

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-19726

In the Matter of

BRUCE C. WORTHINGTON,

Respondent.

Division of Enforcement's Additional Evidentiary Submission
in Support of Motion for Entry of Findings and Imposition of Remedial Sanctions
as to Respondent Bruce C. Worthington

The Division of Enforcement ("Division") submits the accompanying exhibits as further evidentiary support for its Motion for Entry of Findings and Imposition of Remedial Sanctions as to Respondent Bruce C. Worthington ("Worthington"), pursuant to the Commission's June 1, 2022 Order. The Division incorporates by reference its previous briefing in support of its Motion.

Specifically, the following Exhibits (1-14) are submitted:

Exhibit 1: October 18, 2018 Transcript of Worthington Testimony in which Worthington extensively asserted his 5th Amendment right in declining to answer questions. Notably, Worthington was shown an exhibit summarizing a series of withdrawals totaling \$97,054.59 from the brokerage account of an alleged victim of his ("the Retired Investor") between February 2007 and November 2008, which is also reflected in paragraph 27 of the Massachusetts Securities Division's complaint. (Exhibit 14, below) As to each of the Retired Investors'

withdrawals, Worthington was asked whether Worthington received those funds, and Worthington asserted his 5th Amendment right against self-incrimination.

Exhibit 2: Notes of Interview with the Retired Investor in which, among other things, he recounted that in 2017 and 2018, the Retired Investor and his relatives met with Worthington and inquired as to the status and whereabouts of the Retired Investor's funds. Worthington told the Retired Investor and his relatives that the Retired Investor's net worth was approximately \$140,000, and that while those assets were safe, they were "in limbo" and could not be accessed.

Exhibit 3: Witness Interview Notes for the Chief Compliance Officer ("CCO") at Worthington's prior place of employment, Founders Financial Securities LLC who, among other things, provided the following information:

a. On September 17, 2018, in anticipation of a for-cause examination of Worthington by the Commission's Office of Compliance Inspections and Examinations (OCIE), the CCO had a phone call with Worthington. The CCO told Worthington that the SEC was conducting a for-cause examination regarding stolen money from a client (i.e., the Retired Investor), and told him that there could be only two possible explanations, (a) or (b): (a) that Worthington had no idea what was going on or (b) that he did. After a long pause, Worthington said, "I think this is (b)."

b. After the CCO advised Worthington that he was not Worthington's "priest or attorney," Worthington told the CCO the following: Ten to fifteen years before, the Retired Investor had wanted to invest in a private offering and non-market related investments. The Retired Investor was not accredited to make those investments, so Worthington had offered to make the investments on the Retired Investor's behalf. Worthington told the CCO that the Retired Investor wrote three checks payable to Worthington totaling approximately \$40,000, with the understanding that Worthington would make the investments.

Worthington then told the CCO that before the money was invested, the IRS levied a tax lien and seized all of Worthington's liquid assets.

Exhibits 4-8: These exhibits track five separate instances of a) withdrawals/checks from Retired Investor accounts and b) deposits into Worthington's personal accounts. Because of the age of the conduct when investigated, the banks did not have cancelled checks or other documentation specifically showing that the contemporaneous deposits into Worthington's accounts were made with checks from the Retired Investor's accounts. Overwhelming circumstantial evidence supports that conclusion, including the timing, sequence, and amounts going from the Retired Investor's accounts to Worthington's personal account.

Exhibit 9: In this "Fixed Income Investment Portfolio" dated June 9, 2008 and prepared by Worthington for the Retired Investor, Worthington represented that approximately \$53,750 had been invested in a laddered bond portfolio composed of bonds from the Massachusetts Port Authority and the towns of Haverhill and Methuen MA. The Retired Investor had sent Worthington approximately \$50,000 by April 2008. There is no evidence any such investment was ever made.

Exhibit 10: In this "Client 360 Overview" also dated June 9, 2008 and prepared by Worthington for the Retired Investor, handwritten notes reflect a possible solicitation for a "15,000 che[ck]." As reflected in Exhibits 8 and 9, in January 2009 and April 2009, Worthington deposited two checks for \$7,500 each into his personal bank account. The evidence supports the conclusion that both checks were from the Retired Investor.

Exhibit 11: In this "Laddered Portfolio" dated April 15, 2009, Worthington represented to the Retired Investor that approximately \$66,730 had been invested in a laddered bond portfolio composed of bonds from GE, Alcoa, Caterpillar Financial Services, and CSX Corp. There is no evidence any such investment was ever made.

Exhibit 12: In this “Laddered Portfolio” dated October 5, 2009, Worthington represented to the Retired Investor that approximately \$95,152.28 had been invested in a laddered bond portfolio composed of bonds from Anheuser Busch, Honeywell, and Black and Decker. There is no evidence any such investment was ever made.

Exhibit 13: In this “Portfolio Summary” dated October 18, 2011, Worthington represented to the Retired Investor that, in addition to his IRA and real estate trust, he had “additional assets” in a “seperate[sic] account (structured note) totaling \$113,349.00.” There is no evidence any of these assets or investments existed in October 2011 - or ever.

Exhibit 14: On October 18, 2018, Worthington appeared, with counsel, and testified under oath before the Commission staff pursuant to a subpoena. Worthington was shown Exhibit 14, which summarizes a series of withdrawals totaling \$97,054.59 from the Retired Investor’s brokerage account between February 2007 and November 2008, which is also reflected in paragraph 27 of the Massachusetts Securities Division’s complaint. As to each of the Retired Investors’ withdrawals, Worthington was asked whether Worthington received those funds, and Worthington declined to answer the question, asserting his 5th Amendment right against self-incrimination.

Dated: August 1, 2022

//s// Martin F. Healey
Martin F. Healey
Securities and Exchange Commission
Boston Regional Office
33 Arch Street, 24th Floor
Boston, MA 02110
Telephone:
HealeyM@SEC.GOV
Counsel for the Division of Enforcement

Certificate of Service

I, Martin F. Healey, hereby certify that on August 1, 2022, I caused a true copy of the foregoing document to be served by regular mail upon Bruce Worthington at xxxxxxxxxxxx, xxxxxxxxxxxx MA 01876.

 //s// Martin F. Healey
Martin F. Healey
Regional Trial Counsel, BRO
Division of Enforcement