

6. Pursuant to § 115.1(b)(1) of the Board Rules, a dealer is required to register, with the Securities Commissioner, each branch office located in Texas.
7. Pursuant to § 115.2(c) of the Board Rules, a dealer may not conduct sales related activity in any branch office location until the dealer receives notification from the Securities Commissioner that such location has been approved as a branch office.

UNDERTAKING

1. Respondent undertakes and agrees to register each branch office location in Texas with the Securities Commissioner within thirty (30) days of the date that the Securities Commissioner signs this Order.
2. Respondent further undertakes and agrees to register and attain approval of each new branch office location in Texas from the Securities Commissioner prior to engaging in any securities sales-related activity at that location.

CONCLUSIONS OF LAW

1. Each location in Texas where Respondent's securities related records are maintained constitutes a "branch office", as that term is defined by § 115.1(a)(2) of the Board Rules.
2. Respondent's failure to register each branch office is a violation of § 115.1(b)(1) of the Board Rules.
3. Respondent's sales-related activity at unregistered branch offices constitutes a violation of § 115.2(c) of the Board Rules.
4. Pursuant to Sections 14.A(6) of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order reprimanding a registered securities dealer.
5. Pursuant to Section 23-1, the foregoing violations of the Board Rules constitute bases for the assessment of an administrative fine against a securities dealer.

ORDER

1. It is therefore ORDERED that Prospera Financial Services, Inc. is hereby REPRIMANDED.

2. It is further ORDERED that Prospera Financial Services, Inc. is hereby ASSESSED AN ADMINISTRATIVE FINE in the amount of Five Thousand Dollars (\$5,000.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Five Thousand Dollars (\$5,000.00), payable to the State of Texas, contemporaneously with the delivery of this Order.
3. It is further ORDERED that Prospera Financial Services, Inc. comply with the terms of the Undertaking enclosed herein.

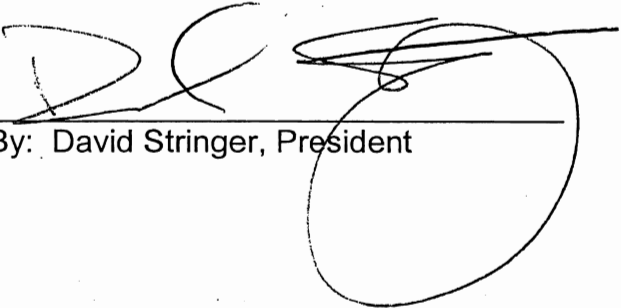
SIGNED AND ENTERED BY THE ^{Deputy} SECURITIES COMMISSIONER this 24TH
day of February, 2006. ^

DENISE VOIGT CRAWFORD
Securities Commissioner

Don A. Raschke
Deputy SECURITIES COMMISSIONER

Respondents:

Prospera Financial Services, Inc.



By: David Stringer, President

Approved as to Form:

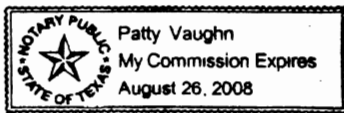


Benette L. Zivley
Director
Inspections and Compliance Division

ACKNOWLEDGMENT

On the 10th day of February, 2006, Prospera Financial Services, Inc. ("Respondent"), by and through, David Stringer, its President, personally appeared before me, executed the foregoing Order and Undertaking and acknowledges that:

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



[affix notary seal here]

Patty Vaughn
Notary Public in and for
the State of Texas

My commission expires on: 8-26-2008