

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 100106 / May 10, 2024**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 6602 / May 10, 2024**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-21936**

**In the Matter of**

**BRENDA A. SMITH,**

**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 15(b) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934 AND**  
**SECTION 203(f) OF THE INVESTMENT**  
**ADVISERS ACT OF 1940, MAKING FINDINGS,**  
**AND IMPOSING REMEDIAL SANCTIONS**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Brenda A. Smith (“Respondent” or “Smith”).

**II.**

In anticipation of the institution of these proceedings, 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 her and the subject matter of these proceedings, and the findings contained in paragraphs III.2 and 4 below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

### III.

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

1. Smith, age 62, resided in Philadelphia, Pennsylvania. Smith was associated with and the owner of Bristol Advisors, LLC ("Bristol"), a Delaware limited liability company and registered investment adviser that purported to provide investment advisory services to its sole client, Broad Reach Capital, LP (the "Broad Reach Fund"). The Broad Reach Fund was a Delaware limited partnership Smith established in February 2016 that operated as a purported hedge fund. Smith also owned and controlled Broad Reach Partners, LLC ("Broad Reach Partners"), a Delaware limited company that served as the general partner of the Broad Reach Fund (Bristol, the Broad Reach Fund, and Broad Reach Partners are referred to as the "Smith Entities"). In addition, during the period of her misconduct, Smith was associated with CV Brokerage, Inc. ("Broker-Dealer"), a broker-dealer she owned that was formerly registered with the Commission. Smith operated all of the Smith Entities and the Broker-Dealer out of the same office space in West Conshohocken, Pennsylvania.

2. On August 27, 2019, the Commission filed a complaint against Smith and the Smith Entities in SEC v. Smith, et al. (Civil Action No. 19-17213 (MCA)) in the United States District Court for the District of New Jersey. The complaint alleged violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Sections 206(1), 206(2), and 206(4) of the Advisers Act and Rule 206(4)-8 thereunder.

3. The Commission's complaint alleged, among other things, that, in connection with the purchase and sale of securities, Smith, an associated person with Bristol and Broad Reach Partners, misused and misappropriated investor funds; made materially false misrepresentations to investors; failed to state material facts necessary in order to make other statements made, in light of the circumstances under which they were made, not misleading; provided investors with false account statements and other documents indicating that investors' funds were fully invested through profitable trading strategies and earning positive returns, and that the value of the Broad Reach Fund was secured by a multi-billion dollar bond issued by a publicly traded financial institution; and otherwise engaged in a variety of conduct which operated as a fraud and deceit on investors in the Broad Reach Fund. The Commission's action remains pending.

4. On September 9, 2021, Smith pled guilty to one count of securities fraud in violation of Title 15 United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5, before the United States District Court for the District of New Jersey, in United States v. Smith, (Criminal Action No. 20-475 (MCA)).

5. The count of the indictment to which Smith pled guilty alleged, among other things, that Smith defrauded investors and obtained money and property by means of materially false and misleading statements, and that she used the means or instrumentalities of interstate commerce, or the mails, to send false financial records to investors and transfer funds in connection with her fraud.

#### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, and Section 203(f) of the Advisers Act, that Respondent Smith 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; and

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Smith 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.

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, compliance with the Commission's Order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission Order; (d) 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 (e) 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.

Vanessa A. Countryman  
Secretary