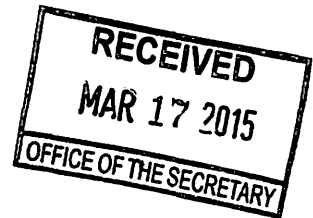


UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION



ADMINISTRATIVE PROCEEDING
File No. 3-16358

In the Matter of

**SPECTRUM CONCEPTS, LLC,
DONALD JAMES WORSWICK,
MICHAEL NICHOLAS GROSSO,
and MICHAEL PATRICK
BROWN,**

Respondents.

**DIVISION OF ENFORCEMENT'S
MOTION TO DEEM RESPONDENT
BROWN IN DEFAULT PURSUANT TO
RULE 155(a)(2)**

The Division of Enforcement (“the Division”) hereby moves the Court, pursuant to Rule 155(a)(2) of the Commission’s Rules of Practice, for an Order which deems Respondent Michael Patrick Brown to be in default.

The Commission initiated this proceeding by instituting the Order Instituting Proceedings (“OIP”) on January 23, 2015. Counsel for the Division contacted RGP Attorney Services, LLC on January 23, 2015 and sent that firm the OIP and relevant addresses to perfect service of the OIP on the four Respondents, including on Respondent Brown. Brown’s last known address is [REDACTED]

[REDACTED] On February 9, 2015, the Division received a signed Domestic Return Receipt for delivery of the OIP to Mr. Brown at that address on January 29, 2015, signed by Jeanette Baptiste from the Office of the Secretary. Following receipt of the signed service card at Brown’s last known address, undersigned counsel for the Division contacted Mr. Brown by telephone, and spoke with him on February 10, 2015. In that conversation, Mr. Brown confirmed that the service address of the Baptistes was still a good address for him, and that

he was aware that the Baptistes were holding mail for him at that address. Based upon Mr. Brown's representation that the service address was his, the Division provided Mr. Brown with its file production at that same address. After reporting these facts in two status reports, the Court entered an Order dated February 20, 2015 which concluded, among other things, that Brown was served with the OIP on February 10, 2015 and ordered that his Answer was due by March 5, 2015. Thereafter, Brown called into the Initial Prehearing Conference and acknowledged verbally that he had not yet filed an Answer. Since that date, Brown has not filed an Answer to the OIP.

As Brown has failed to file an Answer as Ordered by the Commission in the OIP, more than 10 days have passed since his Answer was due, and this case is scheduled for trial commencing May 11, 2015, the Division moves the Court to enter an order which deems Brown to be in default pursuant to Rule 155(a)(2) of the Commission's Rules of Practice. That order of default should include as findings against Mr. Brown, all of the relevant allegations that the OIP contains. Among those default findings is that Brown received between \$15,000 and \$20,000 of investor proceeds from a co-respondent. (OIP, ¶30). The lower end of that range should be ordered as disgorgement against Mr. Brown. Mr. Brown should also be ordered to pay prejudgment interest on that amount. A prejudgment interest calculator printout is attached hereto as Exhibit A showing that prejudgment interest on \$15,000 totals \$1,121.87. In addition, given the blatant nature of the prime bank fraudulent scheme outlined in the OIP, the fact that Mr. Brown devised and drafted the "Enhancement Agreement" offering documents (See OIP, ¶2) which promised outlandish returns ranging from 900% in 20 days to 4,627% annually (See OIP, ¶3), the Court should also impose at least a third tier civil penalty against Mr. Brown, if not a separate third tier penalty for each of the five investors who were solicited and who invested through the use of the offering document "Enhancement Agreements" devised and prepared by Mr. Brown. Finally, the

default order against Mr. Brown should include a directive that the Respondent cease and desist from further fraudulent conduct. The Court should note in its Order that Mr. Brown has also defaulted to an allegation in the OIP that he is a securities violator recidivist, (See OIP, ¶10). Interestingly, that is a fact that Mr. Brown did not deny when the issue was raised at the prehearing conference in which the defaulting Respondent participated pro se.

Respectfully submitted, this 16th day of March, 2015.



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U.S. Securities and Exchange Commission

Division of Enforcement

Prejudgment Interest Report

Michael Patrick Brown

Quarter Range	Annual Rate	Period Rate	Quarter Interest	Principal+Interest
Violation Amount				\$15,000.00
10/01/2012-12/31/2012	3%	0.75%	\$113.11	\$15,113.11
01/01/2013-03/31/2013	3%	0.74%	\$111.80	\$15,224.91
04/01/2013-06/30/2013	3%	0.75%	\$113.87	\$15,338.78
07/01/2013-09/30/2013	3%	0.76%	\$115.99	\$15,454.77
10/01/2013-12/31/2013	3%	0.76%	\$116.86	\$15,571.63
01/01/2014-03/31/2014	3%	0.74%	\$115.19	\$15,686.82
04/01/2014-06/30/2014	3%	0.75%	\$117.33	\$15,804.15
07/01/2014-09/30/2014	3%	0.76%	\$119.51	\$15,923.66
10/01/2014-12/31/2014	3%	0.76%	\$120.41	\$16,044.07
01/01/2015-02/28/2015	3%	0.48%	\$77.80	\$16,121.87
Prejudgment Violation Range			Quarter Interest Total	Prejudgment Total
10/01/2012-02/28/2015			\$1,121.87	\$16,121.87

