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**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE  
COMMISSION,  
Plaintiff,  
vs.  
TUCO TRADING, LLC, and DOUGLAS G.  
FREDERICK,  
Defendants.

Case No. 08-CV-00400 DMS (BLM)

**FINAL JUDGMENT AGAINST  
DEFFENDANTS TUCO TRADING, LLC  
AND DOUGLAS G. FREDERICK  
SETTING DISGORGEMENT,  
PREJUDGMENT INTEREST, AND CIVIL  
PENALTY AMOUNTS**

1 The Securities and Exchange Commission (“Commission”) having filed a Motion  
2 (“Motion”) for Entry of Judgment Imposing Monetary Remedies against Defendants Tuco  
3 Trading, LLC (“Tuco”) and Douglas G. Frederick (“Frederick,” collectively “Defendants”);  
4 Defendants having been served with the Motion by the Commission; the Court having  
5 considered all the papers, evidence, and arguments associated with the Motion; and GOOD  
6 CAUSE appearing therefor,

7 I.

8 IT IS HEREBY ORDERED that the Commission’s Motion is GRANTED.

9 II.

10 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that in light of the  
11 distribution, by the receiver (“Receiver”) in this action, of assets previously held by or in the  
12 name of Defendant Tuco, to former customers and creditors of Defendant Tuco, Defendant Tuco  
13 is liable for disgorgement of \$10,787,945. Defendant Tuco has satisfied this obligation through  
14 the foregoing distribution of assets previously held by Defendant Tuco.

15 III.

16 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that in light of the  
17 distribution, by the receiver (“Receiver”) in this action, of assets previously held by or in the  
18 name of Defendant Tuco, to former customers and creditors of Defendant Tuco, the Court is not  
19 ordering Defendant Tuco to pay prejudgment interest upon the disgorgement specified in Section  
20 II. above nor any civil penalty.

21 IV.

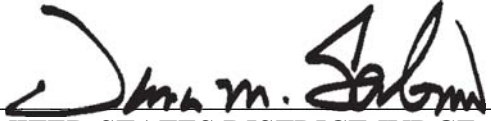
22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Frederick  
23 is liable for disgorgement of \$463,491.13, representing profits gained as a result of the conduct  
24 alleged in the Complaint, together with prejudgment interest thereon in the amount of  
25 \$29,466.73, and a civil penalty in the amount of \$463,491.13 pursuant to 15 U.S.C. § 78(d)(3).  
26 Defendant shall satisfy this obligation by paying \$956,448.99 within 14 days after entry of this  
27 Final Judgment by certified check, bank cashier’s check, or United States postal money order  
28 payable to the Securities and Exchange Commission. The payment shall be delivered or mailed

1 to the Office of Financial Management, Securities and Exchange Commission, 100 F Street, NE,  
2 Stop 6042, Washington DC 20549, and shall be accompanied by a letter identifying Douglas G.  
3 Frederick as a defendant in this action; setting forth the title and civil action number of this  
4 action and the name of this Court; and specifying that payment is made pursuant to this Final  
5 Judgment against Defendants Tuco Trading, LLC and Douglas G. Frederick Setting  
6 Disgorgement, Prejudgment Interest (“Final Judgment”). Defendant shall pay post-judgment  
7 interest on any delinquent amounts pursuant to 28 USC § 1961. The Commission shall remit the  
8 funds paid pursuant to this paragraph to the United States Treasury.

9 V.

10 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain  
11 jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment, and  
12 civil penalty amounts.

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14 Dated: July 25, 2011

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17 UNITED STATES DISTRICT JUDGE  
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