

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: THOMAS A. SMITH

FILE NO. 0400108

ORDER OF DENIAL

TO THE RESPONDENT: Thomas A. Smith
(CRD#: 1134969)
4128 Windy Hollow Road
Owensboro, Kentucky 42301

c/o First Montauk Securities Corporation
328 Newman Springs Road
Red Bank, New Jersey 07701

WHEREAS, a Summary Order of Denial was issued by the Secretary of State on June 2, 2004, which denied Thomas A. Smith's (the "Respondent") application for registration as a salesperson in the State of Illinois until further order from the Secretary of State.

WHEREAS, pursuant to Section 11F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of a Summary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Summary Order final.

WHEREAS, the Respondent has failed to request a hearing on the matters contained in the Summary Order within thirty (30) calendar days of the entry of said Summary Order and the Respondent is hereby deemed to have admitted the facts alleged in the said Summary Order.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Summary Order as the Secretary of State's Findings of Fact as follows:

Order of Denial

- 2 -

1. That on February 26, 2004, First Montauk Securities Corporation, a registered dealer, filed a Form U-4 application for registration of the Respondent as a salesperson in the State of Illinois.
2. That on October 8, 2002, NASD entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding File No. Co50020051 which sanctioned the Respondent as follows:
 - a. fined \$5,000.00; and
 - b. ten day suspension from association with any member of NASD in any capacity.
3. That the AWC found that on or about June 16, 2001, the Respondent executed an unauthorized purchase of shares of a mutual fund in the trust account of public customer JM, without the account trustee's knowledge or consent.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Conduct Rule 2110 by the Respondent.
4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be denied if the Secretary of State finds that such salesperson has been suspended by any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act arising from any fraudulent or deceptive act or a practice in violation of any rule, regulation or standard duly promulgated by the self-regulatory organization.
5. That the NASDR is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.

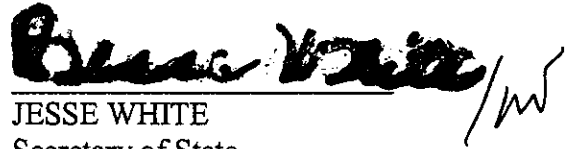
Order of Denial

- 3 -

6. That by virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to denial pursuant to Section 8.E(1)(j) of the Act.

NOW IT IS HEREBY ORDERED THAT: Thomas A. Smith's application for registration as a salesperson in the State of Illinois is DENIED.

DATED: This 6th day of July 2004.


JESSE WHITE
Secretary of State
State of Illinois

NOTICE: This is a final order subject to administrative review pursuant to the Administrative Review Law, [735 ILCS 5/3 -101 et seq.] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1., Sec. 130.1123). Any action for judicial review must be commenced within thirty-five days from the date a copy of this Order is served upon the party seeking review.