

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. E072005008701

TO: Department of Enforcement
NASD

RE: STG Secure Trading Group, Inc., Respondent
Broker-Dealer
[CRD No. 41216]

Alan David Weiner, Respondent
General Securities Principal
[CRD No. 2537809]

Scott David Budner, Respondent
General Securities Principal
[CRD No. 2290260]

Pursuant to Rule 9216 of the NASD Code of Procedure, Respondents submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described in Part II below. This AWC is submitted on the condition that, if accepted, NASD will not bring any future actions against us alleging violations based on the same factual findings.

We understand that:

1. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by NASD's Department of Enforcement and National Adjudicatory Council ("NAC") Review Subcommittee or Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against us; and
3. If accepted:
 - a. this AWC will become part of our permanent disciplinary record and may be considered in any future actions brought by the NASD or any other regulator against us;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about our disciplinary record;

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- c. NASD may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-2; and
- d. We may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Nothing in this provision affects our testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which the NASD is not a party.

We also understand that our experience in the securities industry and disciplinary history may be factors that will be considered in deciding whether to accept this AWC. That experience and history are as follows:

STG Secure Trading Group, Inc. is located in Boca Raton, Florida and has been a member of NASD since August 13, 1996. The firm has no disciplinary history.

Alan David Weiner entered the securities industry in January 1994 as a general securities representative with First Hanover Securities, Inc., where he was employed through March 1995. Thereafter, Respondent Weiner was employed in the securities industry as follows:

Stuart, Coleman & Co., Inc.	06/95-12/96
On-Site Trading, Inc.	12/96-06/98
	10/98-10/01
Budner Securities, Inc.	06/02-06/03
STG Secure Trading Group, LLC	02/03-Present
STG Secure Trading Group, Inc.	04/03-Present

Respondent Weiner is the majority owner of STG and first became registered as a general securities principal on June 23, 2005. Respondent Weiner is currently registered with NASD and has no disciplinary history.

Scott David Budner entered the securities industry in March 1992 as a general securities representative with Soloway & Co., where he was employed through August 1993. Thereafter, Respondent Budner was employed in the securities industry as follows:

Newsouth Securities, Inc.	11/93-05/96
Budner Securities, Inc.	05/96-06/02
STG Secure Trading Group, Inc.	06/02-Present

Respondent Budner is the Chief Executive Officer of STG and became registered as a general securities principal and a financial and operations principal in 1994. Respondent Budner is currently registered with NASD and has no disciplinary history.

I.

WAIVER OF PROCEDURAL RIGHTS

We specifically and voluntarily waive the following rights granted under the NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against us;
- B. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, we specifically and voluntarily waive any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

We further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of Rule 9143 or the separation of functions prohibitions of Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

II.

ACCEPTANCE AND CONSENT

- A. We hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of NASD, or to which NASD is a party, prior to a

hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by NASD:

1. On or about December 15, 2004, Respondent STG Secure Trading Group, Inc. ("STG" or "the firm"), acting through Respondent Alan David Weiner, entered into two separate consulting agreements with Leslie Arouh to provide, among other things, investment banking and recruiting services to the firm, which would compensate Arouh in the amount of \$600,000 per year, plus an additional \$600,000 if the trading desk generated at least that amount in revenue; as well as 20% of the firm's overall revenue from any source. On December 20, 2004, the United States Securities and Exchange Commission ("SEC") issued a bar order against Arouh for his involvement in a fraudulent adjusted trading scheme at his prior employer.

From December 20, 2004 through April 2005, Arouh engaged in various aspects of the firm's business in contravention of the SEC bar order, including, but not limited to: consulting with regard to development of the firm's fixed income business, including recruiting individuals to comprise the firm's fixed-income trading desk); requesting that the trading desk provide him with market information on particular bonds; inquiring into the trading desk's positions; requesting that Respondent Weiner modify the position limits for the trading desk; participating on the firm's Executive and Sales and Business Committees; and providing investment banking services.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Conduct Rule 2110 and Article V, Section 3(b) of NASD By-Laws by Respondents STG and Weiner.

2. From 2003 through June 2005, the firm failed to register Respondent Weiner as a principal of the firm, and Respondent Weiner was actively engaged in the management of the firm's securities business.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Membership and Registration Rule 1021 and NASD Conduct Rule 2110 by Respondents STG and Weiner.

3. During 2003 and 2004, the firm failed to: conduct independent testing for compliance with its anti-money laundering (AML) procedures; identify to NASD the individual or individuals responsible for implementing and monitoring the firm's AML procedures; provide training for its AML personnel; and implement its Customer Identification Program or conduct OFAC reviews before opening new accounts.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Conduct Rules 3011 and 2110, Sections 326 and 352 of the USA PATRIOT Act, and Section 122 of the Bank Secrecy Act by Respondent STG.

4. During the months of November 2004, December 2004, January 2005 and March 2005, the firm executed transactions for customers, and made markets in certain securities, while failing to maintain its required minimum net capital. The firm, acting through Respondent Scott David Budner, failed to accurately reflect certain accrued liabilities, and incorrectly reflected an affiliate loan as paid-in capital, thus causing the firm's net capital to be below the required minimum, and causing the firm's FOCUS reports and other books and records to be inaccurate.

Such acts, practices, and conduct constitute separate and distinct violations of SEC Rules 15c3-1, 17a-3 and 17a-5; and NASD Conduct Rules 3110(a) and 2110 by Respondent STG, and NASD Conduct Rules 3110 and 2110 by Respondent Budner.

5. During 2004, the firm improperly paid commissions earned by its Office of Supervisory Jurisdiction (OSJ) to a non-registered entity of the firm, "Block Order Exchange."

Such acts, practices, and conduct constitute separate and distinct violations of NASD Conduct Rules 2110 and 2420, and IM-2420(d)(6) by Respondent STG.

6. During 2004, the firm, through Respondent Budner, failed to establish supervisory procedures to monitor and limit the positions of its trading desk to ensure that the firm maintained its minimum net capital requirements, and failed to review the correspondence or conduct an annual review of the firm's OSJ.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Conduct Rules 3010 and 2110 by Respondents STG and Budner.

- B. We also consent to the imposition, at a maximum, of the following sanctions:

A censure, and a monetary fine of \$160,000 against Respondent STG, \$75,000 of which is joint and several with Respondent Weiner; and \$35,000 of which is joint and several with Respondent Budner.

In addition, STG will be suspended from engaging in its fixed-income trading business for 30 days.

A censure, and a monetary fine of \$75,000, to be imposed jointly and severally with Respondent STG, against Respondent Weiner. In addition, Respondent Weiner will be suspended from association with any NASD member in any principal capacity for a period of one year, and from association in any capacity for a period of 90 days.

A censure, and a monetary fine of \$35,000 to be imposed jointly and severally with Respondent STG, against Respondent Budner. In addition, Respondent Budner will be suspended from association with any NASD member in the capacity of financial and operations principal for a period of 30 days.

The sanctions imposed herein shall be effective on a date set by the NASD staff. Pursuant to IM-8310-2(f), a bar or expulsion shall become effective upon approval or acceptance of this AWC by the NAC.

III.

OTHER MATTERS

- A. We understand that we may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by NASD, nor does it reflect the views of NASD or its staff.
- B. We understand that if we are barred or suspended from association with any NASD member, we become subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, we may not be associated with any NASD member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. (See NASD Rule 8310 and IM-8310-1).

We certify that we have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce us to submit it.

3/16/2006
Date

[Signature]
STG Secure Trading Group, Inc.
By: ALAN WEINER

3/16/2006
Date

[Signature]
Alan David Weiner

3/16/2006
Date

[Signature]
Scott David Bucher

Reviewed by:

[Signature]
David Pelligold, Esq.
Counsel for Respondents

Accepted by NASD:

3/23/06
Date

Signed on behalf of the Director
of ODA, by delegated authority:

[Signature]
Nancy B. Goldstein
Senior Regional Attorney
NASD Department
of Enforcement
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