

NASD
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2005002264701

TO: Department of Enforcement
NASD

RE: Jeffrey A. Smith Sr., Respondent
Registered Representative
CRD No. 4360471

Pursuant to Rule 9216 of the NASD Code of Procedure, I submit this Letter of Acceptance, Waiver, and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described in Part II below. This AWC is submitted on the condition that, if accepted, NASD will not bring any future actions against me alleging violations based on the same factual findings.

I understand that:

1. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by NASD's Department of Enforcement and National Adjudicatory Council ("NAC") Review Subcommittee or Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
3. If accepted:
 - a. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by NASD or any other regulator against me;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about my disciplinary record;
 - c. NASD may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-2; and
 - d. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Nothing in this provision affects my testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

I also understand that my experience in the securities industry and disciplinary history may be factors which will be considered in deciding whether to accept this AWC. That experience and history are as follows:

Jeffrey A. Smith Sr. entered the securities industry in 2001 as a Representative of a member of NASD. During the period from November 2001 to July 12, 2005, he was associated with MetLife Securities Inc. and the Metropolitan Life Insurance Company (collectively "MetLife") and was registered with NASD as a Representative. Since May 9, 2006, he has been associated with NYLIFE Securities Inc. and registered with NASD as a Representative. He has not previously been the subject of NASD disciplinary action.

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I.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under the NASD's Code of Procedure:

1. To have a Formal Complaint issued specifying the allegations against me;
2. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;
3. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made, and to have a written decision issued; and
4. To appeal any such decision to the NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

I further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of Rule 9143, or the separation of functions prohibitions of Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

II.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of NASD, or to which NASD is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by NASD:

Undisclosed Outside Business Activity

Jeffrey A. Smith Sr., during at least 2003, was licensed as an agent of the T. Life Insurance and Annuity Company and made sales of insurance policies, annuity policies, or both on its behalf.

Jeffrey A. Smith Sr. was paid commissions of \$90,104.89 by the T. Life Insurance and Annuity Company during calendar year 2003.

Jeffrey A. Smith Sr.'s employment as an agent of the T. Life Insurance and Annuity Company was outside the course or scope of his association with MetLife.

Jeffrey A. Smith Sr. failed to provide to MetLife the prompt written notice of such employment required by MetLife's procedures and by NASD Conduct Rule 3030.

The aforesaid conduct constitutes violations by Respondent Jeffrey A. Smith Sr. of NASD Conduct Rules 3030 and 2110.

- B. I also consent to the imposition, at a maximum, of the following sanction: a one-month suspension from association in any capacity with any member of NASD.¹

The sanction imposed herein shall be effective on a date set by NASD staff.

III.

OTHER MATTERS

- A. I understand that I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by NASD, nor does it reflect the views of NASD, or its staff.
- B. I understand that if I am barred or suspended from association with any NASD member, I become subject to a statutory disqualification as that term is defined in Section 3(n)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, I may not be associated with any NASD member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. (See: NASD Rule 8310 and IM-8310-1.)

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce me to submit it.

12/15/06
Date

Jeffrey A. Smith Sr.
Jeffrey A. Smith Sr.

Reviewed by:

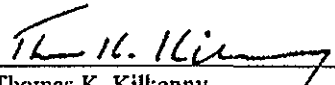
Patricia M. Munnich
Counsel for Jeffrey A. Smith Sr.

¹ In light of the respondent's bankruptcy filing, no monetary sanctions have been imposed.

Accepted by NASD:

Date: March 22, 2007

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


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