

Southwest Rule 606 Disclosure :: 2009Q4

Southwest Securities, Inc. (Southwest) has prepared this report pursuant to a U.S. Securities and Exchange Commission rule requiring all brokerage firms to make available to the public quarterly reports about their order routing practices.

The report provides information on the routing of "non-directed orders" -- any order that the customer has not specifically instructed to be routed to a particular venue for execution. For these non-directed orders, Southwest has selected the execution venue on behalf of its customers.

The report is divided into four sections:

1. New York Stock Exchange listed securities
2. Nasdaq Stock Market listed securities
3. American Stock Exchange and regional exchanges listed securities
4. Exchange listed options

For each section, this report identifies the venues most often selected by Southwest, sets forth the percentage of various types of orders routed to the venues, and discusses the material aspects of Southwest's relationship with the venues.

This report has been reviewed by S3, a third party market surveillance and auditing firm. Questions regarding this report should be addressed to the Southwest Securities Compliance Department.

1. New York Stock Exchange Securities

<i>For quarter ending 12/31/2009</i>	Non-Directed Orders	Market Orders	Limit Orders	Other Orders*
Orders Routed to:				
Automated Trading Desk	81.13%	77.78%	83.00%	34.70%
Knight Capital Markets	14.21%	13.05%	14.66%	38.80%
Total SOUTHWEST Orders	99.5%	32.7%	67.0%	0.3%

* Other Orders are Stop Orders and Stop Limit Orders.

New York Stock Exchange

The table above shows the percentages of orders placed for securities trading on the New York Stock Exchange (NYSE).

Southwest does not receive financial remuneration from any of the above firms.

2. NASDAQ Stock Exchange Securities

<i>For quarter ending 12/31/2009</i>	Non-Directed Orders	Market Orders	Limit Orders	Other Orders*
Orders Routed to:				
Automated Trading Desk	49.28%	59.44%	39.02%	6.05%
Knight Capital Markets	28.15%	18.36%	38.61%	43.48%
Citadel Derivatives Group LLC	21.38%	20.88%	21.32%	49.72%
Total SOUTHWEST Orders	98.2%	51.9%	47.1%	1.0%

* Other Orders are Stop Orders and Stop Limit Orders.

Nasdaq

The table above shows the percentages of orders placed for securities trading on the Nasdaq Stock Market (Nasdaq).

Southwest does not receive financial remuneration from any of the above firms.

3. NYSE Amex / Regional Stock Exchange Securities

<i>For quarter ending 12/31/2009</i>	Non-Directed Orders	Market Orders	Limit Orders	Other Orders*
Orders Routed to:				
Automated Trading Desk	73.05%	61.86%	80.23%	13.93%
Knight Capital Markets	25.45%	36.46%	18.36%	85.02%
Total SOUTHWEST Orders	99.8%	35.3%	63.7%	1.1%

* Other Orders are Stop Orders and Stop Limit Orders.

AMEX/Other

The table above shows the percentages of orders placed for securities trading on the NYSE Amex and regional exchanges.

Southwest does not receive financial remuneration from any of the above firms.

4. Exchange Listed Options

<i>For quarter ending 12/31/2009</i>	Non-Directed Orders	Market Orders	Limit Orders	Other Orders*
Orders Routed to:				
Chicago Board Options Exchange	33.15%	38.20%	31.14%	46.87%
Philadelphia Stock Exchange	26.19%	15.80%	28.88%	26.45%
NYSE Arca	13.72%	6.28%	16.19%	3.05%
International Securities Exchange	12.30%	9.75%	12.93%	13.07%
American Stock Exchange	6.51%	13.82%	4.59%	7.04%
Total SOUTHWEST Orders	100.0%	19.8%	76.3%	3.8%

* Other Orders are Stop Orders and Stop Limit Orders.

Exchange Listed Options

The table above shows the percentages of orders placed for securities trading as Exchange Listed Options.

Southwest may receive financial remuneration for options orders routed to any of the options exchanges.