

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Civil Action No. 04-61235-CIV-Lenard/Torres

U.S. COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

v.

LIBERTY FINANCIAL TRADING CORP., INC.,
LIBERTY REAL ASSETS INVESTMENT CORPORATION,
TED ROMEO, RANDY BURSTEIN, NADER YAZDANI, and
LESLIE WEINER,

Defendants.

**CONSENT ORDER OF PERMANENT INJUNCTION AND OTHER
EQUITABLE RELIEF AGAINST DEFENDANT LESLIE WEINER**

I. BACKGROUND

On September 21, 2004, the Commodity Futures Trading Commission ("Commission") filed its Complaint against Liberty Financial Trading Corp., Inc. ("LFTC"), Liberty Real Assets Investment Corporation ("LRAIC"), Ted Romeo ("Romeo"), Randy Burstein, Nader Yazdani, and Leslie Weiner (collectively, the "Defendants"). On December 7, 2004, this Court entered a Consent Order Granting Preliminary Injunctive Relief ("Consent Preliminary Injunction") that, among other things, enjoined Defendants from violating Section 4c(b) of the Commodity Exchange Act as amended (the "Act"), 7 U.S.C. § 6c(b) (2002), and Commission Regulations 33.10(a) and (c), 17 C.F.R. §§ 33.10(a) and (c) (2004).

II. CONSENT AND AGREEMENT

1. Solely to effect settlement of the matters alleged in the Complaint in this action without a trial on the merits or any further judicial proceedings or presentation of additional evidence, Defendant Leslie Weiner ("Weiner"):

a. Consents to the entry of this Consent Order of Permanent Injunction and Other Equitable Relief ("Order").

b. Affirms that he has read and agreed to this Order voluntarily and that no threat or promise has been made by the Commission or any member, officer, agent or representative thereof, or by any other person, to induce consent to this Order, other than as set forth specifically herein.

c. Acknowledges service of the Summons and Complaint.

d. Admits that this Court has jurisdiction over them and the subject matter of this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2002).

e. Admits that venue properly lies with this Court pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2002).

f. Waives:

i. All claims which may be available under the Equal Access to Justice Act, 5 U.S.C. § 504 (2002) and 28 U.S.C. § 2412 (2002) to seek costs, fees, and other expenses relating to, or arising from, this action;

ii. Any claim of double jeopardy based upon the institution of this proceeding or the entry in this proceeding of any order imposing a civil monetary penalty or any relief; and

iii. Any rights of appeal in this Action.

2. By consenting to the entry of this Order, Weiner neither admits nor denies the allegations of the Complaint or the Findings of Fact and Conclusions of Law contained in this Order, except as to jurisdiction and venue. Weiner consents to the entry of this Consent Order solely for the purpose of settling this case.

3. Solely with respect to any bankruptcy proceeding relating to Weiner or any proceeding to enforce this Order, Weiner agrees that the allegations of the Complaint and the Findings of Fact and Conclusions of Law in this Order shall be taken as true and correct and be given preclusive effect, without further proof. Furthermore, Weiner agrees to provide immediate notice to this Court and the Commission by certified mail of any bankruptcy proceeding filed by, on behalf of, or against him.

4. Weiner agrees that neither he nor any of his agents, servants, employees, contractors or attorneys shall take any action or make any public statement denying, directly or indirectly, any allegation in the Complaint or contained in this Order or creating, or tending to create, the impression that the Complaint or this Order is without a factual basis; provided, however, that nothing in this provision shall affect Weiner's (a) testimonial obligations; or (b) right to take legal positions in other proceedings to which the Commission is not a party. Weiner shall take all necessary steps to ensure that all of his agents, servants, employees, contractors and attorneys understand and comply with this agreement.

5. Weiner voluntarily undertakes never to apply for registration or claim exemption from registration with the Commission in any capacity, or engage in any activity requiring such registration or exemption from registration with the Commission, except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2006), or to act as a principal, agent or any other officer or employee of any person registered, exempted from registration or required to be

registered with the Commission, except as provided for in Regulation 4.14 (a)(9), 17 C.F.R. § 4.14(a)(9)(2006).

6. Weiner consents to the continued jurisdiction of this Court in order to implement and carry out the terms of all orders and decrees that may be entered herein, to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and to assure compliance with the Order.

III. FINDINGS AND CONCLUSIONS

The Court, being fully advised in the premises, finds that there is good cause for the entry of this Order and that there is no just reason for delay. The Court therefore directs, without presentation of additional evidence, the entry of findings of fact, conclusions of law, and a permanent injunction and ancillary equitable relief pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2002), as set forth herein.

A. Findings of Fact

1. From at least early 2002, LFTC has been registered with the Commission as an introducing broker. From approximately June or July 2004, LRAIC has been registered with the Commission as an introducing broker. Together, LFTC and LRAIC operated as a common enterprise (together, the "Liberty Common Enterprise") to solicit customers through telephone calls to open and maintain commodity trading accounts through the Liberty Common Enterprise to trade commodity options.

2. From at least June 2002 through at least June 2004, Weiner was registered with the Commission as an associated person of, and worked for, LFTC. From at least June 2004, Weiner was registered with the Commission as an associated person of, and worked for, LRAIC. In these capacities, Weiner solicited customers through telephone calls to open and maintain

commodity trading accounts through the Liberty Common Enterprise to trade commodity options.

3. During the course of his solicitations, Weiner, on several occasions, made false and misleading material representations to prospective and existing customers of the Liberty Common Enterprise by knowingly or recklessly: 1) misrepresenting the likelihood that customers would profit from the purchase of commodity options; 2) misrepresenting the risk of trading commodity options; 3) failing to disclose, in light of the profit representations he was making, the Liberty Common Enterprise's dismal performance record trading commodity options for customers; and 4) misrepresenting the actual performance record of customers' accounts.

4. Weiner, on several occasions, told customers that they could easily earn large profits trading in commodity options.

5. On several occasions, Weiner failed to adequately disclose the risk of trading commodity options. On these occasions Weiner touted his trading expertise, as well as the collective expertise of the Liberty Common Enterprise, in a way that created the false impression that trading commodity options with the Liberty Common Enterprise entailed minimum risk and maximum potential for profit.

6. While making these claims of expertise and profit potential with little risk, Weiner failed to disclose the Liberty Common Enterprise's losing track record to prospective and existing customers, including the fact that in 2002, ninety-six percent (96%) of the Liberty Common Enterprise's customers lost money and in 2003, ninety-two percent (92%) lost money.

7. On several occasions, Weiner also misrepresented to customers of the Liberty Common Enterprise the actual performance record of their individual accounts in order to induce them to maintain and continue trading in those accounts.

8. Weiner's misrepresentations and omissions were material and Weiner's customers relied upon the misrepresentations and omissions made by him in making their decision to trade commodity options through the Liberty Common Enterprise. Weiner knew that his misrepresentations and omissions were false or misleading or made them in reckless disregard for the truth.

B. Conclusions of Law

1. This Court has jurisdiction over the subject matter of this action and all parties hereto pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1, which authorizes the Commission to seek injunctive relief against any person whenever it shall appear that such person has engaged, is engaging or is about to engage in any act or practice constituting a violation of any provision of the Act or any rule, regulation or order thereunder.

2. Venue properly lies with this Court pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1, in that Weiner is found in, inhabits, or transacts business in this district, and the acts and practices in violation of the Act have occurred, are occurring, or are about to occur within this district, among other places.

3. This Court has personal jurisdiction over Weiner, who acknowledges service of the Complaint and consent to the Court's jurisdiction over him.

4. The Commission and Weiner have agreed to this Court's continuing jurisdiction over each of them for the purpose of enforcing the terms of this Order.

5. By the conduct described in Section III.A above, Weiner committed fraudulent acts and thereby violated 4c(b) of the Act, 7 U.S.C. § 6c(b) (2002), and Commission Regulations 33.10(a) and (c), 17 C.F.R. §§ 33.10(a) and (c) (2004).

IV. ORDER OF PERMANENT INJUNCTION

NOW THEREFORE, IT IS ORDERED THAT:

1. Weiner is permanently restrained, enjoined and prohibited from directly or indirectly:

a. offering to enter into, entering into, executing, confirming the execution of, or conducting business for the purpose of soliciting, accepting any order for, or otherwise dealing in any transaction in, or in connection with, a commodity option contrary to any rule, regulation, or order of the Commission prohibiting any such transaction or allowing any such transaction under such terms and conditions as the Commission shall prescribe, in violation of Section 4c(b) of the Act; and

b. in or in connection with an offer to enter into, the entry into, or the confirmation of the execution of, or the maintenance of, any commodity option transaction, cheating or defrauding or attempting to cheat or defraud any person; or deceiving or attempting to deceive any person by any means whatsoever, in violation of Section 4c(b) of the Act and Commission Regulations 33.10(a) and (c), 17 C.F.R. §§ 33.10(a) and (c) (2004).

2. Weiner is permanently restrained, enjoined and prohibited, from engaging, directly or indirectly, in any activity related to trading in any commodity, as that term is defined in Section 1a(4) of the Act, 7 U.S.C. § 1a(4) ("commodity interest"), including, but not limited to, the following:

- a. trading on or subject to the rules of any registered entity, as that term is defined in Section 1a(29) of the Act, 7 U.S.C. § 1a(29);
- b. engaging in, controlling or directing the trading for any commodity interest account for or on behalf of any other person or entity, whether by power of attorney or otherwise; and
- c. soliciting or accepting any funds from any person in connection with the purchase or sale of any commodity interest; and
- d. engaging in any business activities related to commodity interest trading.

3. Weiner is ordered to comply with the terms of his voluntary undertaking as set forth in Section II.5 above.

4. The injunctive and other provisions of this Order shall be binding on Weiner, upon any person insofar as he or she is acting in the capacity of officer, agent, servant, employee or attorney of Weiner, and upon any person who receives actual notice of this Order by personal service or otherwise insofar as he or she is acting in active concert or participation with Weiner.

V. RESTITUTION, CIVIL MONETARY PENALTY, AND ANCILLARY RELIEF

NOW THEREFORE, IT IS ORDERED THAT:

Weiner shall comply fully with the following terms, conditions and obligations relating to the payment of restitution, the payment of a civil monetary penalty, and other ancillary relief.

A. RESTITUTION

1. **IT IS HEREBY ORDERED THAT** Weiner shall be jointly and severally liable for the restitution of LFTC and LRAIC, previously ordered by this Court in its April 24, 2007 *Consent Order of Permanent Injunction and Other Equitable Relief Against Defendants Liberty Financial Trading Corp., Inc., Liberty Real Assets Investment Corporation, and Ted Romeo*, in

the amount of \$70,000, plus pre-judgment interest and post-judgment interest. Restitution shall be paid within ten days of entry of this Order. Pre-judgment interest from September 2004 to the date of this Order shall be determined by using the underpayment rate established quarterly by the Internal Revenue Service pursuant to 26 U.S.C. § 662(a)(2). Post-judgment interest shall accrue beginning on the date of entry of this Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Order pursuant to 28 U.S.C. § 1961.

2. Further, the amount payable for restitution shall not limit the ability of any Liberty Common Enterprise customer from proving that a greater amount is owed from Weiner or any other person or entity, and nothing herein shall be construed in any way to limit or abridge the rights of any Liberty Common Enterprise customer that exist under state or common law.

3. Appointment of Monitor: To effect payment by Weiner and distribution of restitution, the Court appoints the National Futures Association ("NFA") as Monitor ("Monitor"). The Monitor shall collect restitution payments from Weiner and make distributions as set forth below. Because the Monitor is not being specially compensated for these services, and these services are outside the normal duties of the Monitor, he shall not be liable for any action or inaction arising from his appointment as Monitor, other than actions involving fraud.

4. Weiner shall make restitution payments under this Order to the NFA by electronic funds transfer, or by U.S. postal money order, certified check, bank cashier's check, or bank money order, made payable to the "Liberty Financial Settlement Fund" and sent to Office of Administration, National Futures Association, 200 W. Madison St., #1600, Chicago, IL 60606-3447, under a cover letter that identifies himself and the name and docket number of the proceeding. Weiner shall simultaneously transmit copies of the cover letter and the form of payment to the Director and the Office of Cooperative Enforcement, Division of Enforcement,

Commodity Futures Trading Commission, at the following address: Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581.

5. The NFA shall oversee Weiner's restitution obligation and shall have discretion to determine the manner for distribution of funds in an equitable fashion to defrauded Liberty Common Enterprise customers, as appropriate, or may defer distribution until such time as it deems appropriate. Restitution payments shall be made in an equitable fashion as determined by the Monitor to the persons identified on Exhibit A to the April 24, 2007 *Consent Order of Permanent Injunction and Other Equitable Relief Against Defendants Liberty Financial Trading Corp., Inc., Liberty Real Assets Investment Corporation, and Ted Romeo.*

6. Should the Monitor be unable to locate certain investors after making reasonable efforts to locate such investors, the Monitor shall distribute the funds owed to those investors equitably to the other investors. Based upon the amount of funds available, the Monitor may defer distribution until such time as it deems appropriate. In the event that the amount of restitution payments to the Monitor are of a *de minimis* nature such that the Monitor determines that the administrative costs of the making a restitution distribution is impractical, the Monitor may, in its discretion, treat such restitution payments as civil monetary penalty payments, which the Monitor shall forward to the Commission following the instructions for civil monetary penalty payments set forth in Part V.B., below.

7. Weiner shall cooperate with the Monitor as appropriate to provide such information as the NFA deems necessary and appropriate to identify Liberty Common Enterprise] customers to whom the Monitor, in his sole discretion, may determine to include in any plan for distribution of any restitution payments.

B. CIVIL MONETARY PENALTY

1. Weiner shall pay to the Commission a civil monetary penalty in the amount of \$100,000, plus post-judgment interest pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1. The civil monetary penalty shall be paid within ten days of entry of this Order. Post-judgment interest shall accrue beginning on the date of entry of this Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Order pursuant to 28 U.S.C. § 1961.

2. Weiner shall pay this civil monetary penalty by electronic funds transfer, U.S. postal money order, certified check, bank cashier's check, or bank money order. If payment is to be made other than by electronic funds transfer, the payment shall be made payable to the Commodity Futures Trading Commission and sent to the address below:

Commodity Futures Trading Commission
Division of Enforcement
Attn: Marie Bateman – AMZ-300
DOT/FAA/MMAC
6500 S. MacArthur Blvd.
Oklahoma City, Oklahoma 73169
Telephone: 405-954-6569

If payment is to be made by electronic funds transfer, Weiner shall contact Marie Bateman or her successor at the above address to receive payment instructions and shall fully comply with those instructions. Weiner shall accompany payment of the penalty with a cover letter that identifies Weiner and the name and docket number of the proceedings. Weiner shall simultaneously transmit copies of the cover letter and the form of payment to the Director, Division of Enforcement, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581, and the Chief, Office of Cooperative Enforcement, at the same address.

C. PRIORITY OF MONETARY SANCTIONS AND PARTIAL PAYMENTS

1. All payments by Weiner pursuant to this Order shall first be applied to satisfaction of Weiner's restitution obligation, consistent with the authority granted the Monitor in Part V.A., above. After satisfaction of their restitution obligation, payments by Weiner pursuant to this Order shall be applied to satisfy Weiner's civil monetary penalty obligation.

2. Any acceptance by the Commission and/or Monitor of partial payment of Weiner's restitution obligation and/or civil monetary penalty shall not be deemed a waiver of Weiner's requirement to make further payments pursuant to this Order, or a waiver of the Commission's and/or Monitor's right to seek to compel payment of any remaining balance.

D. EQUITABLE RELIEF PROVISIONS

The equitable relief provisions of this Consent Order shall be binding upon Weiner and any person who is acting in the capacity of officer, agent, employee, servant or attorney of Weiner, and any person acting in active concert or participation with Weiner who receive actual notice of this Consent Order by personal service or otherwise.

VI. MISCELLANEOUS PROVISIONS

IT IS FURTHER ORDERED THAT:

1. ENTIRE AGREEMENT, AMENDMENTS AND SEVERABILITY: This Order incorporates all of the terms and conditions of the settlement among the parties. Nothing shall serve to amend or modify this Order in any respect whatsoever, unless: (1) reduced to writing, (2) signed by all parties, and (3) approved by order of the Court. If any provision of this Order or the application of any provision or circumstance is held invalid, the remainder of this Order shall not be affected by the holding.

2. SUCCESSORS AND ASSIGNS: This Order shall inure to the benefit of and be binding on the parties' successors, assigns, heirs, beneficiaries and administrators.

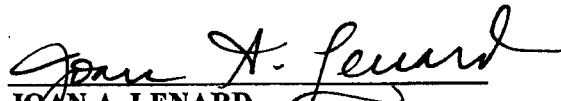
3. COUNTERPARTS: This Order may be executed by the parties in counterparts and by facsimile.

4. COLLATERAL AGREEMENTS: [Defendants] shall immediately notify the Commission if he makes any agreement with any investor/creditor obligating him to make payments outside of this Order. [Defendants] shall also provide immediate evidence to the Court and to the Commission of any payments made pursuant to such agreement.

5. JURISDICTION: This Court shall retain jurisdiction of this cause to assure compliance with this Order and for all other purposes related to this action.

There being no just reason for delay, the Clerk of the Court is hereby directed to enter this Consent Order of Permanent Injunction and Other Equitable Relief.

DONE AND ORDERED in Chambers, at Miami, Florida, this 2 day of January
2008 at 1:00 P.M.

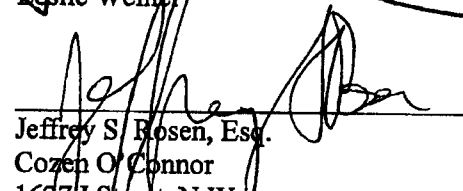

JOAN A. LENARD
UNITED STATES DISTRICT JUDGE

Consented to and approved for entry by:

DEFENDANT:




Leslie Weiner



Jeffrey S. Rosen, Esq.
Cozen O'Connor
1627 I Street, N.W.
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Washington, D.C. 20006
Attorney for Defendant Leslie Weiner

PLAINTIFF:



Alan Edelman
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