULL COMPLIANCE, RELATING TO THE CONDUCT ADDRESSED IN THE AWC.
<hr/>	
Reporting Source:	Firm
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED



TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO MAINTAIN CERTAIN ELECTRONIC BROKERAGE RECORDS, IN A NON-ERASABLE AND NON-REWRITABLE FORMAT KNOWN AS THE "WRITE ONCE, READ MANY" (WORM) FORMAT, THAT IS INTENDED TO PREVENT THE ALTERATION OR DESTRUCTION OF BROKER-DEALER RECORDS STORED ELECTRONICALLY. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO PROVIDE THE REQUIRED 90-DAY NOTICE TO ITS DESIGNATED EXAMINING AUTHORITY (FINRA), PRIOR TO RETAINING A VENDOR TO PROVIDE ELECTRONIC STORAGE. THE FINDINGS ALSO INCLUDED THAT THE FIRM EXPERIENCED NOTICE, AUDIT AND ATTESTATION DEFICIENCIES THAT AFFECTED THEIR ABILITY TO ADEQUATELY RETAIN AND PRESERVE ELECTRONIC RECORDS. MAINLY, THE FIRM FAILED TO IMPLEMENT AN AUDIT SYSTEM AS REQUIRED FOR THOSE RECORDS IT FAILED TO MAINTAIN IN WORM FORMAT. FINRA FOUND THAT THE FIRM FAILED TO PROVIDE LETTERS OF UNDERTAKING FROM AN INDEPENDENT THIRD-PARTY WITH THE ABILITY TO ACCESS AND DOWNLOAD INFORMATION FROM THE FIRM'S ELECTRONIC STORAGE MEDIA IF NEEDED. ALSO, THE FIRM FAILED TO OBTAIN THE REQUIRED THIRD-PARTY ATTESTATION LETTERS. FINRA ALSO FOUND THAT THE FIRM FAILED TO ENFORCE WRITTEN SUPERVISORY PROCEDURES (WSPS) CONCERNING THE FIRM'S STORAGE OF ELECTRONIC BROKERAGE RECORDS IN WORM FORMAT.

Initiated By: FINRA

Date Initiated: 06/30/2017

Docket/Case Number: [2016052647801](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/30/2017

Sanctions Ordered: Censure
Monetary/Fine \$750,000.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: THE FIRM WAS CENSURED, FINED \$750,000, JOINTLY AND SEVERALLY, AND REQUIRED TO SUBMIT TO FINRA A WRITTEN PLAN OF HOW IT WILL UNDERTAKE TO CONDUCT A COMPREHENSIVE REVIEW OF THE



ADEQUACY OF THE RELEVANT POLICIES AND PROCEDURES (WRITTEN AND OTHERWISE), INCLUDING A DESCRIPTION OF REMEDIAL MEASURES LEADING TO FULL COMPLIANCE, RELATING TO THE CONDUCT ADDRESSED IN THE AWC.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO MAINTAIN CERTAIN ELECTRONIC BROKERAGE RECORDS, IN A NON-ERASABLE AND NON-REWRITABLE FORMAT KNOWN AS THE "WRITE ONCE, READ MANY" (WORM) FORMAT, THAT IS INTENDED TO PREVENT THE ALTERATION OR DESTRUCTION OF BROKER-DEALER RECORDS STORED ELECTRONICALLY. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO PROVIDE THE REQUIRED 90-DAY NOTICE TO ITS DESIGNATED EXAMINING AUTHORITY (FINRA), PRIOR TO RETAINING A VENDOR TO PROVIDE ELECTRONIC STORAGE. THE FINDINGS ALSO INCLUDED THAT THE FIRM EXPERIENCED NOTICE, AUDIT AND ATTESTATION DEFICIENCIES THAT AFFECTED THEIR ABILITY TO ADEQUATELY RETAIN AND PRESERVE ELECTRONIC RECORDS. MAINLY, THE FIRM FAILED TO IMPLEMENT AN AUDIT SYSTEM AS REQUIRED FOR THOSE RECORDS IT FAILED TO MAINTAIN IN WORM FORMAT. FINRA FOUND THAT THE FIRM FAILED TO PROVIDE LETTERS OF UNDERTAKING FROM AN INDEPENDENT THIRD-PARTY WITH THE ABILITY TO ACCESS AND DOWNLOAD INFORMATION FROM THE FIRM'S ELECTRONIC STORAGE MEDIA IF NEEDED. ALSO, THE FIRM FAILED TO OBTAIN THE REQUIRED THIRD-PARTY ATTESTATION LETTERS. FINRA ALSO FOUND THAT THE FIRM FAILED TO ENFORCE WRITTEN SUPERVISORY PROCEDURES (WSPS) CONCERNING THE FIRM'S STORAGE OF ELECTRONIC BROKERAGE RECORDS IN WORM FORMAT.

Initiated By: FINRA

Date Initiated: 06/30/2017

Docket/Case Number: [2016052647801](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:



Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	06/30/2017
Sanctions Ordered:	Censure Monetary/Fine \$750,000.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	THE FIRM WAS CENSURED, FINED \$750,000, JOINTLY AND SEVERALLY, AND REQUIRED TO SUBMIT TO FINRA A WRITTEN PLAN OF HOW IT WILL UNDERTAKE TO CONDUCT A COMPREHENSIVE REVIEW OF THE ADEQUACY OF THE RELEVANT POLICIES AND PROCEDURES (WRITTEN AND OTHERWISE), INCLUDING A DESCRIPTION OF REMEDIAL MEASURES LEADING TO FULL COMPLIANCE, RELATING TO THE CONDUCT ADDRESSED IN THE AWC.

Disclosure 11 of 25

Reporting Source:	Regulator
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT DISADVANTAGED CERTAIN RETIREMENT PLAN AND CHARITABLE ORGANIZATION CUSTOMERS THAT WERE ELIGIBLE TO PURCHASE CLASS A SHARES IN CERTAIN MUTUAL FUNDS WITHOUT A FRONT-END SALES CHARGE (ELIGIBLE CUSTOMERS). THE FINDINGS STATED THAT THESE ELIGIBLE CUSTOMERS WERE INSTEAD SOLD CLASS A SHARES WITH A FRONT-END SALES CHARGE OR CLASS B OR C SHARES WITH BACK-END SALES CHARGES AND HIGHER ONGOING FEES AND EXPENSES. THE DIFFERENT SALES CHARGES, BREAKPOINTS, WAIVERS AND FEES ASSOCIATED WITH DIFFERENT SHARE CLASSES AFFECT MUTUAL FUND INVESTORS' RETURNS. IF AN INVESTOR QUALIFIES FOR A CLASS A SALES CHARGE WAIVER AND PURCHASES CLASS A SHARES, THE INVESTOR WILL NOT PAY A FRONT-END SALES LOAD. IN CONTRAST, A PURCHASE OF CLASS B OR C SHARES OF THE SAME FUND WILL BE SUBJECT TO HIGHER ONGOING FEES, AS WELL AS POTENTIAL APPLICATION OF A CONTINGENT DEFERRED SALES CHARGE. THEREFORE, IF AN INVESTOR QUALIFIES FOR A CLASS A SALES CHARGE WAIVER, THERE WOULD BE NO REASON FOR THE INVESTOR TO PURCHASE ANY OTHER CLASS OF SHARES THAT HAS A SALES LOAD AND/OR HIGHER ANNUAL EXPENSES. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM AND PROCEDURES REASONABLY DESIGNED TO ENSURE THAT ELIGIBLE CUSTOMERS WHO PURCHASED MUTUAL FUND SHARES RECEIVED THE BENEFIT OF APPLICABLE SALES CHARGE WAIVERS. THE FIRM FAILED TO REASONABLY SUPERVISE THE



APPLICATION OF SALES CHARGE WAIVERS TO ELIGIBLE MUTUAL FUND SALES. THE FIRM RELIED ON ITS FINANCIAL ADVISORS TO DETERMINE THE APPLICABILITY OF SALES CHARGE WAIVERS, BUT FAILED TO MAINTAIN ADEQUATE WRITTEN POLICIES OR PROCEDURES TO ASSIST FINANCIAL ADVISORS IN MAKING THIS DETERMINATION. FOR INSTANCE, THE FIRM FAILED TO ESTABLISH AND MAINTAIN WRITTEN PROCEDURES TO IDENTIFY APPLICABLE SALES CHARGE WAIVERS IN FUND PROSPECTUSES FOR ELIGIBLE CUSTOMERS. IN ADDITION, THE FIRM FAILED TO ADEQUATELY NOTIFY AND TRAIN ITS FINANCIAL ADVISORS REGARDING THE AVAILABILITY OF MUTUAL FUND SALES CHARGE WAIVERS FOR ELIGIBLE CUSTOMERS. THE FIRM ALSO FAILED TO ADOPT ADEQUATE CONTROLS TO DETECT INSTANCES IN WHICH THEY DID NOT PROVIDE SALES CHARGE WAIVERS TO ELIGIBLE CUSTOMERS IN CONNECTION WITH THEIR MUTUAL FUND PURCHASES.

Initiated By: FINRA

Date Initiated: 11/15/2016

Docket/Case Number: [2016049185701](#)

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 11/15/2016

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Disgorgement/Restitution

Other Sanctions Ordered: REMEDIATION / UNDERTAKING / PLUS INTEREST ON THE RESTITUTION

Sanction Details: THE FIRM WAS CENSURED, REQUIRED TO PAY ESTIMATED TOTAL OF \$1,864,167.77, PLUS INTEREST, IN RESTITUTION TO ELIGIBLE CUSTOMERS AND REQUIRED TO PROVIDE REMEDIATION TO ELIGIBLE CUSTOMERS WHO QUALIFIED FOR, BUT DID NOT RECEIVE, THE APPLICABLE MUTUAL



FUND SALES CHARGE WAIVERS AS DESCRIBED IN THE AWC. WITHIN 30 DAYS OF THE DATE THE AWC IS ACCEPTED, THE FIRM WILL PROVIDE TO FINRA A DETAILED PLAN TO REMEDIATE ELIGIBLE CUSTOMERS BASED ON SPECIFIC CRITERIA THAT IS NOT UNACCEPTABLE TO FINRA.

Regulator Statement

THE FIRM DID A REVIEW TO DETERMINE WHETHER IT PROVIDED AVAILABLE SALES CHARGE WAIVERS TO ELIGIBLE CUSTOMERS. BASED ON THIS REVIEW, THE FIRM SELF-REPORTED TO FINRA THAT ELIGIBLE CUSTOMERS HAD NOT RECEIVED AVAILABLE SALES CHARGE WAIVERS. THE FIRM ESTIMATES THAT APPROXIMATELY 792 FIRM CUSTOMERS PURCHASED MUTUAL FUND SHARES FOR WHICH AN AVAILABLE SALES CHARGE WAIVER WAS NOT APPLIED. AS A RESULT OF THE FAILURE OF THE FIRM TO APPLY AVAILABLE SALES CHARGE WAIVERS, THE FIRM ESTIMATES THAT ELIGIBLE CUSTOMERS WERE OVERCHARGED BY APPROXIMATELY \$1,577,112.12 FOR MUTUAL FUND PURCHASES MADE. AS PART OF THIS SETTLEMENT, THE FIRM AGREES TO PAY RESTITUTION TO ELIGIBLE CUSTOMERS ON CERTAIN TERMS, WHICH IS ESTIMATED TO TOTAL \$1,864,167.77 (I.E., THE AMOUNT ELIGIBLE CUSTOMERS WERE OVERCHARGED, INCLUSIVE OF INTEREST). THE FIRM WILL ALSO ENSURE THAT RETIREMENT AND CHARITABLE WAIVERS ARE APPROPRIATELY APPLIED TO ALL FUTURE TRANSACTIONS.

IN RESOLVING THIS MATTER, FINRA HAS RECOGNIZED THE EXTRAORDINARY COOPERATION OF THE FIRM FOR HAVING: INITIATED, PRIOR TO DETECTION OR INTERVENTION BY A REGULATOR, AN INVESTIGATION TO IDENTIFY WHETHER ELIGIBLE CUSTOMERS RECEIVED SALES CHARGE WAIVERS DURING THE RELEVANT PERIOD; PROMPTLY ESTABLISHED A PLAN OF REMEDIATION FOR ELIGIBLE CUSTOMERS WHO DID NOT RECEIVE APPROPRIATE SALES CHARGE WAIVERS; PROMPTLY SELF-REPORTED TO FINRA; PROMPTLY TAKEN ACTION AND REMEDIAL STEPS TO CORRECT THE VIOLATIVE CONDUCT; AND EMPLOYED SUBSEQUENT CORRECTIVE MEASURES, PRIOR TO DETECTION OR INTERVENTION BY A REGULATOR, TO REVISE ITS PROCEDURES TO AVOID RECURRENCE OF THE MISCONDUCT.

Reporting Source:

Firm

Current Status:

Final

Allegations:

BETWEEN JULY 2, 2009 AND SEPTEMBER 20, 2016 IT WAS ALLEGED THAT MMLIS DISADVANTAGED CERTAIN RETIREMENT PLAN AND CHARITABLE ORGANIZATION CUSTOMERS THAT WERE ELIGIBLE TO PURCHASE CLASS A SHARES IN CERTAIN MUTUAL FUNDS WITHOUT A FRONT-END SALES CHARGE. THE ELIGIBLE CUSTOMERS WERE INSTEAD SOLD CLASS A



SHARES WITH A FRONT-END SALES CHARGE OR CLASS B OR C SHARES WITH BACK-END SALES CHARGES AND HIGHER ONGOING FEES AND EXPENSES. IT WAS ALLEGED THAT MMLIS FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM AND PROCEDURES REASONABLY DESIGNED TO ENSURE THAT ELIGIBLE CUSTOMERS WHO PURCHASED MUTUAL FUNDS SHARES RECEIVED THE BENEFIT OF APPLICABLE SALES CHARGE WAIVERS IN VIOLATION OF NASD CONDUCT RULE 3010 (FOR MISCONDUCT BEFORE DECEMBER 1, 2014), FINRA RULE 3110 (FOR MISCONDUCT ON OR AFTER DECEMBER 1, 2014), AND FINRA RULE 2010.

Initiated By: FINRA

Date Initiated: 11/15/2016

Docket/Case Number: [2016049185701](#)

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: REMEDIATION/UNDERTAKING PLUS INTEREST ON THE RESTITUTION.

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 11/15/2016

Sanctions Ordered: Censure
Disgorgement/Restitution

Other Sanctions Ordered: MMLIS AGREES TO PAY RESTITUTION TO ELIGIBLE CUSTOMERS WHICH IS ESTIMATED TO TOTAL \$1,864,167.77 WHICH IS THE AMOUNT ELIGIBLE CUSTOMERS WERE OVERCHARGED INCLUSIVE OF INTEREST.

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF THE FINDINGS THAT IT DISADVANTAGED CERTAIN RETIREMENT PLAN AND CHARITABLE ORGANIZATION CUSTOMERS THAT WERE ELIGIBLE TO PURCHASE CLASS A SHARES IN CERTAIN MUTUAL FUNDS WITH A FRONT-END SALES CHARGE (ELIGIBLE CUSTOMERS). THE FINDING STATES THAT THESE ELIGIBLE CUSTOMERS WERE INSTEAD SOLD CLASS A SHARES WITH A FRONT-END SALES CHARGE OR CLASS B OR C SHARES WITH BACK-END SALES CHARGES AND HIGH ONGOING FEES AND EXPENSES. THE DIFFERENT SALES CHARGES, BREAKPOINTS, WAIVERS AND FEES ASSOCIATED WITH DIFFERENT SHARE CLASSES AFFECT MUTUAL FUND INVESTORS' RETURNS.

Firm Statement MMLIS DID A REVIEW TO DETERMINE WHETHER IT PROVIDED AVAILABLE



SALES CHARGE WAIVERS TO ELIGIBLE CUSTOMERS. BASED ON THE REVIEW, THE FIRM SELF-REPORTED TO FINRA THAT ELIGIBLE CUSTOMERS HAD NOT RECEIVED AVAILABLE SALES CHARGE WAIVERS. THE FIRM ESTIMATED THAT APPROXIMATELY 792 FIRM CUSTOMERS PURCHASED MUTUAL FUND SHARES FOR WHICH AN AVAILABLE SALES CHARGE WAIVER WAS NOT APPLIED. THE FIRM ESTIMATED THAT ELIGIBLE CUSTOMERS WERE OVERCHARGED BY APPROXIMATELY \$1,577,112.12 FOR MUTUAL FUND PURCHASES MADE. AS PART OF THE SETTLEMENT, THE FIRM AGREES TO PAY RESTITUTION TO ELIGIBLE CUSTOMERS ON CERTAIN TERMS, WHICH IS ESTIMATED TO TOTAL \$1,864,167.77 (I.E., THE AMOUNT ELIGIBLE CUSTOMERS WERE OVERCHARGED, INCLUSIVE OF INTEREST). THE FIRM ALSO WILL ENSURE THAT RETIREMENT AND CHARITABLE WAIVERS ARE APPROPRIATELY APPLIED TO ALL FUTURE TRANSACTIONS. IN RESOLVING THE MATTER, FINRA RECOGNIZED THE EXTRAORDINARY COOPERATION OF THE FIRM FOR HAVING INITIATED, PRIOR TO THE DETECTION OR INTERVENTION BY A REGULATOR, AN INVESTIGATION TO IDENTIFY WHETHER ELIGIBLE CUSTOMERS RECEIVED SALES CHARGE WAIVERS DURING THE RELEVANT PERIOD; PROMPTLY ESTABLISHED A PLAN OF REMEDIATION FOR ELIGIBLE CUSTOMERS WHO DID NOT RECEIVE APPROPRIATE SALES CHARGE WAIVERS; PROMPTLY SELF-REPORTED TO FINRA; PROMPTLY TAKEN ACTION AND REMEDIAL STEPS TO CORRECT THE CONDUCT AND EMPLOYED SUBSEQUENT CORRECTIVE MEASURES, PRIOR TO DETECTION OR INTERVENTION BY A REGULATOR, TO REVISE ITS PROCEDURE TO AVOID RECURRENCE OF THE MISCONDUCT.

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Reporting Source:	Regulator
Current Status:	Final
Allegations:	MML INVESTORS SERVICES, LLC FAILED TO REASONABLY SUPERVISE AN AGENT OF THE FIRM.
Initiated By:	PENNSYLVANIA CONTACT: COUNSEL CAROLYN MENDELSON (412)-565-7519
Date Initiated:	07/07/2015
Docket/Case Number:	2013-06-03/#150020
URL for Regulatory Action:	
Principal Product Type:	Other
Other Product Type(s):	PROMISSORY NOTE



Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	07/07/2015
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Monetary/Fine \$100,000.00
Other Sanctions Ordered:	
Sanction Details:	MML INVESTORS SERVICES PAID A \$100,000.00 ADMINISTRATIVE ASSESSMENT AND \$25,000.00 IN INVESTIGATIVE AND LEGAL COSTS.
Regulator Statement	CONSENT AGREEMENT AND ORDER ISSUED TO MML INVESTORS SERVICES, LLC.
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Reporting Source:	Firm
Current Status:	Final
Allegations:	THE COMMONWEALTH OF PENNSYLVANIA, ACTING THROUGH THE DEPARTMENT OF BANKING AND SECURITIES ("DEPARTMENT"), BUREAU OF SECURITIES LICENSING, COMPLIANCE AND EXAMINATIONS ("BUREAU") CONDUCTED AN INVESTIGATION OF THE SECURITIES ACTIVITIES OF MML INVESTORS SERVICES, LLC (THE "FIRM") PURSUANT TO THE PENNSYLVANIA SECURITIES ACT OF 1972, 70 P.S. §1-101, ET. SEQ, ("1972 ACT"). THE FIRM, NEITHER ADMITTING NOR DENYING THE ALLEGATIONS, AND INTENDING TO BE LEGALLY BOUND, AGREED TO THE TERMS OF A CONSENT AGREEMENT AND ORDER ("ORDER") EFFECTIVE JULY 6, 2015. THE MATTER AROSE OUT OF THE CONDUCT OF A DECEASED FORMER REPRESENTATIVE OF THE FIRM. THE REPRESENTATIVE OPERATED AN UNAPPROVED OUTSIDE BUSINESS ACTIVITY THROUGH WHICH HE ISSUED, OFFERED AND SOLD UNREGISTERED PROMISSORY NOTES TO CERTAIN PENNSYLVANIA RESIDENTS. THE ISSUANCE AND/OR OFFERS AND SALES OF THE NOTES BY THE REPRESENTATIVE WERE NOT APPROVED BY THE FIRM. THE BUREAU RECEIVED FIVE COMPLAINTS AND WAS AWARE OF TWELVE NOTES TOTALING APPROXIMATELY \$385,000.00.



Initiated By:	THE COMMONWEALTH OF PENNSYLVANIA, THE DEPT OF BANKING AND SECURITIES, BUREAU OF SECURITIES LICENSING, COMPLIANCE & EXAMINATIONS.
Date Initiated:	04/10/2014
Docket/Case Number:	150020 (SEC-CAO)
Principal Product Type:	Other
Other Product Type(s):	UNREGISTERED PROMISSORY NOTES
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	SANCTION, ADMINISTRATIVE ASSESSMENT AND LEGAL AND INVESTIGATIVE COSTS.
Resolution:	Order
Resolution Date:	07/06/2015
Sanctions Ordered:	Monetary/Fine \$125,000.00 Disgorgement/Restitution
Other Sanctions Ordered:	THE FIRM WAS ALSO ORDERED TO COMPLY WITH THE PENNSYLVANIA SECURITIES ACT OF 1972 AND ITS REGULATIONS AS ADOPTED BY THE DEPARTMENT, 70 P.S. §1-101, ET. SEQ.
Sanction Details:	PAYMENT TO THE DEPARTMENT FOR MONETARY SANCTIONS IN THE AMOUNT OF \$125,000 AND PAYMENT TO CERTAIN PENNSYLVANIA RESIDENTS IN THE AMOUNT OF \$150,840.62 WAS MADE ON JUNE 30, 2015.
Firm Statement	THE FIRM, NEITHER ADMITTING NOR DENYING THE ALLEGATIONS, AND INTENDING TO BE LEGALLY BOUND, AGREED TO THE TERMS OF A CONSENT AGREEMENT AND ORDER ("ORDER") EFFECTIVE JULY 6, 2015. THE MATTER AROSE OUT OF THE CONDUCT OF A DECEASED FORMER REPRESENTATIVE OF THE FIRM. THE REPRESENTATIVE OPERATED AN UNAPPROVED OUTSIDE BUSINESS ACTIVITY THROUGH WHICH HE ISSUED, OFFERED AND SOLD UNREGISTERED PROMISSORY NOTES TO CERTAIN PENNSYLVANIA RESIDENTS. THE ISSUANCE AND/OR OFFERS AND SALES OF THE NOTES BY THE REPRESENTATIVE WERE NOT APPROVED BY THE FIRM. THE BUREAU RECEIVED FIVE COMPLAINTS AND WAS AWARE OF TWELVE NOTES TOTALING APPROXIMATELY \$385,000.00. THE FIRM WAS SUBJECT TO A SANCTION UNDER SECTION 305(A)(VII) OF THE 1972 ACT, 70 P.S. §1-305(A)(VII) FOR A FAILURE TO REASONABLY SUPERVISE AN AGENT OF THE FIRM. THE ORDER DIRECTED THE FIRM TO I) PAY AN ADMINISTRATIVE ASSESSMENT IN THE AMOUNT OF \$100,000.00; II) PAY LEGAL AND INVESTIGATIVE COSTS IN THE AMOUNT OF \$25,000.00; III) COMPLY WITH THE 1972 ACT, AND ITS REGULATIONS AS ADOPTED BY THE DEPARTMENT, 70 P.S. §1-101, ET. SEQ; AND IV) REPRESENT TO THE



DEPARTMENT THAT IT HAD MADE CERTAIN PAYMENTS TO CERTAIN PENNSYLVANIA RESIDENTS RELATED TO THE SECURITIES ACTIVITIES OF THE REPRESENTATIVE AND HIS OUTSIDE BUSINESS.

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Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 3010(A): THE FIRM FAILED TO REASONABLY SUPERVISE ITS REGISTERED REPRESENTATIVES IN CONNECTION WITH THEIR UNAPPROVED SALE OF CERTAIN PRIVATE SECURITIES. THE FIRM'S WRITTEN SUPERVISORY PROCEDURES (WSPS) STATED THAT REGISTERED REPRESENTATIVES WERE PROHIBITED FROM PARTICIPATING IN PRIVATE SECURITIES TRANSACTIONS WITHOUT THE PRIOR WRITTEN APPROVAL OF THE CHIEF COMPLIANCE OFFICER OR HIS OR HER DELEGATE. DESPITE THIS PROHIBITION, AND NUMEROUS RED FLAGS DESCRIBED BELOW INDICATING THAT REGISTERED REPRESENTATIVES WERE ENGAGED IN SELLING AWAY, THE FIRM DID NOT REASONABLY MONITOR FOR OR REVIEW THESE INDICATIONS TO DETERMINE WHETHER UNAPPROVED PRIVATE SECURITIES TRANSACTIONS WERE OCCURRING AT THE FIRM. AS A RESULT OF THE FIRM'S SUPERVISORY FAILURES, CERTAIN REGISTERED REPRESENTATIVES RECOMMENDED UNAPPROVED PROMISSORY NOTES TO INVESTORS. TWO OF THESE REGISTERED REPRESENTATIVES SOLD UNAPPROVED PROMISSORY NOTES TO SEVEN INVESTORS WHO SUSTAINED LOSSES OF UP TO \$760,000 WHEN THE ISSUERS OF THESE PROMISSORY NOTES DISCONTINUED INTEREST PAYMENTS. THE ISSUER OF THESE UNAPPROVED PROMISSORY NOTES WAS LATER DETERMINED TO BE ENGAGED IN A MULTI-MILLION DOLLAR PONZI SCHEME. THE FIRM FAILED TO DETECT THAT CERTAIN OF REGISTERED REPRESENTATIVES WERE CONDUCTING UNAPPROVED SALES FROM FIRM BRANCH OFFICES UNDER A GENERAL AGENT'S SUPERVISORY JURISDICTION. THE FIRM REVIEWED THE SUPERVISORY ISSUES LOG BUT TOOK NO ACTION DESPITE ENTRIES INDICATING IMPROPER SELLING AWAY. AFTER SEVEN MONTHS OF CONTINUOUS RED FLAGS OF SELLING AWAY AND EMAIL WARNINGS BY AN AGENCY SUPERVISORY OFFICER (ASO), THE FIRM'S HOME OFFICE BEGAN ITS INVESTIGATION INTO THE SALE OF UNAPPROVED PROMISSORY NOTES BY ITS REGISTERED REPRESENTATIVES. THE ASO'S AUTHORITY WAS LIMITED TO THE EXTENT THAT HE COULD NOT DISCIPLINE OR IMPOSE SANCTIONS AGAINST STAFF FOR MISCONDUCT WITHOUT THE GENERAL AGENT'S APPROVAL. EVEN THOUGH THE FIRM HAD PERFORMED PERIODIC SUPERVISORY REVIEWS AND AUDITS OF THIS PARTICULAR LOCATION, IT FAILED TO UNCOVER THE SALE OF UNAPPROVED PROMISSORY NOTES OCCURRING AT THE FIRM.



DURING ITS INTERNAL INVESTIGATION, THE FIRM NOTIFIED FINRA THAT THE EMPLOYMENT OF REGISTERED REPRESENTATIVES HAD BEEN TERMINATED IN CONNECTION WITH THEIR UNAPPROVED REFERRALS TO AN OUTSIDE ENTITY. THE FIRM INVESTIGATED THE CONCERNS THAT THE ASO RAISED ABOUT SELLING AWAY ACTIVITIES OCCURRING AT THE PARTICULAR LOCATION, HOWEVER, THE FIRM'S INVESTIGATION WAS NOT ADEQUATE AND DID NOT UNCOVER ITS REGISTERED REPRESENTATIVES' IMPROPER SALES OF PROMISSORY NOTES FROM FIRM OFFICES. IN ADDITION, ALTHOUGH THE FIRM WAS ON NOTICE THAT OTHER REGISTERED REPRESENTATIVES WERE REFERRING INVESTORS TO OUTSIDE ENTITIES FOR THE PURPOSE OF PURCHASING UNAPPROVED PROMISSORY NOTES, THE FIRM DID NOT ADEQUATELY SUPERVISE THE PARTICULAR LOCATION OR ITS GENERAL AGENT IN CONNECTION WITH THE ACTIVITIES OCCURRING AT THE LOCATION. AS A RESULT, CERTAIN REGISTERED REPRESENTATIVES CONTINUED TO REFER CLIENTS TO OUTSIDE ENTITIES OFFERING PROMISSORY NOTES AND AT LEAST ONE ADDITIONAL SALE OF UNAPPROVED PROMISSORY NOTES WENT UNDETECTED. AT A CERTAIN POINT, ALL INVESTORS STOPPED RECEIVING PAYMENTS FROM THE ISSUER. DESPITE THE FIRM'S INVESTIGATION CONCERNING OTHER PROMISSORY NOTE SALES, THE FIRM FOR THE FIRST TIME, BECAME AWARE OF THE PROMISSORY NOTE SALES AFTER REGISTERED REPRESENTATIVES REPORTED TO THE FIRM THAT A STATE SECURITIES REGULATORY AGENCY HAD INTERVIEWED THEM REGARDING THEIR INVOLVEMENT WITH THE PROMISSORY NOTES ISSUED IN 2007 AND 2008.

Initiated By: FINRA

Date Initiated: 08/21/2013

Docket/Case Number: [2009017118601](#)

Principal Product Type: Other

Other Product Type(s): PROMISSORY NOTES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 08/21/2013



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?

No

Sanctions Ordered:

Censure
Monetary/Fine \$125,000.00
Disgorgement/Restitution

Other Sanctions Ordered:

Sanction Details:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE IT IS CENSURED, FINED \$125,000 AND MUST PAY RESTITUTION TOTALING \$784,847.70 TO INVESTORS. A REGISTERED PRINCIPAL ON BEHALF OF THE FIRM SHALL SUBMIT SATISFACTORY PROOF OF PAYMENT OF RESTITUTION OR OF REASONABLE AND DOCUMENTED EFFORTS UNDERTAKEN TO EFFECT RESTITUTION. THIS PROOF SHALL BE PROVIDED TO FINRA NO LATER THAN SIX MONTHS AFTER ACCEPTANCE OF THE AWC. IF FOR ANY REASON THE FIRM CANNOT LOCATE ANY INVESTOR AFTER REASONABLE AND DOCUMENTED EFFORTS WITHIN SIX MONTHS FROM THE DATE THE AWC IS ACCEPTED, OR SUCH ADDITIONAL PERIOD AGREED TO BY FINRA IN WRITING, THE FIRM SHALL FORWARD ANY UNDISTRIBUTED RESTITUTION AND INTEREST TO THE APPROPRIATE ESCHEAT, UNCLAIMED PROPERTY OR ABANDONED PROPERTY FUND FOR THE STATE IN WHICH THE INVESTOR IS LAST KNOWN TO HAVE RESIDED. THE FIRM SHALL PROVIDE SATISFACTORY PROOF OF SUCH ACTION TO FINRA WITHIN 14 DAYS OF FORWARDING THE UNDISTRIBUTED RESTITUTION AND INTEREST TO THE APPROPRIATE STATE AUTHORITY. FINE PAID ON SEPTEMBER 12, 2013.

Reporting Source:

Firm

Current Status:

Final

Allegations:

NASD RULES 2110, 3010(A)-IT WAS ALLEGED THAT MML INVESTORS SERVICES, LLC FAILED TO REASONABLY SUPERVISE ITS REGISTERED REPRESENTATIVES IN CONNECTION WITH THEIR UNAPPROVED SALE OF CERTAIN PRIVATE SECURITIES AWAY FROM THE FIRM. MML INVESTORS SERVICES, LLC'S WRITTEN SUPERVISORY PROCEDURES STATED THAT REPRESENTATIVES WERE PROHIBITED FROM PARTICIPATING IN PRIVATE SECURITIES TRANSACTIONS WITHOUT PRIOR WRITTEN APPROVAL OF THE CCO OR HIS/HER DELEGATE. IT WAS ALLEGED THAT REGISTERED REPRESENTATIVES, DESPITE THE PROHIBITION, WERE ENGAGED IN SELLING AWAY. IT WAS ALLEGED THAT THE FIRM DID NOT REASONABLY



MONITOR FOR OR REVIEW INDICATIONS TO DETERMINE WHETHER THESE UNAPPROVED PRIVATE SECURITIES TRANSACTIONS WERE OCCURRING. IT WAS ALLEGED THAT CERTAIN REGISTERED REPRESENTATIVES RECOMMENDED UNAPPROVED PROMISSORY NOTES TO INVESTORS AND TWO OF THE REGISTERED REPRESENTATIVES SOLD UNAPPROVED PROMISSORY NOTES TO SEVEN INVESTORS WHO SUSTAINED LOSSES UP TO \$760,000.00 WHEN THE ISSUERS OF THE PROMISSORY NOTES DISCONTINUED INTEREST PAYMENTS. THE FIRM CONDUCTED PERIODIC SUPERVISORY REVIEWS AND AUDITS AND IT WAS ALLEGED THAT IT FAILED TO UNCOVER THE SALE OF UNAPPROVED PROMISSORY NOTES. THE FIRM INITIATED AN INTERNAL REVIEW AFTER WARNINGS FROM THE AGENCY SUPERVISORY OFFICER. DURING THE INVESTIGATION, THE FIRM NOTIFIED FINRA THAT THE EMPLOYMENT OF THE REGISTERED REPRESENTATIVES HAD BEEN TERMINATED IN CONNECTION WITH THEIR UNAPPROVED REFERRALS TO AN OUTSIDE ENTITY. THE FIRM INVESTIGATED THE CONCERNS THAT THE ASO RAISED, HOWEVER IT WAS ALLEGED THAT THE FIRM'S INVESTIGATION DID NOT UNCOVER ITS REGISTERED REPRESENTATIVES' IMPROPER SALES OF PROMISSORY NOTES FROM ITS OFFICES AND THAT CERTAIN REGISTERED REPRESENTATIVES CONTINUED TO REFER CLIENTS TO OUTSIDE ENTITIES OFFERING PROMISSORY NOTES AND AT LEAST ONE ADDITIONAL SALE OF UNAPPROVED PROMISSORY NOTES WENT UNDETECTED. AT A CERTAIN POINT, ALL INVESTORS STOPPED RECEIVING PAYMENTS FROM THE ISSUER.

Initiated By: FINRA

Date Initiated: 08/21/2013

Docket/Case Number: [2009017118601](#)

Principal Product Type: Other

Other Product Type(s): PROMISSORY NOTES

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 08/21/2013

Sanctions Ordered: Censure
Monetary/Fine \$125,000.00
Disgorgement/Restitution

Other Sanctions Ordered:



Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, MML INVESTORS SERVICES, LLC (THE FIRM) CONSENTED TO A CENSURED, A FINE OF \$125,000.00 AND AGREED TO PAY RESTITUTION TOTALING \$787,847.70 TO INVESTORS. THE FIRM WILL PROVIDE PROOF THAT IT MADE RESTITUTION TO FINRA NO LATER THAN SIX MONTHS AFTER ACCEPTANCE OF THE AWC.
Firm Statement	WITHOUT ADMITTING OR DENYING THE FINDINGS, MML INVESTORS SERVICES, LLC (THE FIRM) CONSENTED TO A CENSURED, A FINE OF \$125,000.00 AND AGREED TO PAY RESTITUTION TOTALING \$787,847.70 TO INVESTORS. THE FIRM WILL PROVIDE PROOF THAT IT MADE RESTITUTION TO FINRA NO LATER THAN SIX MONTHS AFTER ACCEPTANCE OF THE AWC.

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Reporting Source:	Firm
Current Status:	Final
Allegations:	THE STATE OF RHODE ISLAND ALLEGED THAT MML INVESTORS SERVICES, LLC FAILED REASONABLY TO ENFORCE POLICIES, PROCEDURES AND SYSTEMS REASONABLY DESIGNED TO PREVENT, DETECT AND ADDRESS VIOLATIONS BY A FORMER REGISTER REPRESENTATIVE AND FAILED REASONABLY TO SUPERVISE ACTIVITIES AT ITS OSJ AND DETACHED BRANCH OFFICE CONSTITUTING A VIOLATION OF R.I. GEN. LAWS § 7-11-212(B)(11).
Initiated By:	STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, DEPARTMENT OF BUSINESS REGULATION.
Date Initiated:	03/28/2011
Docket/Case Number:	DBR NO. 11-S-0114
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	A CIVIL PENALTY IN THE AMOUNT OF \$250,000.
Resolution:	Consent
Resolution Date:	12/06/2012
Sanctions Ordered:	Monetary/Fine \$250,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	MML INVESTORS SERVICES LLC MUST RETAIN AN INDEPENDENT



CONSULTANT TO CONDUCT A COMPREHENSIVE REVIEW OF ITS RHODE ISLAND DETACHED BRANCH OFFICES AND REGISTERED REPRESENTATIVES IN SUCH LOCATIONS AND ISSUE A WRITTEN REPORT TO BE FILED WITH THE DIRECTOR OF THE RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION.

Sanction Details:

WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, MML INVESTORS SERVICES, LLC AGREED TO THE ENTRY OF THE ORDER AND PAID A FINE IN THE AMOUNT OF \$250,000. IN CONSIDERATION, THE DEPARTMENT OF BUSINESS REGULATION AGREED NOT TO PURSUE ANY FURTHER ACTION AGAINST MML INVESTORS SERVICES, LLC OTHER THAN AS SET FORTH IN THE ORDER.

Firm Statement

THE DIRECTOR OF THE RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION (THE "DIRECTOR") ENTERED INTO A CONSENT ORDER MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS (THE "ORDER") FOR THE RESOLUTION OF A MATTER INVOLVING MML INVESTORS SERVICES ON DECEMBER 6, 2012. THE MATTER WAS RESOLVED PRIOR TO INSTITUTING ADMINISTRATIVE PROCEEDINGS. MML INVESTORS SERVICES NEITHER ADMITTED, NOR DENIED THE FINDINGS. THE MATTER AROSE OUT OF THE CONDUCT OF TWO FORMER REPRESENTATIVES OF MML INVESTORS SERVICES WHO HAVE BEEN BARRED FROM ENGAGING IN ANY SECURITIES BUSINESS IN THE STATE OF RHODE ISLAND AS A RESULT OF THEIR CONDUCT. ON MARCH 28, 2011, MML INVESTORS SERVICES ADVISED THE SECURITIES DIVISION THAT ONE OF THESE REPRESENTATIVES HAD EMBEZZLED MONEY FROM ONE OF HIS CLIENTS OVER THE COURSE OF TEN YEARS BY INDUCING THE CLIENT TO INVEST IN FRAUDULENT AND NON-EXISTENT PROMISSORY NOTES SOLD THROUGH THE REPRESENTATIVE'S OUTSIDE BUSINESS ACTIVITY. THE DIRECTOR ALLEGED THAT MML INVESTORS SERVICES FAILED TO REASONABLY SUPERVISE THESE REPRESENTATIVES IN VIOLATION OF R.I. GEN. LAWS SECTION 7-11-212(B)(11). THE ORDER DIRECTS MML INVESTORS SERVICES TO: (I) IMMEDIATELY CEASE AND DESIST FROM ANY FURTHER VIOLATIONS OF THE RHODE ISLAND UNIFORM SECURITIES ACT OF 1990 AND THE RULES PROMULGATED THEREUNDER; (II) PAY A PENALTY IN THE AMOUNT OF \$250,000 TO THE RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION; (III) CONFIRM IN WRITING THAT IT HAS REIMBURSED THE CLIENT FOR LOSSES ACCORDING TO THE TERMS OF A SETTLEMENT NEGOTIATED AMONGST THE PARTIES; AND, (IV) RETAIN AN INDEPENDENT CONSULTANT TO CONDUCT A COMPREHENSIVE REVIEW OF ITS RHODE ISLAND DETACHED BRANCH OFFICES AND REGISTERED REPRESENTATIVES IN SUCH LOCATIONS AND ISSUE A WRITTEN REPORT TO BE FILED WITH THE DIRECTOR.



Reporting Source: Regulator

Current Status: Final

Allegations: THAT DURING THE TIME PERIOD OF JULY 3, 2009 THROUGH APRIL 21, 2010 MML INVESTORS SERVICES, LLC OPERATED A BRANCH OFFICE IN THE STATE OF NEVADA, OTHER THAN THE PRINCIPAL OFFICE, WITHOUT THE BENEFIT OF BEING LICENSED PURSUANT NRS 90.360 (2) AND (3).

Initiated By: NEVADA

Date Initiated: 01/05/2012

Docket/Case Number: CI10-237

URL for Regulatory Action:

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 01/05/2012

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details: FINE PAID IN FULL 01/05/2012.

Reporting Source: Firm

Current Status: Final

Allegations: THE SECURITIES DIVISION OF THE STATE OF NEVADA ALLEGED THAT DURING THE PERIOD OF JULY 3, 2009 THROUGH APRIL 21, 2010, MML INVESTORS SERVICES, LLC OPERATED A BRANCH OFFICE IN THE STATE OF NEVADA OTHER THAN THE PRINCIPAL OFFICE, WITHOUT THE BENEFIT



OF BEING LICENSED PURSUANT NRS 90.360(2)AND(3).

Initiated By: STATE OF NEVADA, OFFICE OF THE SECRETARY OF STATE, SECURITIES DIVISION

Date Initiated: 01/05/2012

Docket/Case Number: FILE NO. CI10-237-JH

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 01/05/2012

Sanctions Ordered: Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details: MML INVESTORS SERVICES, LLC PAID A FINE IN THE AMOUNT OF \$1,000.00.

Firm Statement MML INVESTORS SERVICES, LLC CONSENTED TO THE ENTRY OF THE ORDER AND PAID A FINE IN THE AMOUNT OF \$1,000.00. IN CONSIDERATION, THE SECURITIES DIVISION AGREED NOT TO PURSUE ANY FURTHER ACTION AGAINST MML INVESTORS SERVICES, LLC OTHER THAN AS SET FORTH IN THE ORDER IN CONNECTION WITH THE SUBJECT MATTER OF THE ORDER.

Disclosure 16 of 25

Reporting Source: Regulator

Current Status: Final

Allegations: FINRA RULE 2010, NASD RULE 2110, 3010: THE FIRM FAILED TO FILE IN A TIMELY MANNER AT LEAST 98 FILING, INCLUDING 5 FORM U5 FILINGS AND 93 AMENDMENTS TO FORMS U4 AND U5. THE FIRM'S FAILURE TO COMPLY WITH ITS REPORTING OBLIGATIONS MAY HAVE HAMPERED THE INVESTING PUBLIC'S ABILITY TO ASSESS THE BACKGROUND OF CERTAIN BROKERS THROUGH FINRA'S PUBLIC DISCLOSURE PROGRAM, RENDERED CERTAIN INFORMATION UNAVAILABLE TO MEMBER FIRMS MAKING HIRING DETERMINATIONS, MAY HAVE REDUCED THE ABILITY OF STATE SECURITIES REGULATORS TO REVIEW APPLICATIONS BY BROKERS TO TRANSFER FIRMS, AND HINDERED FINRA FROM PROMPTLY



INVESTIGATING CERTAIN DISCLOSURE ITEMS. THE FIRM'S SUPERVISORY SYSTEM AND PROCEDURES WERE NOT REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REPORTING REQUIREMENTS OF ARTICLE V OF FINRA'S BY-LAWS. MOREOVER, THE FIRM FAILED TO ENFORCE THE WRITTEN PROCEDURES IT HAD ADOPTED TO PREVENT LATE DISCLOSURES TO FINRA. THERE WERE AT LEAST 55 INSTANCES OF LATE FILINGS IN WHICH THE FIRM EITHER FAILED TO ISSUE A LETTER OF WARNING TO THE REPRESENTATIVE OR FAILED TO FINE THE REPRESENTATIVE AS CALLED FOR BY ITS PROCEDURES. IN ADDITION, ALTHOUGH THE FIRM'S PROCEDURES CALLED FOR THE TERMINATION OF ANY REPRESENTATIVE WHO FAILED TO TIMELY DISCLOSE THREE REPORTABLE EVENTS TO THE FIRM, IT DID NOT TERMINATE AT LEAST TWO SUCH REPRESENTATIVES. THERE WERE ALSO AT LEAST 20 INSTANCES IN WHICH THE FIRM FAILED TO SANCTION SUPERVISORS AS CALLED FOR BY ITS PROCEDURES.

Initiated By:	FINRA
Date Initiated:	11/16/2011
Docket/Case Number:	2010020873501
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/16/2011
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Censure Monetary/Fine \$300,000.00
Other Sanctions Ordered:	UNDERTAKINGS
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE IT IS CENSURED, FINED \$300,000 AND AGREES TO COMPLY



WITH THE FOLLOWING UNDERTAKINGS: THE FIRM WILL REVIEW ITS SUPERVISORY SYSTEMS AND WRITTEN SUPERVISORY PROCEDURES FOR COMPLIANCE WITH ITS REPORTING OBLIGATIONS CONCERNING THE TIMELY FILING OF FORM U4 DISCLOSURE AMENDMENTS PURSUANT TO ARTICLE V, SECTION 2(C) OF FINRA'S BY-LAWS AND THE TIMELY FILING OF FORMS U5 AND FORMS U5 AMENDMENTS PURSUANT TO ARTICLE V, SECTION 3(A) AND 3(B). WITHIN 90 DAYS OF THE ISSUANCE OF THIS AWC, AN OFFICER OF THE FIRM WILL CERTIFY TO FINRA IN WRITING THAT THE FIRM CURRENTLY HAS IN PLACE SYSTEMS AND PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH ITS REPORTING OBLIGATIONS UNDER FINRA'S BY-LAWS, ARTICLE V, SECTIONS 2(C), 2(A) AND 3(B) WITH RESPECT TO THE TIMELY FILING OF REQUIRED FORMS U4 AND U5, AND AMENDMENTS THERETO. IN ADDITION, WITHIN 15 DAYS FOLLOWING THE END OF EACH QUARTER IN CALENDAR YEAR 2012, THE FIRM WILL SUBMIT A REPORT DETAILING ANY FORM U5 FILINGS OR DISCLOSURE AMENDMENTS TO FORMS U4 AND U5 THAT WERE NOT TIMELY FILED WITH FINRA THAT QUARTER. AT THE SAME TIME, AN OFFICER OF THE FIRM WILL CERTIFY TO FINRA IN WRITING THAT THE SUBMITTED REPORT IS ACCURATE.

Reporting Source:	Firm
Current Status:	Final
Allegations:	NASD CONDUCT RULE 2110 (FOR CONDUCT PRIOR TO DECEMBER 15, 2008) AND 3010 AND FINRA RULE 2010 (FOR CONDUCT AFTER DECEMBER 14, 2008).
Initiated By:	FINRA
Date Initiated:	11/16/2011
Docket/Case Number:	2010020873501
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/16/2011
Sanctions Ordered:	Censure



Monetary/Fine \$300,000.00

Other Sanctions Ordered:

Sanction Details:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE IT IS CENSURED, FINED \$300,000 AND AGREES TO COMPLY WITH THE FOLLOWING UNDERTAKINGS: THE FIRM WILL REVIEW ITS SUPERVISORY SYSTEMS AND WRITTEN SUPERVISORY PROCEDURES FOR COMPLIANCE WITH ITS REPORTING OBLIGATIONS CONCERNING THE TIMELY FILING OF FORM U-4 DISCLOSURE AMENDMENTS PURSUANT TO ARTICLE V. SECTION 2(C) OF FINRA'S BY-LAWS AND THE TIMELY FILING OF FORMS U5 AND FORMS U5 AMENDMENTS PURSUANT TO ARTICLE V, SECTION 3(A) AND 3(B). WITHIN 90 DAYS OF THE ISSUANCE OF THE AWC, AN OFFICER OF THE FIRM WILL CERTIFY TO FINRA IN WRITING THAT THE FIRM CURRENTLY HAS IN PLACE SYSTEMS AND PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH ITS REPORTING OBLIGATIONS UNDER FINRA'S BY-LAWS, ARTICLE V, SECTIONS 2(C), 2(A) AND 3(B) WITH RESPECT TO THE TIMELY FILING OF REQUIRED FORMS U4 AND U5, AND AMENDMENTS THERETO. IN ADDITION, WITHIN 15 DAYS FOLLOWING THE END OF EACH QUARTER IN CALENDAR YEAR 2012, THE FIRM WILL SUBMIT A REPORT DETAILING ANY FORM U5 FILINGS OR DISCLOSURE AMENDMENTS TO FORMS U4 AND U5 THAT WERE NOT TIMELY FILED WITH FINRA THAT QUARTER. AT THE SAME TIME, AN OFFICER WILL CERTIFY TO FINRA IN WRITING THAT THE SUBMITTED REPORT IS ACCURATE.

Firm Statement

THE ALLEGED RULE VIOLATIONS RELATED TO THE FIRM'S COMPLIANCE WITH FINRA RULES APPLICABLE TO FILING FORMS U5 AND AMENDMENTS TO FORMS U4 AND U5. FROM APPROXIMATELY MAY 13, 2008 THROUGH OCTOBER 10, 2010, THE FIRM FAILED TO FILE IN A TIMELY MANNER, AT LEAST 98 FILINGS, INCLUDING 5 FORM U5 FILINGS AND 93 AMENDMENTS TO FORMS U4 AND U5. FINRA ALSO FOUND THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM AND ESTABLISH, MAINTAIN AND ENFORCE SUPERVISORY PROCEDURES THAT WERE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REPORTING REQUIREMENTS SET FORTH IN ARTICLE V OF FINRA'S BY-LAWS.

Disclosure 17 of 25

Reporting Source:

Regulator

Current Status:

Final

Allegations:

FINRA RULE 2010, NASD RULES 2110, 2440, 3010 - MML INVESTOR SERVICES, LLC PURCHASED OR SOLD TRADE REPORTING AND COMPLIANCE ENGINE (TRACE)-ELIGIBLE SECURITIES AS AGENT FOR A



CUSTOMER IN OVER-THE-COUNTER TRANSACTIONS FOR A COMMISSION OR SERVICE CHARGE THAT WAS IN EXCESS OF A FAIR AMOUNT, TAKING INTO CONSIDERATION ALL RELEVANT CIRCUMSTANCES, INCLUDING MARKET CONDITIONS WITH RESPECT TO SUCH SECURITY AT THE TIME OF THE TRANSACTION, THE EXPENSE OF EXECUTING THE ORDER AND THE VALUE OF ANY SERVICE RENDERED BY REASON OF EXPERIENCE IN AND KNOWLEDGE OF SUCH SECURITY AND THE MARKET THEREFOR. THE FIRM FAILED TO ENFORCE ITS WRITTEN SUPERVISORY PROCEDURES BY CHARGING COMMISSIONS IN EXCESS OF THE PROCEDURE'S LIMITS, WHICH SPECIFIED THAT NO COMMISSION SHALL EXCEED 2.25 PERCENT OF THE PRINCIPAL AMOUNT OF THE TRANSACTION BEYOND A MINIMUM \$65 CHARGE.

Initiated By: FINRA

Date Initiated: 06/17/2011

Docket/Case Number: [2009019499901](#)

Principal Product Type: Other

Other Product Type(s): TRACE-ELIGIBLE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/17/2011

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$32,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$32,500.

Reporting Source: Firm



Current Status:	Final
Allegations:	THE ALLEGATIONS INCLUDED VIOLATIONS OF FINRA RULE 2010, NASD RULES 2110, 2440, 3010 AND THAT MML INVESTORS SERVICES, LLC PURCHASED OR SOLD 14 TRADE REPORTING AND COMPLIANCE ENGINE (TRACE) ELIGIBLE SECURITIES AS AN AGENT FOR A CUSTOMER IN OVER-THE-COUNTER TRANSACTIONS FOR A COMMISSION OR SERVICE CHARGE THAT WAS IN EXCESS OF A FAIR AMOUNT, TAKING INTO CONSIDERATION ALL RELEVANT CIRCUMSTANCES, INCLUDING MARKET CONDITIONS WITH RESPECT TO SUCH SECURITY AT THE TIME OF THE TRANSACTION, THE EXPENSE OR EXECUTING THE ORDER AND THE VALUE OF ANY SERVICE RENDERED BY REASON OF EXPERIENCE IN AND KNOWLEDGE OF SUCH SECURITY AND THE MARKET. THEREFORE, IT WAS ALLEGED THAT THE FIRM FAILED TO ENFORCE ITS WRITTEN SUPERVISORY PROCEDURES BY CHARGING COMMISSIONS IN EXCESS OF THE PROCEDURE'S LIMITS, WHICH SPECIFY THAT NO COMMISSION SHALL EXCEED 2.25 PERCENT OF THE PRINCIPAL AMOUNT OF THE TRANSACTION BEYOND A MINIMUM \$65.00 CHARGE.
Initiated By:	FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA)
Date Initiated:	06/17/2011
Docket/Case Number:	2009019499901
Principal Product Type:	Other
Other Product Type(s):	TRACE-ELIGIBLE SECURITIES
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	06/17/2011
Sanctions Ordered:	Censure Monetary/Fine \$32,500.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS, MML INVESTORS SERVICES, LLC CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS. THE FIRM WAS CENSURED AND FINED \$32,500.00



Reporting Source:	Firm
Current Status:	Final
Allegations:	THE SECURITIES DIVISION OF THE STATE OF NEVADA ALLEGED THAT THE APPLICANT VIOLATED N.A.C. 90.327(1)(D)(1).
Initiated By:	STATE OF NEVADA, OFFICE OF THE SECRETARY OF STATE, SECURITIES DIVISION
Date Initiated:	02/06/2009
Docket/Case Number:	FILE NO.: CI08-109
Principal Product Type:	Other
Other Product Type(s):	OPERATING BUSINESS WITHIN A FINANCIAL INSTITUTION (SOUTHWESTERN USA BANK) PRIOR TO ENTERING INTO A NETWORKING AGREEMENT.
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONSENT AGREEMENT AND PAYMENT OF FINE.
Resolution:	Consent
Resolution Date:	03/27/2009
Sanctions Ordered:	Monetary/Fine \$2,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE APPLICANT ENTERED INTO A CONSENT AGREEMENT WITH THE NEVADA SECRETARY OF STATE, SECURITIES DIVISION.
Firm Statement	THE SECURITIES DIVISION OF THE STATE OF NEVADA ALLEGED THAT DURING THE PERIOD OF MAY 9, 2006 THROUGH MAY 21, 2008, THE APPLICANT CONDUCTED BUSINESS OUT OF A FINANCIAL INSTITUTION WITHOUT FIRST ENTERING INTO A NETWORKING AGREEMENT.

Disclosure 19 of 25

Reporting Source:	Firm
Current Status:	Final
Allegations:	DURING THE PERIOD BETWEEN JANUARY 1, 2001 AND DECEMBER 31, 2006, ELEVEN AGENTS SOLD TEN VARIABLE ANNUITY CONTRACTS TO VERMONT RESIDENTS WITHOUT BEING REGISTERED WITH THE VERMONT



SECURITIES DIVISION, IN VIOLATION OF 9 V.S.A § 4213(A) AND 9 V.S.A. § 5402(A) OF THE VERMONT SECURITIES ACT.

Initiated By: STATE OF VERMONT, DEPARTMENT OF BANKING, INSURANCE, SECURITIES AND HEALTH CARE ADMINISTRATION

Date Initiated: 01/03/2007

Docket/Case Number: DOCKET NUMBER 07-030-S

Principal Product Type: Other

Other Product Type(s): VARIABLE ANNUITY CONTRACTS

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: ADMINISTRATIVE SANCTIONS

Resolution: Consent

Resolution Date: 05/05/2008

Sanctions Ordered: Monetary/Fine \$45,064.00
Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions Ordered: MML INVESTORS SERVICES, INC. AGREED TO CEASE FROM FURTHER VIOLATIONS OF THE UNIFORM SECURITIES ACT. MML INVESTORS SERVICES, INC. AGREED TO PAY A TOTAL OF \$45,064.00 IN ADMINISTRATIVE PENALTIES, BACK REGISTRATION FEES, INVESTIGATION COSTS AND DISGORGEMENT OF COMMISSIONS, FEES, SERVICES CHARGES OR SIMILAR ITEMS ASSOCIATED WITH THE CONSENT ORDER. MML INVESTORS SERVICES, INC. WILL PROVIDE THE VERMONT SECURITIES DIVISION WITH A REPORT WITHIN 90 DAYS DEMONSTRATING THAT IT HAS TAKEN THE NECESSARY STEPS TO ENSURE THAT A SIMILAR OCCURRENCE WILL NOT HAPPEN IN THE FUTURE.

Sanction Details: MML INVESTORS SERVICES, INC. AGREED TO PAY A TOTAL OF \$45,064.00 IN ADMINISTRATIVE PENALTIES, BACK REGISTRATION FEES, INVESTIGATION COSTS AND DISGORGEMENT OF COMMISSIONS, FEES, SERVICES CHARGES OR SIMILAR ITEMS ASSOCIATED WITH THE CONSENT ORDER.

Firm Statement MML INVESTORS SERVICES, INC. AGREED TO CEASE FROM FURTHER VIOLATIONS OF THE UNIFORM SECURITIES ACT. MML INVESTORS SERVICES, INC. AGREED TO PAY A TOTAL OF \$45,064.00 IN ADMINISTRATIVE PENALTIES, BACK REGISTRATION FEES, INVESTIGATION COSTS AND DISGORGEMENT OF COMMISSIONS, FEES, SERVICES CHARGES OR SIMILAR ITEMS ASSOCIATED WITH THE CONSENT ORDER. MML INVESTORS SERVICES, INC. WILL PROVIDE THE VERMONT



SECURITIES DIVISION WITH A REPORT WITHIN 90 DAYS DEMONSTRATING THAT IT HAS TAKEN THE NECESSARY STEPS TO ENSURE THAT A SIMILAR OCCURRENCE WILL NOT HAPPEN IN THE FUTURE.

Disclosure 20 of 25

Reporting Source:	Regulator
Current Status:	Final
Allegations:	<p>NASD RULES 2110, 2310 AND 3010: MML INVESTORS SERVICES, INC. (THE "FIRM") MADE UNSUITABLE RECOMMENDATIONS OF CLASS B SHARES OF MUTUAL FUNDS AND FAILED TO ESTABLISH, MAINTAIN AND ENFORCE SYSTEMS AND PROCEDURES DESIGNED TO ENSURE THAT ITS CLIENTS RECEIVED THE OPPORTUNITY TO PURCHASE CLASS A SHARES IN CERTAIN MUTUAL FUNDS AT NET ASSET VALUE ("NAV"). WITHIN THE REVIEW PERIOD (JAN. 1, 2003 AND JULY 31, 2004) THE FIRM EFFECTED TRANSACTIONS WHERE IT MADE RECOMMENDATIONS TO CLIENTS TO PURCHASE CLASS B SHARES THROUGH ITS REGISTERED REPRESENTATIVES. IN CONNECTION WITH ITS RECOMMENDATIONS, THE FIRM DID NOT CONSIDER ON A CONSISTENT BASIS THAT AN EQUAL INVESTMENT IN CLASS A SHARES WOULD GENERALLY HAVE BEEN MORE ADVANTAGEOUS FOR CERTAIN CLIENTS. THE FIRM DID NOT CONSISTENTLY CONSIDER THAT LARGE INVESTMENTS IN CLASS A SHARES OF MUTUAL FUNDS ENTITLE CLIENTS TO BREAKPOINT DISCOUNTS ON SALES CHARGES, GENERALLY BEGINNING AT THE \$50,000 INVESTMENT LEVEL, WHICH IS NOT AVAILABLE FOR INVESTMENT IN CLASS B SHARES. CLIENTS MAY BE ENTITLED TO BREAKPOINTS BASED UPON A SINGLE MUTUAL FUND PURCHASE, MULTIPLE PURCHASES IN THE SAME "FAMILY OF FUND" AND/OR MUTUAL FUND INVESTMENTS HELD AT THE TIME OF THE NEW PURCHASE, BY MEMBERS OF THE CLIENT'S "HOUSEHOLD" AS THAT TERM IS DEFINED IN THE PROSPECTUS OF THE FUND IN WHICH THE SHARES ARE BEING PURCHASED. UNLIKE CLASS A SHARES, CLASS B SHARES ARE SUBJECT TO CONTINGENT DEFERRED SALES CHARGES ("CDSCS") FOR A PERIOD OF TIME, GENERALLY SIX YEARS, AS WELL AS HIGHER ONGOING RULE 12B-1 FEES FOR AS LONG AS THE CLASS B SHARES ARE HELD. THE CDSCS AND THE HIGHER ONGOING RULE 12B-1 FEES SIGNIFICANTLY AFFECT THE RETURN ON CLIENTS' MUTUAL FUND INVESTMENTS. (ALLEGATIONS CONTINUED IN THE COMMENTS SECTION)</p>
Initiated By:	NASD
Date Initiated:	06/28/2007
Docket/Case Number:	EAF0401340002



Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/28/2007

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$473,000.00

Other Sanctions Ordered: (SANCTION DETAILS CONTINUED) FOR EACH CLIENT WHO PAID AN INITIAL SALES CHARGE, THE FIRM WILL REFUND THE SALES CHARGE PAID, PLUS INTEREST. FOR EACH CLIENT WHO PURCHASED A CLASS OF SHARES OTHER THAN CLASS A, THE FIRM WILL MAKE A CASH PAYMENT TO THE CLIENT SUFFICIENT TO PLACE THE CLIENT IN A SUBSTANTIALLY EQUIVALENT FINANCIAL POSITION SUCH CLIENT WOULD HAVE BEEN IN WITH RESPECT TO THE QUALIFYING NAV PURCHASE HAD THE INVESTOR PURCHASED CLASS A SHARES AT NAV. THE FIRM PROVIDED OR WILL PROVIDE REMEDIATION IN ACCORDANCE WITH A METHODOLOGY NOT UNACCEPTABLE TO NASD. WITHIN 60 DAYS FROM THE EFFECTIVE DATE OF THIS AWC, AND PRIOR TO ANY REMEDIATION PAYMENT, THE FIRM MUST SUBMIT TO NASD FOR REVIEW A SAMPLE LETTER TO CLIENTS OF B SHARE OR NAV REMEDIATION PAYMENTS, NOT UNACCEPTABLE TO NASD. WITHIN 60 DAYS FROM THE NOTICE OF ACCEPTANCE OF THIS AWC, THE FIRM MUST DESIGNATE AND TRAIN STAFF (THE "RESPONSE TEAM") TO FIELD AND RESPOND TO CLIENT INQUIRES IN CONNECTION WITH THIS AWC AND THE REMEDIATION PROCESS PURSUANT TO THIS AWC. THE FIRM MUST COMPLETE THE REMEDIATION PROCESS WITHIN 270 DAYS FROM THE EFFECTIVE DATE OF THIS AWC. WITHIN 330 DAYS FOLLOWING THE EFFECTIVE DATE OF THIS AWC, THE FIRM MUST FILE A REPORT (THE "INITIAL REPORT") WITH NASD, AND SIMULTANEOUSLY WITH THE THIRD PARTY EXAMINER. THE FIRM'S INITIAL REPORT MUST BE SUBMITTED TO NASD, CERTIFIED TO, AN OFFICER OF THE FIRM WHO IS REGISTERED WITH NASD AT THE TIME OF THE CERTIFICATION. IN ADDITION, WITHIN 60 DAYS FOLLOWING THE EFFECTIVE DATE OF THIS AWC, THE FIRM MUST



RETAIN A THIRD PARTY EXAMINER, WHO SHALL NOT BE UNACCEPTABLE TO NASD TO EXAMINE THE FIRM'S PERFORMANCE OF IT OBLIGATIONS UNDER THE TERMS OF THIS AWC AS REFLECTED IN THE FIRM'S INITIAL REPORT. AT THE CONCLUSION OF THE EXAMINATION, BUT NOT LATER THAN 420 DAYS FOLLOWING THE EFFECTIVE DATE OF THIS AWC, THE FIRM MUST REQUIRE THE THIRD PARTY EXAMINER TO SUBMIT A WRITTEN FINAL REPORT TO THE FIRM AND TO NASD.

Sanction Details:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE THE FIRM IS CENSURED, FINED \$473,000 AND AGREES TO THE FOLLOWING UNDERTAKINGS: THE FIRM MUST CREATE A LIST OF CLIENTS WHO PURCHASED \$50,000 OR MORE OF CLASS B SHARES, IN ANY SINGLE FUND FAMILY, WHICH SHALL BE AGGREGATED BY HOUSEHOLD AND FUND FAMILY IN DETERMINING IF THE \$50,000 THRESHOLD WAS MET. WITHIN 270 DAYS FROM THE EFFECTIVE DATE OF THIS AWC, THE FIRM MUST MAKE A CASH PAYMENT TO EACH CLIENT WHO MADE A QUALIFYING SHARE PURCHASE(S) AND HELD ALL OR ANY PORTION OF HIS OR HER CLASS B SHARES AS OF THE EFFECTIVE DATE OF THIS AWC, INCLUDING REINVESTMENT SHARES, SO THAT SUCH CLIENT IS PUT INTO SUBSTANTIALLY THE SAME FINANCIAL POSITION IN WHICH HE OR SHE WOULD HAVE BEEN WITH RESPECT TO THE HELD QUALIFYING SHARE PURCHASES HAD THE CLIENT PURCHASED CLASS A SHARES INSTEAD OF CLASS B SHARES. WITHIN 270 DAYS FROM THE EFFECTIVE DATE OF THIS AWC, THE FIRM MUST MAKE A CASH PAYMENT TO EACH CLIENT WHO MADE A QUALIFYING SHARE PURCHASE(S) AND SOLD SOME OR ALL OF HIS OR HER CLASS B SHARES COMPRISING THE QUALIFYING PURCHASE(S) OF THE DIFFERENCE, IF ANY BETWEEN THE VALUE OF THE CLASS B SHARES REDEEMED, AS OF THE DATE OF REDEMPTION, AND THE VALUE BASED ON ACTUAL FUND PERFORMANCE, OF CLASS A SHARES HAD THEY BEEN PURCHASED INSTEAD. CLIENTS WILL BE ENTITLED TO BREAKPOINTS CALCULATED BASED ON THE TOTAL OF ALL OPENING CLASS B BALANCES, DEPENDING ON THE SHARE CLASS FOR WHICH CONVERSION AND/OR CASH IN BEING OFFERED AGGREGATED BY HOUSEHOLD AND FUND FAMILY, PLUS THE TOTAL RESPECTIVE CLASS B SHARE PURCHASES AGGREGATED BY HOUSEHOLD AND FUND FAMILY DURING THE RELEVANT TIME PERIOD. THE FIRM HAS PROVIDED OR WILL PROVIDE REMEDIATION TO CERTAIN CLIENTS WHO PURCHASED SHARES OF MUTUAL FUNDS DURING THE PERIOD, AS APPLICABLE, AND QUALIFIED FOR, BUT DID NOT RECEIVE, THE BENEFIT OF AN NAV TRANSFER PROGRAM. (SANCTION DETAIL CONTINUED IN OTHER SANCTIONS ORDERED SECTION)

Regulator Statement

(ALLEGATIONS CONTINUED) THE FIRM'S SUPERVISORY AND COMPLIANCE POLICIES AND PROCEDURES DURING THE REVIEW PERIOD WERE NOT REASONABLY ESTABLISHED, MAINTAINED AND/OR ENFORCED SO THAT



THE FIRM, AT THE POINT OF EACH SALE, PROVIDED CONSIDERATION TO, ON A CONSISTENT BASIS, THE BENEFITS OF VARIOUS MUTUAL FUND SHARE CLASSES AS THEY APPLIED TO CLIENTS. WITH REGARD TO THE SALE OF MUTUAL FUNDS THAT OFFERED NAV PROGRAMS, FROM JANUARY 1, 2001 THROUGH JUNE 30, 2004, THE FIRM FAILED TO EXERCISE REASONABLE DUE DILIGENCE TO IDENTIFY THE ESSENTIAL TERMS AND CONDITIONS OF THE NAV TRANSFER PROGRAMS OF CERTAIN MUTUAL FUNDS, AND FAILED TO ESTABLISH, MAINTAIN AND ENFORCE SYSTEMS AND PROCEDURES TO ENSURE IT CLIENTS RECEIVED NAV PRICING WHEN THEY QUALIFIED.

Reporting Source:

Firm

Current Status:

Final

Allegations:

NASD RULES 2110, 2310 AND 3010: MML INVESTORS SERVICES, INC. (THE "FIRM") MADE UNSUITABLE RECOMMENDATIONS OF CLASS B SHARES OF MUTUAL FUNDS AND FAILED TO ESTABLISH, MAINTAIN AND ENFORCE SYSTEMS AND PROCEDURES DESIGNED TO ENSURE THAT ITS CLIENTS RECEIVED THE OPPOTUNITY TO PURCHASE CLASS A SHARES IN CERTAIN MUTUAL FUNDS AT THE NET ASSET VALUE ("NAV"). WITHIN THE REVIEW PERIOD (JAN. 1, 2003 AND JULY 31, 2004) THE FIRM EFFECTED TRANSACTIONS WERE IT MADE RECOMMENDATIONS TO CLIENTS TO PURCHASE CLASS B SHARES THROUGH ITS REGISTERED REPRESENTATIVES. IN CONNECTION WITH ITS RECOMMENDATIONS, THE FIRM DID NOT CONSIDER ON A CONSISTENT BASIS THAT AN EQUAL INVESTMENT IN CLASS A SHARES WOULD GENERALLY HAVE BEEN MORE ADVANTAGEOUS FOR CERTAIN CLIENTS. THE FIRM DID NOT CONSISTENTLY CONSIDER THAT LARGE INVESTMENTS IN CLASS A SHARES OF MUTUAL FUNDS ENTITLE CLIENTS TO BREAKPOINT DISCOUNTS ON SALES CHARGES, GENERALLY BEGINNING AT THE \$50,000 INVESTMENT LEVEL, WHICH IS NOT AVAILABLE FOR INVESTMENT IN CLASS B SHARES. CLIENTS MAY BE ENTITLED TO BREAKPOINTS BASED UPON A SINGLE MUTUAL FUND PURCHASE, MULTIPLE PURCHASES IN THE SAME "FAMILY OF FUND" AND/OR MUTUAL FUND INVESTMENTS HELD AT THE TIME OF THE NEW PURCHASE, BY MEMBERS OF THE CLIENT'S HOUSEHOLDS. THAT TERM IS DEFINED IN THE PROSPECTUS OF THE FUND IN WHICH THE SHARES ARE BEING PURCHASED. UNLIKE CLASS A SHARES, CLASS B SHARES ARE SUBJECT TO CONTINGENT DEFERRED SALES CHARGES ("CDSCS") FOR A PERIOD OF TIME, GENERALLY SIX YEARS, AS WELL AS HIGH ONGOING RULE 12B-1 FEES FOR AS LONG AS THE CLASS B SHARES ARE HELD. THE CDSCS AND THE HIGHER ONGOING RULE 12B-1 FEES SIGNIFICANTLY AFFECT THE RETURN ON CLIENTS' MUTUAL FUND INVESTMENTS. (ALLEGATIONS CONTINUED IN COMMENTS SECTION)



Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 06/28/2007

Docket/Case Number: [EAF0401340002](#)

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/28/2007

Sanctions Ordered: Censure
Monetary/Fine \$473,000.00

Other Sanctions Ordered: (SANCTION DETAILS CONTINUED) FOR EACH CLIENT WHO PAID AN INITIAL SALES CHARGE, THE FIRM WILL REFUND THE SALES CHARGE PAID, PLUS INTEREST. FOR EACH CLIENT WHO PURCHASED A CLASS OF SHARES OTHER THAN CLASS A, THE FIRM WILL MAKE A CASH PAYMENT TO THE CLIENT SUFFICIENT TO PLACE THE CLIENT IN A SUBSTANTIALLY EQUIVALENT FINANCIAL POSITION SUCH CLIENT WOULD HAVE BEEN IN WITH RESPECT TO THE QUALIFYING NAV PURCHASE HAD THE INVESTOR PURCHASED CLASS A SHARES AT NAV. THE FIRM PROVIDED OR WILL PROVIDE REMEDIATION IN ACCORDANCE WITH A METHODOLOGY NOT UNACCEPTABLE TO NASD. WITH 60 DAYS FROM THE EFFECTIVE DATE OF THIS AWC, AND PRIOR TO ANY REMEDIATION PAYMENT, THE FIRM MUST SUBMIT TO NASD FOR REVIEW A SAMPLE LETTER TO CLIENTS OF B SHARE OR NAV REMEDIATION PAYMENTS, NOT UNACCEPTABLE TO NASD. WITHIN 60 DAYS FROM THE NOTICE OF ACCEPTANCE OF THIS AWC, THE FIRM MUST DESIGNATE AND TRAIN STAFF (THE "RESPONSE TEAM") TO FIELD AND RESPOND TO CLIENT INQUIRIES IN CONNECTION WITH THIS AWC AND THE REMEDIATION PROCESS PURSUANT TO THIS AWC. THE FIRM MUST COMPLETE THE REMEDIATION PROCESS WITHIN 270 DAYS FROM THE EFFECTIVE DATE OF THIS AWC. WITHIN 330 DAYS FOLLOWING THE EFFECTIVE DATE OF THIS AWC, THE FIRM MUST FILE A REPORT (THE "INITIAL REPORT") WITH NASD, AND SIMULTANEOUSLY WITH THE THIRD PARTY EXAMINER. THE FIRM'S INITIAL REPORT MUST BE SUBMITTED TO NASD, CERTIFIED TO, BY AN OFFICER OF THE FIRM WHO IS REGISTERED WITH NASD AT THE TIME OF THE CERTIFICATION. IN ADDITION, WITHIN 60 DAYS FOLLOWING THE EFFECTIVE DATE OF THIS AWC, THE FIRM MUST RETAIN A THIRD PARTY EXAMINER, WHO SHALL NOT BE UNACCEPTABLE



TO NASD TO EXAMINE THE FIRM'S PERFORMANCE OF ITS OBLIGATIONS UNDER THE TERMS OF THIS AWC AS REFLECTED IN THE FIRM'S INITIAL REPORT. AT THE CONCLUSION OF THE EXAMINATION, BUT NO LATER THAN 420 DAYS FOLLOWING THE EFFECTIVE DATE OF THIS AWC, THE FIRM MUST REQUIRE THE THIRD PARTY EXAMINER TO SUBMIT A WRITTEN FINAL REPORT TO THE FIRM AND TO NASD.

Sanction Details:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE THE FIRM IS CENSURED, FINED \$473,000 AND AGREES TO THE FOLLOWING UNDERTAKINGS: THE FIRM MUST CREATE A LIST OF CLIENTS WHO PURCHASED \$50,000 OR MORE OF CLASS B SHARES, IN ANY SINGLE FUND FAMILY, WHICH SHALL BE AGGREGATED BY HOUSEHOLD AND FUND FAMILY IN DETERMINING IF THE \$50,000 THRESHOLD WAS MET. WITHIN 270 DAYS FROM THE EFFECTIVE DATE OF THIS AWC, THE FIRM MUST MAKE A CASH PAYMENT TO EACH CLIENT WHO MADE A QUALIFYING SHARE PURCHASE(S) AND HELD ALL OR ANY PORTION OF HIS OR HER CLASS B SHARES AS OF THE EFFECTIVE DATE OF THIS AWC, INCLUDING REINVESTMENT SHARES, SO THAT SUCH CLIENT IS PUT INTO SUBSTANTIALLY THE SAME FINANCIAL POSITION IN WHICH HE OR SHE WOULD HAVE BEEN WITH RESPECT TO THE HELD QUALIFYING SHARE PURCHASES HAD THE CLIENT PURCHASED CLASS A SHARES INSTEAD OF CLASS B SHARES. WITHIN 270 DAYS FROM THE EFFECTIVE DATE OF THIS AWC, THE FIRM MUST MAKE A CASH PAYMENT TO EACH CLIENT WHO MADE A QUALIFYING SHARE PURCHASE(S) AND SOLD SOME OR ALL OF HIS OR HER CLASS B SHARES COMPRISING THE QUALIFYING PURCHASE(S) OF THE DIFFERENCE, IF ANY BETWEEN THE VALUE OF THE CLASS B SHARES REDEEMED, AS OF THE DATE OF REDEMPTION, AND THE VALUE BASED ON ACTUAL FUND PERFORMANCE, OF CLASS A SHARES HAD THEY BEEN PURCHASED INSTEAD. CLIENTS WILL BE ENTITLED TO BREAKPOINTS CALCULATED BASED ON THE TOTAL OF ALL OPENING CLASS B BALANCES, AGGREGATED BY HOUSEHOLD AND FUND FAMILY, PLUS THE TOTAL OF ALL RESPECTIVE CLASS B SHARE PURCHASES AGGREGATED BY HOUSEHOLD AND FUND FAMILY DURING THE RELEVANT TIME PERIOD. THE FIRM HAS PROVIDED OR WILL PROVIDE REMEDIATION TO CERTAIN CLIENTS WHO PURCHASED SHARES OF MUTUAL FUNDS DURING THE PERIOD, AS APPLICABLE, AND QUALIFIED FOR, BUT DID NOT RECEIVE, THE BENEFIT OF AN NAV TRANSFER PROGRAM. (SANCTION DETAIL CONTINUED IN OTHER SANCTIONS ORDERED SECTION)

Firm Statement

(ALLEGATIONS CONTINUED) THE FIRM'S SUPERVISORY AND COMPLIANCE POLICIES AND PROCEDURES DURING THE REVIEW PERIOD WERE NOT REASONABLY ESTABLISHED, MAINTAINED AND/OR ENFORCE SO THAT THE FIRM, AT THE POINT OF EACH SALE, PROVIDED CONSIDERATION TO, ON A CONSISTENT BASIS, THE BENEFITS OF VARIOUS MUTUAL FUND SHARE CLASSES AS THEY APPLIED TO CLIENTS. WITH REGARD TO THE SALE OF



MUTUAL FUNDS THAT OFFERED NAV PROGRAMS, FROM JANUARY 1, 2001 THROUGH JUNE 30, 2004, THE FIRM FAILED TO EXERCISE REASONABLE DUE DILIGENCE TO IDENTIFY THE ESSENTIAL TERMS AND CONDITIONS OF THE NAV TRANSFER PROGRAMS OF CERTAIN MUTUAL FUNDS, AND FAILED TO ESTABLISH, MAINTAIN AND ENFORCE SYSTEMS AND PROCEDURES TO ENSURE IT CLIENTS RECEIVED NAV PRICING WHEN THEY QUALIFIED. PRIOR TO NASD'S INVESTIGATION, (1) THE FIRM INITIATED A SELF-REVIEW UPON ITS DISCOVERY OF VIOLATIONS RELATING TO NAV TRANSFER PROGRAMS, (2) AFTER CONDUCTING AN EXTENSIVE AND THOROUGH REVIEW, THE FIRM IDENTIFIED THE CAUSES OF THE VIOLATIONS AND CORRECTED ITS SYSTEMS TO PREVENT FUTURE VIOLATIONS, AND (3) THE FIRM ACTED PROMPTLY AND IN GOOD FAITH TO MAKE CUSTOMERS WHOLE. AS A RESULT, NASD CONCLUDED THAT IT WOULD NOT BE APPROPRIATE IN THIS CASE TO IMPOSE A FINE FOR THE SUPERVISORY VIOLATIONS BY THE FIRM DESCRIBED ABOVE WITH RESPECT TO NAV TRANSFER PROGRAMS.

Disclosure 21 of 25

Reporting Source:	Firm
Current Status:	Final
Allegations:	THE COMMISSIONER ALLEGED THAT THE FIRM FAILED TO PROPERLY REGISTER ONE REPRESENTATIVE IN THE STATE AND SUBSEQUENTLY ALLOWED THE UNREGISTERED REPRESENTATIVE TO TRANSACT BUSINESS WITH CLIENTS.
Initiated By:	STATE OF VERMONT, DEPARTMENT OF BANKING, INSURANCE, SECURITIES AND HEALTH CARE ADMINISTRATION, SECURITIES DIVISION.
Date Initiated:	10/13/2006
Docket/Case Number:	DOCKET NO. 06-091-S
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	FINE DISGORGEMENT OF FEES/COMMISSIONS PAID BY VERMONT CUSTOMERS.
Resolution:	Consent
Resolution Date:	01/03/2007
Sanctions Ordered:	Monetary/Fine \$10,000.00



	Disgorgement/Restitution
Other Sanctions Ordered:	FINE - \$10,000.00 DISGORGEMENT - \$11,375.50
Sanction Details:	FINE 1/4/2007 - \$10,000
	DISGORGEMENT 1/31/2007 - \$11,375.50
Firm Statement	THE ORDER WAS FINALIZED BASED ON THE STATE'S DETERMINATION THAT THE FIRM DID NOT HAVE A SYSTEM WHICH ASSURED THE PROPER REGISTRATION OF ITS REPRESENTATIVE AND THAT, AS A RESULT, THE UNREGISTERED REPRESENTATIVE WAS ALLOWED TO TRANSACT BUSINESS WITH CUSTOMERS.

Disclosure 22 of 25

Reporting Source:	Firm
Current Status:	Final
Allegations:	THE MARYLAND SECURITIES COMMISSIONER ALLEGED THAT THE FIRM FAILED TO RENEW THE INVESTMENT ADVISER REGISTRATION OF A REPRESENTATIVE AND SUBSEQUENTLY ALLOWED THE UNREGISTERED INVESTMENT ADVISER REPRESENTATIVE TO RECEIVE COMPENSATION FOR SOLICITING CLIENTS FROM DECEMBER 2004 UNTIL NOVEMBER 2005.
Initiated By:	MARYLAND SECURITIES COMMISSIONER
Date Initiated:	12/05/2005
Docket/Case Number:	DOCKET NO. 2005-0668
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Consent
Resolution Date:	01/04/2006
Sanctions Ordered:	Monetary/Fine \$500.00
Other Sanctions Ordered:	



Sanction Details:	MML INVESTORS SERVICES, INC. ENTERED INTO A CONSENT ORDER AND PAID A FINE IN THE AMOUNT OF \$500 ON DECEMBER 28, 2005. THE FIRM AGREED TO REVIEW ITS BOOKS AND RECORDS ON AN ANNUAL BASIS TO ENSURE ITS REPRESENTATIVES THAT ARE REQUIRED TO BE REGISTERED WITH THE STATE OF MARYLAND ARE SO REGISTERED. ADDITIONALLY, THE FIRM AGREED TO COMPLY WITH THE ACT AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER.
Firm Statement	THE CONSENT ORDER WAS DEEMED IN THE PUBLIC INTEREST DUE TO THE FIRM'S FAILURE TO RENEW A REPRESENTATIVE'S REGISTRATION IN 2001 AND 2002 COMBINED WITH THE REPRESENTATIVE'S RECEIPT OF COMPENSATION FOR SOLICITING CLIENTS FROM DECEMBER 2004 THROUGH NOVEMBER 2005. THE FIRM CONSENTED TO THE ORDER ON DECEMBER 27, 2005 AND THE MARYLAND SECURITIES COMMISSIONER SIGNED THE ORDER ON JANUARY 4, 2006.

Disclosure 23 of 25

Reporting Source:	Regulator
Current Status:	Final
Allegations:	ARTICLE V, SECTIONS 2(C) AND 3(B) OF NASD'S BY-LAWS, NASD RULES 2110, 3010 - MML INVESTORS SERVICES, INC. FILED AT LEAST 220 LATE AMENDMENTS TO FORMS U4 AND U5, REPRESENTING APPROXIMATELY 69% OF THE REQUIRED AMENDMENTS RELATING TO REPORTABLE CUSTOMER COMPLAINTS, TERMINATIONS, REGULATORY ACTIONS, AND CRIMINAL DISCLOSURES. THE FIRM'S SUPERVISORY SYSTEM AND PROCEDURES WERE NOT REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH ITS ARTICLE V REPORTING OBLIGATIONS.
Initiated By:	NASD
Date Initiated:	11/30/2004
Docket/Case Number:	CAF040098
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/30/2004



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?

No

Sanctions Ordered:

Censure
Monetary/Fine \$250,000.00

Other Sanctions Ordered:

UNDERTAKINGS

Sanction Details:

WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, MML INVESTOR SERVICES, INC. CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS CENSURED, FINED \$250,000 WHICH SHALL BE PAID WITHIN 10 DAYS OF NOTICE OF ACCEPTANCE OF THIS AWC. PROMPTLY FOLLOWING NOTICE OF ACCEPTANCE OF THIS AWC, THE FIRM'S INTERNAL AUDIT DEPT. OR PERSONNEL NOT DIRECTLY RESPONSIBLE FOR THE FIRM'S ARTICLE V REPORTING OBLIGATIONS AND THEIR IMMEDIATE SUPERVISORS SHALL CONDUCT AN AUDIT FOR THE PERIOD JANUARY 1, 2004 THROUGH SEPTEMBER 30, 2004 TO ASSESS THE EFFECTIVENESS OF ITS SYSTEM AND PROCEDURES FOR ENSURING TIMELY FILING OF FORM U4 AND U5 AMENDMENTS AND SHALL PREPARE A WRITTEN REPORT SUMMARIZING FINDINGS AND RECOMMENDATIONS AND SHALL FOR THE NEXT FOUR CALENDAR QUARTERS BEGINNING FOURTH QUARTER 2004, CONDUCT A SIMILAR AUDIT AND PREPARE A SIMILAR WRITTEN AUDIT REPORT. NO LATER THAN 90 DAYS AFTER NOTICE OF ACCEPTANCE OF THIS AWC, AN OFFICER OF THE FIRM SHALL CERTIFY IN WRITING TO NASD THAT AN AUDIT WAS CONDUCTED AND THE OFFICER HAS REVIEWED THE CURRENT AUDIT REPORT. NO LATER THAN 60 DAYS AFTER THE DATE OF THE REPORT, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT THE FIRM HAS IMPLEMENTED, OR HAS BEGUN TO IMPLEMENT, ANY RECOMMENDATIONS WITHIN A SPECIFIED TIME PERIOD. NO LATER THAN 60 DAYS AFTER THE LAST DAY OF THE NEXT FOUR QUARTERS, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT AN AUDIT WAS CONDUCTED, THE CURRENT AUDIT REPORT WAS REVIEWED, AND RECOMMENDATIONS IMPLEMENTED, OR BEGUN TO BE IMPLEMENTED. NO LATER THAN SIX MONTHS AFTER NOTICE OF ACCEPTANCE OF THIS AWC, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT THE FIRM HAS REVIEWED ITS SYSTEM AND PROCEDURES FOR COMPLYING WITH ITS ARTICLE V REPORTING OBLIGATIONS AND HAS ESTABLISHED A SYSTEM AND PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH REPORTING REQUIREMENTS SET FORTH THEREIN.

Reporting Source:

Firm



Current Status:	Final
Allegations:	ARTICLE V, SECTIONS 2(C) AND 3(B) OF NASD'S BY-LAWS, NASD RULES 2110, 3010 - MML INVESTORS SERVICES, INC. FILED AT LEAST 220 LATE AMENDMENTS TO FORMS U4 AND U5, REPRESENTING APPROXIMATELY 69% OF THE REQUIRED AMENDMENTS RELATING TO REPORTABLE CUSTOMER COMPLAINTS, TERMINATIONS, REGULATORY ACTIONS, AND CRIMINAL DISCLOSURES. THE FIRM'S SUPERVISORY SYSTEM AND PROCEDURES WERE NOT REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH ITS ARTICLE V REPORTING OBLIGATIONS.
Initiated By:	NASD
Date Initiated:	11/30/2004
Docket/Case Number:	CAF040098
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	11/30/2004
Sanctions Ordered:	Censure Monetary/Fine \$250,000.00
Other Sanctions Ordered:	UNDERTAKINGS
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS CENSURED, FINED \$250,000 WHICH SHALL BE PAID WITHIN 10 DAYS OF NOTICE OF ACCEPTANCE OF THIS AWC. PROMPTLY FOLLOWING NOTICE OF ACCEPTANCE OF THIS AWC, THE FIRM'S INTERNAL AUDIT DEPT. OR PERSONNEL NOT DIRECTLY RESPONSIBLE FOR THE FIRM'S ARTICLE V REPORTING OBLIGATIONS AND THEIR IMMEDIATE SUPERVISORS SHALL CONDUCT AN AUDIT FOR THE PERIOD JANUARY 1, 2004 THROUGH SEPTEMBER 30, 2004 TO ASSESS THE EFFECTIVENESS OF ITS SYSTEM AND PROCEDURES FOR ENSURING TIMELY FILING OF FORM U4 AND U5 AMENDMENTS AND SHALL PREPARE A WRITTEN REPORT SUMMARIZING FINDINGS AND RECOMMENDATIONS AND SHALL FOR THE NEXT FOUR CALENDAR QUARTERS BEGINNING FOURTH QUARTER 2004, CONDUCT A SIMILAR AUDIT AND PREPARE A SIMILAR



WRITTEN AUDIT REPORT. NO LATER THAN 90 DAYS AFTER NOTICE OF ACCEPTANCE OF THIS AWC, AN OFFICER OF THE FIRM SHALL CERTIFY IN WRITING TO NASD THAT AN AUDIT WAS CONDUCTED AND THE OFFICER HAS REVIEWED THE CURRENT AUDIT REPORT. NO LATER THAN 60 DAYS AFTER THE DATE OF THE REPORT, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT THE FIRM HAS IMPLEMENTED, OR HAS BEGUN TO IMPLEMENT, ANY RECOMMENDATIONS WITHIN A SPECIFIED TIME PERIOD. NO LATER THAN 60 DAYS AFTER THE LAST DAY OF THE NEXT FOUR QUARTERS, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT AN AUDIT WAS CONDUCTED, THE CURRENT AUDIT REPORT WAS REVIEWED, AND RECOMMENDATIONS IMPLEMENTED, OR BEGUN TO BE IMPLEMENTED. NO LATER THAN SIX MONTHS AFTER NOTICE OF ACCEPTANCE OF THIS AWC, AN OFFICER SHALL CERTIFY IN WRITING TO NASD THAT THE FIRM HAS REVIEWED ITS SYSTEM AND PROCEDURES FOR COMPLYING WITH ITS ARTICLE V REPORTING OBLIGATIONS AND HAS ESTABLISHED A SYSTEM AND PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH REPORTING REQUIREMENTS SET FORTH THEREIN.

Disclosure 24 of 25

Reporting Source:	Regulator
Current Status:	Final
Allegations:	UNREGISTERED ACTIVITY
Initiated By:	FLORIDA DIVISION OF SECURITIES AND INVESTOR PROTECTION
Date Initiated:	04/03/2000
Docket/Case Number:	2922-S-2/00
URL for Regulatory Action:	
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	
Resolution:	Stipulation and Consent
Resolution Date:	04/12/2000
Sanctions Ordered:	Monetary/Fine \$3,000.00 Cease and Desist/Injunction

**Other Sanctions Ordered:****Sanction Details:** N/A**Regulator Statement** MML INVESTOR SERVICES OPERATED A BRANCH OFFICE AT 6301 NW 5TH WAY, SUITE 5010 IN FT. LAUDERDALE WITHOUT BEING REGISTERED WITH THE DIVISION OF SECURITIES.**Reporting Source:** Firm**Current Status:** Final**Allegations:** THE ACTION ALLEGED THAT MML INVESTORS SERVICES, INC. ALLOWED A FLORIDA BUSINESS LOCATION TO OPERATE FOR 6 WEEKS BEFORE FILING A STATE BRANCH OFFICE REGISTRATION APPLICATION. THE ACTION FURTHER ALLEGED THAT THE DELAY IN REGISTRATION CONSTITUTED A FAILURE TO MAINTAIN A REASONABLE SUPERVISORY SYSTEM ON THE PART OF MICHAEL L. KERLEY AND MML INVESTORS SERVICES, INC.**Initiated By:** FLORIDA DEPARTMENT OF BANKING AND FINANCE DIVISION OF SECURITIES**Date Initiated:** 02/21/2000**Docket/Case Number:** 2922-S-2/00**Principal Product Type:** No Product**Other Product Type(s):****Principal Sanction(s)/Relief Sought:** Civil and Administrative Penalt(ies) /Fine(s)**Other Sanction(s)/Relief Sought:****Resolution:** Order**Resolution Date:** 04/12/2000**Sanctions Ordered:** Monetary/Fine \$3,000.00
Cease and Desist/Injunction**Other Sanctions Ordered:** CEASE AND DESIST**Sanction Details:** APPLICANT AGREED TO CEASE AND DESIST FROM ANY AND ALL VIOLATIONS OF CHAPTER 517 FLORIDA STATUTES, AND THE RULES PROMULGATED THEREUNDER AND AN ADMINISTRATIVE FINE IN THE AMOUNT OF \$3,000.00**Firm Statement** THE ADMINISTRATIVE COMPLAINT FILED AGAINST MICHAEL L. KERLEY



WAS DISMISSED WITHOUT PREJUDICE.

Disclosure 25 of 25	
Reporting Source:	Regulator
Current Status:	Final
Allegations:	Not Provided
Initiated By:	TEXAS STATE SECURITIES BOARD
Date Initiated:	05/03/1999
Docket/Case Number:	99-030, CAF-1359
URL for Regulatory Action:	
Principal Product Type:	
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	05/03/1999
Sanctions Ordered:	Monetary/Fine \$7,500.00
Other Sanctions Ordered:	
Sanction Details:	ADMINISTRATIVE DISCIPLINARY ORDER
Regulator Statement	ON MAY 3, 1999, THE TEXAS SECURITIES COMMISSIONER ENTERED AN ADMINISTRATIVE DISCIPLINARY ORDER REPRIMANDING AND FINING MML INVESTORS SERVICES, INC. FOR FAILURE TO REPORT AN AGENT'S FELONY CHARGE AND CONVICTION WITHIN 30 DAYS AS REQUIRED, PURSUANT TO SECTIONS 14.A(6) AND (7) OF THE TEXAS SECURITIES ACT. A FINE IN THE AMOUNT OF \$7,500 WAS ASSESSED PURSUANT TO SECTION 23-1 OF THE ACT. THE RESPONDENT ALSO AGREED TO COMPLY WITH AN UNDERTAKING FILED WITH THE SECURITIES COMMISSIONER. CONTACT: ENFORCEMENT DIVISION, (512) 305-8392

Reporting Source: Firm



Current Status:	Final
Allegations:	VIOLATIONS OF SECTIONS 14.A(6) AND (7) OF THE TEXAS SECURITIES ACT REGARDING FAILURE TO REPORT ANY CHANGE IN INFORMATION PREVIOUSLY REPORTED TO THE SECURITIES COMMISSIONER WITH RESPECT TO AGENTS WITHIN 30 DAYS OF THE CHANGE.
Initiated By:	SECURITIES COMMISSIONER OF THE STATE OF TEXAS
Date Initiated:	04/26/1999
Docket/Case Number:	SSB DOCKET NO. 99-030
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Reprimand
Other Sanction(s)/Relief Sought:	MML INVESTORS SERVICES, INC. ENTERED INTO A DISCIPLINARY ORDER AND AGREED TO CERTAIN UNDERTAKINGS AND AN ADMINISTRATIVE PENALTY.
Resolution:	Order
Resolution Date:	05/03/1999
Sanctions Ordered:	Monetary/Fine \$7,500.00
Other Sanctions Ordered:	
Sanction Details:	MML INVESTORS SERVICES, INC. ENTERED INTO A DISCIPLINARY ORDER AND AGREED TO CERTAIN UNDERTAKINGS, A REPRIMAND AND AN ADMINISTRATIVE PENALTY OF \$7,500.



Arbitration Award - Award / Judgment

Brokerage firms are not required to report arbitration claims filed against them by customers; however, BrokerCheck provides summary information regarding FINRA arbitration awards involving securities and commodities disputes between public customers and registered securities firms in this section of the report.
The full text of arbitration awards issued by FINRA is available at www.finra.org/awardsonline.

Disclosure 1 of 1

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE
Arbitration Forum:	FINRA
Case Initiated:	09/21/2010
Case Number:	10-04047
Disputed Product Type:	OTHER TYPES OF SECURITIES
Sum of All Relief Requested:	\$1,265,286.00
Disposition:	AWARD AGAINST PARTY
Disposition Date:	03/27/2013
Sum of All Relief Awarded:	\$1,137,923.00

There may be a non-monetary award associated with this arbitration.
Please select the Case Number above to view more detailed information.



Civil Bond

This type of disclosure event involves a civil bond for the brokerage firm that has been denied, paid, or revoked by a bonding company.

Disclosure 1 of 2

Reporting Source:	Firm
Policy Holder:	MML INVESTORS SERVICES, INC.
Bonding Company Name:	FEDERAL INSURANCE COMPANY
Disposition:	Denied
Disposition Date:	01/01/1984
Firm Statement	IN 1984, FEDERAL INSURANCE COMPANY DENIED RENEWAL OF REGISTRANT'S BROKERS BOND AND REGISTRANT'S DEALER BONDS POSTED FOR THE FOLLOWING STATES: VERMONT, ALASKA, ARIZONA, IDAHO, SOUTH CAROLINA, HAWAII, NEW MEXICO, OREGON, NORTH DAKOTA, MAINE AND MISSISSIPPI. WE UNDERSTAND THAT FEDERAL INSURANCE COMPANY IMPLEMENTED A POLICY OF NO LONGER WRITING SUCH BONDS FOR FINANCIAL INSTITUTIONS SUCH AS REGISTRANT.

Disclosure 2 of 2

Reporting Source:	Firm
Policy Holder:	MML INVESTORS SERVICES, INC.
Bonding Company Name:	NATIONAL FIRE INSURANCE CO. OF PITTSBURGH
Disposition:	Payout
Disposition Date:	12/12/1991
Payout Details:	BONDING COMPANY PAID \$240,062.59 TO APPLICANT
Firm Statement	NATIONAL FIRE INSURANCE CO. OF PITTSBURGH, FIDELITY BOND CLAIM #004364. REGISTERED REPRESENTATIVE TED R. STARLING, CRD #1025892, FRAUDULENTLY CONVERTED APPROXIMATELY \$265,000 OF CUSTOMER FUNDS TO HIS OWN USE. THERE WERE NO ALLEGATIONS AGAINST MML INVESTORS SERVICES, INC. MML INVESTORS SERVICES, INC. SOUGHT RECOVERY OF THESE LOSSES FROM ITS FIDELITY BOND CARRIER.

Disclosure Events for Non-Registered Control Affiliates



All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	42	0



Disclosure Event Details

Regulatory - Final

Disclosure 1 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY MUST CERTIFY ANNUALLY TO THE OFFICE OF THE INSURANCE COMMISSIONER ("OIC") THE INSURANCE PRODUCERS THAT ARE SELLING, SOLICITING OR NEGOTIATING THE COMPANY'S LONG TERM CARE ("LTC") INSURANCE PRODUCTS HAVE COMPLETED LTC EDUCATION REQUIREMENTS. THE CERTIFICATION IS REQUIRED TO BE SUBMITTED ANNUALLY TO THE OIC ON OR BEFORE MARCH 31ST. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY WAS GRANTED AN EXTENSION TO FILE ITS 2021 ANNUAL CERTIFICATION REPORT BY MAY 31, 2022. THE STATE OF WASHINGTON OIC ALLEGED THAT MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY FAILED TO VERIFY THAT TWO INSURANCE PRODUCERS HAD RECEIVED THE REQUIRED LTC TRAINING BEFORE THEY WERE PERMITTED TO SELL, SOLICIT, OR OTHERWISE NEGOTIATE THE SALE OF THE COMPANY'S LTC INSURANCE PRODUCTS. BY FAILING TO VERIFY THE TRAINING, IT WAS ALLEGED THAT THE COMPANY VIOLATED RCW 48.83.130(4), JUSTIFYING THE IMPOSITION OF A FINE UNDER RCW 48.83.160.
Initiated By:	STATE OF WASHINGTON OFFICE OF THE INSURANCE COMMISSIONER
Date Initiated:	05/26/2022
Docket/Case Number:	ORDER NO. 23-0147
Principal Product Type:	Insurance
Other Product Type(s):	LONG TERM CARE
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Decision & Order of Offer of Settlement
Resolution Date:	09/08/2023
Sanctions Ordered:	Monetary/Fine \$10,000.00
Other Sanctions Ordered:	THE COMPANY (MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY)



ACKNOWLEDGED ITS DUTY TO COMPLY FULLY WITH THE APPLICABLE LAWS OF THE STATE OF WASHINGTON AND CONSENTED TO THE ENTRY OF THE ORDER, WAIVED ANY AND ALL HEARING OR OTHER PROCEDURAL RIGHTS, AND FURTHER ADMINISTRATIVE OR JUDICIAL CHALLENGES TO THE ORDER. BY AGREEMENT OF THE COMPANY AND THE INSURANCE COMMISSIONER, A FINE OF \$10,000 IS REQUIRED TO BE PAID WITHIN 30 DAYS. THE COMPANY UNDERSTOOD AND AGREED THAT ANY FURTHER FAILURE TO COMPLY WITH THE STATUTES AND/OR REGULATIONS THAT ARE THE SUBJECT OF THE ORDER WOULD CONSTITUTE GROUNDS FOR FURTHER PENALTIES WHICH MAY BE IMPOSED IN DIRECT RESPONSE TO FURTHER VIOLATIONS.

Sanction Details:

BY FAILING TO VERIFY THAT TWO INSURANCE PRODUCERS HAD RECEIVED THE REQUIRED LTC TRAINING BEFORE PERMITTING TO SELL, SOLICIT, OR OTHERWISE NEGOTIATE THE SALE OF THE COMPANY'S LTC INSURANCE PRODUCTS, THE COMPANY VIOLATED RCW 48.83.130(4), JUSTIFYING THE IMPOSITION OF A FINE OF \$10,000.00 AGAINST MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY UNDER RCW 48.83.160. THE COMPANY HAS PAID THE FINE.

Firm Statement

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY MUST CERTIFY ANNUALLY TO THE OFFICE OF THE INSURANCE COMMISSIONER ("OIC") INSURANCE PRODUCERS SELLING, SOLICITING OR NEGOTIATING THE COMPANY'S LONG TERM CARE ("LTC") INSURANCE PRODUCTS HAVE COMPLETED LTC EDUCATION REQUIREMENTS. THE CERTIFICATION IS REQUIRED TO BE SUBMITTED ANNUALLY TO THE OIC ON OR BEFORE MARCH 31ST. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY WAS GRANTED AN EXTENSION TO FILE ITS 2021 ANNUAL CERTIFICATION REPORT BY MAY 31, 2022. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY SUBMITTED THE CERTIFICATION ON MAY 26, 2022, WHICH REVEALED THAT IT SELF-DISCLOSED THAT TWO PRODUCERS SOLD THREE LTC POLICIES TO WASHINGTON CONSUMERS ON BEHALF OF THE COMPANY AND THE PRODUCERS WERE NOT IN COMPLIANCE WITH THE LTC EDUCATION REQUIREMENTS AT THE TIME OF THE SALES. RCW 48.83.130(4) REQUIRES ISSUERS TO OBTAIN VERIFICATION THAT A PRODUCER RECEIVES TRAINING BEFORE THE PRODUCER IS PERMITTED TO SELL, SOLICIT OR NEGOTIATE THE ISSUER'S LTC INSURANCE PRODUCTS. WAC 284-17-262(1) PROVIDES THAT EACH INSURER THAT HAS LTC POLICIES APPROVED FOR SALE IN WA MUST CERTIFY ANNUALLY THAT ALL OF ITS PRODUCERS HAVE (A) COMPLETED THE 8 HR. ONE TIME LTC EDUCATION AND TRAINING COURSE REQUIRED BY RCW 48.83.130(1)(A)(I) PRIOR TO SELLING, SOLICITING, OR NEGOTIATING THE COMPANY'S LTC COVERAGE IN WA; AND (B) IF DUE, COMPLETED THE REQUIRED 4 HOUR LTC CE REQUIREMENT IMPOSED BY RCW 48.83.130(2)(B). BY FAILING TO VERIFY THAT TWO PRODUCERS HAD RECEIVED THE REQUIRED LONG-TERM CARE TRAINING PRIOR TO SELLING, SOLICITING OR NEGOTIATING



THE SALE OF THE COMPANY'S INSURANCE PRODUCTS, IT WAS ALLEGED THAT THE COMPANY HAD VIOLATED RCW 48.83.130(4) JUSTIFYING A FINE UNDER RCW 48.83.160. THE INSURANCE COMMISSIONER AND THE COMPANY AGREED TO RESOLVE THE MATTER WITHOUT FURTHER ADMINISTRATIVE OR JUDICIAL PROCEEDINGS. THE INSURANCE COMMISSIONER CONSENTED TO SETTLE THE MATTER IN CONSIDERATION OF THE COMPANY'S PAYMENT OF A FINE AND UPON SUCH TERMS AND CONDITIONS, INCLUDING (1) THE COMPANY ACKNOWLEDGES THE DUTY TO COMPLY FULLY WITH THE APPLICABLE LAWS OF THE STATE OF WASHINGTON; AND (2) THE COMPANY CONSENTED TO THE ENTRY OF THE ORDER, WAIVED ANY AND ALL HEARING OR OTHER PROCEDURAL RIGHTS AND FURTHER ADMINISTRATIVE OR JUDICIAL CHALLENGES TO THE ORDER. BY AGREEMENT, THE INSURANCE COMMISSIONER IMPOSED A FINE IN THE AMOUNT OF \$10,000 TO BE PAID WITHIN 30 DAYS.

Disclosure 2 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	IN 2003, THE INSURED PURCHASED A FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE POLICY WITH A FACE AMOUNT OF \$500,000. IT WAS ALLEGED THAT MASSMUTUAL RAISED THE PREMIUMS AND CHANGED AND CANCELLED THE POLICY WITHOUT NOTIFYING THE INSURED. THE INSURED FURTHER ALLEGED THAT THE AGENT DID NOT EXPLAIN THAT THE PREMIUM WOULD BE ADJUSTED ANNUALLY AND THAT THE AGENT MISREPRESENTED THE PRODUCT.
Initiated By:	MARYLAND INSURANCE ADMINISTRATION
Date Initiated:	04/12/2022
Docket/Case Number:	MIA-2023-04-018
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	04/26/2023



Sanctions Ordered:	Monetary/Fine \$1,000.00
Other Sanctions Ordered:	
Sanction Details:	THE MARYLAND INSURANCE COMMISSION ENTERED AN ORDER AGAINST MASSMUTUAL, AND WITHIN 30 DAYS OF THE DATE OF THE ORDER, MASSMUTUAL WILL PAY AN ADMINISTRATIVE PENALTY OF \$1,000.
Firm Statement	THE STATE OF MARYLAND DETERMINED THAT MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") VIOLATED THE CODE OF MARYLAND REGULATIONS ("COMAR") 31.09.15.11 AND THEREFORE SUBSECTION 4-113 OF THE INSURANCE ARTICLE BY FAILING TO SEND ANNUAL REPORTS TO AN INSURED IN 2020 AND 2021. THE ADMINISTRATION DID NOT FIND A VIOLATION BY MASSMUTUAL IN ITS OTHER ACTIONS COMPLAINED OF BY THE COMPLAINANT. THE MARYLAND INSURANCE COMMISSION ENTERED AN ORDER AGAINST MASSMUTUAL, AND WITHIN 30 DAYS OF THE DATE OF THE ORDER, MASSMUTUAL WILL PAY AN ADMINISTRATIVE PENALTY OF \$1,000.

Disclosure 3 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	ON MARCH 17, 2022, THE COMMISSIONER OF PUERTO RICO ISSUED AN ORDER AGAINST MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY STATING THAT THE FIRM HAD VIOLATED ARTICLES 11.230 AND 27.160 OF THE PUERTO INSURANCE CODE, 26 LPRA SECTIONS 1123 AND 2716 FOR WHICH AN ADMINISTRATIVE FINE OF \$3,000 WAS IMPOSED. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY WAS ORDERED TO RESCIND THE POLICY IN DISPUTE AND RETURN TO THE APPLICANT (COMPLAINANT) THE AMOUNT OF \$65,000, CORRESPONDING TO THE UNDULY COLLECTED PREMIUM. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY WAS ORDERED TO CEASE AND DESIST FROM THE PRACTICES DESCRIBED IN THE ORDER.
Initiated By:	THE OFFICE OF INSURANCE COMMISSIONER OF PUERTO RICO
Date Initiated:	03/17/2022
Docket/Case Number:	CM-2022-17
Principal Product Type:	Insurance
Other Product Type(s):	



Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	ADMINISTRATIVE FINE OF \$3,000. RESCIND THE DISPUTED POLICY AND RETURN TO THE COMPLAINANT THE AMOUNT OF \$65,000. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY WAS ORDERED TO CEASE AND DESIST FROM THE PRACTICES DESCRIBED IN THE ORDER.
Resolution:	Stipulation and Consent
Resolution Date:	06/27/2022
Sanctions Ordered:	Monetary/Fine \$3,000.00
Other Sanctions Ordered:	AN ADMINISTRATIVE FINE OF \$3,000 WAS INITIALLY IMPOSED AND THE COMMISSIONER OF INSURANCE OF PUERTO RICO MODIFIED THE ADMINISTRATIVE FINE TO \$1,500. AN ORDER TO RESCIND THE POLICY IN DISPUTE AND RETURN TO THE COMPLAINANT THE AMOUNT OF \$65,000 CORRESPONDING TO THE UNDULY COLLECTED PREMIUM. AN ORDER TO CEASE AND DESIST FROM THE PRACTICES DESCRIBED IN THE ORDER.
Sanction Details:	GIVEN THE ACCEPTANCE AND COMMITMENT OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY TO TAKE THE NECESSARY MEASURES TO AVOID SIMILAR MATTERS IN THE FUTURE, THE COMMISSIONER OF INSURANCE OF PUERTO RICO AGREED TO MODIFY THE ADMINISTRATIVE FINE TO \$1,500.
Firm Statement	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY DID NOT INTEND TO FAIL TO COMPLY WITH THE PROVISIONS OF ARTICLES 11,230 AND 27, 160 OF THE PUERTO RICO INSURANCE CODE, SUPRA, AND THE FACTS INDICATED IN THE ORDER AROSE AS AN EXCEPTIONAL SITUATION THAT DOES NOT CONSTITUTE THE NORMAL OR INTERNAL POLICY OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY'S INSURANCE BUSINESS. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ALLEGED THAT THE FACTS OF THE ORDER WERE THE RESULT OF ACTIONS AND/OR OMISSIONS OF PARTIES INVOLVED IN THE ORDER WHICH ENDED IN A MISUNDERSTANDING. GIVEN THAT MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ACCEPTED AND COMMITTED TO TAKE THE NECESSARY MEASURES TO AVOID SIMILAR SITUATIONS IN THE FUTURE, THE COMMISSIONER OF INSURANCE OF PUERTO RICO AGREED TO MODIFY THE ADMINISTRATIVE FINE TO \$1,500. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY PROCEEDED TO RESCIND THE POLICY THAT WAS SUBJECT OF THE CONTROVERSY AND TO REIMBURSE THE APPLICANT (COMPLAINANT) THE SUM OF \$65,000, AS PROVIDED IN THE ORDER.



Reporting Source: Firm

Affiliate: GREAT AMERICAN LIFE INSURANCE COMPANY

Current Status: Final

Allegations: CONTROL AFFILIATE WAS ONE OF SEVERAL UNRELATED ANNUITY ISSUERS THAT FACED ALLEGATIONS FROM THE MINNESOTA ATTORNEY GENERAL THAT THEY HAD UNFAIRLY TARGETED ELDERLY INVESTORS TO PURCHASE ANNUITIES. CONTROL AFFILIATE AND ITS SUBSIDIARY, ANNUITY INVESTORS LIFE INSURANCE COMPANY HAD SOLD APPROXIMATELY 2000 CONTRACTS INVOLVING APPROXIMATELY \$50,000,000 IN PURCHASES TO MINNESOTA RESIDENTS AGED 65 OR OLDER, DURING THE PERIOD OF 01/01/2001 THROUGH 08/01/2008.

Initiated By: MINNESOTA ATTORNEY GENERAL

Date Initiated: 08/01/2008

Docket/Case Number: N/A

Principal Product Type: Annuity(ies) - Fixed

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Restitution

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 12/29/2009

Sanctions Ordered: Disgorgement/Restitution

Other Sanctions Ordered:

Sanction Details: CONTROL AFFILIATE AGREED TO OFFER TO THE 2000 CONTRACT HOLDERS INVOLVED IN THE MATTER THE OPPORTUNITY TO CLAIM A REFUND WITHOUT PENALTY AND RECEIVE INTEREST AT THE ANNUAL RATE OF 4.15% FOR THE PERIOD OF TIME BETWEEN THE PURCHASE AND THE CLAIM FOR REFUND. CONTROL AFFILIATE HAD ALREADY UNDERTAKEN A REVIEW OF ITS ANNUITY SUITABILITY STANDARDS AND ADOPTED CHANGES THAT SATISFIED THE MINNESOTA ATTORNEY GENERAL.

Firm Statement CONTROL AFFILIATE WAS ONE OF SEVERAL UNRELATED ANNUITY ISSUERS THAT FACED ALLEGATIONS FROM THE MINNESOTA ATTORNEY GENERAL THAT THEY HAD UNFAIRLY TARGETED ELDERLY INVESTORS TO PURCHASE ANNUITIES. CONTROL AFFILIATE AND ITS SUBSIDIARY,



ANNUITY INVESTORS LIFE INSURANCE COMPANY HAD SOLD APPROXIMATELY 2000 CONTRACTS INVOLVING APPROXIMATELY \$50,000,000 IN PURCHASES TO MINNESOTA RESIDENTS AGED 65 OR OLDER, DURING THE PERIOD OF 01/01/2001 THROUGH 08/01/2008. CONTROL AFFILIATE AGREED TO OFFER TO THE 2000 CONTRACT HOLDERS INVOLVED IN THE MATTER THE OPPORTUNITY TO CLAIM A REFUND WITHOUT PENALTY AND RECEIVE INTEREST AT THE ANNUAL RATE OF 4.15% FOR THE PERIOD OF TIME BETWEEN THE PURCHASE AND THE CLAIM FOR REFUND. CONTROL AFFILIATE HAD ALREADY UNDERTAKEN A REVIEW OF ITS ANNUITY SUITABILITY STANDARDS AND ADOPTED CHANGES THAT SATISFIED THE MINNESOTA ATTORNEY GENERAL.

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Reporting Source:	Firm
Affiliate:	GREAT AMERICAN LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	ILLINOIS DEPARTMENT OF INSURANCE CONDUCTED A MARKET CONDUCT EXAM FOR THE PERIOD OF 09/01/2016 THROUGH 02/28/2018 AND FOUND THE CONTROL AFFILIATE TO HAVE VIOLATED 50IL ADMINISTRATIVE CODE 919.70(A)(2) AS THREE CLAIMS IDENTIFIED WERE STILL IN PROCESS AFTER 45 DAYS AND THE REQUISITE NOTICE WAS NOT GIVEN.
Initiated By:	ILLINOIS DEPARTMENT OF INSURANCE
Date Initiated:	11/01/2018
Docket/Case Number:	N/A
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Consent
Resolution Date:	11/01/2018
Sanctions Ordered:	Monetary/Fine \$750.00
Other Sanctions Ordered:	



Sanction Details:	MONETARY PENALTY OF \$750.00.
Firm Statement	ILLINOIS DEPARTMENT OF INSURANCE CONDUCTED A MARKET CONDUCT EXAM FOR THE PERIOD OF 09/01/2016 THROUGH 02/28/2018 AND FOUND THE CONTROL AFFILIATE TO HAVE VIOLATED 50IL ADMINISTRATIVE CODE 919.70(A)(2) AS THREE CLAIMS IDENTIFIED WERE STILL IN PROCESS AFTER 45 DAYSAND THE REQUISITE NOTICE WAS NOT GIVEN. CONTROL AFFILIATE ACCEPTED THE FINDING AND PAID THE \$750.00 ADMINISTRATIVE FINE.

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Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	THE NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES ("DFS") COMMENCED AN INVESTIGATION FOR THE PERIOD OF 1/1/2012-5/31/2018. DURING ITS INVESTIGATION, DFS IDENTIFIED A PRACTICE ARISING FROM THE REPLACEMENT OF DEFERRED ANNUITY CONTRACTS WITH IMMEDIATE INCOME ANNUITY CONTRACTS IN VIOLATION OF THE DISCLOSURE AND SUITABILITY REQUIREMENTS OF NEW YORK REGULATIONS 60 AND 187. IT WAS ALLEGED THAT MASSMUTUAL SOLD OR ISSUED 692 REPLACEMENT CONTRACTS TO CONSUMERS WITHOUT REASONABLE BASES TO BELIEVE THE ANNUITIES AT ISSUE WERE SUITABLE IN SOME INSTANCES, AND WITHOUT PROVIDING CONSUMERS WITH THE REQUIRED ANNUITIZATION INFORMATION FOR REPLACED DEFERRED ANNUITIES. IT WAS ALSO ALLEGED THAT MASSMUTUAL DID NOT ESTABLISH A SUPERVISORY SYSTEM DESIGNED TO ACHIEVE COMPLIANCE WITH RULE 187 IN CONNECTION WITH THE DEFERRED-TO-IMMEDIATE REPLACEMENTS AT ISSUE.
Initiated By:	NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES ("DFS")
Date Initiated:	01/01/2012
Docket/Case Number:	2020-0129-S
Principal Product Type:	Other
Other Product Type(s):	REPLACEMENT OF DEFERRED ANNUITY CONTRACTS WITH IMMEDIATE INCOME ANNUITY CONTRACTS.
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	RESTITUTION AND REMEDIATION



Resolution:	Consent
Resolution Date:	04/09/2020
Sanctions Ordered:	Monetary/Fine \$692,000.00
Other Sanctions Ordered:	PAY THE MONETARY PENALTY IN THE AMOUNT OF OF \$692,000 WITHIN 10 DAYS OF THE EFFECTIVE DATE OF THE CONSENT. WITHIN WITHIN 30 DAYS, PROVIDE ALL AFFECTED CONTRACT HOLDERS OR BENEFICIARIES NOTICES OR CHECKS OR OTHER PAYMENT MEANS APPROVED BY DFS THE REQUIRED AMOUNTS.
Sanction Details:	MASSMUTUAL AND DFS AGREED UPON RESTITUTION AND REMEDIATION FOR THE AFFECTED CONTRACT HOLDERS OF THE REPLACEMENT CONTRACTS, AND WITHIN 30 DAYS, ALL AFFECTED CONTRACT HOLDERS OR BENEFICIARIES WILL BE PROVIDED WITH NOTICES AND CHECKS OR OTHER PAYMENT MEANS APPROVED BY THE DFS IN THE REQUIRED AMOUNTS. MASSMUTUAL WILL PROVIDE THE DFS QUARTERLY REPORTS DETAILING THE NUMBER OF CHECKS MAILED, TOTAL AMOUNT OR INDIVIDUAL CHECKS AND THE NUMBER OF CHECKS DEPOSITED, UNDELIVERED AND OR NOT DEPOSITED.
Firm Statement	MASSMUTUAL AGREED TO PAY A CIVIL MONETARY FINE IN THE AMOUNT OF \$692,000. MASSMUTUAL AND DFS AGREED UPON RESITUTION AND REMEDIATION FOR THE AFFECTED CONTRACT HOLDERS OF THE REPLACEMENT CONTRACTS. WITHIN 30 DAYS, ALL AFFECTED CONTRACT HOLDERS OR BENEFICIARIES WILL BE PROVIDED WITH NOTICES AND CHECKS OR OTHER PAYMENT MEANS APPROVED BY THE DFS IN THE REQUIRED AMOUNTS. MASSMUTUAL WILL PROVIDE DFS QUARTERLY REPORTS DETAILING THE NUMBER OF CHECKS MAILED, TOTAL AMOUNT OR INDIVIDUAL CHECKS AND THE NUMBER OF CHECKS DEPOSITED, UNDELIVERED AND OR NOT DEPOSITED.

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Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	A MARKET CONDUCT EXAMINATION BY THE STATE OF CONNECTICUT, DEPARTMENT OF INSURANCE WAS CONDUCTED FOR THE PERIOD JANUARY 1, 2014 THROUGH DECEMBER 31, 2016 OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") IS THE ULTIMATE PARENT OF MML INVESTORS SERVICES, LLC ("MML INVESTORS SERVICES"). AT THE CONCLUSION OF THE EXAMINATION, THE INSURANCE DEPARTMENT



ALLEGED THAT MASSMUTUAL VIOLATED SUBSECTIONS 38A-15 AND 38A-702M OF THE CONNECTICUT GENERAL STATUTES.

Initiated By:	STATE OF CONNECTICUT INSURANCE DEPARTMENT
Date Initiated:	10/03/2017
Docket/Case Number:	DOCKET MC 18-87
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Stipulation and Consent
Resolution Date:	04/26/2019
Sanctions Ordered:	Monetary/Fine \$61,000.00
Other Sanctions Ordered:	
Sanction Details:	MASSMUTUAL AGREED TO PROVIDE THE DEPARTMENT WITH A SUMMARY OF ACTIONS TAKEN TO COMPLY WITH THE RECOMMENDATIONS IN THE MARKET CONDUCT REPORT WITHIN 90 DAYS AND MASSMUTUAL AGREED TO PAY A FINE IN THE AMOUNT OF \$61,000.
Firm Statement	DURING THE PERIOD UNDER EXAMINATION (JANUARY 1, 2014-DECEMBER 31, 2016), THE CONNECTICUT INSURANCE DEPARTMENT ALLEGED THAT MASSMUTUAL IN CERTAIN INSTANCES, FAILED TO FOLLOW ESTABLISHED PRACTICES AND PROCEDURES TO ENSURE COMPLIANCE WITH STATUTORY REQUIREMENTS RESULTING IN INSTANCES OF: 35 PRODUCERS ACTING AS AGENTS WITHOUT BEING APPOINTED; 1 INSTANCE WHERE IT FAILED TO RETURN PREMIUM IN A TIMELY MANNER; 5 INSTANCES WHERE IT FAILED TO PROVIDE DOCUMENTATION FOR REGULATORY REVIEW; AND 1 INSTANCE WHERE IT FAILED TO RESPOND TIMELY TO A WRITTEN REQUEST FOR INFORMATION.

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Reporting Source:	Firm
Affiliate:	C. M. LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	C. M. LIFE INSURANCE COMPANY IS OWNED BY MASSACHUSETTS MUTUAL



LIFE INSURANCE COMPANY. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY IS THE ULTIMATE PARENT OF MML INVESTORS SERVICES, LLC. A MARKET CONDUCT EXAMINATION BY THE STATE OF CONNECTICUT, DEPARTMENT OF INSURANCE WAS CONDUCTED FOR THE PERIOD JANUARY 1, 2014 THROUGH DECEMBER 31, 2016 OF C.M. LIFE INSURANCE COMPANY. THE CONNECTICUT DEPARTMENT OF INSURANCE ALLEGED THAT C. M. LIFE INSURANCE COMPANY VIOLATED SUBSECTION 38A-15 OF THE CONNECTICUT GENERAL STATUTES.

Initiated By:	STATE OF CONNECTICUT INSURANCE DEPARTMENT
Date Initiated:	10/03/2017
Docket/Case Number:	DOCKET MC 18-88
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Stipulation and Consent
Resolution Date:	04/26/2019
Sanctions Ordered:	Monetary/Fine \$2,500.00
Other Sanctions Ordered:	
Sanction Details:	C.M. LIFE INSURANCE COMPANY AGREED TO PROVIDE THE INSURANCE COMMISSIONER WITH A SUMMARY OF ACTIONS TAKEN TO COMPLY WITH THE RECOMMENDATIONS IN THE MARKET CONDUCT REPORT WITHIN 90 DAYS AND C.M. LIFE INSURANCE COMPANY AGREED TO PAY A FINE IN THE AMOUNT OF \$2,500.
Firm Statement	DURING THE PERIOD UNDER EXAMINATION (JANUARY 1, 2014-DECEMBER 31, 2016), THE CONNECTICUT INSURANCE DEPARTMENT ALLEGED THAT C. M. LIFE INSURANCE COMPANY IN CERTAIN INSTANCES FAILED TO FOLLOW ESTABLISHED PRACTICES AND PROCEDURES TO ENSURE COMPLIANCE WITH STATUTORY REQUIREMENTS, RESULTING IN INSTANCES OF INSUFFICIENT DOCUMENTATION FOR REGULATORY REVIEW.

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Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY



Current Status:	Final
Allegations:	HUD ALLEGED THAT MASSMUTUAL FAILED TO SUBMIT (I) AUDITED FINANCIAL STATEMENTS AND SUPPLEMENTARY REPORTS; (II) THE ANNUAL RECERTIFICATION FEE; (III) THE CALL REPORTS; AND (IV) THE ONLINE CERTIFICATION (COLLECTIVELY, THE "ANNUAL RECERTIFICATION REQUIREMENTS") WITHIN 90 DAYS OF THE CLOSE OF ITS FISCAL YEAR ENDING DECEMBER 2012. HUD REQUIRES THIS DOCUMENTATION AS A CONDITION OF CONTINUED PARTICIPATION IN HUD'S FEDERAL HOUSING ADMINISTRATION ("FHA") TITLE II SINGLE FAMILY MORTGAGE INSURANCE PROGRAM.
Initiated By:	THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD").
Date Initiated:	10/17/2013
Docket/Case Number:	14-1726-MRT
Principal Product Type:	Other
Other Product Type(s):	REAL ESTATE
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") AGREED TO PAY A CIVIL MONEY PENALTY OF \$7,500 FOR FAILING TO COMPLY WITH HUD-FHA'S ANNUAL RECERTIFICATION REQUIREMENTS WITH RESPECT TO FISCAL YEAR ENDING DECEMBER 2012.
Resolution:	Settled
Resolution Date:	11/17/2014
Sanctions Ordered:	Monetary/Fine \$7,500.00
Other Sanctions Ordered:	UNDER THE SETTLEMENT AGREEMENT, MASSMUTUAL AGREED TO SUBMIT THE ANNUAL RECERTIFICATION REQUIREMENTS AS DESCRIBED ABOVE AND PAY THE \$7,500 CIVIL MONEY PENALTY IN ORDER TO REINSTATE ITS FHA APPROVAL TO PARTICIPATE IN THE TITLE II SINGLE FAMILY MORTGAGE INSURANCE PROGRAM.
Sanction Details:	MASSMUTUAL SUBMITTED THE REQUIRED DOCUMENTATION AND PAID A \$7,500 CIVIL MONETARY PENALTY. \$7,500 WAS PAID ON SEPTEMBER 22, 2014.
Firm Statement	HUD'S MORTGAGE REVIEW BOARD ISSUED A NOTICE OF VIOLATION AND A NOTICE OF INTENT TO SEEK CIVIL MONEY PENALTIES INFORMING MASSMUTUAL OF HUD'S INTENT TO TAKE AN ADMINISTRATIVE ACTION OR IMPOSE CIVIL MONEY PENALTIES PURSUANT TO 12 U.S.C. § 1708 AND



1735F-14, AND 24 C.F.R. PARTS 25 AND 30, ON THE BASIS OF MASSMUTUAL'S FAILURE TO COMPLY WITH HUD-FHA'S ANNUAL CERTIFICATION REQUIREMENTS WITH RESPECT TO FISCAL YEAR ENDING DECEMBER 2012. THE BOARD THEN ISSUED A NOTICE OF ADMINISTRATIVE ACTION WITHDRAWING MASSMUTUAL'S FHA APPROVAL. MASSMUTUAL HAS SINCE SUBMITTED THE REQUIRED DOCUMENTATION AND PAID A \$7,500 CIVIL MONETARY PENALTY. THE MORTGAGE REVIEW BOARD HAS RESCINDED THE NOTICE OF ADMINISTRATIVE ACTION AND REINSTATED MASSMUTUAL AS AN APPROVED TITLE II MORTGAGEE. ON NOVEMBER 17, 2014, AN ADMINISTRATIVE LAW JUDGE WITH HUD'S OFFICE OF HEARINGS AND APPEALS DISMISSED THE MATTER, WITH PREJUDICE.

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Reporting Source:	Firm
Affiliate:	MML INSURANCE AGENCY, INC.
Current Status:	Final
Allegations:	MML INSURANCE AGENCY, INC., A SUBSIDIARY OF MML INVESTORS SERVICES, INC., DID NOT FILE AN ANNUAL REPORT BY THE REQUIRED DATE. THE ANNUAL REPORT WAS REQUIRED EVEN THOUGH MML INSURANCE AGENCY, INC. CONDUCTED NO BUSINESS IN PUERTO RICO FOR THE FILING TIME PERIOD.
Initiated By:	COMMISSIONER OF INSURANCE OF PUERTO RICO
Date Initiated:	05/25/2005
Docket/Case Number:	L-2005-86
Principal Product Type:	Insurance
Other Product Type(s):	ANNUITIES
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	10/21/2005
Sanctions Ordered:	Monetary/Fine \$500.00
Other Sanctions Ordered:	



Sanction Details:	MML INSURANCE AGENCY, INC. PAID THE \$500 FINE ON OCTOBER 10, 2005
Firm Statement	THE COMMISSIONER OF INSURANCE OF PUERTO RICO FOUND THAT MML INSURANCE AGENCY, INC. VIOLATED SECTION 9.370 OF THE INSURANCE CODE OF PUERTO RICO, SECTION 2 OF RULE XV OF THE REGULATIONS OF THE INSURANCE CODE OF PUERTO RICO, AND RULING LETTER NUMBER N-ES-50-2204 BY NOT FILING THE ANNUAL REPORT AND ORDERED PAYMENT OF A \$500 FINE.

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Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	ALLEGED THAT VIOLATIONS OF THE INSURANCE LAWS OF THE STATE OF NORTH CAROLINA WERE FOUND DURING A MARKET CONDUCT EXAMINATION OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") FOR THE TIME PERIOD OF JANUARY 1, 2002 THROUGH DECEMBER 31, 2002, WITH ANALYSES OF CERTAIN OPERATIONS OF MASSMUTUAL CONDUCTED THROUGH JANUARY 13, 2004.
Initiated By:	NORTH CAROLINA DEPARTMENT OF INSURANCE
Date Initiated:	01/03/2003
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Settled
Resolution Date:	05/03/2005
Sanctions Ordered:	Monetary/Fine \$97,000.00
Other Sanctions Ordered:	MASSMUTUAL ENTERED INTO A VOLUNTARY SETTLEMENT AGREEMENT, THAT HAS THE FULL FORCE AND EFFECT OF AN ORDER OF THE COMMISSIONER, WITH THE NORTH CAROLINA DEPARTMENT OF INSURANCE AND AGREED TO PAY, NO LATER THAN MAY 25, 2005, A \$97,700 ASSESSMENT IMPOSED BY THE NORTH CAROLINA DEPARTMENT OF



INSURANCE AS A RESULT OF REPORT ON THE MARKET CONDUCT EXAMINATION OF MASSMUTAL.

Sanction Details:

MASSMUTUAL PAID THE MONETARY ASSESSMENT OF \$97,700 BY MAY 25, 2005 FOR FINDING IN THE REPORT ON MARKET CONDUCT EXAMINATION OF MASSMUTUAL THAT MASSMUTUAL HAD FAILED TO COMPLY WITH STATUTORY AND REGULATORY REQUIREMENTS FOR INSURANCE COMPANIES IN NORTH CAROLINA RELATIVE TO MARKETING AND UNDERWRITING. MASSMUTUAL AGREED TO COMPLY WITH ALL STATUTORY AND REGULATORY REQUIREMENTS FOR INSURANCE COMPANIES DOING BUSINESS IN NORTH CAROLINA.

Firm Statement

MASSMUTUAL PAID BY MAY 25, 2005, THE \$97,700 MONETARY ASSESSMENT FOR FINDINGS IDENTIFIED IN THE REPORT ON MARKET CONDUCT EXAMINATION OF MASSMUTUAL CONDUCTED BY THE NORTH CAROLINA DEPARTMENT OF INSURANCE RELATIVE TO MARKETING AND UNDERWRITING. THE MATTER HAS BEEN RESOLVED.

Disclosure 12 of 42

Reporting Source:

Firm

Affiliate:

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Current Status:

Final

Allegations:

ALLEGED THAT MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL"), IN CERTAIN INSTANCES, VIOLATED THE PROVISIONS OF SECTION 38.2-610 OF THE CODE OF VIRGINIA, BY FAILING TO PROVIDE APPLICANTS FOR INSURANCE WITH WRITTEN NOTICE OF AN ADVERSE UNDERWRITING DECISION IN THE FORM APPROVED BY THE STATE CORPORATION COMMISSION.

Initiated By:

COMMONWEALTH OF VIRGINIA STATE CORPORATION COMMISSION

Date Initiated:

07/21/2003

Docket/Case Number:

CASE NO. INS-2003-00159

Principal Product Type:

Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Cease and Desist

Other Sanction(s)/Relief Sought:

Resolution:

Decision & Order of Offer of Settlement



Resolution Date:	08/14/2003
Sanctions Ordered:	Monetary/Fine \$15,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	MASSMUTUAL WAS ORDERED TO CEASE AND DESIST FROM ANY CONDUCT WHICH CONSTITUTES A VIOLATION OF SECTION 38.2-610 OF THE CODE OF VIRGINIA.
Sanction Details:	THE STATE CORPORATION COMMISSION OF VIRGINIA ACCEPTED MASSMUTUAL'S OFFER OF SETTLEMENT AND PAYMENT OF \$15,000. MASSMUTUAL AGREED TO CEASE AND DESIST FROM VIOLATIONS OF SECTION 38.2-610 OF THE CODE OF VIRGINIA AND WAIVED ITS RIGHT TO A HEARING. THE SETTLEMENT AMOUNT OF \$15,000 WAS SENT TO THE TREASURER OF VIRGINIA ON AUGUST 7, 2003. (COMMONWEALTH OF VIRGINIA AT THE RELATION OF THE STATE CORPORATION COMMISSION V. MASSMUTUAL LIFE INSURANCE COMPANY, DEFENDANT.
Firm Statement	THE STATE CORPORATION COMMISSION OF THE COMMONWEALTH OF VIRGINIA ISSUED A SETTLEMENT ORDER ON AUGUST 14, 2003, RELATING TO ALLEGATIONS THAT MASSMUTUAL VIOLATED SECTION 38.2-610 OF THE CODE OF VIRGINIA ("CODE"), FOR FAILING TO GIVE APPLICANTS WRITTEN NOTICE OF ADVERSE UNDERWRITING DECISIONS IN THE FORM APPROVED BY THE COMMISSION. MASSMUTUAL AGREED TO CEASE AND DESIST FROM CONDUCT VIOLATING CODE SECTION 38.2-610 AND WAIVED ITS RIGHT TO A HEARING. THE COMMISSION ACCEPTED MASSMUTUAL'S OFFER IN SETTLEMENT OF \$15,000, WHICH MASSMUTUAL SENT TO THE TREASURER OF VIRGINIA ON AUGUST 7, 2003. MASSMUTUAL ACKNOWLEDGED IT HAD CHANGED ITS PROCEDURES TO ENSURE FUTURE COMPLIANCE WITH CODE SECTION 38.2-610.

Disclosure 13 of 42

Reporting Source:	Firm
Affiliate:	CM ASSURANCE COMPANY
Current Status:	Final
Allegations:	ALLEGED THAT CM ASSURANCE COMPANY (A CONNECTICUT INSURER WHICH IS A SUBSIDIARY OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL")), VIOLATED CERTAIN STATUTES AND REGULATIONS BY FILING THE STATE PAGE FOR THE CALENDAR YEAR 2000 AFTER THE FILING DUE DATE.
Initiated By:	OREGON DEPT. OF CONSUMER AND BUSINESS SERVICES, INS. DIV.
Date Initiated:	03/15/2001



Docket/Case Number:	CASE NO. INS 01-09-025, FILE NO. 305167
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	11/12/2001
Sanctions Ordered:	Monetary/Fine \$500.00
Other Sanctions Ordered:	
Sanction Details:	THE STATE OF OREGON DEPARTMENT OF CONSUMER AND BUSINESS SERVICES, INSURANCE DIVISION ORDERED CM ASSURANCE COMPANY TO PAY A \$500.00 FINE FOR FAILURE TO TIMELY FILE WITH THE DIRECTOR, A STATE PAGE FOR THE CALENDAR YEAR 2000. CM ASSURANCE COMPANY PAID THE \$500.00 FINE AS OF NOVEMBER 12, 2001.
Firm Statement	CM ASSURANCE COMPANY PAID THE \$500.00 FINE FOR FAILURE TO TIMELY FILE A STATE PAGE WITH THE DIRECTOR FOR THE CALENDAR YEAR 2000 AS OF NOVEMBER 12, 2001. THIS MATTER IS FINAL.

Disclosure 14 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	ALLEGED THAT MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") VIOLATED CERTAIN STATUTES AND REGULATIONS BY FAILING TO CERTIFY AN AGENT'S APPOINTMENT TO REPRESENT MASSMUTUAL, C.M. LIFE INSURANCE COMPANY AND MML BAY STATE LIFE INSURANCE COMPANY WITHIN 30 WORKING DAYS OF APPOINTMENT.
Initiated By:	KANSAS INSURANCE DEPARTMENT
Date Initiated:	03/21/2002
Docket/Case Number:	NONE
Principal Product Type:	Insurance

**Other Product Type(s):****Principal Sanction(s)/Relief Sought:**

Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:**Resolution:**

Other

Resolution Date:

06/05/2002

Sanctions Ordered:

Monetary/Fine \$250.00

Other Sanctions Ordered:**Sanction Details:**

THE KANSAS INSURANCE DEPARTMENT IMPOSED A FINE OF \$250.00 ON MASSMUTUAL FOR PROVIDING IMPROPER NOTICE OF THE THE APPOINTMENT OF AN AGENT FOR MASSMUTUAL, C.M. LIFE INSURANCE COMPANY AND MML BAY STATE LIFE INSURANCE COMPANY DUE TO A CLERICAL ERROR. MASSMUTUAL TOOK STEPS TO VERIFY THAT NO BUSINESS TRANSACTIONS HAD TAKEN PLACE, TERMINATED THE APPOINTMENT PENDING THE DEPARTMENT'S RESPONSE AND INITIATED RETRAINING ON THE APPOINTMENT PROCEDURES.

Firm Statement

MASSMUTUAL PAID THE FINE OF \$250.00 FOR IMPROPERLY NOTIFYING THE KANSAS INSURANCE DEPARTMENT OF AN AGENT'S APPOINTMENT DUE TO A CLERICAL ERROR AS OF JUNE 5, 2002. THIS MATTER IS FINAL.

Disclosure 15 of 42**Reporting Source:**

Firm

Affiliate:

MML BAY STATE LIFE INSURANCE COMPANY

Current Status:

Final

Allegations:

ALLEGED THAT MML BAY STATE LIFE INSURANCE COMPANY VIOLATED CERTAIN STATUTES AND REGULATIONS BY ALLOWING ONE OF ITS AGENTS TO SOLICIT BUSINESS IN THE STATE OF WISCONSIN PRIOR TO PROPERLY LISTING THE AGENT WITH THE OFFICE OF THE COMMISSIONER OF INSURANCE.

Initiated By:

STATE OF WISCONSIN/OFFICE OF THE COMMISSIONER OF INSURANCE

Date Initiated:

12/18/2000

Docket/Case Number:

CASE NO. 00-C26837

Principal Product Type:

Insurance

**Other Product Type(s):**

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought: CEASE AND DESIST ORDER

Resolution: Order

Resolution Date: 01/08/2001

Sanctions Ordered: Monetary/Fine \$500.00
Cease and Desist/Injunction

Other Sanctions Ordered:

Sanction Details: THE STATE OF WISCONSIN/OFFICE OF THE COMMISSIONER OF INSURANCE ORDERED MML BAY STATE LIFE INSURANCE COMPANY TO PAY A FORFEITURE OF \$500.00 FOR ALLOWING AN AGENT TO SOLICIT AND SUBMIT INSURANCE APPLICATIONS PRIOR TO PROPERLY LISTING THE INDIVIDUAL WITH THE OFFICE OF THE COMMISSIONER OF INSURANCE. MML BAY STATE LIFE INSURANCE COMPANY PAID THE \$500.00 FORFEITURE FOR UTILIZING AN IMPROPERLY LISTED AGENT AS OF JANUARY 8, 2001. THE MATTER IS FINAL.

Firm Statement MML BAY STATE LIFE INSURANCE COMPANY PAID THE \$500.00 FORFEITURE FOR UTILIZING AN IMPROPERLY LISTED AGENT AS OF JANUARY 8, 2001. THE MATTER IS FINAL.

Disclosure 16 of 42

Reporting Source: Firm

Affiliate: MASSCHUSETTS MUTUAL LIFE INSURANCE COMPANY

Current Status: Final

Allegations: ALLEGED THAT MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") VIOLATED CERTAIN STATUTES AND REGULATIONS AS DESCRIBED IN A MARKET CONDUCT EXAMINATION CONDUCTED BY THE STATE OF CONNECTICUT INSURANCE DEPARTMENT DURING AN ON-SITE EXAMINATION COVERING THE TIME PERIOD OF JANUARY 1, 1999 THROUGH DECEMBER 31, 2000.

Initiated By: STATE OF CONNECTICUT INSURANCE DEPARTMENT

Date Initiated: 10/01/2001

Docket/Case Number: DOCKET MC 01-55



Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	10/03/2001
Sanctions Ordered:	Monetary/Fine \$31,000.00
Other Sanctions Ordered:	MASSMUTUAL AGREED TO UNDERTAKE A COMPLETE REVIEW OF CERTAIN PRACTICES AND PROCEDURES IDENTIFIED IN THE MARKET CONDUCT REPORT ISSUED BY THE STATE OF CONNECTICUT INSURANCE DEPARTMENT TO ENSURE: (1) THAT NEW BUSINESS IS NOT ACCEPTED FROM NOR COMMISSIONS PAID TO AGENTS NOT PROPERLY LICENSED AND APPOINTED, (2) THAT ADVERTISING MATERIALS COMPLY WITH ALL REQUIRED DISCLOSURES AND, (3) THAT CLAIM RECORDS ARE MAINTAINED IN ACCORDANCE WITH REQUIRED HANDLING PROCEDURES. MASSMUTUAL ALSO AGREED TO PROVIDE A REPORT ON FINDINGS AND ACTIONS TAKEN WITHIN 90 DAYS OF THE DATE OF THE FINAL ORDER.
Sanction Details:	MASSMUTUAL PAID A FINE OF \$31,000 TO THE STATE OF CONNECTICUT INSURANCE DEPARTMENT PURSUANT TO A COMPLAINT, STIPULATION AND FINAL ORDER DATED OCTOBER 3, 2001, RESULTING FROM A MARKET CONDUCT EXAMINATION FOR THE TIME PERIOD OF JANUARY 1, 1999 THROUGH DECEMBER 31, 2000. MASSMUTUAL SIGNED THE CERTIFICATION TO THE COMPLAINT, STIPULATION AND FINAL ORDER ON OCTOBER 3, 2001. (COMPLAINT, STIPULATION AND FINAL ORDER, DOCKET MC-01-55, OCTOBER 3, 2001).
Firm Statement	MASSMUTUAL PAID A FINE OF \$31,000 TO THE STATE OF CONNECTICUT INSURANCE DEPARTMENT PURSUANT TO A COMPLAINT, STIPULATION AND FINAL ORDER DATED OCTOBER 3, 2001, ISSUED IN CONNECTION WITH A MARKET CONDUCT EXAMINATION COVERING THE TIME PERIOD OF DECEMBER 31, 1999 THROUGH JANUARY 31, 2000 AND CONCERNING VIOLATIONS OF CERTAIN STATUTES AND REGULATIONS. MASSMUTUAL SIGNED THE CERTIFICATION TO THE COMPLAINT, STIPULATION AND FINAL ORDER ON OCTOBER 1, 2001.

Disclosure 17 of 42

Reporting Source: Firm



Affiliate: MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Current Status: Final

Allegations: ALLEGED BY THE STATE OF NEVADA DIVISION OF INSURANCE THAT MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") AND TWO OF ITS LIFE INSURANCE SUBSIDIARIES, MML BAY STATE LIFE INSURANCE COMPANY AND C.M. LIFE INSURANCE COMPANY FAILED TO TIMELY FILE REQUIRED ANNUAL COMPLAINT REPORTS ON OR BEFORE MARCH 1, 2000.

Initiated By: STATE OF NEVADA DIVISION OF INSURANCE

Date Initiated: 06/15/2001

Docket/Case Number: CAUSE NO. 01.302;01.494 AND 01.505

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 09/27/2001

Sanctions Ordered: Monetary/Fine \$2,500.00

Other Sanctions Ordered: MASSMUTUAL, MML BAY STATE LIFE INSURANCE COMPANY AND C.M. LIFE INSURANCE COMPANY WERE ORDERED TO PROVIDE THE ANNUAL COMPLAINT REPORT DUE MARCH 1, 2000 WITHIN 30 DAYS OF RECEIPT OF THE ADMINISTRATIVE FINE AND CONSENT TO FINE.

Sanction Details: MASSMUTUAL PAID A FINE OF \$1,000, MML BAY STATE LIFE INSURANCE COMPANY PAID A FINE OF \$1,000 AND C.M. LIFE INSURANCE COMPANY PAID A FINE OF \$500 TO THE STATE OF NEVADA DIVISION OF INSURANCE, PURSUANT TO AN ADMINISTRATIVE FINE AND CONSENT TO FINE DATED JUNE 15, 2001, ISSUED TO EACH COMPANY FOR FAILURE TO TIMELY FILE REQUIRED ANNUAL COMPLAINT REPORTS DUE MARCH 1, 2000. MASSMUUTAL, MML BAY STATE LIFE INSURANCE COMPANY AND C.M. LIFE INSURANCE COMPANY FORWARDED PAYMENT OF THE THREE FINES TOTALLING \$2,500 TO THE STATE OF NEVADA DIVISION OF INSURANCE ON SEPTEMBER 27, 2001, ALONG WITH THREE CONSENTS TO FINE EXECUTED BY MASSMUTUAL, MML BAY STATE LIFE INSURANCE COMPANY AND C.M. LIFE INSURANCE COMPANY ON SEPTEMBER 27, 2001. (RE: ADMINISTRATIVE FINE AND CONSENT TO FINE FAILURE TO FILE ANNUAL



COMPLAINT REPORT, CAUSE NO. 01.302; 01.494; AND 01.505).

Firm Statement

MASSMUTUAL, MML BAY STATE LIFE INSURANCE COMPANY AND C.M. LIFE INSURANCE COMPANY PAID FINES TOTALLING \$2,500 AS OF SEPTEMBER 27, 2001, TO THE STATE OF NEVADA DIVISION OF INSURANCE PURSUANT TO AN ADMINISTRATIVE FINE AND CONSENT TO FINE DATED JUNE 15, 2001, ISSUED TO EACH COMPANY, FOR FAILURE TO TIMELY FILE A REQUIRED ANNUAL COMPLAINT REPORT BY MARCH 1, 2000. EACH COMPANY EXECUTED A CONSENT TO FINE ON SEPTEMBER 27, 2001. EACH COMPANY ALSO FILED REQUIRED ANNUAL COMPLAINT REPORT.

Disclosure 18 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	ALLEGED CERTAIN VIOLATIONS AS DESCRIBED IN A MARKET CONDUCT EXAMINATION OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") BY THE STATE OF WASHINGTON OFFICE OF INSURANCE COMMISSIONER RESULTING FROM AN ON-SITE EXAMINATION COVERING THE TIME PERIOD OF JANUARY 1, 1992 THROUGH DECEMBER 31, 1996.
Initiated By:	STATE OF WASHINGTON OFFICE OF INSURANCE COMMISSIONER
Date Initiated:	02/08/2000
Docket/Case Number:	NO. D02-11
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	CERTAIN VIOLATIONS AS DESCRIBED IN A MARKET CONDUCT EXAMINATION OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") BY THE STATE OF WASHINGTON OFFICE OF INSURANCE COMMISSIONER RESULTING FROM AN ON-SITE EXAMINATION COVERING THE TIME PERIOD OF JANUARY 1, 1992 THROUGH DECEMBER 31, 1996.
Resolution:	Order
Resolution Date:	02/13/2002
Sanctions Ordered:	Monetary/Fine \$115,000.00
Other Sanctions Ordered:	MASSMUTUAL WAS ORDERED TO COMMIT NO FURTHER VIOLATIONS OF



STATUTES AND REGULATIONS CITED IN THE CONSENT ORDER FOR A 24 MONTH PERIOD FROM THE DATE THE ORDER WAS ENTERED. THE VIOLATIONS INCLUDED THE ALTERATION OF APPLICATIONS WITHOUT THE APPLICANT'S WRITTEN CONSENT, ACCEPTANCE OF APPLICATIONS FROM AGENTS NOT LICENSED IN WASHINGTON OR NOT APPOINTED WITH MASSMUTUAL, FAILURE TO PROVIDE INSURANCE REPLACEMENT NOTICE FOR THE SURRENDER OF EXISTING POLICIES, THE EXERCISE OF THE NON-FORFEITURE OPTION, POLICY LOANS AND THE USE OF DIVIDENDS ON EXISTING POLICY TO PAY NEW POLICY'S PREMIUMS.

Sanction Details:

THE STATE OF WASHINGTON OFFICE OF INSURANCE COMMISSIONER ORDERED MASSMUTUAL TO PAY A FINE OF \$115,000, WITH THE AMOUNT OF \$57,500 SUSPENDED ON CONDITION THAT MASSMUTUAL PAY \$57,500 WITHIN 30 DAYS OF THE ENTRY OF THE ORDER, COMMIT NO FURTHER VIOLATIONS OF THE STATUTES AND REGULATIONS THAT ARE THE SUBJECT OF THE CONSENT ORDERS FOR 24 MONTHS AND IMPLEMENT AND COMPLY WITH A COMPLIANCE PLAN. MASSMUTUAL SIGNED THE CONSENT ORDER ON FEBRUARY 6, 2002. PAYMENT OF THE \$57,500 FINE WAS SENT TO TO THE STATE OF WASHINGTON OFFICE OF THE INSURANCE COMMISSIONER ON FEBRUARY 20, 2002. (IN THE MATTER OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, NO. D02-11, FEBRUARY 13, 2002.

Firm Statement

MASSMUTUAL PAID A FINE OF \$57,500 TO THE STATE OF WASHINGTON OFFICE OF INSURANCE COMMISSIONER, UNDER CONSENT AND ORDER TO LEVY FINE NO. D02-11 ISSUED FEBRUARY 13, 2002, FOR VIOLATIONS OF CERTAIN WASHINGTON STATUTES AND REGULATIONS FOUND DURING A MARKET CONDUCT EXAMINATION CONDUCTED FOR THE PERIOD OF JANUARY 1, 1992 THROUGH DECEMBER 31, 1996. MASSMUTUAL PAID THE FINE AS OF FEBRUARY 20, 2002.

Disclosure 19 of 42**Reporting Source:**

Firm

Affiliate:

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Current Status:

Final

Allegations:

ALLEGED CERTAIN VIOLATIONS AS DESCRIBED IN A MARKET CONDUCT EXAMINATION OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUUTAL") BY THE STATE OF COLORADO DIVISION OF INSURANCE RESULTING FROM AN ON-SITE EXAMINATION COVERING THE TIME PERIOD OF JANUARY 1, 2000 THROUGH DECEMBER 31, 2000.

Initiated By:

STATE OF COLORADO DIVISION OF INSURANCE

Date Initiated:

10/18/2001



Docket/Case Number:	FINAL AGENCY ORDER O-02-125
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	01/16/2002
Sanctions Ordered:	Monetary/Fine \$1,000.00
Other Sanctions Ordered:	MASSMUTUAL WAS ORDERED TO REVIEW ITS RECORDS RETENTION PROCEDURES FOR FAILURE TO MAINTAIN ADEQUATE RECORDS AND REPLACEMENT PROCEDURES, TO PROVIDE REQUIRED NOTICE, TO REVIEW LIFE AND ANNUITY ADVERTISING MATERIALS FOR MISLEADING MATERIALS, TAKE CORRECTIVE ACTION FOR FAILURE TO PROVIDE MANDATED RIGHT TO RETURN PROVISION, CORRECT INADEQUATE FRAUD WARNING LANGUAGE, CLEARLY IDENTIFY LENGTH OF SUICIDE EXCLUSIONARY PERIOD AND DEVELOP CONSISTENT CLAIMS PAYMENT PROCEDURES.
Sanction Details:	THE STATE OF COLORADO DIVISION OF INSURANCE ORDERED MASSMUTUAL TO PAY A CIVIL PENALTY OF \$1,000. MASSMUTUAL SENT PAYMENT OF THE \$1,000 CIVIL PENALTY TO THE STATE OF COLORADO DIVISION OF INSURANCE ON FEBRUARY 1, 2002. (IN THE MATTER OF THE MARKET CONDUCT EXAMINATION OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, FINAL AGENCY ORDER O-02-125, JANUARY 16, 2002.)
Firm Statement	MASSMUTUAL PAID A CIVIL PENALTY OF \$1,000 TO THE STATE OF COLORADO DIVISION OF INSURANCE, UNDER FINAL AGENCY ORDER O-02-125 ISSUED JANUARY 16, 2002, FOR VIOLATIONS OF CERTAIN COLORADO INSURANCE LAWS AND REGULATIONS FOUND DURING A MARKET CONDUCT EXAMINATION CONDUCTED FOR THE PERIOD OF JANUARY 1, 2000 THROUGH DECEMBER 31, 2000. MASSMUTUAL PAID THE PENALTY AS OF FEBRUARY 1, 2002.

Disclosure 20 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY



Current Status:	Final
Allegations:	ALLEGED CERTAIN VIOLATIONS AS DESCRIBED IN A MARKET CONDUCT EXAMINATION OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") BY THE COMMONWEALTH OF KENTUCKY DEPARTMENT OF INSURANCE RESULTING FROM AN ON-SITE EXAMINATION COVERING THE TIME PERIOD OF JULY 1, 1996 THROUGH JULY 31, 1999.
Initiated By:	COMMONWEALTH OF KENTUCKY, DEPARTMENT OF INSURANCE
Date Initiated:	07/06/2000
Docket/Case Number:	FILE NO.: MC99-19
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	01/25/2002
Sanctions Ordered:	Monetary/Fine \$17,500.00
Other Sanctions Ordered:	MASSMUTUAL WAS ORDERED TO ESTABLISH AND IMPLEMENT PROCEDURES TO ENSURE THE DISCONTINUANCE OF THE PRACTICE OF AGENTS AND OTHER COMPANY REPRESENTATIVES PREPAYING PREMIUMS, THE INCLUSION OF A FRAUD STATEMENT ON ALL APPLICATIONS, NOTICE TO INSUREDS OF SURRENDER VALUES AND OPTIONS, ACCEPTANCE OF BUSINESS ONLY FROM LICENSED, APPOINTED AGENTS, COMMISSION PAYMENTS TO AGENTS LICENSED FOR THE LINE OF BUSINESS PRODUCED, MAINTENANCE OF RECORDS WITH FREE AVAILABILITY TO THE COMMISSIONER AND THE COLLECTION AND ALLOCATION OF LOCAL PREMIUM TAXES TO THE APPROPRIATE TAXING AUTHORITY.
Sanction Details:	THE COMMONWEALTH OF KENTUCKY DEPARTMENT OF INSURANCE ORDERED MASSMUTUAL TO PAY A CIVIL PENALTY OF \$17,500 UNDER AN AGREED ORDER. MASSMUTUAL SENT PAYMENT OF THE CIVIL PENALTY OF \$17,500 TO THE COMMONWEALTH OF KENTUCKY DEPARTMENT OF INSURANCE ON JANUARY 22, 2002. (IN THE MATTER OF: MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, FILE NO.: MC-99-19).
Firm Statement	MASSMUTUAL PAID A PENALTY OF \$17,500 TO THE COMMONWEALTH OF KENTUCKY DEPARTMENT OF INSURANCE AS OF JANUARY 22, 2002,



PURSUANT TO AN AGREED ORDER FOR VIOLATIONS OF CERTAIN KENTUCKY INSURANCE STATUTES AND ADMINISTRATIVE REGULATIONS FOUND DURING A MARKET CONDUCT EXAMINATION CONDUCTED FOR THE PERIOD OF JULY 1, 1996 THROUGH JULY 31, 1999.

Disclosure 21 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	ALLEGED CERTAIN VIOLATIONS AS DESCRIBED IN A MARKET CONDUCT EXAMINATION OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") AND TWO OF ITS LIFE INSURANCE SUBSIDIARIES, C.M. LIFE INSURANCE COMPANY AND MML BAY STATE LIFE INSURANCE COMPANY, BY THE STATE OF ARIZONA DEPARTMENT OF INSURANCE RESULTING FROM AN ON-SITE EXAMINATION COVERING THE TIME PERIOD OF APRIL 15, 1995 THROUGH APRIL 15, 1998.
Initiated By:	STATE OF ARIZONA DEPARTMENT OF INSURANCE
Date Initiated:	07/09/1998
Docket/Case Number:	DOCKET NO. 01A-036-INS AND 01A-037-INS
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	02/07/2001
Sanctions Ordered:	Monetary/Fine \$20,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	MASSMUTUAL AND C.M. LIFE INSURANCE COMPANY WERE ORDERED TO CEASE AND DESIST FROM FAILING TO PROVIDE A SUMMARY OF RIGHTS AND NOTICE OF AN ADVERSE UNDERWRITING DECISION, TO SEND A DATED POLICY SUMMARY TO AN EXISTING INSURER WHEN A REPLACEMENT WAS INVOLVED, TO REQUIRE A NOTICE REGARDING REPLACEMENT FROM THE AGENT ON INTERNAL REPLACEMENTS, TO MAINTAIN A POLICY SUMMARY FOR THE PRESCRIBED TIME AND TO USE



AN HIV FORM SPECIFYING WAITING PERIODS AND EFFECTIVE DATES. MASSMUTUAL ALSO WAS ORDERED TO CEASE AND DESIST FROM USING AVOCATIONAL ACTIVITIES AS A DEATH BENEFIT EXCLUSION, TESTING FOR HIV PRIOR TO OBTAINING WRITTEN CONSENT AND FAILING TO ADVISE APPLICANTS OF THE RIGHT TO PREMIUM REFUND ON REPLACEMENT OF EXISTING INSURANCE.

Sanction Details:

THE STATE OF ARIZONA DEPARTMENT OF INSURANCE ORDERED MASSMUTUAL TO PAY A CIVIL PENALTY OF \$15,000 AND C.M. LIFE INSURANCE COMPANY TO PAY A CIVIL PENALTY OF \$5,000. CONSENT ORDERS WERE SIGNED ON FEBRUARY 1, 2001. BOTH AMOUNTS WERE PAID AND WERE RECEIVED BY THE STATE OF ARIZONA ON FEBRUARY 6, 2001. (IN THE MATTER OF: MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, DOCKET NO. 01A-036-INS, FEBRUARY 7, 2001; AND IN THE MATTER OF C.M. LIFE INSURANCE COMPANY, DOCKET NO. 01A-037-INS, FEBRUARY 7, 2001).

Firm Statement

MASSMUTUAL PAID A CIVIL PENALTY OF \$15,000 AND C.M. LIFE INSURANCE COMPANY PAID A CIVIL PENALTY OF \$5,000 TO THE STATE OF ARIZONA DEPARTMENT OF INSURANCE, UNDER ORDERS ISSUED ON FEBRUARY 7, 2001, FOR VIOLATIONS OF CERTAIN ARIZONA STATUTES AND ADMINISTRATIVE RULES FOUND DURING A MARKET CONDUCT EXAMINATION CONDUCTED FOR THE PERIOD OF APRIL 15, 1995 THROUGH APRIL 15, 1998. MASSMUTUAL AND C.M. LIFE INSURANCE COMPANY SIGNED CONSENT ORDERS ON FEBRUARY 1, 2001 AND THE STATE OF ARIZONA RECEIVED THE PENALTY AMOUNTS ON FEBRUARY 6, 2001, NO PENALTY WAS ASSESSED AGAINST MML BAY STATE LIFE INSURANCE COMPANY.

Disclosure 22 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	ALLEGED THAT MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY AND TWO OF ITS LIFE INSURANCE SUBSIDIARIES, C.M. LIFE INSURANCE COMPANY AND MML BAY STATE LIFE INSURANCE COMPANY EACH FAILED TO TIMELY FILE A \$100 FINANCIAL STATEMENT FILING FEE FOR 1999 WITH THE WEST VIRGINIA INSURANCE COMMISSIONER.
Initiated By:	STATE OF WEST VIRGINIA, OFFICES OF THE INSURANCE COMMISSIONER
Date Initiated:	03/21/2000
Docket/Case Number:	00-0442-99AS-35



Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	04/26/2000
Sanctions Ordered:	Monetary/Fine \$300.00
Other Sanctions Ordered:	
Sanction Details:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY AND TWO OF ITS LIFE INSURANCE SUBSIDIARIES, C.M. LIFE INSURANCE COMPANY AND MML BAY STATE LIFE INSURANCE COMPANY ENTERED INTO CONSECUTIVE ORDERS AND AGREEMENTS AND EACH AGREED TO PAY AN ADMINISTRATIVE PENALTY IN THE AMOUNT OF \$100 FOR FAILURE TO TIMELY FILE THE 1999 FINANCIAL STATEMENT FILING FEE WITH THE WEST VIRGINIA INSURANCE COMMISSIONER. (IN RE: MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, 00-0042-99AS-35, APRIL 26, 2000; IN RE: MML BAY STATE LIFE INSURANCE COMPANY, 00-00526-99AS-37, APRIL 26, 2000; AND IN RE: C.M. LIFE INSURANCE COMPANY, 00-00723-99AS-14, APRIL 26, 2000).
Firm Statement	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, C.M. LIFE INSURANCE COMPANY AND MML BAY STATE LIFE INSURANCE COMPANY EACH PAID THE \$100 ADMINISTRATIVE PENALTY FOR FAILURE TO TIMELY FILE THE 1999 FINANCIAL STATEMENT FILING FEE WITH THE WEST VIRGINIA INSURANCE COMMISSIONER.

Disclosure 23 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	ALLEGED THAT VIOLATIONS OF CERTAIN INSURANCE LAWS OR DEPARTMENT REGULATIONS WERE FOUND DURING A MARKET CONDUCT EXAMINATION OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY BY THE STATE OF NEW YORK INSURANCE DEPARTMENT FOR THE PERIOD OF JANUARY 1, 1997 THROUGH DECEMBER 31, 1999.
Initiated By:	STATE OF NEW YORK INSURANCE DEPARTMENT



Date Initiated:	10/31/2000
Docket/Case Number:	NO. S2000-0168N
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Stipulation and Consent
Resolution Date:	10/31/2000
Sanctions Ordered:	Monetary/Fine \$10,000.00
Other Sanctions Ordered:	
Sanction Details:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") ENTERED INTO A STIPULATION AND AGREED TO PAY A CIVIL PENALTY OF \$10,000 FOR ACTIVITIES FOUND DURING A MARKET CONDUCT EXAMINATION OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY BY THE STATE OF NEW YORK INSURANCE DEPARTMENT FOR THE PERIOD OF JANUARY 1, 1997 THROUGH DECEMBER 31, 1999. (IN THE MATTER OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, STIPULATION NO. S2000-0168N).
Firm Statement	MASSMUTUAL PAID THE \$10,000 CIVIL PENALTY FOR ACTIVITIES FOUND DURING A MARKET CONDUCT EXAMINATION BY THE STATE OF NEW YORK INSURANCE DEPARTMENT FOR THE PERIOD OF JANUARY 1, 1997 THROUGH DECEMBER 31, 1999.

Disclosure 24 of 42

Reporting Source:	Firm
Affiliate:	MASSCHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	ALLEGED THAT AN AGENT OF MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY IMPROPERLY FAILED TO (1) ADVISE A POLICYHOLDER THAT THE UNIVERSAL LIFE INSURANCE POLICY THEY HAD PURCHASED WAS SUBJECT TO INTEREST RATE FLUCTUATIONS DETERMINED BY THE ECONOMY AND (2) FAILED TO PROVIDE A NOTICE REGARDING REPLACEMENT AT THE TIME THE POLICY WAS PURCHASED.



Initiated By:	STATE OF MARYLAND, MARYLAND INSURANCE ADMINISTRATION
Date Initiated:	11/28/1999
Docket/Case Number:	MIA NO.: 757-2/99
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	03/14/2000
Sanctions Ordered:	Monetary/Fine \$100.00
Other Sanctions Ordered:	
Sanction Details:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY ("MASSMUTUAL") AGREED UNDER A FINAL ORDER TO PAY A MONETARY FINE OF \$100 FOR THE FAILURE OF ONE OF ITS AGENTS TO PROVIDE A NOTICE REGARDING REPLACEMENT AT THE TIME OF POLICY PURCHASE. (KOTZ V. MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, MIA NO.: 757-2/99, MARCH 14, 2000).
Firm Statement	MASSMUTUAL PAID THE \$100 MONETARY FINE IMPOSED UNDER THE FINAL ORDER BY THE MARYLAND INSURANCE ADMINISTRATION FOR THE FAILURE OF ONE OF ITS AGENTS TO PROVIDE A NOTICE REGARDING REPLACEMENT AT THE TIME THE POLICYHOLDER PURCHASED A UNIVERSAL LIFE POLICY.

Disclosure 25 of 42

Reporting Source:	Firm
Affiliate:	MML INSURANCE AGENCY, INC.
Current Status:	Final
Allegations:	MML INSURANCE AGENCY, INC. ("MMLIAI") HAD ITS CERTIFICATE OF AUTHORITY REVOKED IN THE STATE OF WASHINGTON FOR FAILURE TO FILE ITS INITIAL LIST OF OFFICERS AND DIRECTORS WITHIN THE ALLOTTED TIME.
Initiated By:	STATE OF WASHINGTON SECRETARY OF STATE



Date Initiated: 12/27/1991

Docket/Case Number:

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Revocation

Other Sanction(s)/Relief Sought:

Resolution: Other

Resolution Date: 04/27/1992

Sanctions Ordered: Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details: MMLIAI HAD ITS CERTIFICATE OF AUTHORITY REVOKED IN THE STATE OF WASHINGTON FOR FAILURE TO FILE ITS INITIAL LIST OF OFFICERS AND DIRECTORS WITHIN THE ALLOTTED TIME.

Firm Statement MMLIAI REAPPLIED FOR AND RECEIVED A CERTIFICATE OF AUTHORITY ON APRIL 27, 1992.

Disclosure 26 of 42

Reporting Source: Firm

Affiliate: MML INSURANCE AGENCY, INC.

Current Status: Final

Allegations: MML INSURANCE AGENCY, INC. ("MMLIAI") HAD ITS CERTIFICATE OF AUTHORITY REVOKED IN THE STATE OF SOUTH CAROLINA FOR FAILURE TO FILE ITS ANNUAL REPORT WITHIN THE ALLOTTED TIME.

Initiated By: STATE OF SOUTH CAROLINA SECRETARY OF STATE

Date Initiated: 07/30/1993

Docket/Case Number:

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Revocation


Other Sanction(s)/Relief Sought:

Resolution:	Other
Resolution Date:	12/03/1993
Sanctions Ordered:	Revocation/Expulsion/Denial
Other Sanctions Ordered:	
Sanction Details:	MMLIAI HAD ITS CERTIFICATE OF AUTHORITY REVOKED IN THE STATE OF SOUTH CAROLINA FOR FAILURE TO FILE ITS ANNUAL REPORT WITHIN THE ALLOTTED TIME.
Firm Statement	MMLIAI REAPPLIED FOR AND RECEIVED A CERTIFICATE OF AUTHORITY IN DECEMBER, 1993.

Disclosure 27 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	FAILURE TO RESPOND TO A REQUEST FROM THE COMMISSIONER FOR INFORMATION ABOUT A CLAIM MATTER.
Initiated By:	INSURANCE COMMISSIONER OF OKLAHOMA
Date Initiated:	03/11/1999
Docket/Case Number:	CASE NO. 98-08-06190
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONDITIONAL ADMINISTRATIVE ORDER AND FINE
Resolution:	Other
Resolution Date:	03/11/1999
Sanctions Ordered:	Monetary/Fine \$500.00
Other Sanctions Ordered:	



Sanction Details: CONTROL AFFILIATE ENTERED INTO A CONDITIONAL ADMINISTRATIVE ORDER AND AGREED TO PAY A FINE IN THE AMOUNT OF \$500.00.

Disclosure 28 of 42

Reporting Source: Firm

Affiliate: MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Current Status: Final

Allegations: ALLEGATIONS WERE THAT THE CONTROL AFFILIATE HAD AN UNAUTHORIZED AGENT SOLICIT TO SELL VARIABLE LIFE INSURANCE; FAILURE TO NOTIFY THE AGENT AND THE POLICYHOLDER THAT SUCH POLICIES WERE SUBJECT TO REPLACEMENT AND FAILURE TO PROVIDE A COPY OF THE REPLACEMENT FORM TO THE POLICY HOLDER.

Initiated By: INSURANCE COMMISSIONER OF UTAH

Date Initiated: 07/27/1999

Docket/Case Number: DOCKET NO. 1999-299-LF

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: STIPULATION/ORDER AND FINE

Resolution: Other

Resolution Date: 07/27/1999

Sanctions Ordered: Monetary/Fine \$3,750.00

Other Sanctions Ordered: STIPULATION AND ORDER

Sanction Details: CONTROL AFFILIATE ENTERED INTO A STIPULATION AND ORDER AND AGREED TO PAY A FINE IN THE AMOUNT OF \$3,750.00.

Disclosure 29 of 42

Reporting Source: Firm

Affiliate: MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Current Status: Final



Allegations:	FAILURE OF CONTROL AFFILIATE'S PREDECESSOR, CONNECTICUT MUTUAL LIFE INSURANCE COMPANY, TO TIMELY PROCESS AND PAY CERTAIN DEATH CLAIMS.
Initiated By:	COMMISSIONER OF INSURANCE OF THE COMMONWEALTH OF PUERTO RICO
Date Initiated:	07/07/1999
Docket/Case Number:	CASE NO. C-96-522
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	ORDER AND FINE
Resolution:	Other
Resolution Date:	07/07/1999
Sanctions Ordered:	Monetary/Fine \$2,900.00
Other Sanctions Ordered:	
Sanction Details:	AN ORDER WAS ENETERED AND CONTROL AFFILIATE AGREED TO PAY A FINE IN THE AMOUNT OF \$2,900.00.

Disclosure 30 of 42

Reporting Source:	Firm
Affiliate:	CM LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	CONTROL AFFILIATES FAILED TO SUBMIT VARIABLE LIFE ADVERTISING TO THE MARYLAND INSURANCE ADMINISTRATION BEFORE USING SUCH ADVERTISING.
Initiated By:	MARYLAND INSURANCE ADMINISTRATION
Date Initiated:	02/14/2000
Docket/Case Number:	CASE NO. MIA-80-2/00
Principal Product Type:	Insurance
Other Product Type(s):	



Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: CONSENT ORDER AND ADMINISTRATIVE PENALTY

Resolution: Consent

Resolution Date: 02/14/2000

Sanctions Ordered: Monetary/Fine \$2,500.00

Other Sanctions Ordered: CONSENT ORDER

Sanction Details: CONTROL AFFILIATE AGREED TO ENTER INTO A CONSENT ORDER AND TO PAY AN ADMINISTRATIVE PENALTY OF \$2,500.00.

Reporting Source: Firm

Affiliate: MML BAY STATE LIFE INSURANCE COMPANY

Current Status: Final

Allegations: CONTROL AFFILIATES FAILED TO SUBMIT VARIABLE LIFE ADVERTISING TO THE MARYLAND INSURANCE ADMINISTRATION BEFORE USING SUCH ADVERTISING.

Initiated By: MARYLAND INSURANCE ADMINISTRATION

Date Initiated: 02/14/2000

Docket/Case Number: CASE NO. MIA-80-2/00

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: CONSENT ORDER AND ADMINISTRATIVE PENALTY

Resolution: Consent

Resolution Date: 02/14/2000

Sanctions Ordered: Monetary/Fine \$2,500.00

Other Sanctions Ordered: CONSENT ORDER

Sanction Details: CONTROL AFFILIATE AGREED TO ENTER INTO A CONSENT ORDER AND TO



PAY AN ADMINISTRATIVE PENALTY OF \$2,500.00.

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	CONTROL AFFILIATES FAILED TO SUBMIT VARIABLE LIFE ADVERTISING TO THE MARYLAND INSURANCE ADMINISTRATION BEFORE USING SUCH ADVERTISING.
Initiated By:	MARYLAND INSURANCE ADMINISTRATION
Date Initiated:	02/14/2000
Docket/Case Number:	CASE NO. MIA-80-2/00
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONSENT ORDER AND ADMINISTRATIVE PENALTY
Resolution:	Consent
Resolution Date:	02/14/2000
Sanctions Ordered:	Monetary/Fine \$2,500.00
Other Sanctions Ordered:	CONSENT ORDER
Sanction Details:	CONTROL AFFILIATE AGREED TO ENTER INTO A CONSENT ORDER AND TO PAY AN ADMINISTRATIVE PENALTY OF \$2,500.00.

Disclosure 31 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	VIOLATIONS OF INSURANCE ADVERTISING REGULATIONS BY MASSMUTUAL AGENTS.
Initiated By:	NEW JERSEY DEPARTMENT OF INSURANCE



Date Initiated:	12/01/1995
Docket/Case Number:	CONSENT ORDER NO. 95-237
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	FINE
Resolution:	Other
Resolution Date:	12/01/1995
Sanctions Ordered:	Monetary/Fine \$1,000.00
Other Sanctions Ordered:	
Sanction Details:	MASSMUTUAL AGREED TO PAY A \$1,000.00 FINE.

Disclosure 32 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	VIOLATIONS UNCOVERED IN A MARKET CONDUCT EXAMINATION
Initiated By:	MARYLAND INSURANCE ADMINISTRATION
Date Initiated:	09/09/1998
Docket/Case Number:	CASE NO. MIA-562-9/98
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	ORDER-CONSENT AGREEMENT AND ADMINISTRATIVE PENALTY
Resolution:	Order
Resolution Date:	10/16/1998



Sanctions Ordered:	Monetary/Fine \$38,600.00
Other Sanctions Ordered:	ORDER-CONSENT AGREEMENT AND ADMINISTRATIVE PENALTY.
Sanction Details:	MASSMUTUAL ENTERED INTO AN ORDER-CONSENT AGREEMENT AND AGREED TO PAY AN ADMINISTRATIVE PENALTY OF \$38,600.00

Disclosure 33 of 42

Reporting Source:	Firm
Affiliate:	BABSON AND COMPANY, INC.
Current Status:	Final
Allegations:	THE STATE OF VIRGINIA ALLEGED THAT BABSON TRANSACTED INVESTMENT ADVISER BUSINESS WITHOUT BEING REGISTERED TO DO SO.
Initiated By:	STATE OF VIRGINIA SECURITIES COMMISSION
Date Initiated:	07/15/1991
Docket/Case Number:	ORDER OF SETTLEMENT
Principal Product Type:	Other
Other Product Type(s):	INVESTMENT ADVISER.
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	ORDER OF SETTLEMENT FOR PAYMENT OF PENALTY
Resolution:	Order
Resolution Date:	07/15/1991
Sanctions Ordered:	Monetary/Fine \$25,000.00
Other Sanctions Ordered:	
Sanction Details:	BABSON AND COMPANY, INC. CONSENTED TO THE ENTRY OF THE ORDER OF SETTLEMENT AND AGREED TO PAY A PENALTY OF \$20,000.00 AND INVESTIGATION COSTS OF 5,000.00.
Firm Statement	WITHOUT ADMITTING OR DENYING THE ALLEGATION, BABSON AND COMPANY, INC. UNDERTOOK NOT TO TRANSACT BUSINESS IN VIRGINIA AS AN INVESTMENT ADVISER UNLESS REGISTERED OR EXEMPT FROM REGISTERING AS AN INVESTMENT ADVISER. SUBSEQUENTLY, BABSON AND COMPANY, INC. HAS BEEN REGISTERED.

**Disclosure 34 of 42**

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	MASSMUTUAL VIOLATED CERTAIN LAWS RELATING TO RATE AND FORM FILING.
Initiated By:	VERMONT DEPARTMENT OF BANKING, INSURANCE AND SECURITIES
Date Initiated:	08/14/1992
Docket/Case Number:	DCKET NO. 92-054-I
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONSENT ORDER AND STIPULATION TO CEASE USING FORMS
Resolution:	Consent
Resolution Date:	12/28/1993
Sanctions Ordered:	Monetary/Fine \$10,000.00
Other Sanctions Ordered:	
Sanction Details:	CONTROL AFFILIATE ENTERED INTO A CONSENT ORDER AND STIPULATION WITH THE VERMONT DEPARTMENT OF BANKING, INSURANCE AND SECURITIES AGREEING TO CEASE USING FORMS THAT HAVE NOT BEEN APPROVED BY THE DEPARTMENT, TO REFUND ANY UNAPPROVED RATE INCREASES FOUND TO BE UNWARRANTED BY THE DEPARTMENT AND PAY A FINE.

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Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	ALLEGATIONS THAT CERTAIN GROUP INSURANCE FORMS HAD NOT BEEN PREVIOUSLY APPROVED BY THE PENNSYLVANIA INSURANCE DEPARTMENT.



Initiated By: PENNSYLVANIA INSURANCE DEPARTMENT

Date Initiated: 11/13/1992

Docket/Case Number: DOCKET NO. P92-11-13

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: CONSENT ORDER AND FINE

Resolution: Consent

Resolution Date: 02/11/1993

Sanctions Ordered: Monetary/Fine \$12,500.00

Other Sanctions Ordered: CONSENT ORDER

Sanction Details: MASSMUTUAL ENTERED INTO A CONSENT ORDER THAT CERTAIN GROUP INSURANCE FORMS HAD NOT BEEN PREVIOUSLY APPROVED BY THE PENNSYLVANIA INSURANCE DEPARTMENT AND PAID A FINE OF \$12,500.00.

Disclosure 36 of 42

Reporting Source: Firm

Affiliate: MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Current Status: Final

Allegations: CONTROL AFFILIATE FAILED TO FILE A REQUEST OF EXTENSION IN THE TIME ALLOWED UNDER LAW FOR A CLAIM OF PAYMENT.

Initiated By: THE COMMISSIONER OF INSURANCE OF THE COMMONWEALTH OF PUERTO RICO

Date Initiated: 08/13/1997

Docket/Case Number: CASE NO. AC-1-97-216

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other



Other Sanction(s)/Relief Sought:	FINE
Resolution:	Settled
Resolution Date:	08/13/1997
Sanctions Ordered:	Monetary/Fine \$1,000.00
Other Sanctions Ordered:	
Sanction Details:	CONTROL AFFILIATE AGREED TO PAY A \$1,000.00 ADMINISTRATIVE FINE.

Disclosure 37 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	VIOLATIONS DESCRIBED IN A MARKET CONDUCT EXAMINATION REPORT.
Initiated By:	PENNSYLVANIA INSURANCE COMMISSIONER
Date Initiated:	03/04/1999
Docket/Case Number:	DOCKET NO. MC99-02-014
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONSENT ORDER AND CIVIL PENALTY
Resolution:	Settled
Resolution Date:	03/04/1999
Sanctions Ordered:	Monetary/Fine \$24,000.00
Other Sanctions Ordered:	MASSMUTUAL ENTERED INTO A CONSENT ORDER AND AGREED TO PAY A CIVIL PENALTY OF \$24,000.
Sanction Details:	MASSMUTUAL ENTERED INTO A CONSENT ORDER AND AGREED TO PAY A CIVIL PENALTY OF \$24,000.

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Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	MASSMUTUAL FAILED TO PROMPTLY RESPOND TO INQUIRIES FROM THE TEXAS STATE BOARD OF INSURANCE REGARDING INSURANCE ADVERTISING MATERIALS.
Initiated By:	TEXAS COMMISSIONER OF INSURANCE
Date Initiated:	10/05/1990
Docket/Case Number:	ORDER NO. 90-1598
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	FINE
Resolution:	Other
Resolution Date:	11/09/1990
Sanctions Ordered:	Monetary/Fine \$1,000.00
Other Sanctions Ordered:	
Sanction Details:	A FINE OF \$1,000 WAS IMPOSED ON MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY.

Disclosure 39 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	IT WAS ALLEGED THAT MASSMUTUAL HAD NOT OBTAINED FORMAL WRITTEN PERMISSION FOR AN ASSUMPTION REINSURANCE TRANSACTION.
Initiated By:	CALIFORNIA DEPARTMENT OF INSURANCE
Date Initiated:	09/09/1991



Docket/Case Number:	FILE NO. SF-14961-A
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	FINE
Resolution:	Other
Resolution Date:	09/09/1991
Sanctions Ordered:	Monetary/Fine \$50,000.00
Other Sanctions Ordered:	
Sanction Details:	MASSMUTUAL AGREED TO PAY THE FINE. THE DEPARTMENT OF INSURANCE AGREED TO TAKE NO FURTHER ACTION WITH RESPECT TO THE MATTER.
Firm Statement	THE ASSUMPTION REINSURANCE TRANSACTION INVOLVED THE TRANSFER OF LIFE INSURANCE POLICIES TO MASSMUTAL FROM ITS WHOLLY-OWNED SUBSIDIARY, MML LIFE INSURANCE COMPANY, IN PREPARATION FOR THE SALE OF THE SUBSIDIARY. AS A PART OF THE TRANSACTION, EACH MML LIFE POLICYHOLDER, INCLUDING THE 300 POLICYHOLDERS WHO WERE RESIDENTS OF CALIFORNIA, WAS GIVEN THE OPPORTUNITY TO REMIAN WITH THAT COMPANY. NONE CHOSE TO DO SO. WHILE THE APPROPRIATE FORMS AND FEES CONCERNING THE PROPOSED TRANSACTION WERE FILED IN ADVANCE THE DEPARTMENT CONTENDED THAT MASSMUTUAL HAD NOT OBTAINED FORMAL WRITTEN PERMISSION FOR THE TRANSACTION.

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Reporting Source:	Firm
Affiliate:	MML BAY STATE LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	NONCOMPLIANCE WITH IDAHO INSURANCE DEPOSIT REQUIREMENTS.
Initiated By:	DEPARTMENT OF INSURANCE OF THE STATE OF IDAHO
Date Initiated:	03/23/1989
Docket/Case Number:	DOCKET NO. 857



Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	FINE
Resolution:	Stipulation and Consent
Resolution Date:	03/23/1989
Sanctions Ordered:	Monetary/Fine \$2,500.00
Other Sanctions Ordered:	
Sanction Details:	THE DEPARTMENT OF INSURANCE OF THE STATE OF IDAHO, ACTING PURSUANT TO A STIPULATION BETWEEN MML BAY STATE LIFE INSURANCE COMPANY, ("MML BAY STATE") AND THE IDAHO INSURANCE DEPARTMENT, ASSESSED A \$2,500 FINE ON MML BAY STATE FOR NONCOMPLINACE WITH IDAHO INSURANCE DEPOSIT REQUIREMENTS. THE STIPULATION NOTED THAT MML BAY STATE'S NONCOMPLIANCE WITH THIS PARTICULAR REQUIREMENT WAS UNINTENTIONAL.

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Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	VIOLATION OF A PROVISION OF THE NEW YORK INSURANCE CODE WHICH REQUIRES BENEFIT CLASSIFICATIONS FOR EMPLOYEES IN GROUP INSURANCE POLICIES TO BE BASED ON CONDITIONS PERTAINING TO EMPLOYMENT.
Initiated By:	STATE OF NEW YORK INSURANCE DEPARTMENT
Date Initiated:	10/29/1981
Docket/Case Number:	N/A
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other



Other Sanction(s)/Relief Sought:	FINE
Resolution:	Stipulation and Consent
Resolution Date:	10/29/1981
Sanctions Ordered:	Monetary/Fine \$1,000.00
Other Sanctions Ordered:	STIPULATION
Sanction Details:	MASSMUTUAL AND THE INSURANCE DEPARTMENT OF THE STATE OF NEW YORK ENTERED INTO A STIPULATION. THE STIPULATION PROVIDED THAT MASSMUTUAL WAS TO PAY A \$1,000 FINE.

Disclosure 42 of 42

Reporting Source:	Firm
Affiliate:	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Current Status:	Final
Allegations:	THE COMMISSION FOUND THAT MASSMUTUAL HAD ACCEPTED FUNDS AND A COMPLETED APPLICATION FORM WITH RESPECT TO A CERTAIN GROUP ANNUITY CONTACT BEFORE THE CONTRACT AND APPLICATION FORM WERE APPROVED BY THE BUREAU OF INSURANCE.
Initiated By:	VIRGINIA CORPORATION COMMISSION
Date Initiated:	12/15/1983
Docket/Case Number:	INS830439
Principal Product Type:	Insurance
Other Product Type(s):	GROUP ANNUITY
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	
Resolution:	Settled
Resolution Date:	12/15/1983
Sanctions Ordered:	Cease and Desist/Injunction
Other Sanctions Ordered:	
Sanction Details:	THE VIRGINIA CORPORATION COMMISSION ACCEPTED MASSMUTUAL'S



OFFER OF SETTLEMENT AND ISSUED A CEASE AND DESIST ORDER AGAINST MASSMUTUAL. THE ORDER REQUIRES MASSMUTUAL TO CEASE AND DESIST ISSUING GROUP ANNUITY CONTRACTS UNTIL SUCH CONTRACT FORMS ARE APPROVED, OR DEEMED APPROVED, BY THE BUREAU OF INSURANCE AS REQUIRED BY VIRGINIA LAW.

End of Report



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