

NASD
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. C9A0500 20

TO: Department of Enforcement
NASD

RE: James C. McClure, Respondent
Registered Representative
CRD No. 2073666

Pursuant to Rule 9216 of the 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 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.

I also understand that my 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:

James C. McClure entered the securities industry in 1990 as a Representative of American Express Financial Advisors Inc. and its affiliate, IDS Life Insurance Company. He remains currently registered in that capacity with those two member firms. He has not previously been the subject of NASD disciplinary proceedings.

I.

WAIVER OF PROCEDURAL RIGHTS

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

1. To have a Formal Complaint issued specifying the allegations against me;
2. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;
3. 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
4. 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 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:

Offer to Share in Losses in Securities Account

M.G. is a public customer of American Express Financial Advisors Inc. ("AEFA"). In or about December 1999, he established an IRA rollover account with AEFA in anticipation of his forthcoming early retirement. James C. McClure was the Representative for that account.

In or about March 2000, securities were purchased into the securities account.

By September 2001, the value of the account had declined by approximately 36%.

In or about September 2001, James C. McClure offered to pay to M.G. the sum of \$3,000 monthly, until July 2002, when M.G. would begin to receive Social Security payments.

NASD Conduct Rule 2330(f) prohibits sharing in the losses in a customer's securities account. The aforesaid offer constituted an offer to share in the losses in M.G.'s securities account. No monies were actually paid to M.G. pursuant to the offer.

The aforesaid conduct constitutes a violation by Respondent James C. McClure of NASD Conduct Rule 2110.

- B. I also consent to the imposition, at a maximum, of the following sanctions: suspension from association in any capacity with any member of NASD for a period of fifteen business days and a fine in the amount of \$5,000.

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

III.

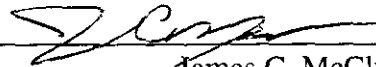
OTHER MATTERS

- A. I understand that I may attach a Corrective Action Statement to this AWC which 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 notice that this AWC has been accepted and that such payments are due and payable and have attached an Election of Payment form showing the method by which I propose to pay any fine imposed.
- 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 association 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.

3/16/05

Date

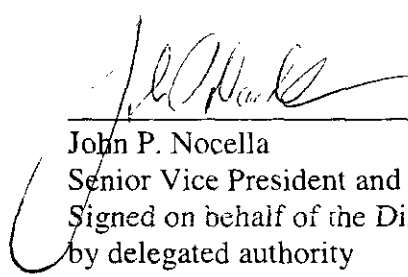


James C. McClure

Accepted by NASD:

April 28, 2005

Date



John P. Nocella

Senior Vice President and District Director

Signed on behalf of the Director of ODA
by delegated authority