

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER



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Texas State Securities Board

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IN THE MATTER OF
THE DEALER AND INVESTMENT ADVISER
REGISTRATIONS OF
DILLON – GAGE SECURITIES, INC.
AND THE AGENT REGISTRATION OF
VICTOR JAMES MCCLURE

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Order No. IC07-CAF-06

TO: Stephen Watterson Miller, CEO
Dillon – Gage Securities, Inc. (CRD/IARD No. 10821)
15301 Dallas Parkway, Suite 200
Addison, TX 75001

Victor James McClure (CRD No. 1882939)
Dillon – Gage Securities, Inc.
15301 Dallas Parkway, Suite 200
Addison, TX 75001

DISCIPLINARY ORDER

Be it remembered that Dillon – Gage Securities, Inc. ("Respondent DGS"), by and through Stephen Watterson Miller its CEO, and Victor James McClure ("Respondent McClure"), individually (collectively "Respondents"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this order ("Order"), the Undertaking incorporated by reference herein, and the Findings of Fact and the Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondents have waived (a) Respondents' right to notice and hearing in this matter; (b) Respondents' right to appear and present evidence in this matter; (c) Respondents' right to appeal this Order; and (d) all other procedural rights granted to Respondents by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2006) ("Texas Securities Act") and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon 2000 & Supp. 2006) ("Administrative Procedure Act").
2. From on or about February 28, 1983 to the present, Respondent DGS has been registered with the Securities Commissioner as a dealer and as an investment adviser.

3. From on or about January 24, 1995 to the present, Respondent McClure has been registered with the Securities Commissioner as an agent for Respondent DGS. From on or about September 1, 2001 to the present, Respondent McClure has not been registered with the Securities Commissioner as an investment adviser representative for Respondent DGS and no application for registration as an investment adviser representative is currently pending.
4. On or about August 7, 2006, the staff of the Texas State Securities Board ("Staff ") performed an inspection of Respondent DGS' office. The Staff discovered that from on or about September 1, 2001 to the present, Respondent McClure has been employed, appointed and authorized by Respondent DGS. During this period, Respondent DGS by and through Respondent McClure solicited, within Texas and for compensation, investment advisory client accounts for Assetmark Investment Services Inc., a federal covered investment adviser that is notice-filed with the Securities Commissioner.
5. Pursuant to Section 12.B of the Texas Securities Act and §116.1(b)(1)(A) of the Rules and Regulations of the Texas State Securities Board ("Board Rules"), a person may not act or render services as an investment adviser representative, including acting as a solicitor, in Texas and for compensation, unless the person is registered or notice-filed as an investment adviser representative.
6. Pursuant to Section 14.A(5)(b) of the Texas Securities Act, the Securities Commissioner may reprimand a registered investment adviser who is engaging or has engaged in rendering services as an investment adviser in Texas through a representative who is not registered to perform services for that investment adviser.
7. Pursuant to Section 14.A(6) of the Texas Securities Act, the Securities Commissioner may reprimand a registered agent who has violated any of the provisions of the Texas Securities Act or the Board Rules.
8. Pursuant to Section 23-1 of the Texas Securities Act, the Securities Commissioner may assess an administrative fine against any person who engages in any act or practice that violates the Texas Securities Act or the Board Rules.
9. Pursuant to Section 23.B of the Texas Securities Act, if it appears to the Securities Commissioner that a person is acting as an investment adviser representative in violation of the Texas Securities Act, the Securities Commissioner may issue a cease and desist order.

CONCLUSIONS OF LAW

1. Respondent McClure has acted as an "investment adviser representative" as defined by Section 4.P of the Texas Securities Act.

2. The solicitations of investment advisory client accounts by Respondent McClure on behalf of Respondent DGS, at times when Respondent McClure was neither exempt nor registered or notice-filed with the Securities Commissioner as an investment adviser representative, constitute violations of Section 12.B of the Texas Securities Act and §116.1(b)(1)(A) of the Board Rules.
3. Respondent DGS engaged in the solicitation of client accounts by and through Respondent McClure at times when Respondent McClure was not registered or notice-filed with the Securities Commissioner as an investment adviser representative.
4. Pursuant to Section 14.A(6) of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order reprimanding a registered agent.
5. Pursuant to Section 14.A(5)(b) of the Texas Securities Act, the foregoing solicitations constitute bases for the issuance of an order reprimanding a registered investment adviser.
6. Pursuant to Section 23-1 of the Texas Securities Act, the foregoing violations of the Texas Securities Act and the Board Rules constitute bases for the issuance of an order assessing an administrative fine against an agent.
7. The foregoing violations with respect to the unregistered investment adviser representative activity of Respondent McClure constitute bases for the issuance of a cease and desist order pursuant to Section 23.B of the Texas Securities Act.

ORDER

1. It is therefore ORDERED that Dillon – Gage Securities, Inc. and Victor James McClure are hereby REPRIMANDED.
2. It is further ORDERED that Victor James McClure is hereby ASSESSED AN ADMINISTRATIVE FINE in the amount of Two Thousand Five Hundred Dollars (\$2,500.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Two Thousand Five Hundred Dollars (\$2,500.00), payable to the State of Texas, contemporaneously with the delivery of this Order.
3. It is further ORDERED that Victor James McClure CEASE AND DESIST from acting as an investment adviser representative for Dillon – Gage Securities, Inc. unless and until Victor James McClure is registered with the Securities Commissioner as an investment adviser representative for Dillon – Gage Securities, Inc., or is otherwise fully exempt.

4. It is further ORDERED that Dillon – Gage Securities, Inc. COMPLY with the terms of the Undertaking, incorporated by reference herein.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 8th
day of March, 2007.



DENISE VOIGT CRAWFORD
Securities Commissioner

Respondents:

Dillon – Gage Securities, Inc.

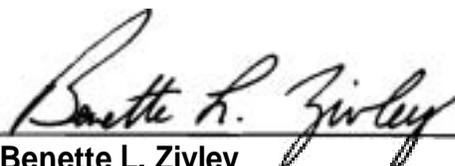


Stephen Watterson Miller, CEO



Victor James McClure

Approved as to Form:



Benette L. Zivley
Director
Inspections and Compliance Division

ACKNOWLEDGMENT

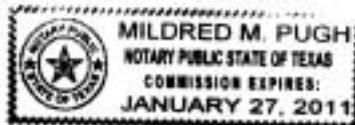
On the 5th day of March, 2007, Dillon – Gage Securities, Inc. ("Respondent DGS"), by and through Stephen Watterson Miller, its CEO, appeared before me, executed the foregoing Order, and acknowledged that:

- 1. Stephen Watterson Miller is duly authorized to enter into the foregoing Order on behalf of Respondent DGS;
- 2. Stephen Watterson Miller has read the foregoing Order;
- 3. Respondent DGS has been fully advised of its rights under the Texas Securities Act and the Administrative Procedure Act;
- 4. Respondent DGS knowingly and voluntarily consents to the entry of the foregoing Order, and the Findings of Fact and Conclusions of Law contained herein; and
- 5. Respondent DGS, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived its rights as set forth therein.

Mildred M Pugh
Notary Public in and for
The State of TEXAS

[affix notary seal here]

My commission expires on: 1/27/2011



ACKNOWLEDGMENT

On the 5th day of June, 2007, Victor James McClure ("Respondent McClure") personally appeared before me, executed the foregoing Order, and acknowledged that:

- 1. Respondent McClure has read the foregoing Order;
- 2. Respondent McClure has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
- 3. Respondent McClure knowingly and voluntarily consents to the entry of the foregoing Order, and the Findings of Fact and Conclusions of Law contained therein; and
- 4. Respondent McClure, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.

Mildred M. Pugh
Notary Public in and for
The State of TEXAS

[affix notary seal here]

My commission expires on: 1/27/2011

