

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 5216 / March 29, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-18508

In the Matter of

Gregory M. Bercowy,

Respondent.

**ORDER MAKING FINDINGS AND
IMPOSING REMEDIAL SANCTIONS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940**

I.

The Securities and Exchange Commission (“Commission”) previously instituted public administrative proceedings against Gregory M. Bercowy (“Respondent” or “Bercowy”) pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Gregory M. Bercowy (“Respondent” or “Bercowy”) on May 29, 2018. The Commission now deems it appropriate and in the public interest to enter this Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Order”).

II.

Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in paragraphs III.A and B. below and consents to the entry of this Order, as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

A. RESPONDENT

1. During the relevant time period underlying allegations contained in the Commission's complaint described below, Bercowy was associated with a state-registered investment adviser. Respondent, 54 years old, is a resident of St. Petersburg, Florida.

B. ENTRY OF THE INJUNCTION

2. On May 22, 2018, a final judgment was entered against Bercowy, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, Sections 9(a)(2), 10(b) of the Exchange Act of 1934 and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Gregory M. Bercowy, Civil Action Number 8:18-CV-792, in the United States District Court for the Middle District of Florida.

3. The Commission's complaint alleged that Bercowy, who, during the relevant period, was affiliated with a registered investment adviser, participated in a scheme to manipulate a penny stock security. In August 2016, Bercowy attempted to manipulate the stock of Aureus, Inc., a penny stock company, through amassing over three million shares of Aureus in the brokerage accounts of his relative through his online access of his relative's accounts. While amassing those shares Bercowy entered and quickly canceled a large number of orders at prices that were much higher than the prevailing quoted market price. Bercowy took those actions with the intention to fraudulently increase the price of the security.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Bercowy's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act that Respondent Bercowy be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

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.

For the Commission, by its Secretary, pursuant to delegated authority.

Vanessa A. Countryman
Acting Secretary