

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4961 / July 10, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18586

In the Matter of

William M. Greenfield,

Respondent.

**ORDER INSTITUTING CEASE-AND-
DESIST PROCEEDINGS PURSUANT TO
SECTION 203(k) OF THE INVESTMENT
ADVISERS ACT OF 1940, MAKING
FINDINGS, AND IMPOSING REMEDIAL
SANCTIONS AND A CEASE-AND-DESIST
ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 203(k) of the Investment Advisers Act of 1940 (“Advisers Act”) against William M. Greenfield (“Greenfield” 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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds¹ that:

¹ The findings herein are made pursuant to Respondent’s Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

Summary

1. These proceedings arise out of Greenfield's causing violations of the testimonial rule under the Advisers Act which states that it shall constitute a fraudulent, deceptive, or manipulative act, practice, or course of business for any investment adviser registered with the Commission to publish, circulate or distribute any advertisement which refers to, among other things, any testimonial of any kind concerning the investment adviser. Greenfield caused TFS Securities, Inc. ("TFS") to violate the testimonial rule under the Advisers Act by publishing on the internet advertisements containing testimonials concerning the investment advice and services he renders as an investment adviser representative of TFS. From approximately September 2015 through January 2017, these testimonials were available to the public on Facebook.com and Google.com webpages that Greenfield maintained for his business. By publishing statements containing client testimonials, Mr. Greenfield caused TFS to violate Section 206(4) of the Advisers Act and Rule 206(4)-1(a)(1) thereunder.

Respondent

2. William M. Greenfield is an investment adviser representative and registered representative based in Cherry Hill, New Jersey. Greenfield has offered investment advisory and brokerage services to individual investors as the owner and president of WealthBridge Advisory Services, LLC ("WealthBridge"), an investment adviser registered with the state of New Jersey. Since January 1, 2013, Greenfield also has been a registered representative and investment advisor representative of TFS Securities, Inc. ("TFS"), a dually-registered investment adviser and broker-dealer based in Lincroft, New Jersey. TFS has been registered with the Commission as an investment adviser since 1999 and as a broker-dealer since 1987.

Facts

3. Since approximately 1986, Greenfield has provided insurance, investment advisory, and brokerage services through WealthBridge and since 2013, through his affiliation with TFS. Greenfield's advisory clients are primarily individual investors.

4. On June 4, 2015, Greenfield hired a marketing consultant named Dr. Leonard Schwartz ("Schwartz") and his company, Create Your Fate, LLC ("Create Your Fate"), both based in Richboro, Pennsylvania. Schwartz and Create Your Fate offer a service called Squeaky Clean Reputation through which they solicit testimonials on the investment adviser's behalf and then post the testimonials on social media and other websites. Greenfield understood that Schwartz and Create Your Fate would contact Greenfield's clients by email and request that the clients submit testimonials on Greenfield's behalf. Greenfield paid Schwartz and Create Your Fate a fee for the Squeaky Clean Reputation service.

5. Between June 9, 2015 and August 6, 2015, Schwartz and Create Your Fate sent emails to approximately fifteen clients Greenfield identified. Greenfield reviewed and approved the emails. Nine of the clients responded to the emails by submitting testimonials describing their experiences working with Greenfield.

6. In August 2015 and September 2015, Squeaky Clean Reputation published four of the testimonials on webpages that Mr. Greenfield created for WealthBridge on Facebook.com and Google.com. The testimonials described investment advisory services Greenfield had provided to the clients. Among other things, the clients stated that Greenfield was trustworthy, provided a high level of service, and had helped the clients generate investment returns.

7. The testimonials were available to the public on WealthBridge's Facebook.com and Google.com webpages until at least January 2017. Links to WealthBridge's Facebook.com and Google.com webpages containing these testimonials appeared when members of the public searched for Greenfield, WealthBridge, or for investment advisory services in or around Cherry Hill, New Jersey.

8. TFS' investment adviser policies and procedures manual included a policy prohibiting its investment adviser representatives from using client testimonials for any purpose. As part of its supervision of Greenfield, TFS monitored Greenfield's social media pages, including the webpage he maintained for WealthBridge on Facebook.com.

9. At all relevant times, Greenfield was aware of TFS's policy prohibiting its investment adviser representatives from using client testimonials.

Violations

10. As a result of the conduct described above, TFS violated and Greenfield caused TFS's violations of Section 206(4) of the Advisers Act and Rule 206(4)-1(a)(1) thereunder, which states that it shall constitute a fraudulent, deceptive, or manipulative act, practice, or course of business for any investment adviser registered or required to be registered under the Advisers Act, directly or indirectly, to publish, circulate, or distribute any advertisement which refers, directly or indirectly, to any testimonial of any kind concerning the investment adviser or concerning any advice, analysis, report or other service rendered by such investment adviser.

IV.

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

Accordingly, pursuant to Section 203(k) of the Advisers Act, it is hereby ORDERED that:

A. Respondent Greenfield cease and desist from committing or causing any violations and any future violations of Section 206(4) of the Advisers Act and Rule 206(4)-1(a)(1) thereunder.

B. Respondent Greenfield shall pay a civil money penalty in the amount of \$10,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). Payment shall be made in the following installments: (i) \$1,000 within 30 days of the entry of this Order; (ii) \$3,000 within 180 days of

entry of this Order; (iii) \$3,000 within 270 days of entry of this Order; and (iv) \$3,000 within 360 days of entry of this Order.

If any payment is not made by the date the payment is required by this Order, the entire outstanding balance of the civil money penalty, plus any additional interest accrued pursuant to 31 U.S.C. §3717, shall be due and payable immediately, without further application.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying William M. Greenfield as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Anne C. McKinley, Division of Enforcement, Securities and Exchange Commission, 175 West Jackson Boulevard, Suite 1450, Chicago, IL 60604.

C. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

By the Commission.

Brent J. Fields
Secretary