

## BrokerCheck Report

### FRED GERRITT JAGER

CRD# 1025209

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

## About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.
- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
  - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
  - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

Thank you for using FINRA BrokerCheck.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

[brokercheck.finra.org](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://www.finra.org/brokercheck). It provides a glossary of terms and a list of frequently asked questions, as well as additional resources.

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)

**FRED G. JAGER**

CRD# 1025209

This broker is not currently registered.

## Report Summary for this Broker



This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

### Broker Qualifications

**This broker is not currently registered.**

#### This broker has passed:

- 1 Principal/Supervisory Exam
- 1 General Industry/Product Exam
- 1 State Securities Law Exam

### Registration History

**This broker was previously registered with the following securities firm(s):**

- B HUNTER WISE SECURITIES, LLC**  
CRD# 104193  
IRVINE, CA  
10/2000 - 05/2014
- B GRANT BETTINGEN, INC.**  
CRD# 16944  
NEW YORK, NY  
12/1999 - 12/2000
- B FINANCIAL WEST GROUP**  
CRD# 16668  
RENO, NV  
09/1998 - 02/1999

### Disclosure Events

This broker has been involved in one or more disclosure events involving certain final criminal matters, regulatory actions, civil judicial proceedings, or arbitrations or civil litigations.

Are there events disclosed about this broker? **Yes**

**The following types of disclosures have been reported:**

Type	Count
Civil Event	1

## Broker Qualifications



### Registrations

This section provides the self-regulatory organizations (SROs), states and U.S. territories the broker is currently registered and licensed with, the category of each registration, and the date on which the registration became effective. This section also provides, for each firm with which the broker is currently employed, the address of each branch where the broker works.

This broker is not currently registered.



## Broker Qualifications

### Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below. A passed exam or exam waiver does not permit a broker to do business without an active SRO or state registration.

**This individual has passed 1 principal/supervisory exam, 1 general industry/product exam, and 1 state securities law exam.**

### Principal/Supervisory Exams

Exam	Category	Date
<b>B</b> General Securities Principal Examination	Series 24	12/17/1998

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> General Securities Representative Examination	Series 7	09/10/1998

### State Securities Law Exams

Exam	Category	Date
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	09/28/1998

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at [www.finra.org/brokerqualifications/registeredrep/](http://www.finra.org/brokerqualifications/registeredrep/).



## Broker Qualifications

### Professional Designations

This section details that the representative has reported **0** professional designation(s).

No information reported.



## Registration and Employment History

### Registration History

The broker previously was registered with the following securities firms:

Registration Dates	Firm Name	CRD#	Branch Location
<b>B</b> 10/2000 - 05/2014	HUNTER WISE SECURITIES, LLC	104193	IRVINE, CA
<b>B</b> 12/1999 - 12/2000	GRANT BETTINGEN, INC.	16944	NEW YORK, NY
<b>B</b> 09/1998 - 02/1999	FINANCIAL WEST GROUP	16668	RENO, NV

### Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

**Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.**

Employment	Employer Name	Position	Investment Related	Employer Location
04/2000 - Present	HUNTER WISE SECURITIES LLC	PRESIDENT	Y	IRVINE, CA, United States
04/1999 - Present	HUNTER WISE FINANCIAL GROUP, LLC	PRESIDENT, CEO AND MANAGING MEMBER	N	IRVINE, CA, United States

## Disclosure Events



### What you should know about reported disclosure events:

**1. Disclosure events in BrokerCheck reports come from different sources:**

- As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, their employing firms, and regulators. When more than one source reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions are separated by a solid line with the reporting source labeled.

For your convenience, below is a matrix of the number and status of regulatory disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Final	On Appeal
Civil Event	1	0



## Disclosure Event Details

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

### Civil - Final

This type of disclosure event involves an injunction issued by a court in connection with investment-related activity or a finding by a court of a violation of any investment-related statute or regulation.

#### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Initiated By:</b>	UNITED STATES COMMODITY FUTURES TRADING COMMISSION
<b>Relief Sought:</b>	Injunction Restitution
<b>Date Court Action Filed:</b>	12/05/2012
<b>Product Type:</b>	Other: ILLEGAL, OFF-EXCHANGE RETAIL COMMODITY CONTRACTS
<b>Type of Court:</b>	Federal Court
<b>Name of Court:</b>	UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA
<b>Location of Court:</b>	WEST PALM BEACH, FL
<b>Docket/Case #:</b>	9:12-CV-81311
<b>Employing firm when activity occurred which led to the action:</b>	HUNTER WISE SECURITIES, LLC
<b>Allegations:</b>	<p>CFTC PRESS RELEASE PR6447-12, DECEMBER 5, 2012: THE U.S. COMMODITY FUTURES TRADING COMMISSION (CFTC) ANNOUNCED THAT ON DECEMBER 5, 2012, IT FILED A CIVIL INJUNCTIVE ENFORCEMENT ACTION IN THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA AGAINST MULTIPLE DEFENDANTS, INCLUDING FRED JAGER ("JAGER"). THE COMPLAINT CHARGES THE ENTITIES AND INDIVIDUALS WITH FRAUDULENTLY MARKETING ILLEGAL, OFF-EXCHANGE RETAIL COMMODITY CONTRACTS. THE COMPLAINT ALLEGES THAT A COMMODITIES FIRM, THE ORCHESTRATOR OF THE FRAUD, HAS TAKEN IN AT LEAST \$46 MILLION IN CUSTOMER FUNDS SINCE JULY 2011.</p> <p>ACCORDING TO THE CFTC COMPLAINT, THE DEFENDANTS CLAIM TO SELL PHYSICAL METALS, INCLUDING GOLD, SILVER, PLATINUM, PALLADIUM, AND COPPER, TO RETAIL CUSTOMERS IN RETAIL COMMODITY TRANSACTIONS. UNDER THE DEFENDANTS' RETAIL COMMODITY TRANSACTIONS</p>



INVESTMENT CONTRACT, CUSTOMERS ALLEGEDLY MAKE A DOWN PAYMENT ON CERTAIN QUANTITIES OF PHYSICAL METALS, USUALLY 25 PERCENT OF THE TOTAL PURCHASE PRICE. DEFENDANTS ALLEGEDLY CLAIM TO ARRANGE LOANS FOR THE BALANCE OF THE PURCHASE PRICE, AND ADVISE CUSTOMERS THAT THEIR PHYSICAL METALS WILL BE STORED IN A SECURE DEPOSITORY.

THE COMPLAINT FURTHER ALLEGES THAT THESE STATEMENTS WERE FALSE, AND THAT THE DEFENDANTS DO NOT PURCHASE ANY PHYSICAL METALS, ARRANGE LOANS FOR THEIR CUSTOMERS TO PURCHASE PHYSICAL METALS, OR ARRANGE FOR STORAGE OF PHYSICAL METALS FOR ANY CUSTOMERS PARTICIPATING IN THEIR RETAIL COMMODITY TRANSACTIONS. INSTEAD, ALL THE TRANSACTIONS ARE JUST PAPER TRANSACTIONS, ACCORDING TO THE COMPLAINT. DEFENDANTS ALLEGEDLY DO NOT OWN OR SELL METALS TO CUSTOMERS; CUSTOMERS ARE CHARGED STORAGE AND INSURANCE FEES ON METALS THAT DO NOT EXIST; AND ARE CHARGED INTEREST ON LOANS, WHICH ARE NEVER MADE BY THE DEFENDANTS.

THE DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT (DODD-FRANK ACT) OF 2010 EXPANDED THE CFTC'S JURISDICTION OVER TRANSACTIONS LIKE THESE, AND REQUIRES THAT SUCH TRANSACTIONS BE EXECUTED ON OR SUBJECT TO THE RULES OF A BOARD OF TRADE, EXCHANGE OR COMMODITY MARKET, ACCORDING TO THE COMPLAINT. THE NEW REQUIREMENT TOOK EFFECT ON JULY 16, 2011. THE COMPLAINT ALLEGES THAT ALL OF THE DEFENDANTS' FINANCED COMMODITY TRANSACTIONS AFTER JULY 16, 2011, WERE ILLEGAL. THE COMPLAINT ALSO ALLEGES THAT THE DEFENDANTS DEFRAUDED CUSTOMERS IN ALL OF THESE FINANCED COMMODITY TRANSACTIONS.

IN JANUARY 2012, THE CFTC ISSUED A CONSUMER FRAUD ADVISORY REGARDING PRECIOUS METALS FRAUD, SAYING THAT IT HAD SEEN AN INCREASE IN THE NUMBER OF COMPANIES OFFERING CUSTOMERS THE OPPORTUNITY TO BUY OR INVEST IN PRECIOUS METALS. THE CFTC'S CONSUMER FRAUD ADVISORY SPECIFICALLY WARNED THAT FREQUENTLY COMPANIES DO NOT PURCHASE ANY PHYSICAL METALS FOR THE CUSTOMER, INSTEAD SIMPLY KEEPING THE CUSTOMER'S FUNDS. THE CONSUMER FRAUD ADVISORY FURTHER CAUTIONED CONSUMERS THAT LEVERAGED COMMODITY TRANSACTIONS ARE UNLAWFUL UNLESS EXECUTED ON A REGULATED EXCHANGE.

IN ITS CONTINUING LITIGATION AGAINST THE DEFENDANTS, THE CFTC IS SEEKING PRELIMINARY AND PERMANENT CIVIL INJUNCTIONS IN ADDITION TO OTHER REMEDIAL RELIEF, INCLUDING RESTITUTION TO CUSTOMERS.



**Current Status:** Final

**Resolution:** Judgment Rendered

**Resolution Date:** 05/15/2014

**Sanctions Ordered or Relief Granted:** Civil and Administrative Penalty(ies)/Fine(s)  
Injunction  
Restitution

**Capacities 1 of 1**

**Capacities Affected:** N/A

**Duration:** PERMANENT

**Start Date:** 05/15/2014

**End Date:**

**Monetary Sanction 1 of 2**

**Monetary Sanction:** Monetary Fine

**Total Amount:** \$55,445,892.39

**Portion against individual:** 55445892.39

**Date Paid:**

**Portion Waived:** No

**Amount Waived:**

**Monetary Sanction 2 of 2**

**Monetary Sanction:** Restitution

**Total Amount:** \$52,643,399.19

**Portion against individual:** 52643399.19

**Date Paid:**

**Portion Waived:** No

**Amount Waived:**

**Regulator Statement**

PRESS RELEASE PR6522-13, FEBRUARY 27, 2013: ON FEBRUARY 25, 2013, THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA ENTERED AN ORDER OF PRELIMINARY INJUNCTION AGAINST JAGER. THE COURT'S ORDER PROHIBITS JAGER FROM TRADING, SOLICITING ORDERS, COMMITTING FRAUD OR ENGAGING IN BUSINESS ACTIVITY RELATED TO CONTRACTS OR TRANSACTIONS REGULATED BY THE CFTC. THE COURT'S



ORDER ALSO FROZE ALL OF JAGER'S ASSETS, AND APPOINTED A SPECIAL CORPORATE MONITOR TO ASSUME CONTROL OVER THE CORPORATE DEFENDANTS. JAGER APPEALED THE ORDER TO THE U.S. COURT OF APPEALS FOR THE ELEVENTH CIRCUIT ON MARCH 4, 2013. ON APRIL 15, 2014, THE COURT OF APPEALS AFFIRMED THE DISTRICT COURT'S GRANT OF PRELIMINARY INJUNCTION. ON MAY 15, 2014, THE DISTRICT COURT ISSUED A FINAL JUDGMENT WHICH PERMANENTLY ENJOINED JAGER FROM, AMONG OTHER THINGS, VIOLATIONS OF THE COMMODITY EXCHANGE ACT. JAGER IS ORDERED TO PAY, JOINTLY AND SEVERALLY, RESTITUTION IN THE AMOUNT OF \$52,643,399.19 AND A CIVIL MONETARY PENALTY, JOINTLY AND SEVERALLY, IN THE AMOUNT OF \$55,445,892.39.

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**Reporting Source:** Broker

**Initiated By:** UNITED STATES COMMODITY FUTURES TRADING COMMISSION

**Relief Sought:** Disgorgement  
Injunction  
Monetary Penalty other than Fines  
Restitution

**Date Court Action Filed:** 12/05/2012

**Date Notice/Process Served:** 02/25/2013

**Product Type:** Other: PHYSICAL PRECIOUS METALS

**Type of Court:** Federal Court

**Name of Court:** UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA

**Location of Court:** WEST PALM BEACH FL

**Docket/Case #:** 9:12-CV-81311

**Employing firm when activity occurred which led to the action:** HUNTER WISE SECURITIES, LLC

**Allegations:** ON SEPTEMBER 25, 2012, HUNTER WISE COMMODITIES, LLC (HWC) FILED A CIVIL SUIT AGAINST THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION (CFTC) FOR ITS CONFLICT OF INTERPRETATION OF "ACTUAL DELIVER" PURSUANT TO SECTION 2(C)(2)(D) OF THE COMMODITY EXCHANGE ACT, 7 U.S.C. (CEA). IN RESPONSE, ON DECEMBER 5, 2012, THE CFTC FILED A CIVIL INJUNCTIVE ENFORCEMENT ACTION AGAINST HWC, FRED G. JAGER AND SEVERAL OTHER DEFENDANTS ALLEGING THAT THE PROCESS BY WHICH HWC SELLS



PRECIOUS METALS WAS BANNED IN JULY, 2011, AND THAT HWC DOES NOT ACTUALLY CONTROL PHYSICAL PRECIOUS METALS.

HWC MAINTAINS THE CFTC ASSERTIONS ARE INACCURATE AND CONTRARY TO THE LAW.

**Current Status:** Final

**Appeal Court:** US COURT OF APPEALS

**Location of Court:** ELEVENTH CIRCUIT

**Docket/Case #:** 13-10993

**Date Appeal filed:** 08/19/2013

**Appeal Details:** APPELLANTS HAVE REQUESTED AN ORAL ARGUMENT IN THE MATTER OF THE JURISDICTION OF THE COMMODITY FUTURES TRADING COMMISSION, AND THE EXTENT, IF ANY, OF ITS JURISDICTIONAL RIGHTS TO BRING A PRAYER FOR PRELIMINARY INJUNCTIVE RELIEF. THE CASE PRESENTS SIGNIFICANT ISSUES REGARDING THE INTERPRETATION OF THE RECENTLY PASSED DODD-FRANK ACT AND THE CFTC'S CLAIM OF PROMULGATION PURPORTEDLY AUTHORIZED BY THE ACT, PREEMPTING EACH STATE'S UNIFORM COMMERCIAL CODE CONCERNING PHYSICAL SALES FROM INVENTORIES.

**Appeal Limitation Details:** DEFENDANTS ARE RESTRAINED, ENJOINED AND PROHIBITED, UNTIL FURTHER ORDER OF THE COURT, FROM DIRECTLY OR INDIRECTLY:  
 (1)ENGAGING IN ANY TRANSACTIONS IN CONNECTION WITH THE PURCHASE OR SALE OF A COMMODITY FOR FUTURE DELIVERY.  
 (2)DISSIPATING, WITHDRAWING, TRANSFERRING, REMOVING, DISPOSING OR CONCEALING OF ANY CASH, CASHIER'S CHECKS, FUNDS, ASSETS OR OTHER PROPERTY OF, OR WITHIN THE CUSTODY, CONTROL OR ACTUAL OR CONSTRUCTIVE POSSESSION OF DEFENDANTS BY DEFENDANTS AND ANY PERSON OTHER THAN THE COPORATE MONITOR.

**Resolution:** Judgment Rendered

**Resolution Date:** 05/15/2014

**Sanctions Ordered or Relief Granted:** Civil and Administrative Penalty(ies)/Fine(s)  
 Injunction  
 Restitution

**Capacities 1 of 1**

**Capacities Affected:** ALL CAPACITIES

**Duration:** N/A



**Start Date:** 02/25/2013

**End Date:**

**Monetary Sanction 1 of 1**

**Monetary Sanction:** RESTITUTION FOR LOSSES AND CIVIL MONEY PENALTY HAVE BEEN ADDED TOGETHER FOR A TOTAL AMOUNT

**Total Amount:** \$55,445,892.39

**Portion against individual:**

**Date Paid:**

**Portion Waived:** No

**Amount Waived:**

**Broker Statement** HUNTER WISE SECURITIES, LLC AND ITS PARENT COMPANY, HUNTER WISE FINANCIAL GROUP, LLC ARE NOT NAMED IN THIS CASE.

## End of Report



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