

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES ACT OF 1933**  
**Release No. 9717 / January 29, 2015**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 74172 / January 29, 2015**

**INVESTMENT COMPANY ACT OF 1940**  
**Release No. 31437 / January 29, 2015**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16366**

**In the Matter of**

**INTERNATIONAL CAPITAL  
GROUP, LLC,  
BRIAN R. NORD,  
LARRY RUSSELL, JR., and  
TODD J. BERGERON**

**Respondents.**

**ORDER INSTITUTING ADMINISTRATIVE  
AND CEASE-AND-DESIST PROCEEDINGS,  
PURSUANT TO SECTION 8A OF THE  
SECURITIES ACT OF 1933, SECTIONS 15(b)  
AND 21C OF THE SECURITIES EXCHANGE  
ACT OF 1934, AND SECTION 9(b) OF THE  
INVESTMENT COMPANY ACT OF 1940,  
MAKING FINDINGS, AND IMPOSING  
REMEDIAL SANCTIONS AND A CEASE-  
AND-DESIST ORDER**

**I.**

The Securities and Exchange Commission (“SEC” or “Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”), Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”), and Section 9(b) of the Investment Company Act of 1940 (“Investment Company Act”) against International Capital Group, LLC (“ICG”), Brian R. Nord (“Nord”), Larry Russell, Jr. (“Russell”), and Todd J. Bergeron (“Bergeron”) (collectively, “Respondents”).

**II.**

In anticipation of the institution of these proceedings, Respondents have submitted Offers of Settlement (the “Offers”) 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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over them and the subject matter of these proceedings, which are admitted, Respondents consent to the entry of this Order Instituting

Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Sections 15(b) and 21C of the Securities Exchange Act of 1934, and Section 9(b) of the Investment Company Act, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

### **III.**

On the basis of this Order and Respondents’ Offers, the Commission finds that

#### **Summary**

This matter involves violations of the broker-dealer and securities registration provisions by ICG and its principals, Nord, Russell, and Bergeron, in connection with ICG’s purchase and sale of securities of over 64 microcap stock companies and other issuers. ICG, an entity located in Schaumburg, Illinois, held itself out as a stock-based lender. From its formation in August 2008 to May 2011, ICG violated Section 15(a) of the Exchange Act by selling over 9 billion shares worth more than \$62 million in connection with purported stock-based loans, block trades, and other transactions. Through at least 149 stock-based loans, ICG systematically liquidated stock obtained as collateral from at least 85 individuals and entities, many of which were affiliates of the issuers, without registering as a broker or dealer. ICG’s business during that time period also involved “block trades,” lending against stock portfolios, and convertible debt transactions entered with issuers and affiliates of issuers. ICG also violated Section 5 of the Securities Act. On multiple occasions, ICG distributed stock that it acquired from the issuers of that stock or their affiliates through stock-based loans, block trades, and other transactions without registering the transactions with the Commission.

#### **Respondents**

1. ICG, a Delaware limited liability company formed on August 13, 2008 and headquartered in Schaumburg, Illinois, held itself out as a financial services company that, until 2011, provided stock-based loans and engaged in other lines of business involving the sale of securities on behalf of customers. ICG has never been registered with the Commission in any capacity.

2. Nord, age 40, resides in Deer Park, Illinois. At all times relevant, Nord served as Managing Partner of ICG. Nord co-founded ICG several months after separating from a registered broker-dealer with whom he was associated. On December 16, 2008, based on Nord’s consent, FINRA barred Nord from association with any FINRA member in any capacity for failing to appear for an on-the-record interview regarding allegations that he engaged in loans with customers while working as a registered representative.

3. Russell, age 47, resides in Terre Haute, Indiana. Russell is a Co-Founder and, at all times relevant, served as Managing Partner of ICG.

4. Bergeron, age 42, resides in Elgin, Illinois. From 2008 to 2010, Bergeron served as a consultant and Managing Partner of ICG. From 2010 until March 2012, Bergeron served as

ICG's Chief Operating Officer ("COO"), during which time he held a 20 percent interest in ICG. Bergeron resigned from ICG in March 2012.

### **Background**

5. From August 2008 to 2011, ICG purported to be in the business of providing nonrecourse loans to individuals and entities on the basis of stock collateral. From August 2008 to May 2011, ICG "loaned" approximately \$35 million based primarily on microcap stock collateral through at least 149 stock-based loans. ICG's business during this time period also involved, on a more limited basis, block purchases of stock, lending against stock portfolios, and convertible debt transactions. ICG's principals, Nord, Russell, and Bergeron, participated in, directed, or authorized these stock-based loans, block trades, portfolio loans, and convertible debt transactions.

6. ICG advertised its services through its loan broker network, which included individuals who were and were not associated with registered broker-dealers. It also publicly advertised its financial services and structured products through its website and general marketing. In 2011, ICG was the only unregistered entity with a prominent advertisement banner displayed on the OTC Markets website. ICG also hired employees to identify potential customers and to market its loans and other products.

### **ICG Stock-Based Loan Process**

7. The typical stock-based loan at ICG was initiated through third-party loan brokers, intermediaries who connected potential customers to ICG in exchange for referral and origination fees, or, less frequently, through direct contact with ICG. Following an initial indication of interest, ICG undertook what it characterized as an underwriting process that focused on the volume and number of outstanding shares for the security, not the borrower's ability to repay the debt. Generally, ICG did not accept a loan if the number of collateral shares exceeded the average daily trading volume by several times.

8. Following ICG's underwriting process, the customer was provided with a proposed set of terms or rough term sheet. If the customer accepted the proposed terms, ICG and the customer then entered into a standard master loan agreement that could, and often did, contemplate multiple loan funding rounds, or loan tranches. The master agreement gave ICG "the absolute right to pledge, transfer, assign, hypothecate, lend, encumber, sell short, or sell outright those stocks." The language of the agreement and other documents provided in connection with the loan specified that these collateral stock sales could be used "to procure" or "to fund" a loan. The agreement also provided for quarterly interest, but not principal, payments and the return of the collateral upon final repayment of the loan. The typical term for loan agreements was three years.

9. The loans were nonrecourse: in the event of default, which could be triggered, inter alia, by a 60 percent decline in the price of the collateral stock, the debtor had the option to tender additional collateral or to forfeit the securities with no contingent liability.

10. Specific loans and loan terms were documented by an addendum to the master agreement, which provided a more specific estimate of the terms associated with a particular tranche. The ultimate loan amount was determined by a formula that valued the collateral based on an average price of the securities in the days leading to the “closing.” In most cases, the date of closing also was the date of funding.

11. Pursuant to the agreement, the debtor transferred the stock to ICG through the registered broker-dealers at which ICG’s accounts were held before the pricing, closing, and funding of the “loan.”<sup>1</sup>

12. Upon closing, the customer received some percentage of the market value of the securities at the time, based on the loan-to-value (“LTV”) ratio. The LTV ratio on loans generally ranged from 50 to 75 percent, with most loans set at 50 percent LTV. Thus, after the deduction of fees, the customer received roughly half of the value of the stock collateral transferred to ICG. ICG also generally deducted 5 percent from the “loan” proceeds for “origination fees,” which ICG used to pay referral fees to the loan brokers who introduced the transaction.

### **Trading and Financial Activity**

13. Through the stock-based loans, ICG sold billions of shares of stock on behalf of individuals and entities that were unable or unwilling to sell or margin the stock through other channels. ICG made at least 149 stock-based loans from September 2008 to the middle of 2011, “loaning” approximately \$35 million based primarily on microcap stock collateral. ICG liquidated nearly all of the 2.2 billion collateral shares associated with the loans, generating at least \$49 million in total trading proceeds, approximately \$32 million of which was paid to customers in net loan proceeds.

14. On average, ICG began selling shares associated with each loan three days *prior* to loan closing and funding, and completed the sale of all remaining collateral within two weeks of receiving the stock from the customer. In many instances, ICG did not wire funds to the customer from its bank account until it had sold sufficient collateral shares in its brokerage account to generate an equivalent amount of proceeds. ICG’s principals personally oversaw and authorized sales of stock by ICG.

15. ICG structured its loans to profit from the volatile nature of microcap securities. ICG’s master loan agreement generally did not allow the customer to repay the principal prior to the maturity date. Due to the volatile nature of the microcap securities that served as collateral, nearly all loans defaulted well before the end of the three-year term. Given the high rate of default, ICG rarely was obligated to redeliver collateral. Among the loan customers with the standard three-year loan term, a substantial majority made no more than a single quarterly payment. In nearly every instance of default, the customer forfeited the securities, rather than providing additional collateral.

---

<sup>1</sup> Oftentimes, affiliates and issuers provided opinions of counsel to transfer agents and broker-dealers to facilitate the transfer of stock to ICG.

16. Unlike a traditional lender, ICG generated relatively little of its cash flow from the customers' payment of interest, fees, or repayment of principal. In addition, because ICG expected many of its loans to default, it generally did not maintain cash reserves to return collateral shares at maturity.

### **Block Trades**

17. Beginning in late 2009, ICG also purchased blocks of shares from certain customers. In connection with these transactions, ICG purchased the stock for a discount, in many instances from an affiliate of the issuer, and then liquidated the entire position.

18. From 2009 through the middle of 2011, ICG engaged in at least 68 block trades with 23 individuals involving the stock of multiple microcap issuers. In connection with these transactions, ICG purchased stock from its customer at a discount and then resold these shares into the public market, often within weeks of receiving the shares. In the aggregate, ICG purchased over 6 billion shares for approximately \$7.9 million and sold those shares in the market, generating sales proceeds of at least \$9.6 million.

### **Participation in Unregistered Distributions**

19. On multiple occasions, ICG distributed stock that it acquired from issuers of that stock or their affiliates through stock-based loans or block purchases.<sup>2</sup> None of these transactions was registered with the Commission. The discussion below reviews four such transactions.

#### ***Issuer A***

20. From March to June 2010, ICG entered into four transactions with Affiliate A, the CEO, majority shareholder, and acting CFO of Issuer A, pursuant to which ICG provided a total of \$258,438 to Affiliate A from loans and block trades. From March to July 2010, ICG sold the 4,561,162 shares of Issuer A that it received from Affiliate A for \$445,670. ICG's profit from these four transactions was \$187,232, before payment of referral fees to loan brokers. At the time, Issuer A, which purportedly was engaged in the development and sale of alternative fuels and additives, was a non-current reporting company quoted on the Pink Sheets Electronic Quotation System.

21. From March 22 to April 14, 2010, ICG sold 1,875,000 shares of Issuer A that it had acquired as collateral for three stock-based loan tranches on March 24, April 1, and April 9, 2010. ICG documented these first three securities transactions with Affiliate A as a stock-based loan arrangement between ICG and Trust A, an attorney trust for which Attorney A served as trustee. The master loan agreement contemplated a loan based on 2.5 million shares, divided into tranches of 625,000 shares. ICG understood that Affiliate A was the ultimate customer for

---

<sup>2</sup> The Commission or state securities regulators have taken some form of regulatory action against several of the issuers and affiliates that were customers of ICG. In most instances, these regulatory actions took place after the actions with ICG.

the loan. For instance, the trust loan documentation originally reflected that Affiliate A owned Trust A, but later forms identified Attorney A as the trustee and contact person for the loan.

22. According to brokerage forms submitted to transfer 2.5 million shares into ICG's name, Affiliate A gifted the shares to Trust A in January 2009, and the shares were rendered unrestricted through operation of Rule 144. However, Issuer A's transfer agent records reflect that the transfer from Affiliate A to Trust A took place on April 6 or 15, 2009 and that the shares were issued as restricted securities. Immediately following each transfer of stock, ICG sold the collateral shares, completing all sales from March 22 to April 14, 2010. However, because Issuer A was a non-current reporting issuer at the time, and the shares effectively were sold to ICG by an affiliate, ICG was required to hold the securities for one year prior to selling.

23. On June 21, 2010, ICG entered into a block transaction with Entity A, an entity controlled and owned by Affiliate A. The block purchase agreement between ICG and Entity A was executed by Affiliate A, Affiliate A directed the funds to various entities and accounts, and Affiliate A and ICG communicated about the transaction. Under the agreement, ICG purchased 2.6 million shares from Entity A for \$100,000, with an additional \$25,000 to be distributed to Entity A if the shares generated more than \$150,000 of profits for ICG. ICG sold the shares from June 21 to July 13, 2010. ICG did not hold the securities obtained from Affiliate A, an affiliate of Issuer A, for the required one-year period.

#### ***Issuer B***

24. On March 24 and May 24, 2010, ICG closed two loans for a total of \$1,661,880 with Issuer B, a medical imaging device company, and its President and COO. Pursuant to these loans, ICG sold 6 million shares for \$2,990,156. ICG's profit from these transactions was \$1,328,276, before payment of referral fees to loan brokers. At the time of the transactions, Issuer B was a reporting company. Issuer B's stock traded on the OTC Bulletin Board Market. In both instances, rather than holding the shares purchased from the issuer and affiliate for six months, ICG liquidated the collateral shares to fund the loans and then completed the sales within a day of the loan closing.

25. On January 21, 2010, ICG entered a master loan agreement directly with Issuer B for a loan based on 10 million shares of Issuer B. The agreement was signed by Affiliate B1, the CEO, Chairman of the Board, beneficial owner, and founder of Issuer B. Immediately before and after closing and funding the loan on March 24, 2010, ICG liquidated the collateral shares associated with the loan.

26. On April 23, 2010, ICG entered a second stock-based loan agreement with an affiliate of Issuer B, Affiliate B2, who served as the President and COO of Issuer B. Affiliate B2 received net proceeds of \$600,353 on the basis of 3 million collateral shares. ICG received 3 million shares on May 18, 2010 and immediately liquidated them, completing the sales on May 25, 2010.

### *Issuer C*

27. From May to August 2010, ICG entered multiple transactions with Affiliate C, the CEO of Issuer C, providing him with a total of \$237,623 on the basis of 403 million shares of Issuer C, which it sold for total proceeds of \$399,570. ICG's profit from these transactions was \$162,127, before payment of referral fees to loan brokers. At the time, Issuer C, which purportedly produced a hot air popcorn machine capable of delivering single servings, was a reporting company that was not current in its filings. Rather than holding these securities for one year, within weeks of receiving each tranche of shares, ICG liquidated more than 389 million shares, generating aggregate proceeds of \$399,750.

28. The first two transactions were structured as block purchases. On May 25, 2010, ICG purchased for resale 70 million shares at a discount of 40 percent. ICG closed a second block purchase of 100 million shares on June 4, 2010, selling the shares it acquired by June 14, 2010. The block purchases originally were contemplated as a stock-based loan for Affiliate C. Although the loan application ultimately was submitted by Nominee C, a consultant to Issuer C, on behalf of Entity C, the initial securities loan proposal was prepared for Affiliate C. In addition, a draft master loan agreement prepared for the loan listed Affiliate C as the signatory. A loan application placed in Entity C's name stated that the funds from the loan were to be used for Issuer C financing. After ICG declined to enter into the loan agreement, the loan broker proposed a block purchase transaction. Again, draft agreements prepared for the block purchase contained Affiliate C's name in the signature block, signing on behalf of Entity C. In the final draft, Nominee C signed on behalf of Entity C. Affiliate C also arranged for the transfer of shares from Entity C to ICG, coordinating the deposit of shares, and executing written consents on behalf of the Issuer C Board of Directors.

29. Following the block purchase transactions, ICG entered a master loan agreement with Entity C on July 22, 2010. ICG then closed a second tranche on August 17, 2010. ICG began selling the shares it acquired in connection with the first tranche on July 23, 2010 and completed its sales by August 11, 2010. ICG began selling the shares it acquired in connection with the second tranche on August 16, 2010 and completed its sales by September 3, 2010.

### *Issuer D*

30. In late 2009, ICG provided purported stock-based loans based on the stock of Issuer D to Entity D, which was formed and controlled by Affiliate D1, and to Affiliate D2 totaling \$206,640. ICG immediately sold the 18 million shares of stock it received as collateral for the loans, both of which defaulted shortly thereafter, for total proceeds of \$362,249. ICG's profit from these transactions was \$155,609, before payment of referral fees to loan brokers.

31. Both Affiliate D1 and Affiliate D2 were formerly affiliates of the predecessor entity of Issuer D, Predecessor D, which participated in an unregistered distribution of Issuer D stock that ultimately resulted in a Commission enforcement action against Issuer D and multiple defendants in 2013.

32. Affiliate D1 incorporated Predecessor D and controlled Predecessor D through his role as a third-party consultant until Issuer D's reverse merger into Predecessor D on June 2009. Affiliate D2 was the CEO of Predecessor D until June 2009. Issuer D issued Affiliate D1 and Affiliate D2 the stock used in the ICG transactions in early June 2009 pursuant to their conversion of backdated purported convertible debt assigned by Affiliate D3, an affiliate of Issuer D. Affiliate D3 assigned the convertible debt to Affiliate D1 and D2 in connection with a reverse merger between Issuer D and Predecessor D. Issuer D used the reverse merger to gain access to the publicly traded stock of Predecessor D, which was a shell entity at the time. At the time of the loans, Issuer D was a non-reporting company.

33. Because Affiliate D1 and Affiliate D2 experienced difficulty selling their shares, they turned to ICG for stock-based loans. In connection with the first of these loans, on September 1, 2009, Entity D transferred 5 million shares to ICG. Thereafter, ICG loaned Entity D \$69,750, or 50 percent of the collateral value less fees on September 4, 2009. Upon receiving the shares, ICG immediately began to sell them beginning on September 2, 2009. Most of the shares were sold by September 11, 2009 and the remainder by October 26, 2009.

34. Three months after his resignation as Predecessor D CEO on June 23, 2009, Affiliate D2 also entered a securities loan arrangement with ICG, using shares that he had been received from an affiliate of Issuer D. On November 20, 2009, Affiliate D2 transferred 13 million shares to ICG, receiving \$130,046. ICG began selling Affiliate D2's collateral shares on December 8, 2009, three days prior to funding the loan, and completed its sales on December 15, 2009.

35. Because Issuer D was a non-reporting company, ICG was required to hold the securities for one year from June 2009, which it did not do.

### **Violations**

36. As a result of the conduct described above, ICG willfully violated Section 15(a) of the Exchange Act, which makes it unlawful for a broker or dealer "to effect any transactions in, or to induce or to attempt to induce the purchase or sale of, any security" without being registered as or associated with a registered broker-dealer. ICG also willfully violated Sections 5(a) and 5(c) of the Securities Act, which makes it unlawful, for any person, directly or indirectly, to sell or offer a security through the use of any means or instrument of transportation or communication in interstate commerce or the mails unless a registration statement is in effect as to the security.

37. As a result of the conduct described above, Nord, Russell, and Bergeron each willfully aided and abetted and caused ICG's violations of Section 15(a) of the Exchange Act and Sections 5(a) and 5(c) of the Securities Act. Nord, Russell, and Bergeron also each willfully violated Sections 5(a) and 5(c) of the Securities Act.

### **IV.**

In view of the foregoing, the Commission deems it appropriate, in the public interest, and for the protection of investors to impose the sanctions agreed to in Respondents' Offers.

Accordingly, pursuant to Section 8A of the Securities Act, Sections 15(b) and 21C of the Exchange Act, and Section 9(b) of the Investment Company Act, it is hereby ORDERED that:

- A. Respondent ICG is censured.
- B. Respondents ICG, Nord, Russell, and Bergeron cease and desist from committing or causing any violations and any future violations of Section 15(a) of the Exchange Act and Sections 5(a) and 5(c) of the Securities Act.
- C. Respondents ICG, Nord, and Russell shall, jointly and severally, pay disgorgement of \$1,466,595 and prejudgment interest of \$203,459 to the SEC, for a total of \$1,670,054. Within fourteen business days of this Order, ICG shall pay \$400,000 of the disgorgement and prejudgment interest. The remaining balance of disgorgement and prejudgment interest shall be made in the following installments: \$635,027 on or before March 31, 2015 and \$635,027 on or before June 30, 2015.
- D. Respondent Bergeron shall pay disgorgement of \$366,649 and prejudgment interest of \$50,865 to the SEC, for a total of \$417,514. Within fourteen business days of this Order, Bergeron shall pay \$75,000 of the disgorgement and prejudgment interest. The remaining balance of disgorgement and prejudgment interest, together with the civil penalties, shall be made in the following installments: \$114,171 on or before May 31, 2015, \$114,171 on or before September 30, 2015, and \$114,171 on or before January 31, 2016.
- E. Respondent ICG shall pay civil penalties of \$1,500,000 to the SEC. Payment shall be made in the following installments: \$750,000 on or before September 30, 2015 and \$750,000 on or before December 31, 2015.
- F. Respondent Nord shall pay civil penalties of \$300,000 to the SEC. Payment shall be made in the following installments: \$150,000 on or before September 30, 2015 and \$150,000 on or before December 31, 2015.
- G. Respondent Russell shall pay civil penalties of \$250,000 to the SEC. Payment shall be made in the following installments: \$125,000 on or before September 30, 2015 and \$125,000 on or before December 31, 2015.
- H. Respondent Bergeron shall pay civil penalties of \$150,000 to the SEC on or before January 31, 2016.
- I. Payments of disgorgement and civil money penalties by Respondents shall be made to the SEC for transfer to the general fund of the United States Treasury in accordance with Exchange Act Section 21F(g)(3). If any payment is not made by the date the payment is required by this Order, the entire outstanding balance of disgorgement, prejudgment interest, and civil penalties, plus any additional interest accrued, since the date of this Order, pursuant to SEC Rule of Practice 600 or pursuant to 31 U.S.C. § 3717, shall be due and payable immediately, without further application. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Building, Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, Oklahoma 73169

Payments by check or money order must be accompanied by a cover letter identifying, as applicable, ICG, Nord, Russell, or Bergeron as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to:

Timothy L. Warren  
Associate Director  
Division of Enforcement  
Securities and Exchange Commission  
175 West Jackson Boulevard, Suite 900  
Chicago, Illinois 60604

J. Respondent ICG shall be, and hereby is, barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock, with the right to apply for reentry after five (5) years to the appropriate self-regulatory organization, or if there is none, to the Commission.

K. Respondents Nord and Russell be, and hereby are:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization;

prohibited from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter; and

barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock,

with the right to apply for reentry after five (5) years to the appropriate self-regulatory organization, or if there is none, to the Commission.

L. Respondent Bergeron 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;

prohibited from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter; and

barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock,

with the right to apply for reentry after three (3) years to the appropriate self-regulatory organization, or if there is none, to the Commission.

M. Any reapplication for association by the Respondents ICG, Nord, Russell, or Bergeron 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: (1) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (2) any arbitration award related to the conduct that served as the basis for the Commission order; (3) 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 (4) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Brent J. Fields  
Secretary