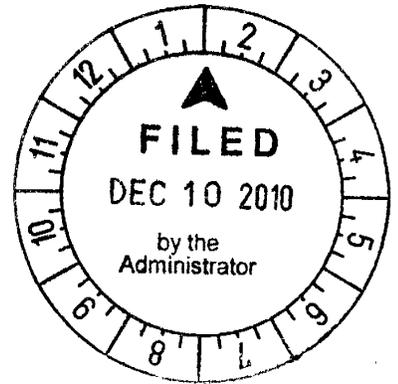


STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Legacy Trading Co. LLC, CRD #46598, and  
Mark Alan Uselton, CRD #2229571,

Respondents.

ODS File No. 07-025

**NOTICE OF SERVICE ON THE ADMINISTRATOR**  
**AND**  
**AFFIDAVIT OF COMPLIANCE**

STATE OF OKLAHOMA    )  
                                  )       ss.  
COUNTY OF OKLAHOMA )

The undersigned affiant, of lawful age, being first duly sworn upon oath deposes and states:

1. That he is the Administrator of the Oklahoma Department of Securities ("Administrator").
2. That a copy of the *Notice of Opportunity for Hearing* ("Notice") with *Enforcement Division Recommendation* ("Recommendation") attached was delivered to Affiant in the office of the Administrator pursuant to Section 1-611 of the Oklahoma Uniform Securities Act ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2009).
3. That the Administrator has received service of process on behalf of Respondents, pursuant to Section 1-611 of the Act.
4. That a copy of the *Notice*, with the *Recommendation* attached, and a copy of this *Notice of Service on the Administrator and Affidavit of Compliance* are being sent this 10th day of December, 2010, by certified mail, return receipt requested, delivery restricted to addressee, to the last known addresses of Respondents, in compliance with Section 1-611 of the Act.
5. That this Affidavit of Compliance is declared filed of record as of the date set forth below in compliance with Section 1-611 of the Act.

FURTHER AFFIANT SAYETH NOT.

Dated this 10th day of December, 2010.

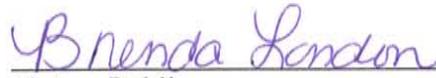
(SEAL)

  
\_\_\_\_\_  
IRVING L. FAUGHT, ADMINISTRATOR OF THE  
OKLAHOMA DEPARTMENT OF SECURITIES

Subscribed and sworn to before me this 10th day of December, 2010.

(SEAL)



  
\_\_\_\_\_  
Notary Public

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
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In the Matter of:

Legacy Trading Co. LLC, CRD #46598, and  
Mark Alan Uselton, CRD #2229571,

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ODS File No. 07-025

**NOTICE OF OPPORTUNITY FOR HEARING**

1. Pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 (“Act”), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2009), the Enforcement Division of the Oklahoma Department of Securities (“Department”) conducted an investigation into the activities of Legacy Trading Co. LLC (Legacy) and Mark Alan Uselton (Uselton) (collectively, “Respondents”), in connection with the offer, sale and/or purchase of securities in and/or from Oklahoma.

2. On the 10th day of December, 2010, the attached Enforcement Division Recommendation (“Recommendation”) was left in the office of the Administrator of the Oklahoma Department of Securities (“Administrator”).

3. Pursuant to 660:2-9-1 of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (as amended July 1, 2007) (“Rules”) and Section 1-411 of the Act, the Administrator hereby gives notice to Respondents of their obligation to file an answer and their right to request a hearing to show why an order based on the Recommendation should not be issued.

4. The answer must be in writing and received by the Administrator within fifteen (15) days after service of this Notice. As required by 660:2-9-2 of the Rules, the answer shall indicate whether Respondents request a hearing and shall specifically admit or deny each allegation contained in the Recommendation or state that Respondents do not have, and are unable to obtain, sufficient information to admit or deny each allegation.

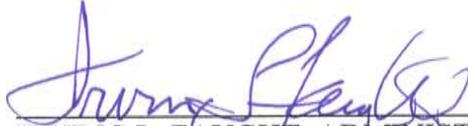
5. Failure to file an answer in compliance with 660:2-9-2 of the Rules, to include a request for a hearing as provided for herein, shall result in the issuance of an order barring Respondents from future registration under the Act in any capacity and barring Respondent Uselton from association with a broker-dealer or investment adviser in any capacity.

6. Upon receipt of a written request, pursuant to 660:2-9-2 of the Rules, a hearing on the Recommendation shall be promptly scheduled or a written order denying hearing shall be issued.

7. Notice of the date, time and location of the hearing shall be given to Respondents not less than forty-five (45) days in advance thereof, pursuant to 660:2-9-2 of the Rules.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 10th day of December, 2010.

(SEAL)



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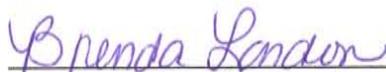
IRVING L. FAUGHT, ADMINISTRATOR OF THE  
OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF MAILING

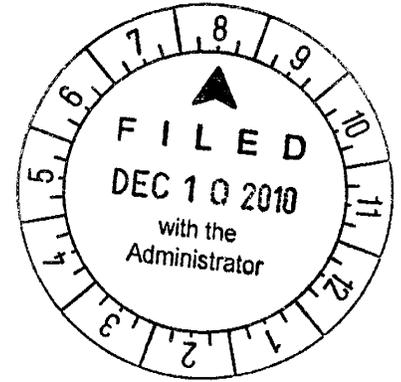
The undersigned hereby certifies that on the 10th day of December, 2010, a true and correct copy of the above and foregoing *Notice of Opportunity for Hearing* and the *Enforcement Division Recommendation* were mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon, addressed to:

Mark Alan Uselton  
1305 Mill Creek Road  
Edmond, OK 73025-2825

Legacy Trading Co., LLC  
6817 N. Broadway  
Edmond, OK 73034

  
\_\_\_\_\_  
Brenda London, Paralegal

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Legacy Trading Co. LLC, CRD #46598, and  
Mark Alan Uselton, CRD #2229571,

Respondents.

ODS File No. 07-025

**ENFORCEMENT DIVISION RECOMMENDATION**

Pursuant to the Oklahoma Uniform Securities Act of 2004 (Act), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2009), and the Oklahoma Securities Act (Predecessor Act), Okla. Stat. tit. 71, §§1-413, 501, 701-703 (2001 and Supp. 2003), an investigation was conducted by the Oklahoma Department of Securities (Department) into the activities of Legacy Trading Co. LLC (Legacy) and Mark Alan Uselton (Uselton) (collectively, "Respondents"), in connection with the offer, sale and/or purchase of securities in and/or from Oklahoma. Based thereon, the following Findings of Fact, Authorities, and Conclusions of Law are submitted to the Administrator of the Department (Administrator) in support of sanction(s) against Respondents.

**Findings of Fact**

1. Legacy was a registered broker-dealer under the Act from September 1999 to May 2009. Legacy operated from Edmond, Oklahoma.
2. At all times relevant hereto, Uselton, an Oklahoma resident, was a registered agent under the Act and the sole control person of Legacy.
3. At all times relevant hereto, excluding times during which he was under disciplinary suspension, Uselton was registered with the NASD, now known as FINRA (NASD), as a general securities principal, financial and operations principal, and registered equities trader. Uselton acted in these capacities for Legacy beginning in March 2006.
4. In March 2009, a FINRA hearing panel found that:
  - (a) Respondents made false statements to FINRA, and Uselton failed to provide testimony at an on-the-record interview, in violation of NASD Rules 8210 and 2110; (b) Respondents failed to make and annotate affirmative determinations prior to effecting short sales, in violation of NASD Rules 3370 and 2110, and failed to locate shares prior to effecting

short sales, in violation of Rule 203(b) of Regulation SHO ("Rule 203(b)") and NASD Rule 2110; (c) Respondents failed to maintain books and records, in violation of NASD Rules 3110 and 2110, Section 17 of the Securities and Exchange Act of 1934 ("Exchange Act"), and Exchange Act Rules 17a-3 and 17a-4; (d) Respondents failed to establish, maintain, and enforce written supervisory procedures, in violation of NASD Rules 3010 and 2110; and (e) Uselton failed to update timely his Uniform Application for Securities Industry Registration or Transfer ("Form U4"), in violation of NASD Rule 2110.

5. The hearing panel expelled Legacy from FINRA membership and barred Uselton in all capacities for false statements to FINRA. The hearing panel also imposed a separate bar upon Uselton for his failure to provide testimony. The hearing panel fined Respondents jointly and severally, in the amount of \$907,035 for the short sale violations.

6. Uselton appealed the March 2009 hearing panel decision.

7. On October 8, 2010, the National Adjudicatory Council Financial Industry Regulatory Authority upheld the decision of the hearing panel and expelled Legacy from FINRA membership; barred Uselton in all capacities; and ordered Respondents to pay a fine in the amount of \$907,035.01 and costs in the amount of \$750.

To the extent any of these Findings of Fact are more properly characterized as Conclusions of Law, they should be so considered.

#### Authorities

1. Section 1-102 of the Act provides in pertinent part:

2. "Agent" means an individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities or represents an issuer in effecting or attempting to effect purchases or sales of the issuer's securities. A partner, officer, or director of a broker-dealer or issuer, or an individual having a similar status or performing similar functions is an agent only if the individual otherwise comes within the term. The term does not include an individual excluded by rule adopted or order issued under this act.

\* \* \*

4. "Broker-dealer" means a person engaged in the business of effecting transactions in securities for the account of others or for the person's own account.

2. Section 1-411 of the Act provides in pertinent part:

B. If the Administrator finds that the order issued is in the public interest and subsection D of this section authorizes the action an order issued under this act may revoke, suspend, condition, or limit the registration of a registrant and if the registrant is a broker-dealer or investment adviser, any partner, officer, or director, any person having a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser.

\* \* \*

C. If the Administrator finds that the order is in the public interest and paragraphs 1 through 6, 8, 9, 10, 12 or 13 of subsection D of this section authorizes the action, an order under this act may censure, impose a bar, impose a civil penalty in an amount not to exceed a maximum of Five Thousand Dollars (\$5,000.00) for a single violation or Two Hundred Fifty Thousand Dollars (\$250,000.00) for multiple violations on a registrant, and/or recover the costs of the investigation from a registrant and if the registrant is a broker-dealer or investment adviser, from any partner, officer, or director, any person having a similar function or any person directly or indirectly controlling the broker-dealer or investment adviser.

D. A person may be disciplined under subsections A through C of this section if the person:

\* \* \*

5. Is the subject of an order, issued after notice and opportunity for hearing by:

\* \* \*

c. the Securities and Exchange Commission or by a self-regulatory organization suspending, barring, canceling or expelling the registrant from membership in a self-regulatory organization,

**Conclusions of Law**

1. In an action brought by FINRA, and after notice and opportunity for hearing, Legacy was expelled from FINRA membership and Uselton was barred in all capacities.

2. The Administrator is authorized to bar Respondents, pursuant to Section 1-411 of the Act.

3. It is in the public interest for the Administrator to bar Respondents from future registration under the Act in any capacity, and to bar Respondent Uselton from association with a broker-dealer and/or investment adviser in any capacity.

To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

WHEREFORE, it is recommended that the Administrator issue an order barring Respondents from future registration under the Act in any capacity, barring Respondent Uselton from association with a broker-dealer or investment adviser in any capacity, and/or imposing such other sanctions as appropriate and authorized by law.

Dated this 6 day of December, 2010.

Respectfully submitted,



Jennifer Shaw  
Enforcement Attorney  
Oklahoma Department of Securities  
120 North Robinson, Suite 860  
Oklahoma City, OK 73102  
Telephone: (405) 280-7700  
Facsimile: (405) 280-7742