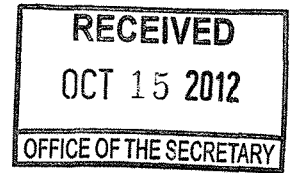


UNITED STATES OF AMERICA

Before the
SECURITIES AND EXCHANGE COMMISSION



ADMINISTRATIVE PROCEEDING
File No. 3-15003

In the Matter of
DANIEL BOGAR,
BERNERD E. YOUNG, and
JASON T. GREEN
Respondents.

FILE NO. 3-15003

ORIGINAL ANSWER OF RESPONDENT BERNERD E. YOUNG TO THE ORDER
INSTITUTING ADMINISTRATIVE PROCEEDINGS

Subject to the Motion for More Definite Statement filed herewith Respondent Bernerd E.
Young states:

I.

Respondent Bernerd E. Young denies that it is appropriate or in the public interest to
initiate this Order Instituting Proceedings against Respondent Young.

II.

1. Respondent Young is without sufficient knowledge or information to either admit or
deny the allegations in Paragraph 1.
2. Respondent Young admits to the allegations in Paragraph 2 except that Respondent
Young became Chief Compliance Officer of SGC and SGH in September 2006, not
July 2006.

3. Respondent Young is without sufficient knowledge or information to either admit or deny the allegations in Paragraph 3.
4. Respondent Young admits that SGC was a Houston based company. Young is without sufficient knowledge or information to either admit or deny the remaining allegations in paragraph 4.
5. Respondent Young admits that SGC's business included sales of CDs issued by SIB. Young is without sufficient knowledge or information to either admit or deny the remaining allegations in Paragraph 5.
6. Respondent Young is without sufficient knowledge or information to either admit or deny the allegations in Paragraph 6.
7. Subject to the Motion for More Definite Statement filed herewith, Respondent denies that he modified "offering documents" for any reason and is without sufficient knowledge or information to either admit or deny the rest of the allegations contained in Paragraph 7.
8. Respondent Young is without sufficient knowledge or information to either admit or deny the allegations of Paragraph 8.
9. Subject to the Motion for More Definite Statement filed herewith, Respondent Young is without sufficient knowledge or information to either admit or deny the allegations in Paragraph 9.
10. Respondent Young is without sufficient knowledge or information to either admit or deny the allegations in Paragraph 10 except he denies the allegations in the last sentence of Paragraph 10.

11. Respondent Young admits the allegations in Paragraph 11.
12. Respondent Young is without sufficient knowledge or information to either admit or deny the allegations in Paragraph 12.
13. Respondent Young admits that he took trips to Antigua to investigate and perform due diligence on SIB but denies that all such trips were with Bogar and Green. Young is without sufficient knowledge or information to either admit or deny the review of offering documents used by SGC for marketing and admits the remaining allegations contained in Paragraph 13.
14. Subject to the Motion for More Definite Statement filed herewith, Respondent Young is without sufficient knowledge or information to either admit or deny the remaining allegations contained in Paragraph 14.
15. Subject to the Motion for More Definite Statement filed herewith, Respondent Young is without sufficient knowledge or information to either admit or deny the allegations of Paragraph 15.
16. Subject to the Motion for More Definite Statement filed herewith, Respondent Young is without sufficient knowledge or information to either admit or deny the allegations contained in Paragraph 16.
17. Subject to the Motion for More Definite Statement filed herewith, Respondent Young is without sufficient knowledge or information to either admit or deny the allegations contained in Paragraph 17.
18. Subject to the Motion for More Definite Statement filed herewith, Respondent Young denies the allegations contained in Paragraph 18.

19. Subject to the Motion for More Definite Statement filed herewith, Respondent Young is without sufficient knowledge or information to either admit or deny the allegations in Paragraph 19 as to Bogar and denies the allegations with respect to Young.
20. Respondent Young is without sufficient knowledge or information to either admit or deny the allegations of Paragraph 20 except Young denies the allegations in the penultimate sentence and admits the allegations in the last sentence.
21. Respondent Young denies the allegations contained in Paragraph 21.
22. Respondent Young denies the allegations in Paragraph 22 except that Young is without sufficient knowledge or information to either admit or deny the allegations in the last sentence of Paragraph 22.
23. Respondent Young denies the allegations in Paragraph 23.
24. Respondent Young admits that he earned approximately \$1,000,000 during his tenure as SGC CCO but Young is without sufficient knowledge or information to either admit or deny the remaining allegations of Paragraph 24.
25. Respondent Young is without sufficient knowledge or information to either admit or deny the allegations in Paragraph 25.
26. Respondent Young is without knowledge or information to either admit or deny the allegations contained in the first sentence of in Paragraph 26 and denies the remaining allegations contained in Paragraph 26.
27. Respondent Young denies the allegations of Paragraph 27.
28. Respondent Young is without knowledge or information to either admit or deny the allegations contained in the first sentence of in Paragraph 28.

29. Respondent Young is without knowledge or information to either admit or deny the allegations contained in the first sentence of in Paragraph 29.
30. Respondent Young denies the allegations in Paragraph 30.
31. Respondent Young denies the allegations in Paragraph 31.
32. Respondent Young denies the allegations in Paragraph 32.
33. Respondent Young denies the allegations in Paragraph 33.

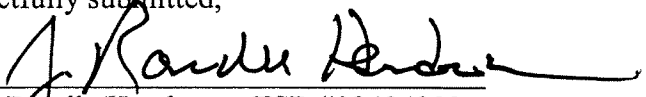
III.

Respondent Young denies that the Commission is entitled to the relief sought and pray the Court dismiss all allegations against Young herein. Respondent Young respectfully requests that he be granted all relief as a prevailing Respondent as provided in all applicable federal statutes, regulations and rules.

Dated: October 12, 2012

Respectfully submitted,

By:



J. Randle Henderson TSB #09424300

16506 F.M. 529

Suite 115-107

Houston, Texas 77095

713.870.8358 Phone

281.758.0545 Fax

jrh@hendersonrandy.com

David A. Carp TSB #03836500

dcarp@hcmlegal.com

COUNSEL TO BERNERD E. YOUNG