

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2005001463701

TO: Department of Enforcement
NASD

RE: Bobby Glenn James
General Securities Representative
CRD No. 1311728

Pursuant to Rule 9216 of NASD Code of Procedure, Bobby Glenn James, ("Respondent") submits 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 Respondent alleging violations based on the same factual findings.

Respondent understands 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"), 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 Respondent; and
3. If accepted:
 - a. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by the NASD against Respondent;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about Respondent's 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. Respondent 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

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the impression that the AWC is without factual basis. Nothing in this provision affects Respondent's testimonial obligations or right to take legal positions in litigation in which the NASD is not a party.

Respondent also understands that his 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:

Bobby Glenn James entered the securities industry in October 1984 as a General Securities Representative of a member of NASD. During the period from November 2002 to April 2005, he was registered with member firm SWS Financial Services as a General Securities Representative. James is currently registered with another member firm. He has no disciplinary history.

I.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under the NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against Respondent;
- 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, Respondent specifically and voluntarily waives 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.

Respondent further specifically and voluntarily waives 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. Respondent hereby accepts and consents, 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:

On or about December 21, 2004, Respondent Bobby Glenn James effected discretionary transactions in variable annuity sub-accounts owned by approximately 56 public customers, without having obtained prior written authorization from the customers and prior written acceptance of the accounts as discretionary by his employing member firm.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Conduct Rules 2110 and 2510(b) by Respondent Bobby Glenn James.

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

A monetary fine of \$10,000 and a suspension from association with any NASD member in any capacity for a period of 10 business days.

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

III.

OTHER MATTERS

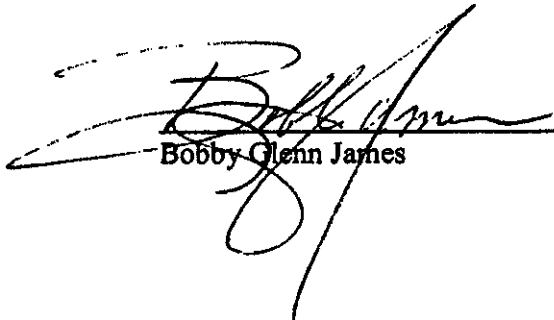
- A. Respondents understands that if he is barred or suspended from association with any NASD member, he becomes subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, Respondent may not be associated with any 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.)

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- B. Respondent understands that he may attach a Corrective Action Statement to this AWC which is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that he 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 Regulation, Inc., nor does it reflect the views of NASD Regulation, Inc. or its staff.**
- C. Respondent agrees to pay any monetary sanctions imposed on him upon notice that this AWC has been accepted and that such payments are due and payable, and has attached an Election of Payment form showing the method by which he proposes to pay any fine imposed.**
- D. Respondent specifically and voluntarily waives any right to claim that he is unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.**

Respondent certifies that he has read and understands all of the provisions of this AWC and has 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 him to submit it.

01/17/07
Date


Bobby Glenn James

Reviewed by:

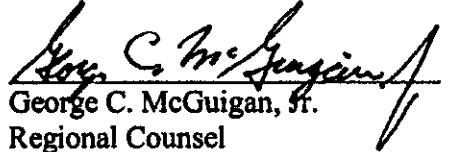
Counsel for Respondent

Letter of Acceptance, Waiver and Consent
2005001467301/Bobby Glenn James

Accepted by NASD:

2/16/2007
Date

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


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