

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 102031 / December 23, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-22383

In the Matter of

RICHARD BROWN,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
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”) against Richard Brown (“Brown” or “Respondent”).

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 him and the subject matter of these proceedings, and the findings contained in paragraphs III.2 and III.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, 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. Brown, 45 years old, is a resident of Huntington, New York. From February 2012 to November 2015, Brown was a registered representative associated with a broker-dealer registered with the Commission.

2. On December 23, 2024, a final judgment was entered by consent against Brown, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, as set forth in the judgment entered in the civil action entitled *Securities and Exchange Commission v. St. Julien, et al.*, 16 Civ. 2193 (BMC), in the United States District Court for the Eastern District of New York.

3. The Commission's complaint alleged that Brown participated in a scheme in which he received cash kickbacks in return for recommending and purchasing Forcefield Energy, Inc. ("Forcefield") stock in his customers' accounts without disclosing to his customers that he was being paid these cash kickbacks.

4. On August 2, 2016, Brown pleaded guilty to one count of securities fraud in violation of 15 U.S.C. §§ 78j(b) and 78ff, before the United States District Court for the Eastern District of New York, in *United States v. Mitchell, et al.*, 16 Cr. 234 (BMC). On January 27, 2021, a judgment in the criminal case was entered against Brown. He was sentenced to three years' probation, and ordered to pay a \$100 assessment and make restitution in the amount of \$1,735,000.

5. The count of the criminal indictment to which Brown pleaded guilty alleged, *inter alia*, that Brown engaged in a scheme to defraud investors and potential investors by receiving cash kickbacks to recommend and induce customers to purchase stock in issuer Forcefield, without disclosing those kickbacks to his customers.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Brown 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 Brown 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