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State Securities Board

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SSB Docket No. 02-37

IN THE MATTER OF THE APPLICATION
FOR THE AGENT REGISTRATION OF
ROBERT ALLEN STINZIANO

§
§
§

Order No. CAF-1482

TO: Robert Allen Stinziano (CRD # 1031884)
Trinity Securities, Inc.
3303 Oakwell Court, Suite 120
San Antonio, Texas 78218

DISCIPLINARY ORDER REPRIMANDING AND FINING AN AGENT

Be it remembered that Robert Allen Stinziano ("Respondent"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and Undertaking and the Findings of Fact and Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to the Respondent by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2002) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2002) ("Administrative Procedure Act").
2. On or about October 23, 2002, Respondent filed for registration with the Securities Commissioner as an agent of Trinity Securities, Inc. ("Trinity"), which is currently pending.
3. On or about September 29, 1999, Premier Group, Inc. ("Premier") registered with the Securities Commissioner as a securities dealer restricted to the sale of interests in direct participation programs.
4. On or about September 29, 1999, Respondent registered with the Securities Commissioner as an agent of Premier.
5. On or about September 29, 1999, Premier and Respondent entered into Consent Order CAF-1371 ("Consent Order") with the Securities Commissioner which

included findings that Respondent and Premier had engaged in unregistered securities activity.

6. The Consent Order contained an Undertaking which included the following: "Respondent Premier agrees not to employ or use any person or entity to offer for sale or sell securities from within the State of Texas or to a Texas resident unless such person or entity is properly registered with the Securities Commissioner."
7. On or about April 19, 2000, the National Association of Securities Dealers, Inc. ("NASD") conducted an examination of Premier.
8. On or about November 11, 2001, Premier and Respondent entered into a Letter of Acceptance, Waiver and Consent ("AWC") NO. C06010043 with the NASD.
9. The AWC included the following findings:
 - "1.) From December 1999 to about May 2000, Premier Group, Inc. acting through Hugh J. Graham, approved a telephone sales script relating to oil and gas investments that was used by the firm's sales staff. However, the script omitted material information, contained exaggerated and misleading information and did not provide a sound basis for certain information.
 - 2.) From about December 1999 to about May 2000, Premier Group, Inc., acting through Hugh J. Graham and Robert Stinziano, allowed four representatives of the firm to engage in the investment banking and securities business because they directed that these representatives contact prospective customers of the firm, using the scripts mentioned in the first cause, in order to ascertain the customer's interest in oil and gas investments and whether such customer might qualify of such investment; however, the four representatives were not registered with the Association."
10. At all times relevant to this Order, the four representatives referred to in the AWC were not registered with the Securities Commissioner as a dealer or an agent of a dealer.
11. The AWC included admissions by Premier and Respondent that Premier's unregistered agents had engaged in: (i) the ascertainment of whether a potential customer had an interest in oil and gas investments by discussing a particular program, and (ii) obtained information to determine whether such potential customer qualifies for the investment.
12. Premier's unregistered agents, utilized a sales script which omitted material information, contained exaggerated and misleading information, and failed to provide a sound basis for certain information.

13. No interests in the oil and gas programs, offered through Premier's unregistered agents, were actually purchased.
14. At all times relevant to this Order, Respondent was Director of Sales for Premier and was actively involved in Premier's sales process, including the unregistered sales agent activity.

UNDERTAKING

1. Respondent represents that, as of the date of the execution of this Undertaking, Respondent has not offered for sale, sold, or participated in the sale of any security as an employee, salesman, agent or representative of Trinity within the State of Texas, nor will Respondent until his application is approved.
2. Respondent undertakes and agrees to not directly or indirectly supervise, train, advise, or assist sales agents of Trinity in their sales activities, and will be directly supervised by a principal of Trinity who is not subject to any statutory disqualification. Provided that Respondent receives no new customer complaints for one (1) year subsequent to the approval of his registration in Texas, this condition is automatically waived.
3. Respondent further undertakes and agrees that, for a period of one (1) year from the date Respondent's registration is granted, Respondent will, within ten (10) business days of receipt by Respondent, promptly deliver or cause to be delivered to the Director of Inspections and Compliance of the Texas State Securities Board, any written or oral customer complaint in which the Respondent's name appears or in which Respondent is otherwise involved.

CONCLUSIONS OF LAW

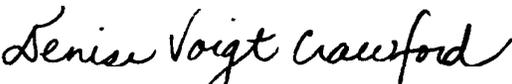
1. Premier through Respondent offered for sale securities in Texas through agents, at a time when the agents were not registered with the Securities Commissioner in violation of Section 12 of the Texas Securities Act.
2. Premier through Respondent used unregistered agents in violation of the Undertaking included within the Consent Order filed with the Securities Commissioner.
3. Premier through Respondent directed unregistered agents to use a sales script which omitted material information, contained exaggerated and misleading information, and failed to provide a sound basis for certain information, which constitutes an inequitable practice in the sale of securities and is a fraudulent business practice.
4. Pursuant to Sections 14.A(3), 14.A(6), and 14.A(11) of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order reprimanding an agent.

5. Pursuant to Section 23-1 of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order assessing an administrative fine against an agent.

ORDER

1. It is therefore ORDERED that the registration of Robert Allen Stinziano is hereby GRANTED.
2. It is further ORDERED that Robert Allen Stinziano is hereby REPRIMANDED.
3. It is further ORDERED that Robert Allen Stinziano is ASSESSED AN ADMINISTRATIVE FINE in the amount of Five Hundred Dollars (\$500.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Five Hundred Dollars (\$500.00), payable to the State of Texas, contemporaneously with the delivery of this Order.
4. It is further ORDERED that Robert Allen Stinziano COMPLY with the terms of the Undertaking contained in this Order.

SIGNED AND ENTERED by the Securities Commissioner this 29th day of October, 2002.


DENISE VOIGT CRAWFORD
Securities Commissioner

Respondent:


Robert Allen Stinziano

Approved as to Form:

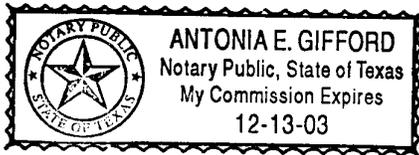

Michael S. Gunst, Director
Inspections and Compliance Division


David A. Grauer, Director
Enforcement Division

ACKNOWLEDGMENT

On the 25 day of OCTOBER, 2002, Robert Allen Stinziano ("Respondent") personally appeared before me, executed the foregoing Order and Undertaking, and acknowledged that:

1. Respondent has read the foregoing Order;
2. Respondent has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. 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,
4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



[affix notary seal here]

Antonia E. Gifford
Notary Public in and for
the State of TEXAS

My commission expires on: 12-13-03