

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20050033591-01

To: Department of Enforcement
NASD

Re: Alan Edward Kuzma
Investment Company & Variable Products Representative
(CRD No. 1866138)

Pursuant to Rule 9216 of NASD Code of Procedure, I, Alan Edward Kuzma, 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 Procedural 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 allegation 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.

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REGISTRATION & DISCLOSURE

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

Kuama entered the securities industry in September 1982, when he associated with an NASD member firm. From July 16, 2002, through November 17, 2003, Kuama was associated with MTL Equity Products, Inc. (MTI) as a sales representative and registered with NASD as an investment company and variable contracts products representative.

Kuama is not currently associated with any NASD member or registered with NASD in any capacity. However, NASD retains jurisdiction over him pursuant to Article V, Section 4 of NASD By-Laws. Kuama has not been the subject of prior disciplinary history by NASD.

I. WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Formal Complaint issued specifying the allegations against me;
- B. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the 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.

In addition, I specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of NASD Procedural Rule 9143 or the separation of functions prohibitions of NASD Procedural 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.

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II. ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the allegations or 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:

From March 2005 to November 2005 (the relevant period), Kuzma conducted financial services workshops. In conjunction with these workshops, Kuzma engaged a mailhouse to mail workshop invitations to prospective customers. Kuzma approved the content of the workshop invitations. During the relevant period, approximately 30,000 invitations were sent to prospective customers regarding the workshops Kuzma was conducting.

Kuzma did not advise MFL that he was conducting workshops, or having workshop invitations sent out. Kuzma did not request approval for the workshop invitations by a registered principal of his firm prior to use.

Moreover, the workshop invitations contained the following statements: "HOW TO: Get Market Returns without Market Risks," "We guarantee it will be time well spent, (if) you are 60 or over, you can not afford to miss this workshop," and "How to Avoid the Tax Bomb that Wipes Out 70% of all Seniors' IRA's and 401k's." These statements did not include all relevant information, were incomplete, and were not fair and balanced.

The foregoing conduct violated NASD Conduct Rules 2210(b) and 2210(d) and, consequently, also violated NASD Conduct Rule 2110.

- B. Kuzma also consents to the imposition, at a maximum, of the following sanctions:

1. a 20-business-day suspension; and
2. a \$5,000 fine. The fine shall be due and payable beginning either immediately upon reassociation with any member of NASD following the 20-business day suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

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

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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 agree to pay any monetary sanctions imposed on me upon reentry as noted above.
- C. I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.
- D. I understand that if I am barred or suspended from associating with any NASD member, I become subject to a statutory disqualification as that term is defined in Section 3(a)(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.

Date

6-11-07

ALAN EDWARD KUZMA

Reviewed by

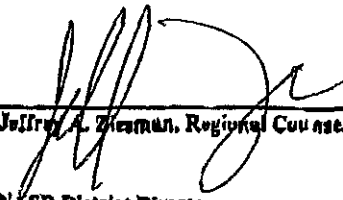
Counsel for Respondent Kuzma

6/12/07

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Accepted by NASD:

6-13-07
Date


Jeffrey A. Zisman, Regional Counsel
NASD District Director

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