

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 72838 / August 13, 2014

INVESTMENT ADVISERS ACT OF 1940
Release No. 3896 / August 13, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15829

In the Matter of

RICHARD J. BUSWELL,

Respondent.

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

I.

The Securities and Exchange Commission (“Commission”) previously instituted proceedings in this matter on April 8, 2014. The Commission now deems it appropriate and in the public interest to enter this Order Making Findings and Imposing Remedial Sanctions 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”) (“Order”) against Richard J. Buswell (“Buswell” or “Respondent”).

II.

Buswell 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, Buswell admits the Commission’s jurisdiction over him and over the subject matter of the proceedings and admits the findings in Section III.2 below. Buswell further consents to the entry of the Order, as set forth below.

III.

On the basis of this Order and Buswell’s Offer, the Commission finds that:

1. At the time of the relevant conduct, Buswell was a registered representative at, and a person associated with, Brookstone Securities, Inc., also d/b/a Brookstone Investment Advisory Services, a firm that was located in Lakeland, Florida and was formerly registered with the Commission as a broker-dealer and an investment adviser. Buswell, 45, was a resident of Lafayette, Louisiana; however, he is currently incarcerated at Iberia Parish Jail located in New Iberia, Louisiana pending sentencing.

2. On July 24, 2013, Buswell pleaded guilty to one count of wire fraud in violation of Title 18 United States Code, Section 1343 before the United States District Court for the Western District of Louisiana, in *United States v. Buswell et al*, Crim. No. 6:11-cr00198-RTH-PJH. Buswell is currently awaiting sentencing.

3. The count of the criminal indictment to which Buswell pleaded guilty alleged, among other things, that Buswell defrauded investors and obtained money and property by means of materially false and misleading statements. Pursuant to the plea agreement, Buswell admitted that he engaged in excessive and frequent stock transactions on his clients' accounts for his own benefit. He also admitted that he exaggerated guaranteed rates of returns in communications with his clients. Additionally, he admitted that he placed a number of his clients in Direct Private Placements even though he knew that the investments were unsuitable. He further admitted that he failed to explain the risks of these investments to his clients and falsified Bowman Investment Group LLC account applications to make the clients appear to be accredited investors when, in fact, they were not. The misconduct underlying the criminal charges occurred during the period in which the Respondent was associated with a registered investment adviser and a registered broker-dealer.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Buswell'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, Respondent Buswell 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 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, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) 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 (d) 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.

Jill M. Peterson
Assistant Secretary