

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20080148273**

RECEIVED
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REGISTRATION & DISCLOSURE

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

RE: Stephen Scott Lee
Limited Registered Representative
CRD No. 5257196

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

I.

ACCEPTANCE AND CONSENT

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

BACKGROUND

Stephen Scott Lee entered the securities industry in February 2007 as an Investment Company and Variable Contracts Policy Representative with a member of FINRA. In August 2007, he became registered in the same capacity with MetLife Securities, Inc. In August 2008, MetLife terminated him. Since that time, he has not been registered with any other member. Lee does not have a disciplinary history.

OVERVIEW

In or about March 2008, Lee borrowed \$1,500 from a customer contrary to the firm's policies. Additionally, Lee failed to respond to three information requests.

FACTS AND VIOLATIVE CONDUCT

- A.
1. In or about March 2008, Stephen Scott Lee borrowed \$1,500 from JB, Lee's customer and a customer of the firm. At the time of the loan, Lee's employing firm's compliance manual prohibited representatives from borrowing money from customers.
 2. By borrowing money from his customer, Lee violated NASD Conduct Rules 2370 and 2110.
 3. On September 11, 2008, FINRA staff sent a letter to Lee at his CRD address via first class mail and by certified mail, return receipt requested, asking that he provide information relating to his loan activity with the customer. No response was ever received.
 4. On October 3, 2008 and October 27, 2008, FINRA staff sent subsequent letters to Lee at his CRD address and a second address via first class mail and certified mail, return receipt requested, asking that he provide information relating to his loan activity with the customer. No response was ever received to these letters also.
 5. By failing to respond to FINRA information requests, Lee has violated NASD Procedural Rule 8210 and NASD Conduct Rule 2110.

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

Bar in all capacities.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. (See FINRA Rules 8310 and 8311).

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

II.

WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a 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 National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

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

III.

OTHER MATTERS

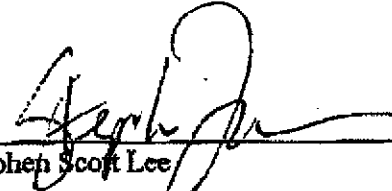
I understand that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;

2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my disciplinary record;
3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
4. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

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

8/14/09
Date


Stephen Scott Lee

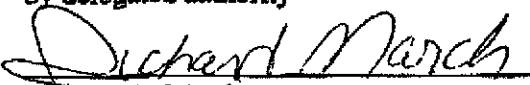
Reviewed by:

Date

Accepted by FINRA:

8/25/09
Date

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


Richard A. March
Senior Regional Counsel
FINRA Department of Enforcement
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