

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 83459 / June 18, 2018

INVESTMENT ADVISERS ACT OF 1940
Release No. 4942 / June 18, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18545

In the Matter of

BRYAN LEE ADDINGTON,

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
AND NOTICE OF HEARING**

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 Bryan Lee Addington (“Respondent” or “Addington”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Addington, age 56, was a resident of Ethel, Louisiana. From February 2007 through February 19, 2010, Addington was associated with First Midwest Securities, Inc. (“First Midwest”), a broker dealer and investment adviser registered with the Commission. Between September 1995 and February 2007, Addington was associated with other broker dealers registered with the Commission. In August 2011, FINRA barred Addington from associating with any member firm. During the initial portion of the misconduct described in paragraph B.3, Addington was associated with First Midwest. During the remainder of the misconduct, Addington acted as an unregistered investment adviser who operated various entities, including Addington Investment

Services, Bryan L. Addington Financial, SAL Financial Services, and DBR Holdings LLC. During this period, Addington, for compensation, engaged in the business of advising others as to the advisability of investing in, purchasing, or selling securities.

B. RESPONDENT'S CRIMINAL CONVICTION

2. On March 6, 2017, Addington pled guilty to one count of mail fraud in violation of Title 18, United States Code, Section 1341, and one count of aggravated identity theft in violation of Title 18, United States Code, Section 1028A, before the United States District Court for the Middle District of Louisiana, in *United States v. Bryan Lee Addington*, Case No. 3:16-CR-00098-JJB-RLB. On November 9, 2017, a judgment in the criminal case was entered against Addington. He was sentenced to a prison term of 159 months followed by three years of supervised release and was ordered to make restitution in the amount of \$5,393,346.63.

3. In connection with that plea, Addington admitted that, for the purpose of enriching himself, between January 1, 2010 and April 14, 2016, he devised a scheme to defraud investors, which consisted of: (a) falsely representing that investors' money would be invested in, among other things, real estate and land, insurance products, film tax credits, annuities, and stock, and would be used to purchase insurance policies, (b) falsely representing that the investments were safe and would yield good (sometimes guaranteed) returns, and (c) providing investors false documents and making periodic payments to them (often with funds provided by later investors) to lull investors into believing that he had invested their money as promised, when in fact he had not made any such investments. Addington caused losses totaling approximately \$5.4 million to 32 victims, several of which lost a substantial portion of their retirement savings.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations;

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b)(6) of the Exchange Act;

C. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act; and

D. Whether, pursuant to Section 15(b)(6) of the Exchange Act, it is appropriate and in the public interest to bar Respondent from participating in any offering of 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.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice, 17 C.F.R. § 201.360(a)(2), the Administrative Law Judge shall issue an initial decision no later than 75 days from the occurrence of one of the following events: (A) The completion of post-hearing briefing in a proceeding where the hearing has been completed; (B) Where the hearing officer has determined that no hearing is necessary, upon completion of briefing on a motion pursuant to Rule 250 of the Commission's Rules of Practice, 17 C.F.R. § 201.250; or (C) The determination by the hearing officer that a party is deemed to be in default under Rule 155 of the Commission's Rules of Practice, 17 C.F.R. § 201.155 and no hearing is necessary.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Brent J. Fields
Secretary