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REGISTRATION & DISCLOSURE

LETTER OF ACCEPTANCE, WAIVER AND CONSENT

NO. 20050033412

TO: Department of Enforcement
NASD

RE: Christopher J. Carter, Respondent
CRD No. 3024491

Pursuant to Rule 9216 of 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

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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 that will be considered in deciding whether to accept this AWC. That experience and history are as follows:

Christopher J. Carter ("Carter") associated with SunAmerica Securities in 1998. Carter transferred his license to AIG Financial Advisors in a mass transfer on October 31, 2005 and subsequently resigned from that firm in October 2006. Carter qualified as a Series 6 Licensed Representative in April 1998, a Series 7 General Securities Representative in September 1999, and a Series 65 Investment Advisor in December 1999. Carter is not currently registered or associated with a member firm. Carter has no relevant disciplinary history with the Securities and Exchange Commission, NASD, other self-regulatory organizations, or state regulators.

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.

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:

Following a branch office inspection conducted in November 2005, NASD commenced an investigation of Carter's mutual fund trading activities during the period of January 2002 through October 2005 to determine whether Carter may have violated NASD Rules or Federal Securities laws. On November 30, 2006, Carter appeared before the NASD for an on-the-record interview ("OTR"). After testifying for a few hours, Carter requested that OTR be continued at a later date so that he would not miss his return flight. After Carter and his counsel agreed to return to Denver on December 19, 2006 to complete the OTR, staff agreed to Carter's request. A notice for the December 19th OTR was issued, pursuant to NASD Procedural Rule 8210 on December 15, 2006. Notwithstanding his stipulation made to staff on November 30th and the December 15, 2006 notice, Carter failed to appear for the scheduled December 19th OTR. Pursuant to Procedural Rule 8210, Staff issued a notice on December 22, 2006 setting Carter's OTR for January 5, 2007. Carter failed to appear at the scheduled January 5th OTR. Counsel for Carter subsequently conveyed to staff that Carter would not appear for an OTR, and instead, would only respond to written requests for information. By failing to provide the requested testimony, Carter violated NASD Procedural Rule 8210 and Conduct Rule 2110.

- B. I also consent to the imposition, at a maximum, of the following sanctions:

A bar from association with any member of NASD in any capacity.

Pursuant to IM-8310-2(f), a bar or expulsion shall become effective upon approval or acceptance of this AWC by the NAC.

III. OTHER MATTERS

- A. 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,

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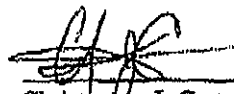
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including clerical or ministerial functions, during the period of the bar or suspension. (See NASD Rule 8310 and IM-8310-1.)

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.

3-23-07
Date


Christopher J. Carter

Reviewed by

Robert D. Mitchell
Counsel for Respondent

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Accepted by NASD:

4/18/07

Date

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



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