

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 8846 / September 25, 2007

SECURITIES EXCHANGE ACT OF 1934
Release No. 56524 / September 25, 2007

ADMINISTRATIVE PROCEEDING
File No. 3-12830

In the Matter of

TRENT L. TUCKER,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE AND
CEASE-AND-DESIST PROCEEDINGS PURSUANT
TO SECTION 8A OF THE SECURITIES ACT OF
1933, AND SECTIONS 15(b) AND 21C OF THE
SECURITIES EXCHANGE ACT OF 1934, MAKING
FINDINGS, AND IMPOSING REMEDIAL
SANCTIONS AND A CEASE-AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”), and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against Trent L. Tucker (“Tucker” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, and Sections 15(b) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds¹ that:

Summary

1. From 1998 through 2002, Tucker, a registered representative formerly associated with Southwest Securities, Inc. ("Southwest"), paid secret cash kickbacks to the former Treasurer for the State of New Mexico in exchange for obtaining securities transactions with the New Mexico State Treasurer's Office ("NMSTO").

Respondent

2. Tucker, age 54, is a resident of Orlando, Florida. From September 1996 to September 2003, Respondent was a registered representative associated with Southwest, a broker-dealer registered with the Commission.

Other Relevant Entity

3. Southwest Securities, Inc., incorporated in Delaware in 1991, is a broker-dealer registered with the Commission since September 1, 1992. Southwest's principal place of business is in Dallas, Texas, and it has offices throughout the country, including Albuquerque, New Mexico.

Facts

4. During the relevant period, the NMSTO invested a portion of state funds in agency securities, and to a lesser extent, corporate bonds. For example, during 2001 and 2002, NMSTO engaged in more than 50 agency securities transactions, purchasing more than \$1 billion and selling more than \$300 million in "agency securities." "Agency securities" are securities issued by or guaranteed by government corporations or government sponsored entities.

5. The NMSTO required securities purchases and sales to be made pursuant to a competitive bidding process. The NMSTO solicited bids on each proposed securities transaction from at least three broker-dealers, including the firm that won the last bid, and at least one broker-dealer with a registered representative physically located in New Mexico. After receiving all bids, the NMSTO was required to select the bid containing the best economic terms. The Treasurer decided when the NMSTO would buy or sell securities and which bid to select.

6. Beginning in 1998 and continuing through 2002, the Treasurer, with assistance from another NMSTO employee, used a number of different methods to award

¹ The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

agency securities and corporate bond business to Tucker. For example, the Treasurer sometimes obtained bids from other registered representatives first, then called Tucker and informed him of the terms of the other bids. This enabled Tucker to provide the best bid. On days when market prices were changing favorably as to the NMSTO, the Treasurer also permitted Tucker, but not other bidders, to delay submission of his bid until later in the day, which enabled Tucker to provide a superior bid. In other instances, the Treasurer awarded securities transactions to Tucker even when Tucker's bid was inferior, but created internal records which misrepresented that Tucker's bid was the best received.

7. During 2001 and 2002, the Treasurer awarded Tucker the following 17 agency securities and corporate bond transactions:

	Settlement Date of Transaction	Amount of Purchase or Sale	Purchase (P) or Sale (S)
1.	1/12/2001	\$5,002,750	S
2.	1/12/2001	\$5,041,350	S
3.	1/12/2001	\$5,038,000	S
4.	1/12/2001	\$5,058,950	S
5.	6/4/2001	\$25,000,000	P
6.	5/30/2001	\$45,000,000	P
7.	7/25/2001	\$35,000,000	P
8.	9/13/2001	\$30,000,000	P
9.	11/26/2001	\$40,000,000	P
10.	11/28/2001	\$45,000,000	S
11.	3/28/2002	\$50,000,000	P
12.	4/5/2002	\$25,000,000	P
13.	5/2/2002	\$50,000,000	P
14.	7/25/2002	\$50,000,000	P
15.	8/1/2002	\$50,000,000	P
16.	8/26/2002	\$50,000,000	P
17.	9/30/2002	\$50,000,000	P

8. Tucker received at least \$290,000 in commissions from the above securities transactions with the NMSTO during 2001 and 2002.

9. After each securities transaction with the NMSTO, Tucker met with the Treasurer and gave him cash in varying amounts equal to approximately 10% of the commission Tucker earned on the transaction. Tucker paid these amounts to the Treasurer in exchange for the Treasurer awarding these transactions to Tucker.

10. As a result of the conduct described above, Tucker willfully violated Section 17(a) of the Securities Act, and Section 10(b) of the Exchange Act and Rule

10b-5 thereunder, which prohibit fraudulent conduct in the offer and sale of securities and in connection with the purchase, offer, or sale of securities.

Disgorgement and Civil Penalties

11. Tucker has submitted a sworn Statement of Financial Condition dated July 31, 2007 and other evidence and has asserted his inability to pay disgorgement plus prejudgment interest or a civil penalty.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent's Offer.

Accordingly, pursuant to Section 8A of the Securities Act, and Sections 15(b) and 21C of the Exchange Act, it is hereby ORDERED that:

A. Respondent cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Securities Act, and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

B. Respondent be, and hereby is barred from association with any broker or dealer.

C. Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

D. Respondent shall pay disgorgement of \$290,000 plus prejudgment interest, but that payment of such amount is waived, and the Commission is not imposing a penalty against Respondent based upon Respondent's sworn representations in his Statement of Financial Condition dated July 31, 2007 and other documents submitted to the Commission.

E. The Division of Enforcement ("Division") may, at any time following the entry of this Order, petition the Commission to: (1) reopen this matter to consider whether Respondent provided accurate and complete financial information at the time such representations were made; and (2) seek an order directing payment of disgorgement and pre-judgment interest, and the maximum civil penalty allowable under the law. No

other issue shall be considered in connection with this petition other than whether the financial information provided by Respondent was fraudulent, misleading, inaccurate, or incomplete in any material respect. Respondent may not, by way of defense to any such petition: (1) contest the findings in this Order; (2) assert that payment of disgorgement and interest should not be ordered, or assert that payment of a penalty should not be ordered; (3) contest the amount of disgorgement and interest to be ordered, or contest the imposition of the maximum penalty allowable under the law; or (4) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

By the Commission.

Nancy M. Morris
Secretary