

BrokerCheck Report

GREGG MS BERGER

CRD# 2191694

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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



For additional information about the contents of this report, please refer to the User Guidance or 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.

GREGG M. BERGER

CRD# 2191694

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:

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

Registration History

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

- B NEWBRIDGE SECURITIES CORPORATION**
CRD# 104065
NEW YORK, NY
02/2011 - 02/2011
- B SCOTTSDALE CAPITAL ADVISORS CORP**
CRD# 118786
NEW YORK, NY
02/2008 - 02/2011
- B CAPITAL GROWTH FINANCIAL, LLC**
CRD# 41040
NEW YORK, NY
05/2006 - 02/2008

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
Regulatory Event	3
Criminal	1
Civil Event	1
Customer Dispute	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 0 principal/supervisory exams, 3 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Futures Managed Funds Examination	Series 31	05/13/1997
B National Commodity Futures Examination	Series 3	01/26/1993
B General Securities Representative Examination	Series 7	12/12/1991

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	12/20/1991

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/.

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 02/2011 - 02/2011	NEWBRIDGE SECURITIES CORPORATION	104065	NEW YORK, NY
B 02/2008 - 02/2011	SCOTTSDALE CAPITAL ADVISORS CORP	118786	NEW YORK, NY
B 05/2006 - 02/2008	CAPITAL GROWTH FINANCIAL, LLC	41040	NEW YORK, NY
B 01/2002 - 06/2006	GILFORD SECURITIES INCORPORATED	8076	NEW YORK, NY
B 03/1999 - 01/2002	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	NEW YORK, NY
B 07/1993 - 02/1999	SALOMON SMITH BARNEY INC.	7059	NEW YORK, NY
B 12/1991 - 07/1993	LEHMAN BROTHERS INC.	7506	NEW YORK, NY

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
02/2011 - Present	NEWBRIDGE SECURITIES	REGISTERED REPRESENTATIVE	Y	NEW YORK, NY, 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
Regulatory Event	3	0
Criminal	1	0
Civil Event	1	0
Customer Dispute	1	N/A



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.

Regulatory - Final

This type of disclosure event involves a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations.

Disclosure 1 of 3

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Suspension
Date Initiated:	03/25/2015
Docket/Case Number:	13-02717
Employing firm when activity occurred which led to the regulatory action:	N/A
Product Type:	No Product
Allegations:	RESPONDENT BERGER FAILED TO COMPLY WITH AN ARBITRATION AWARD OR SETTLEMENT AGREEMENT OR TO SATISFACTORILY RESPOND TO A FINRA REQUEST TO PROVIDE INFORMATION CONCERNING THE STATUS OF COMPLIANCE.
Current Status:	Final
Resolution:	LETTER
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Resolution Date:	03/25/2015
Sanctions Ordered:	Suspension



If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?

No

(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?

(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or



(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?

Sanction 1 of 1

Sanction Type: Suspension

Capacities Affected: ANY CAPACITY

Duration: N/A

Start Date: 03/25/2015

End Date:

Regulator Statement

PURSUANT TO ARTICLE VI, SECTION 3 OF FINRA BY-LAWS, AND FINRA RULE 9554, RESPONDENT BERGER IS SUSPENDED ON MARCH 25, 2015 FOR FAILURE TO COMPLY WITH AN ARBITRATION AWARD OR SETTLEMENT AGREEMENT OR TO SATISFACTORILY RESPOND TO A FINRA REQUEST TO PROVIDE INFORMATION CONCERNING THE STATUS OF COMPLIANCE.

Disclosure 2 of 3

Reporting Source: Regulator

Regulatory Action Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Sanction(s) Sought: Civil and Administrative Penalty(ies)/Fine(s)
Other: N/A

Date Initiated: 02/09/2012



Docket/Case Number: 3-14755

Employing firm when activity occurred which led to the regulatory action: GILFORD SECURITIES, INC.; CAPITAL GROWTH FINANCIAL, LLC

Product Type: Penny Stock

Allegations: SEC ADMIN RELEASE 34-66365, FEBRUARY 9, 2012: THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") DEEMED IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE PROCEEDINGS BE INSTITUTED PURSUANT TO SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AGAINST GREGG M.S. BERGER ("BERGER" OR "RESPONDENT").

THE COMMISSION FOUND THAT ON JANUARY 27, 2012, A FINAL JUDGMENT WAS ENTERED BY CONSENT AGAINST BERGER, PERMANENTLY ENJOINING HIM FROM FUTURE VIOLATIONS OF SECTIONS 5(A), 5(C), AND 17(A) OF THE SECURITIES ACT OF 1933 AND SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5 THEREUNDER, IN THE CIVIL ACTION ENTITLED SECURITIES AND EXCHANGE COMMISSION V. GREGG M.S. BERGER, ET AL. CIVIL ACTION NUMBER 2:11-CV-10403, IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN.

THE COMMISSION'S COMPLAINT ALLEGED THAT BERGER, ALONG WITH TEN OTHER INDIVIDUALS AND ENTITIES, ENGAGED IN SCHEMES TO PUMP AND DUMP THE SECURITIES OF AT LEAST EIGHT U.S. MICROCAP STOCKS OF ISSUERS, PRIMARILY HEADQUARTERED IN THE PEOPLE'S REPUBLIC OF CHINA, AND FACILITATED UNREGISTERED SALES OF MILLIONS OF SHARES OF THESE ISSUERS STOCK THAT GENERATED PROCEEDS IN EXCESS OF \$33 MILLION. BERGER ALSO ORGANIZED AND ARRANGED THE PUMP AND DUMP OF ONE OF THE ISSUER'S STOCKS.

ON APRIL 21, 2011, BERGER PLED GUILTY TO ONE COUNT OF CONSPIRACY TO COMMIT WIRE FRAUD AND SECURITIES FRAUD IN VIOLATION OF TITLE 18 UNITED STATES CODE, SECTIONS 1343, 1348, AND 1349 BEFORE THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN, IN UNITED STATES V. GREGG M.S. BERGER, 2:07-CR-20627. ON SEPTEMBER 9, 2011, BERGER WAS SENTENCED TO A TERM OF 24 MONTHS IN PRISON AND ORDERED TO FORFEIT \$600,000.

THE FACTUAL BASIS FOR BERGER'S GUILTY PLEA STATES, AMONG OTHER THINGS, THAT BETWEEN JANUARY 2005 AND DECEMBER 2007 BERGER



KNOWINGLY AND WILLING ENTERED IN AN UNLAWFUL AGREEMENT WITH SEVERAL OTHER INDIVIDUALS TO CREATE AND EXECUTE A FRAUDULENT STOCK "PUMP-AND-DUMP" MARKET MANIPULATION SCHEME. THE FACTUAL BASIS IN THE GUILTY PLEA ALSO STATES THAT THE SCHEME USED SPAM E-MAILS TO LURE INVESTORS INTO PURCHASING THE SECURITIES OF SIX PENNY STOCKS THROUGH ADVERTISEMENTS CLAIMING NON-EXISTENT INITIAL PUBLIC OFFERINGS AND ACQUISITIONS, PRESENTING UNREALISTIC PICTURES OF THE COMPANIES' BUSINESS PROSPECTS, EXAGGERATED SHARE PRICE PROJECTIONS, AND FALSE AND MISLEADING DISCLAIMERS.

Current Status:	Final
Resolution:	Order
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Resolution Date:	02/09/2012
Sanctions Ordered:	Bar (Permanent)
If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?	No



(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?

(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or



(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?

Sanction 1 of 1

Sanction Type:

Bar (Permanent)

Capacities Affected:

ASSOCIATION WITH ANY BROKER, DEALER, INVESTMENT ADVISER, MUNICIPAL SECURITIES DEALER, OR TRANSFER AGENT

Duration:

Indefinite

Start Date:

02/09/2012

End Date:

Regulator Statement

IN ANTICIPATION OF THE INSTITUTION OF THE PROCEEDINGS, RESPONDENT SUBMITTED AN OFFER OF SETTLEMENT (THE "OFFER") WHICH THE COMMISSION DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER HIM AND THE SUBJECT MATTER OF THE PROCEEDINGS, AND THE FINDINGS, WHICH ARE ADMITTED, RESPONDENT CONSENTED TO THE ENTRY OF THE ORDER INSTITUTING ADMINISTRATIVE PROCEEDINGS PURSUANT TO SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS ("ORDER").

THE COMMISSION DEEMED IT APPROPRIATE AND IN THE PUBLIC INTEREST TO IMPOSE THE SANCTIONS AGREED TO IN RESPONDENT BERGER'S OFFER. ACCORDINGLY, IT IS HEREBY ORDERED PURSUANT TO



SECTION 15(B)(6) OF THE EXCHANGE ACT THAT RESPONDENT BERGER BE BARRED FROM ASSOCIATION WITH ANY BROKER, DEALER, INVESTMENT ADVISER, MUNICIPAL SECURITIES DEALER, OR TRANSFER AGENT.

ANY REAPPLICATION FOR ASSOCIATION BY THE RESPONDENT WILL BE SUBJECT TO THE APPLICABLE LAWS AND REGULATIONS GOVERNING THE REENTRY PROCESS, AND REENTRY MAY BE CONDITIONED UPON A NUMBER OF FACTORS, INCLUDING, BUT NOT LIMITED TO, THE SATISFACTION OF ANY OR ALL OF THE FOLLOWING: (A) ANY DISGORGEMENT ORDERED AGAINST THE RESPONDENT, WHETHER OR NOT THE COMMISSION HAS FULLY OR PARTIALLY WAIVED PAYMENT OF SUCH DISGORGEMENT; (B) ANY ARBITRATION AWARD RELATED TO THE CONDUCT THAT SERVED AS THE BASIS FOR THE COMMISSION ORDER; (C) ANY SELF-REGULATORY ORGANIZATION ARBITRATION AWARD TO A CUSTOMER, WHETHER OR NOT RELATED TO THE CONDUCT THAT SERVED AS THE BASIS FOR THE COMMISSION ORDER; AND (D) ANY RESTITUTION ORDER BY A SELF-REGULATORY ORGANIZATION, WHETHER OR NOT RELATED TO THE CONDUCT THAT SERVED AS THE BASIS FOR THE COMMISSION ORDER.

Disclosure 3 of 3

Reporting Source:	Regulator
Regulatory Action Initiated By:	NYSE DIVISION OF ENFORCEMENT
Sanction(s) Sought:	
Other Sanction(s) Sought:	
Date Initiated:	12/03/1999
Docket/Case Number:	HPD# 00-19
Employing firm when activity occurred which led to the regulatory action:	
Product Type:	Other
Other Product Type(s):	
Allegations:	**12/03/1999** DECISION - STIPULATION OF FACTS AND CONSENT TO PENALTY EXECUTED AND SENT TO THE HEARING BOARD WITH FOLLOWING FINDINGS: 1. BERGER ENGAGED IN CONDUCT INCONSISTENT WITH JUST AND EQUITABLE PRINCIPLES OF TRADE IN THAT: (A) HE RECOMMENDED A CUSTOMER INVEST IN AN UNAPPROVED OUTSIDE



BUSINESS; AND (B) HE RECOMMENDED THE PURCHASE OF A HIGHLY SPECULATIVE SECURITY, IN A HIGHLY OVER CONCENTRATED POSITION, WHICH WAS UNSUITABLE FOR THAT CUSTOMER IN LIGHT OF THE CUSTOMER'S EDUCATION, INVESTMENT EXPERIENCE, INVESTMENT OBJECTIVES, NET WORTH AND INCOME. 2. BERGER VIOLATED EXCHANGE RULE 346(B) IN THAT HE ENGAGED IN AN OUTSIDE BUSINESS WITHOUT RECEIVING THE PRIOR CONSENT OF HIS MEMBER ORGANIZATION EMPLOYER. 3. BERGER VIOLATED EXCHANGE RULE 408(A) IN THAT HE EXERCISED DISCRETIONARY POWER IN A CUSTOMER'S ACCOUNT WITHOUT FIRST OBTAINING WRITTEN AUTHORIZATION. 4. BERGER IS CONSENTING TO A PENALTY OF A CENSURE AND A TWO (2) MONTH BAR WITH A \$5,000 FINE.

Current Status:

Final

Resolution:

Decision

Resolution Date:

03/21/2000

Sanctions Ordered:

Censure
Monetary/Fine \$5,000.00
Suspension

Other Sanctions Ordered:**Sanction Details:**

****02/14/2000**** DECISION - ON FEBRUARY 4, 2000, NYSE HEARING PANEL ACCEPTED STIPULATION SUBMITTED BY THE PARTIES INDICATING THAT: 1. BERGER ENGAGED IN CONDUCT INCONSISTENT WITH JUST AND EQUITABLE PRINCIPLES OF TRADE IN THAT: (A) HE RECOMMENDED A CUSTOMER INVEST IN AN UNAPPROVED OUTSIDE BUSINESS; AND (B) HE RECOMMENDED THE PURCHASE OF A HIGHLY SPECULATIVE SECURITY, IN A HIGHLY OVER CONCENTRATED POSITION, WHICH WAS UNSUITABLE FOR THAT CUSTOMER IN LIGHT OF THE CUSTOMER'S EDUCATION, INVESTMENT EXPERIENCE, INVESTMENT OBJECTIVES, NET WORTH AND INCOME. 2. BERGER VIOLATED EXCHANGE RULE 346(B) IN THAT HE ENGAGED IN AN OUTSIDE BUSINESS WITHOUT RECEIVING THE PRIOR CONSENT OF HIS MEMBER ORGANIZATION EMPLOYER. 3. BERGER VIOLATED EXCHANGE RULE 408(A) IN THAT HE EXERCISED DISCRETIONARY POWER IN A CUSTOMER'S ACCOUNT WITHOUT FIRST OBTAINING WRITTEN AUTHORIZATION. 4. BERGER CONSENTED TO A PENALTY OF A CENSURE AND A TWO (2)MONTH BAR WITH A \$5,000 FINE.

Regulator Statement

****03/21/2000**** THE DECISION IS NOW FINAL. THE BAR OR SUSPENSION IMPOSED IS EFFECTIVE THE CLOSE OF BUSINESS APRIL 20, 2000. CONTACT: PEGGY GERMINO (212)656-8450.



Reporting Source:	Broker
Regulatory Action Initiated By:	NEW YORK STOCK EXCHANGE
Sanction(s) Sought:	Censure
Other Sanction(s) Sought:	CENSURE, TWO MONTH SUSPENSION FROM MEMBERSHIP, ALLIED MEMBERSHIP, APPROVED PERSON STATUS, AND EMPLOYMENT OR ASSOCIATION IN ANY CAPACITY WITH ANY MEMBER OR MEMBER ORGANIZATION, AND A \$5,000.00 FINE.
Date Initiated:	07/21/1998
Docket/Case Number:	N/A
Employing firm when activity occurred which led to the regulatory action:	SALOMON SMITH BARNEY, INC.
Product Type:	No Product
Other Product Type(s):	
Allegations:	NYSE HEARING PANEL FOUND THE FC RECOMMENDED UNSUITABLE TRANSACTIONS IN A CLIENT'S ACCOUNT, MAINTAINED CONCENTRATED POSITIONS, ENGAGED IN AN OUTSIDE BUSINESS ACTIVITY WITHOUT PRIOR APPROVAL, AND EXERCISED DISCRETION WITHOUT WRITTEN AUTHORIZATION.
Current Status:	Final
Resolution:	Stipulation and Consent
Resolution Date:	04/07/2000
Sanctions Ordered:	Censure Monetary/Fine \$5,000.00 Suspension
Other Sanctions Ordered:	
Sanction Details:	DECISION INCLUDES A PENALTY OF A CENSURE, TWO MONTH SUSPENSION FROM MEMBERSHIP, ALLIED MEMBERSHIP, APPROVED PERSON STATUS, AND EMPLOYMENT OR ASSOCIATION IN ANY CAPACITY WITH ANY MEMBER OR MEMBER ORGANIZATION, AND A \$5,000.00 FINE.



Criminal - Final Disposition

This type of disclosure event involves a conviction or guilty plea for any felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property that is currently on appeal.

Disclosure 1 of 1

Reporting Source:	Regulator
Formal Charges were brought in:	Federal Court
Name of Court:	UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN
Location of Court:	DETROIT, MI
Docket/Case #:	2:07-CR-20627
Charge Date:	10/26/2009
Charge(s) 1 of 3	
Formal Charge(s)/Description:	CONSPIRACY TO COMMIT SECURITIES FRAUD AND WIRE FRAUD
No of Counts:	1
Felony or Misdemeanor:	Felony
Plea for each charge:	PLED GUILTY ON 4/21/2011
Disposition of charge:	Convicted
Charge(s) 2 of 3	
Formal Charge(s)/Description:	CONSPIRACY TO DEFRAUD THE UNITED STATES
No of Counts:	1
Felony or Misdemeanor:	Felony
Plea for each charge:	NOT GUILTY
Disposition of charge:	Dismissed
Charge(s) 3 of 3	
Formal Charge(s)/Description:	CRIMINAL FORFEITURE
No of Counts:	1
Felony or Misdemeanor:	Felony



Plea for each charge: NOT GUILTY

Disposition of charge: Dismissed

Current Status: Final

Status Date: 09/09/2011

Disposition Date: 09/09/2011

Sentence/Penalty: ON SEPTEMBER 9, 2011, BERGER WAS SENTENCED TO A TERM OF 24 MONTHS IN PRISON AND ORDERED TO FORFEIT \$600,000.

Regulator Statement

ON FEBRUARY 1, 2011, GREGG BERGER WAS CHARGED WITH ONE COUNT OF CONSPIRACY TO COMMIT SECURITIES FRAUD AND WIRE FRAUD. ON FEBRUARY 8, 2011, BERGER PLED NOT GUILTY.

ON APRIL 21, 2011, BERGER PLED GUILTY TO ONE COUNT OF CONSPIRACY TO COMMIT WIRE FRAUD AND SECURITIES FRAUD IN VIOLATION OF TITLE 18 UNITED STATES CODE, SECTIONS 1343, 1348, AND 1349 BEFORE THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN, IN UNITED STATES V. GREGG M.S. BERGER, 2:07-CR-20627.

Reporting Source: Firm

Formal Charges were brought in: Federal Court

Name of Court: U.S. DEPARTMENT OF JUSTICE

Location of Court: U.S. DISTRICT COURT - EASTERN DISTRICT OF MICHIGAN

Docket/Case #: 07-20627

Charge Date: 02/01/2011

Charge(s) 1 of 1

Formal Charge(s)/Description: CONSPIRACY TO COMMIT SECURITIES FRAUD AND WIRE FRAUD

No of Counts: 1

Felony or Misdemeanor: Felony

Plea for each charge: UNKNOWN

Disposition of charge:

Current Status: Pending



Status Date: 02/01/2011

Firm Statement REPRESENTATIVE WAS REGISTERED WITH NEWBRIDGE SECURITIES FOR (1) BUSINESS DAY AND WAS TERMINATED UPON DISCOVERY OF THIS EVENT.

Reporting Source: Firm

Formal Charges were brought in: Federal Court

Name of Court: U.S. DISTRICT COURT, EASTERN DISTRICT OF MICHIGAN

Location of Court: DETROIT, MI

Docket/Case #: 07-20627

Charge Date: 02/01/2011

Charge(s) 1 of 1

Formal Charge(s)/Description: FRAUD

No of Counts: 1

Felony or Misdemeanor: Felony

Plea for each charge: UNKNOWN

Disposition of charge:

Current Status: Pending

Status Date: 02/01/2011

Firm Statement DOJ PRESS RELEASE - 02/01/2011
NEW YORK BROKER INDICTED FOR ALLEGED ROLE IN INTERNATIONAL STOCK FRAUD SCHEME
SPAM E-MAILS PROMOTING STOCKS USED TO ARTIFICIALLY INFLATE PRICES; SCHEME GENERATED \$30 MILLION FOR CO-CONSPIRATORS
WASHINGTON - AN INDICTMENT UNSEALED TODAY IN DETROIT CHARGES STOCK BROKER GREGG M. BERGER OF NEW YORK FOR HIS ROLE IN A WIDE-RANGING FRAUD SCHEME TO ILLEGALLY PUMP-AND-DUMP THINLY-TRADED CHINESE AND ISRAELI STOCKS, ANNOUNCED ASSISTANT ATTORNEY GENERAL LANNY A. BREUER AND U.S. ATTORNEY FOR THE EASTERN DISTRICT OF MICHIGAN BARBARA L. MCQUADE .
THE SINGLE COUNT SUPERSEDING INDICTMENT RETURNED IN THE



EASTERN DISTRICT OF MICHIGAN ALLEGES THAT BERGER, 47, CONSPIRED WITH ALAN RALSKY, FRANCIS TRIBBLE, HOW WAI JOHN HUI, SCOTT BRADLEY AND OTHERS TO CARRY OUT A SOPHISTICATED STOCK FRAUD SCHEME FROM JANUARY 2005 THROUGH DECEMBER 2007. THE INDICTMENT ALLEGES THAT DURING THE COURSE OF THE SCHEME, BERGER CAUSED THE SALE OF APPROXIMATELY 30 MILLION SHARES OF STOCK, GENERATING APPROXIMATELY \$30 MILLION FOR HIS CO-CONSPIRATORS AND MORE THAN \$600,000 IN COMMISSIONS FOR HIMSELF. RALSKY, TRIBBLE, HUI AND BRADLEY HAVE ALL BEEN PREVIOUSLY CONVICTED AND SENTENCED FOR THEIR ROLES IN THE CASE.

"PUMP AND DUMP SCHEMES UNDERMINE THE INTEGRITY OF OUR STOCK MARKETS," SAID ASSISTANT ATTORNEY GENERAL BREUER. "WHEN STOCK BROKERS EXPLOIT THEIR TRUSTED POSITIONS TO ENRICH THEMSELVES AT THE EXPENSE OF INNOCENT INVESTORS, AS MR. BERGER IS CHARGED WITH DOING HERE, WE WILL PURSUE THEM VIGOROUSLY."

"INVESTOR FRAUD SCHEMES LIKE THIS ONE PREY ON SMALL INVESTORS AND ARE MOTIVATED BY GREED," SAID U.S. ATTORNEY MCQUADE.

"FINANCIAL FRAUD IS AN IMPORTANT PRIORITY SO THAT WE CAN PROTECT VICTIMS AND THE INTEGRITY OF OUR FINANCIAL SYSTEMS."

THE CHARGES AROSE AFTER A MULTI-YEAR INVESTIGATION LED BY AGENTS FROM THE FBI, WITH ASSISTANCE FROM THE U.S. POSTAL INSPECTION SERVICE AND THE INTERNAL REVENUE SERVICE, WHICH REVEALED A SOPHISTICATED AND EXTENSIVE "PUMP AND DUMP" OPERATION IN WHICH THE DEFENDANTS SENT SPAM E-MAILS TO MANIPULATE THINLY-TRADED STOCKS. AFTER THE E-MAIL RECIPIENTS BOUGHT THE STOCK BEING PROMOTED, THEREBY DRIVING UP THE SHARE PRICE, BERGER AND HIS COCONSPIRATORS PROFITED BY SELLING THEIR EXISTING SHARES AT THE NEWLY INFLATED PRICES.

ACCORDING TO THE INDICTMENT, BERGER'S ROLE WAS TO ACT AS THE STOCK BROKER FOR THE CONSPIRACY. BERGER ALLEGEDLY ESTABLISHED BROKERAGE ACCOUNTS FOR TRADING THE STOCKS THAT WERE ILLEGALLY PROMOTED, ARRANGED FOR SHARES OF THE STOCKS TO BE TRANSFERRED INTO THE BROKERAGE ACCOUNTS, EXECUTED STOCK TRADES AT THE DIRECTION OF COCONSPIRATOR TRIBBLE RATHER THAN THE DIRECTION OF THE NAMED ACCOUNT HOLDERS AND TRANSFERRED FUNDS FROM THE TRADING OF THE STOCKS TO BANK ACCOUNTS CONTROLLED BY THE CONSPIRATORS. BERGER ALSO ALLEGEDLY ROUTINELY PROVIDED CONFIDENTIAL ACCOUNT INFORMATION, INCLUDING TRADE AMOUNTS, PRICES, CASH BALANCES AND WIRE TRANSFER DETAILS TO



TRIBBLE, BRADLEY AND OTHERS INVOLVED IN THE SCHEME WHO WERE NOT ENTITLED TO SUCH INFORMATION, ALL WITHOUT AUTHORIZATION FROM THE NAMED ACCOUNT HOLDERS.
THE STOCKS ARTIFICIALLY INFLATED AND THEN SOLD BY BERGER AND HIS CO-CONSPIRATORS INCLUDED CHINA WORLD TRADE CORPORATION, PINGCHUAN PHARMACEUTICAL INC., CHINA
DIGITAL MEDIA CORPORATION, WORLD WIDE BIOTECH AND PHARMACEUTICAL CO., CHINA MOBILITY SOLUTIONS AND M-WISE.



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

Reporting Source:	Regulator
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Relief Sought:	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines Other: PENNY STOCK BAR
Date Court Action Filed:	02/01/2011
Product Type:	Equity-OTC Penny Stock
Type of Court:	Federal Court
Name of Court:	UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN
Location of Court:	DETROIT, MI
Docket/Case #:	2:11-CV-10403
Employing firm when activity occurred which led to the action:	GILFORD SECURITIES, INC.; CAPITAL GROWTH FINANCIAL, LLC
Allegations:	<p>SEC LITIGATION RELEASE 21833, FEBRUARY 1, 2011: THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") FILED FRAUD CHARGES AGAINST THE OPERATORS OF A \$33 MILLION INTERNATIONAL MICROCAP STOCK SCHEME INVOLVING THE STOCKS OF EIGHT SMALL U.S. COMPANIES HEADQUARTERED IN THE PEOPLE'S REPUBLIC OF CHINA, CANADA, AND ISRAEL. THE COMMISSION ALLEGED THAT GREGG M.S. BERGER, A STOCKBROKER, VIOLATED SECTIONS 5(A), 5(C) AND 17(A) OF THE SECURITIES ACT OF 1933 ("SECURITIES ACT") AND SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AND RULE 10B-5 THEREUNDER.</p> <p>THE COMMISSION CHARGED THREE COMPANIES AND EIGHT INDIVIDUALS, INCLUDING BERGER, WITH ENGAGING IN UNLAWFUL SPAM E-MAIL CAMPAIGNS TO PUMP AND DUMP SECURITIES OF MICROCAP COMPANIES. THE COMMISSION ALLEGED THAT AT VARIOUS TIMES BETWEEN JANUARY</p>



2005 AND DECEMBER 2007, BERGER ENGAGED IN ONE OR MORE SCHEMES TO PUMP UP THE PRICE AND VOLUME OF THE SECURITIES OF ONE OR MORE OF THE COMPANIES BY PAYING FOR FALSE SPAM E-MAIL CAMPAIGNS.

THE COMMISSION ALLEGED THAT THE FALSE SPAM E-MAILS LURED INVESTORS INTO THE MARKET AND DROVE UP DEMAND IN THE STOCKS BY, AMONG OTHER THINGS, TOUTING NON-EXISTENT IPOS AND ACQUISITIONS, PRESENTING AN UNREALISTIC PICTURE OF THE COMPANIES' BUSINESS PROSPECTS, PROVIDING BASELESS SHARE PRICE PROJECTIONS, OR INCLUDING FALSE DISCLAIMERS. BERGER AND OTHERS THEN DUMPED MILLIONS OF SHARES OF THESE SECURITIES INTO THE HYPED MARKET THROUGH NOMINEE BROKERAGE ACCOUNTS THEY OPENED WITH BERGER, REAPING MILLIONS OF DOLLARS IN PROFITS. ALL EIGHT COMPANIES' STOCKS WERE DUALY QUOTED ON THE OVER-THE-COUNTER BULLETIN BOARD AND PINK SHEETS.

THE COMMISSION ALLEGED THAT A FORMER STOCK PROMOTER MASTERMINDED THE PUMP-AND-DUMP SCHEMES WITH RESPECT TO FIVE OF THE COMPANIES, AND ARRANGED FOR THE SPAM E-MAIL CAMPAIGNS FOR TWO OTHER COMPANIES. BERGER, A LONG-TIME FRIEND OF THE FORMER STOCK PROMOTER, PLAYED A CENTRAL ROLE IN THE SCHEMES BY ARRANGING FOR THE PUMP AND DUMP OF ONE COMPANY AND FACILITATING THE SALES OF MILLIONS OF SHARES IN ALL EIGHT COMPANIES THROUGH NOMINEE BROKERAGE ACCOUNTS.

Current Status:	Final
Resolution:	Judgment Rendered
Resolution Date:	01/27/2012
Sanctions Ordered or Relief Granted:	Disgorgement Injunction Other: BAR FROM PARTICIPATING IN AN OFFERING OF PENNY STOCK, INCLUDING ENGAGING IN ACTIVITIES WITH A BROKER, DEALER, OR ISSUER FOR PURPOSES OF ISSUING, TRADING, OR INDUCING OR ATTEMPTING TO INDUCE THE PURCHASE OR SALE OF ANY PENNY STOCK.

Capacities 1 of 1

Capacities Affected:	ALL CAPACITIES
Duration:	PERMANENT
Start Date:	01/27/2012
End Date:	

**Monetary Sanction 1 of 1****Monetary Sanction:** Disgorgement**Total Amount:** \$684,434.00**Portion against individual:** 684434**Date Paid:****Portion Waived:** No**Amount Waived:****Regulator Statement**

ON JANUARY 27, 2012, A FINAL JUDGMENT WAS ENTERED BY CONSENT AGAINST BERGER, PERMANENTLY ENJOINING HIM FROM FUTURE VIOLATIONS OF SECTIONS 5(A), 5(C), AND 17(A) OF THE SECURITIES ACT OF 1933 AND SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5 THEREUNDER, IN THE CIVIL ACTION ENTITLED SECURITIES AND EXCHANGE COMMISSION V. GREGG M.S. BERGER, ET AL. CIVIL ACTION NUMBER 2:11-CV-10403, IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN.

THE COURT FOUND BERGER LIABLE FOR DISGORGEMENT OF \$684,434, REPRESENTING PROFITS GAINED AS A RESULT OF THE CONDUCT ALLEGED IN THE COMPLAINT, PROVIDED THAT THE TOTAL OF SUCH DISGORGEMENT SHALL BE OFFSET DOLLAR FOR DOLLAR BY THE AMOUNT OF CRIMINAL FORFEITURE ORDERED BY THE COURT IN THE PENDING CRIMINAL CASE, UNITED STATES V. GREGG M.S. BERGER, 2:07-CR-20627 (E.D. MICH.).



Customer Dispute - Award / Judgment

This type of disclosure event involves a final, consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the named broker that resulted in an arbitration award or civil judgment for the customer.

Disclosure 1 of 1

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	CAPITAL GROWTH FINANCIAL AND SCOTTSDALE CAPITAL ADVISORS
Allegations:	BETWEEN MARCH 2007 AND JUNE 2010, BERGER ENGAGED, ALONG WITH RESPONDENT JEFFREY NUNEZ, IN A PUMP AND DUMP SCHEME INVOLVING SHARES OF MICRO IMAGING TECHNOLOGY (MMTC) THAT RESULTED IN DAMAGES TO CLAIMANT. THE COMPLAINT WAS MADE PRO SE AND THE CAUSATION OF THE DAMAGES IS UNCLEAR. CLAIMANT, AS AN AFFILIATE, WAS LIQUIDATING HIS SHARES OF MMTC DURING THE ALLEGED PUMP AND DUMP SCHEME. THE COMPLAINT ALSO ALLEGES BERGER EFFECTED UNAUTHORIZED PURCHASES OF MMTC IN JANUARY AND MARCH 2010.
Product Type:	Penny Stock
Alleged Damages:	\$280,661.00
Alleged Damages Amount Explanation (if amount not exact):	CLAIMANT ALSO SEEKS TREBLE AND MARKET LOSS DAMAGES OF \$2,674,851.

Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):	FINRA
Docket/Case #:	13-02717
Date Notice/Process Served:	10/02/2013
Arbitration Pending?	No
Disposition:	Award to Customer
Disposition Date:	10/03/2014
Monetary Compensation Amount:	\$250,000.00
Individual Contribution Amount:	\$250,000.00



Firm Statement

RR BERGER HAS NOT BEEN ASSOCIATED WITH FIRM SINCE FEBRUARY 2011. TO FIRM'S KNOWLEDGE, RR BERGER HAS NOT BEEN SERVED WITH THE COMPLAINT NOR HAS HE RESPONDED. FIRM IS UNAWARE OF RR BERGER'S CURRENT RESIDENTIAL OR WORK ADDRESS.

End of Report



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