

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 5045 / September 25, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18834

In the Matter of

Todd Wortman,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Todd Wortman (“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 and the findings contained in paragraph III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that

1. From 2015 to 2016, Wortman was associated with Hope Advisors, LLC ("Hope"), an SEC-registered investment adviser from 2013 to 2017. Wortman is a resident of Tennessee.

2. On September 18, 2018, a final judgment was entered by consent against Wortman that, among other things, permanently enjoined him from future violations of Sections 206 (1), (2) and (4) of the Investment Advisers Act of 1940 and Rule 206(4)-8 thereunder, in the civil action styled *SEC v. Hope Advisors, LLC, et al.*, Case No. 1:16-cv-1752-LMM, in the United States District Court for the Northern District of Georgia.

3. The Commission's amended complaint alleged that Wortman substantially assisted a fraudulent scheme to generate fees by Hope, a registered investment adviser, and its principal. Specifically, the amended complaint alleged that from no later than January 2013 through May 31, 2016, Hope and its principal engaged in a continuous pattern of fraudulent trading to circumvent the impact of the high-water-mark fee structure of the fund that Hope managed. The complaint alleged that Wortman knowingly provided substantial assistance to this scheme by among other things, assisting Hope's principal in identifying and executing the fraudulent trades, knowing that the trades would allow Hope to earn a performance fee in circumvention of the high-water-mark fee structure. In the consent judgment, Wortman neither admitted nor denied these allegations.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that Respondent Wortman 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 with the right to apply for reentry after one year to the appropriate self-regulatory organization, or if there is none, to the Commission.

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.

Brent J. Fields
Secretary