

1 LYNN M. DEAN, Cal. Bar No. 205562  
Email: deanl@sec.gov  
2 TAMAR BRAZ, Cal. Bar No. 264080  
Email: brazt@sec.gov

3 Attorneys for Plaintiff  
4 Securities and Exchange Commission  
Michele Wein Layne, Regional Director  
5 Lorraine B. Echavarria, Associate Regional Director  
John W. Berry, Regional Trial Counsel  
6 444 S. Flower Street, Suite 900  
Los Angeles, California 90071  
7 Telephone: (323) 965-3998  
Facsimile: (213) 443-1904

8  
9 **UNITED STATES DISTRICT COURT**  
10 **CENTRAL DISTRICT OF CALIFORNIA**  
11 **WESTERN DIVISION**

12  
13 SECURITIES AND EXCHANGE  
COMMISSION,

14 Plaintiff,

15 vs.

16 ROBERT SEIBERT, a.k.a. JOHN  
17 GREY,

18 Defendant.

Case No.

**COMPLAINT**

19  
20  
21 Plaintiff Securities and Exchange Commission (“SEC”) alleges:

22 **JURISDICTION AND VENUE**

23 1. This Court has jurisdiction over this action pursuant to Sections 20(b),  
24 20(d)(1) and 22(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. §§  
25 77t(b), 77t(d)(1) and 77v(a) and Sections 21(d)(1), 21(d)(3)(A), 21(e) and 27 of the  
26 Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. §§ 78u(d)(1),  
27 78u(d)(3)(A), 78u(e), and 78aa.



1 continue to violate the antifraud provisions of the federal securities laws. Therefore,  
2 the SEC seeks permanent injunctions, disgorgement with prejudgment interest and  
3 civil penalties, and a conduct-based injunction that prohibits Seibert from  
4 participating in the issuance, purchase, offer, or sale of any security (with a carve-out  
5 for his personal accounts).

6 **DEFENDANT**

7 9. **Robert Mark Seibert**, a.k.a. “John Grey,” age 62, current residence and  
8 employment are unknown. He was the owner and manager of UST. Seibert has  
9 never been registered with the SEC, although he took and passed the Series 1 exam in  
10 1976.

11 10. Seibert has an extensive criminal and regulatory disciplinary record,  
12 including a 1993 complaint filed by the SEC which resulted in the entry of an  
13 injunction and monetary relief, *SEC v. Mitchell Communications Corp. et al.* (N.D.  
14 Ga. Dec. 21, 1993), Lit. Rel. No. 13950; two separate convictions for wire fraud and  
15 conspiracy to commit securities fraud in 2000; a 2005 conviction for grand theft and  
16 fraud in the offer of securities in Orange County, California; and 2008 and 2013  
17 Desist and Refrain Orders entered against him by the California Department of  
18 Business Oversight related to fraud in connection with his sale of securities in  
19 California.

20 **RELATED PARTIES**

21 11. **Universal Stock Transfer, Ltd.** is a Nevada domestic limited liability  
22 company, with its principal place of business in Palm Desert, California. UST was  
23 formed by Seibert and its Articles of Incorporation list him as its “Manager.” UST’s  
24 business license expired on December 31, 2013, and the entity is now defunct and has  
25 no assets. UST has never been registered with the SEC in any capacity.

26 12. **“John Grey,”** age, residence, current employment, registration history,  
27 and disciplinary history unknown. Upon information and belief, the person calling  
28 himself “John Grey” was Seibert.



1 “Ron Woods” and “John Grey” described Grey as the “boss” or the “owner,” and the  
2 investors understood that “Ron Woods” and “Sebastian Wilson” worked for “John  
3 Grey.”

4 20. The man claiming to be “John Grey” typically spoke to investors after  
5 “Ron Woods” and “Sebastian Wilson” talked to the investors. But in some instances,  
6 “John Grey” initiated contact with the investors.

7 21. The man claiming to be “John Grey” ratified the prior representations  
8 made by “Ron Woods” and “Sebastian Wilson.”

9 22. According to UST investors, they spoke to one or a combination of  
10 people with the names “Ron Woods,” “Sebastian Wilson” or “John Grey.” The  
11 investors believed these men to be separate people based on what they were told.

12 23. Upon information and belief, “John Grey” is an alias for Seibert. Seibert  
13 was the owner of UST, and investors were told “John Grey” was the owner. The  
14 phone number provided to investors by “John Grey” is registered to Seibert. Seibert  
15 also used the alias “John Gray” in connection with the securities offering that was the  
16 subject of the December 16, 2013 cease and desist order by the California  
17 Department of Business Oversight.

18 24. Eventually, according to UST investors, the UST Sales Agents and/or  
19 “John Grey” (*i.e.*, Seibert) encouraged investors to purchase over-the-counter stock  
20 offered on OTC Link.

21 25. The particular stock touted by the Sales Agents and “John Grey” (*i.e.*,  
22 Seibert) varied by investor. In some instances, the Sales Agents recommended shares  
23 in New Global Energy, Inc. (“NGEY”), and in other instances, they recommended  
24 shares in Intertech Solutions, Inc. (“ITEC”), RadioShack Corp. (“RSCHQ”),  
25 SnackHealthy, Inc., and Cytta Corp.

26 26. The Sales Agents and “John Grey” (*i.e.*, Seibert) told several investors  
27 that the stocks they were selling would increase in value shortly after purchase. For  
28 example, “John Grey” (*i.e.*, Seibert), “Ron Woods” and “Sebastian Wilson” all told

1 potential investors that NGEY was a pre-IPO stock that UST could sell for between  
2 \$.26 and \$.33 per share, but that it would soon increase in value to between \$5 and \$7  
3 per share. In reality, NGEY was already publicly traded at the time UST claimed to  
4 have pre-IPO shares.

5 27. Similarly, “Ron Woods” and “John Grey” (*i.e.*, Seibert) offered shares of  
6 ITEC to an investor at \$0.15 per share, even though it was trading for about \$0.50 at  
7 that time. The man claiming to be “John Grey” verbally guaranteed a profit to the  
8 investor, stating that the investor would double or triple his money within 30 days or  
9 receive his money back. This guarantee was documented in an e-mail from “Ron  
10 Woods,” stating “[a]s per your conversation with John Grey this is to inform you that  
11 you have a 30 day guarantee if you don’t make money with ITEC Universal Stock  
12 Transfer will refund your \$10,000 back to you.” UST followed this with a written  
13 guarantee to the investor, signed by both “John Grey” and Defendant Seibert.  
14 Another ITEC investor was also promised a profit or his money back in a Stock  
15 Purchase Agreement that was signed by Seibert.

16 28. “Ron Woods” and “John Grey” (*i.e.*, Seibert) made similar assurances as  
17 to the safety and profitability of an investment in RSCHQ. For example, at least one  
18 investor was promised that if he did not profit within two months, then he would  
19 receive his money back, together with an additional \$5,000.

20 29. When investors agreed to purchase stock, UST, through its Sales  
21 Agents and/or “John Grey” (*i.e.*, Seibert), sent them a two-page document entitled  
22 “Stock Purchase Agreement,” which set forth the terms of the sale. For many  
23 investors, they also provided a prepaid FedEx envelope with this document. The  
24 investor then returned the envelope, together with a check and signed agreement, to  
25 UST.

## 26 **B. Misappropriation of Investor Funds**

27 30. UST had accounts with three different banks between 2012 and 2015.

28 31. Seibert was the sole signatory on each of the three bank accounts.

1 32. Deposits of \$513,810 in cash and checks were made to these accounts  
2 from at least 41 people between January 2013 and February 2015.

3 33. Investors never received any of the stock UST promised to sell them.

4 34. None of the investors received either the guaranteed profits or their  
5 money back.

6 35. In fact, the money raised from investors was never used to purchase any  
7 stock on their behalf.

8 36. Instead, Seibert misappropriated the money raised from investors.

9 37. UST bank records show that, of the \$513,810 deposited by investors,  
10 \$473,595.75 was withdrawn either via cash withdrawals or checks payable to cash,  
11 many of which appear to have been endorsed by Seibert.

12 38. The remainder of the funds was used for the following personal  
13 expenses:

- 14 • restaurant, gas, and hotel expenses (the restaurant expenses included  
15 meals at high end restaurants like Mastro's Steakhouse);
- 16 • retail purchases at stores like Macy's, Nordstrom's, Costco, and  
17 PetSmart; and
- 18 • bills for DirecTV, Time Warner Cable, T-Mobile, car insurance, and  
19 utilities.

20 39. Upon information and belief, because Seibert was the sole signatory on  
21 all of the UST bank accounts, these were personal expenses of Seibert being funded  
22 with investor money.

23 40. Investor funds from the UST bank accounts were also used to pay the  
24 court-ordered garnishments resulting from Seibert's outstanding child support  
25 obligations.

26 **C. Misleading Statements about the Purported Stock Transactions**

27 41. Seibert, through his alias "John Grey" and the Sales Agents working for  
28 his company, UST, made false statements to investors concerning their investments.

1           42. Although “John Grey” (*i.e.*, Seibert) and the Sales Agents claimed that  
2 UST was a brokerage firm acting on behalf of specific issuers, UST is not registered  
3 with the SEC. Moreover, the issuers whose stock was touted by UST have  
4 disclaimed any knowledge of or relationship with UST, Seibert, “John Grey,” “Ron  
5 Woods,” or “Sebastian Wilson.”

6           43. There is no record that UST owned any of the shares of stock that “John  
7 Grey” (*i.e.*, Seibert) and the Sales Agents claimed to be selling, nor are any UST  
8 investors identified as shareholders.

9           44. Investors never received any stock certificates or proof of ownership  
10 about their alleged investments from UST.

11           45. When investors pressed “John Grey” (*i.e.*, Seibert) and the Sales Agents  
12 for stock certificates, they assured the investors that they would receive the  
13 certificates soon, but they never did. Eventually, “John Grey” (*i.e.*, Seibert) and the  
14 Sales Agents ceased responding to investors’ calls and letters.

15           46. The false statements made by Seibert through his alias “John Grey,” or  
16 the Sales Agents, were made to induce investors into investing. Investors would not  
17 have invested with UST had they known that their returns were not assured or that  
18 their funds would not be used to purchase stock.

19 **D. Misleading Statements about UST and Seibert**

20           47. In their discussions with investors, “Ron Woods” and “Sebastian  
21 Wilson” falsely described “John Grey” (*i.e.*, Seibert) as a wealthy and experienced  
22 stock trader. They told at least one investor that “John Grey” (*i.e.*, Seibert) was a  
23 knowledgeable and experienced broker worth millions of dollars and that he held an  
24 “enormous amount” of ITEC stock. They told other investors that “John Grey” (*i.e.*,  
25 Seibert) personally owned a million shares in NGEY.

26           48. These statements were false. Neither Seibert nor “John Grey” have ever  
27 been registered with the SEC as a broker or associated with a registered broker and  
28 neither “John Grey” nor Seibert held any of the stocks touted by UST.



1           49. In addition, although “John Grey” (*i.e.*, Seibert) and “Ron Woods”  
2 assured at least one investor that UST was trustworthy, and that the investor need  
3 only “give 1% of his trust, and UST would earn the other 99%,” they failed to  
4 disclose that UST was controlled by Seibert.

5           50. They also failed to disclose Seibert’s disciplinary history to investors.  
6 Specifically, they failed to disclose the 1993 complaint filed by the SEC which  
7 resulted in the entry of a permanent injunction and monetary relief as to Seibert, *SEC*  
8 *v. Mitchell Communications Corp. et al.* (N.D. Ga. Dec. 21, 1993), Lit. Rel. No.  
9 13950; two separate convictions for wire fraud and conspiracy to commit securities  
10 fraud in 2000; a 2005 conviction for grand theft and fraud in the offer of securities in  
11 Orange County, California; and 2008 and 2013 cease and desist Orders entered  
12 against him by the California Department of Business Oversight related to fraud in  
13 connection with his sale of securities in California.

14           51. Seibert, through his alias “John Grey,” and/or through “Ron Woods” and  
15 “Sebastian Wilson,” also falsely told investors that UST was a brokerage firm  
16 effecting transactions in stock. They told investors that UST “dealt in stock,” was “in  
17 the business of selling stocks,” and was able to sell stock at cheaper prices because it  
18 obtained stock directly from the companies. One investor was told by Seibert or  
19 Woods that UST helped companies to go public by selling their stock.

20           52. These statements were all false. UST had no relationship with any of the  
21 issuers whose stock was touted by UST. UST, Seibert, “John Grey,” “Ron Woods,”  
22 Sebastian Wilson” have never been registered with the SEC as brokers or been  
23 associated with a registered broker and none of them held any of the stocks touted by  
24 “John Grey” or UST’s Sales Agents.

25           53. All of these false statements were intended to induce investors into  
26 investing. The investors relied on the purported expertise and experience of “John  
27 Grey” (*i.e.*, Seibert), and would not have invested had they known about Seibert’s  
28 disciplinary history or that he was not registered as a broker or associated with a

1 registered broker. Nor would they have invested with UST had they known that the  
2 company had no relationship with the issuers whose stock it touted and did not own  
3 their securities.

4 54. These misrepresentations and omissions are material, as they are central  
5 to investors' decisions to invest, and to their decisions to keep their money invested  
6 with UST.

7 55. Seibert knew, or was reckless or negligent in not knowing, that these  
8 misrepresentations and omissions were false and misleading when made.

9 **FIRST CLAIM FOR RELIEF**

10 **Fraud in the Offer or Sale of Securities**

11 **Violations of Section 17(a)(1) and (3) of the Securities Act**

12 56. The SEC realleges and incorporates by reference paragraphs 1  
13 through 55 above.

14 57. Seibert, by engaging in the conduct described above, directly or  
15 indirectly, in the offer or sale of securities by the use of means or instruments of  
16 transportation or communication in interstate commerce or by use of the mails:

17 (a) with scienter, employed devices, schemes, or artifices to  
18 defraud; or

19 (b) engaged in transactions, practices, or courses of business which  
20 operated or would operate as a fraud or deceit upon the purchaser.

21 58. By engaging in the conduct described above, Seibert violated, and unless  
22 restrained and enjoined, will continue to violate, Section 17(a)(1) and (3) of the  
23 Securities Act, 15 U.S.C. § 77q(a)(1) and (3).

24 **SECOND CLAIM FOR RELIEF**

25 **Fraud in the Offer or Sale of Securities**

26 **Violations of Section 17(a)(2) of the Securities Act**

27 59. The SEC realleges and incorporates by reference paragraphs 1  
28 through 55 above.



1 **FOURTH CLAIM FOR RELIEF**

2 **Fraud in Connection with the Purchase or Sale of Securities**

3 **Violations of Section 10(b) of the Exchange Act and Rules 10b-5(b) thereunder**

4 65. The SEC realleges and incorporates by reference paragraphs 1  
5 through 55 above.

6 66. Seibert, by engaging in the conduct described above, directly or  
7 indirectly, in connection with the purchase or sale of a security, by the use of means  
8 or instrumentalities or interstate commerce, of the mails, or of the facilities of a  
9 national securities exchange, with scienter made untrue statements of a material fact  
10 or omitted to state a material fact necessary in order to make the statements made, in  
11 the light of the circumstances under which they were made, not misleading.

12 67. By engaging in the conduct described above, Seibert violated, and unless  
13 restrained and enjoined, will continue to violate, Section 10(b) of the Exchange Act,  
14 15 U.S.C. § 78j(b), and Rule 10b-5(b) thereunder, 17 C.F.R. § 240.10b-5(b).

15 **FIFTH CLAIM FOR RELIEF**

16 **Unregistered Broker Dealer**

17 **Violations of Section 15(a) of the Exchange Act**

18 68. The SEC realleges and incorporates by reference paragraphs 1 through  
19 55 above.

20 69. Seibert, by engaging in the conduct described above, directly or  
21 indirectly, in connection with the purchase or sale of a security, by the use of means  
22 or instrumentalities or interstate commerce, of the mails, or of the facilities of a  
23 national securities exchange, effected transactions in, or induced or attempted to  
24 induce the purchase or sale of, securities without being registered with the SEC, or  
25 affiliated with a broker-dealer registered with the SEC.

26 70. By engaging in the conduct described above, Seibert violated, and unless  
27 restrained and enjoined, will continue to violate, Section 15(a) of the Exchange Act,  
28 15 U.S.C. § 78o.



1 Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. §§ 240.10b-  
2 5, and Section 15(a) of the Exchange Act, 15 U.S.C. § 78o.

3 **III.**

4 Issue orders, in a form consistent with Fed. R. Civ. P. 65(d), temporarily,  
5 preliminarily, and permanently enjoining Seibert and his agents, servants, employees,  
6 and attorneys, and those persons in active concert or participation with any of them,  
7 who receive actual notice of the judgment by personal service or otherwise, and each  
8 of them, from participating in the issuance, purchase, offer, or sale of any security  
9 pursuant to Section 20(b) of the Securities Act and Section 21(d) of the Exchange  
10 Act; provided, however, that such injunction shall not prevent Seibert from  
11 purchasing or selling securities listed on a national securities exchange for his  
12 personal account.

13 **IV.**

14 Order Seibert to disgorge all ill-gotten gains from his illegal conduct, together  
15 with prejudgment interest thereon.

16 **V.**

17 Order Seibert to pay civil penalties under Section 20(d) of the Securities Act,  
18 15 U.S.C. § 77t(d) and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3).

19 **VI.**

20 Retain jurisdiction of this action in accordance with the principles of equity and  
21 the Federal Rules of Civil Procedure in order to implement and carry out the terms of  
22 all orders and decrees that may be entered, or to entertain any suitable application or  
23 motion for additional relief within the jurisdiction of this Court.

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**VII.**

Grant such other and further relief as this Court may determine to be just and necessary.

Dated: December 2, 2015

*/s/ Lynn M. Dean*  
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Lynn M. Dean  
Tamar Braz  
Attorneys for Plaintiff  
Securities and Exchange Commission