



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
ROBERT C. BRIDGFORTH, CRD)
#1231858; ASHLEY R. WEGENER;)
DUSTIN M. RAYSIK; and)
BRYAN L. COCHRAN, CRD #5062915,)

Case No.: AP-22-01

Respondents.)

Serve: Robert C. Bridgforth)
C/O Attorney Daniel Herrington)
Rouse Frets White Goss Gentile)
Rhodes, PC)
4510 Belleview Avenue, Suite 300)
Kansas City, MO 64111)
)
Ashley R. Wegener)
3701 SW McDaniel Avenue)
Blue Springs, MO 64015)
)
Dustin M. Raysik)
1826 S. Sterling Avenue)
Independence, MO 64052)
)
Bryan L. Cochran)
C/O Attorney Marc S. Wilson)
Securitas Financial Law, LLC)
7227 Metcalf Avenue, Ste. 201)
Overland Park, KS 66204)

**ORDER TO CEASE AND DESIST AND ORDER TO SHOW CAUSE WHY CIVIL
PENALTIES, RESTITUTION, COSTS, AND OTHER ADMINISTRATIVE RELIEF
SHOULD NOT BE IMPOSED**

On January 31, 2022, the Enforcement Section of the Missouri Securities Division of the Office of Secretary of State ("the Enforcement Section"), through Enforcement Counsel Steven M. Kretzer, submitted a Petition for Order to Cease and Desist and Order to Show Cause Why Civil Penalties,

Disgorgement, Costs, and Other Administrative Relief Should Not Be Imposed ("the Petition"). After reviewing the Petition, the Missouri Commissioner of Securities ("the Commissioner") issues the following order:

I. ALLEGATIONS OF FACT

The Petition alleges the following facts:

A. Introduction

Between April, 2018, and August, 2020, ("the Relevant Period"), Respondent Robert Craig Bridgforth ("Bridgforth"), through a purported entity he called Liberty Gold and Silver ("LGS"), offered and sold at least \$760,000 in unregistered, non-exempt securities instruments¹ ("the Instruments") purporting to be collateralized by gold or silver. The investments were offered and sold in Missouri to four (4) Missouri residents ("MR1," "MR2," "MR3," and "MR4"), all of whom were over the age of sixty (60) at the time the investments were made, and two (2) Tennessee residents ("TR1" and "TR2"). Bridgforth was aided by three unregistered issuer agents, Respondents Ashley Wegener ("Wegener"), Dustin Raysik ("Raysik"), and Bryan Cochran ("Cochran"). In connection with offering the investments, Bridgforth made material misstatements and omissions, engaged in a Ponzi-like scheme by paying investors interest, and misappropriated investor funds. By engaging in these activities and conduct, Respondents violated Sections 409.3-301, 409.4-402(a), 409.4-402(d), 409.4-404(a), 409.5-501, and 409.5-502 of the Missouri Securities Act.²

B. Respondents and Related Parties

1. Bridgforth purported to be the owner of a company he called LGS. LGS is not registered as a company with either the Kansas Secretary of State or the Missouri Secretary of State.
2. Bridgforth claimed that LGS was in the business of buying and selling precious metals for clients.
3. A check of records maintained by the Commissioner revealed that at all times relevant there was no registration, granted exemption, or notice filing indicating status as a "federal covered security" for any securities issued by LGS.
4. Bridgforth is a sixty-five-year-old Overland Park, Kansas resident with the last known address of 13581 Carter Road, Apt. 101, Overland Park, Kansas 66221 and Central Registration Depository ("CRD") number of 1231858.
5. Bridgforth acted in his personal capacity in all instances related to work he claimed to be

¹ As further explained in detail throughout the petition, Bridgforth cobbled together different types of securities instruments in order to produce the so-called "certificates" issued to investors. As such, the products are referred to as "Instruments" throughout the petition.

² Unless otherwise indicated, statutory citations refer to the 2016 edition of the Revised Statutes of Missouri, updated by the 2021 Cumulative Supplement.

doing for LGS.

6. A check of CRD revealed that Bridgforth was registered as a broker-dealer agent in San Antonio, Texas between January 1984 and April 1987. Bridgforth previously passed the Series 3, Series 7, and Series 63 examinations. However, his registrations expired in 1988 after he separated from his employing firm.
7. A check of records maintained by the Commissioner revealed that Bridgforth has never been registered in Missouri as an investment adviser representative, broker-dealer agent, and/or issuer agent.
8. A check of records maintained by the Commissioner revealed that at all times relevant there was no registration, granted exemption or notice filing indicating status as a “federal covered security” for any securities issued by Bridgforth.
9. In March 2002, Bridgforth was issued a Cease and Desist (“C&D”) order by the Kansas Securities Commission for selling unregistered securities to Kansas residents in the form of viatical investment contracts.³
10. In July 2012, a complaint was made against Bridgforth for selling \$248,000 in unregistered securities in the form of unregistered promissory notes in Overland Park, Kansas.⁴ The complaint did not result in formal action by the Kansas securities regulators.
11. Wegener is a thirty-nine-year-old Blue Springs, Missouri resident with the last known address of 3701 SW McDaniel Ave., Blue Springs, Missouri 64015.
12. Wegener is a licensed independent insurance producer⁵ with SelectQuote Insurance Services.
13. Wegener is a licensed insurance producer in Missouri with license number 8412960, effective from August 8, 2017, to the present. He is authorized to issue life, accident, health, and sickness insurance policies.
14. A check of records maintained by the Commissioner revealed that Wegener has never been registered in Missouri as an investment adviser representative, broker-dealer agent, or issuer agent.
15. Raysik is a forty-five-year-old Independence, Missouri resident with the last known address of 1826 S. Sterling Ave., Independence, Missouri 64052.
16. Raysik was a licensed insurance producer and is now self-employed in the construction industry.

³ See Case No. 2001-4373.

⁴ See Complaint No. 2013-6042.

⁵ An independent insurance producer represents multiple insurance carriers, typically offering consumers a choice of insurers, policies and pricing. Independent insurance producers typically work remotely from home.

17. Raysik maintains licensure in Missouri as an insurance producer with license number 8088975, effective January 5, 2015, to May 11, 2022. He is authorized to issue life, accident, and health insurance policies.
18. A check of records maintained by the Commissioner revealed that Raysik has never been registered in Missouri as an investment adviser representative, broker-dealer agent, or issuer agent.
19. Cochran is a fifty-five-year-old Overland Park, Kansas resident with the last known address of 9400 Craig Dr., Overland Park, Kansas 66221 and CRD number of 5062915.
20. Cochran is a licensed independent insurance producer with the title of District Sales Manager at United Insurance Group Agency, Inc.
21. Cochran is a licensed insurance producer in Kansas with license number 755317, effective from February 8, 2010, to the present. He is authorized in Kansas to issue life, accident, health, and sickness insurance policies.
22. Cochran is also a licensed insurance producer in Missouri with license number 300875, effective March 16, 2021 to the present. He is authorized in Missouri to issue life, accident, health, and sickness insurance policies.
23. A check of records maintained by the Commissioner revealed that Cochran has never been registered in Missouri as an investment adviser representative, broker-dealer agent, or issuer agent.
24. Dustin Baxter (“Baxter”) is a forty-one-year-old Lee’s Summit, Missouri resident with the last known address of 3617 NW Blue Jacket Dr., Lee’s Summit, Missouri 64064.
25. Baxter was a licensed insurance producer and is currently employed in the construction industry.
26. Baxter was licensed in Missouri with license number 323326, effective February 7, 2018, to January 16, 2021, when his insurance registration expired due to inactivity.
27. A check of records maintained by the Commissioner revealed that Baxter has never been registered in Missouri as an investment adviser representative, broker-dealer agent, or issuer agent.
28. Bridgforth, Wegener, Raysik, Cochran, and Baxter were all previously associated with Midwest Health and Wealth with last known address of 900 SE 14th St., Lee’s Summit, Missouri 64081.

C. Enforcement Section's Investigation

29. On July 28, 2021, the Enforcement Section received an online complaint related to the offer and sale of "silver certificates" in the State of Missouri by Bridgforth.
30. On July 29, 2021, as a result of the complaint, the Enforcement Section initiated an investigation into the matter and began collecting information related to Respondents.

Warrensburg, Missouri Residents ("MR1 and MR2")

31. Married couple MR1 and MR2 are Warrensburg, Missouri residents, aged eighty-eight and eighty-five years old.
32. Bridgforth sold MR1 and MR2 six (6) Instruments purporting to be "silver certificates" in 2018 totaling \$350,000.
33. Between March 30, 2018, and May 12, 2018, before the sales of those Instruments, MR1 liquidated insurance policies and a Bank of Odessa Certificate of Deposit in an aggregate amount of \$312,049.37.
34. With funds now in a liquid state, MR1 contacted Equitrust Life Insurance Company ("Equitrust") seeking quotes for a fixed index annuity for her grandchildren.
35. Following MR1's inquiry through Equitrust, Wegener visited MR1 and MR2 at their residence to discuss their insurance needs.
36. Because Wegener was not qualified to offer or sell fixed index annuities, he introduced MR1 and MR2 to Baxter.
37. Following this introduction, MR1 and MR2 gave \$250,000 of their liquidated assets to Equitrust for the purpose of purchasing the fixed index annuity sold by Baxter.
38. On May 12, 2018, MR1 gave an additional \$156,000 to Equitrust, bringing the total amount MR1 gave Equitrust to \$406,000.
39. In April 2018, Baxter offered and sold Equitrust life insurance policies to MR1 earning himself commissions that totaled \$6,885. Baxter paid a portion of those commissions to Wegener based upon his introduction of MR1 and MR2 to Baxter.
40. Shortly thereafter, Equitrust terminated Baxter following a complaint that he forged MR1's name on an initial review document concerning MR1's insurance purchases.
41. In a recorded phone call provided by Equitrust to the Enforcement Section, Wegener interceded in the forgery allegations against Baxter and requested that Equitrust cancel the life insurance policies purchased by MR1 through Baxter.

42. As a result of Wegener's requests, the insurance policies were cancelled and the funds were returned to MR1 in two payments on June 13, 2018, and June 19, 2018.
43. Upon information and belief, Wegener, knowing that MR1 and MR2 had significant liquid investment funds available, introduced MR1 and MR2 to Bridgforth to facilitate the marketing and ultimate sale of the Instruments to MR1 and MR2 by Bridgforth.
44. The introduction and sales occurred less than a week after Wegener successfully lobbied to have MR1 and MR2's insurance policies cancelled and refunded.
45. On June 21, 2018, \$300,000 of MR1 and MR2's money was deposited into Bridgforth's personal Central Bank Account ending in 4199 as a result of Bridgforth's successful sales pitch facilitated by Wegener.
46. The Instruments offered and sold to MR1 and MR2 are titled "Silver Certificate" on their face.
47. Terms included in the documents appear similar to terms typically used in promissory notes. Bridgforth also referred to the Instruments as promissory notes at various points during communications with the investors.
48. The terms of the Instruments purported to mature nine (9) years from the date of sale and permitted the note holder to redeem the certificate at that point for \$700,000. The six (6) certificates were dated June 25, 2018, and August 23, 2018, and bore the signature of Bridgforth.
49. The Instruments included names of beneficiaries and contingent beneficiaries who were selected by MR1 and MR2 and communicated to Bridgforth.
50. Each of the Instruments issued to MR1 and MR2 were similar and contained only minor changes as to the amounts and serial numbers. Below is a sample redacted image of the front and back of one of the MR1/MR2 Instruments with serial number 27062501C:

FRONT SIDE OF THE INSTRUMENT:



BACK SIDE OF THE INSTRUMENT:



51. In addition to being MR2's son, Witness One ("W1") also serves as MR1's guardian and conservator.
52. W1 confronted Bridgforth and Wegener in MR1 and MR2's home in June 2018 after W1 interrupted them in their attempt to get MR1 and MR2 to use their investment funds to buy gold and silver from Bridgforth.
53. According to W1, Bridgforth and Wegener were at the home under the guise of speaking with MR1 and MR2 about their insurance needs.
54. Unbeknownst to W1, Bridgforth returned on other occasions in June and August 2018 in order to continue marketing and ultimately consummate the sale of six (6) Instruments.

55. Similar to the images depicted in Paragraph 50, the specific terms of each of the Instruments issued to MR1 and MR2 are as follows:
- a. Instrument with serial number 27062501C, dated June 25, 2018, memorialized a \$25,000 investment collateralized by 1,000 Silver Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$50,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
 - b. Instrument with serial number 27062502C, dated June 25, 2018, memorialized a \$25,000 investment collateralized by 1,000 Silver Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$50,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
 - c. Instrument with serial number 27062503C, dated June 25, 2018, memorialized a \$100,000 investment collateralized by 4,000 Silver Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$200,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
 - d. Instrument with serial number 27062504C, dated June 25, 2018, memorialized a \$50,000 investment collateralized by 2,000 Silver Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$100,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
 - e. Instrument with serial number 27062505C, dated June 25, 2018, memorialized a \$100,000 investment collateralized by 4,000 Silver Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$200,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity; and
 - f. Instrument with serial number 27082301C, dated August 23, 2018, memorialized a \$50,000 investment collateralized by 2,000 Silver Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$100,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity.
56. A review of MR1 and MR2's bank records confirmed that the couple remitted a check for \$300,000 to Bridgforth dated June 21, 2018, with "silver certificate" written on the memo line.
57. Similarly, the same bank records confirmed that the couple remitted a check for \$50,000 to Bridgforth dated August 23, 2018, with "silver certificate" written on the memo line.

58. The same bank records reveal that Bridgforth made payments purporting to be interest payments to MR1 and MR2 between July 5, 2019, and August 23, 2021, as follows:
- a. on July 5, 2019, Bridgforth paid MR1 and MR2 \$24,000;
 - b. on September 4, 2019, Bridgforth paid MR1 and MR2 \$4,000 with a memo written on the check: (Int. (8%));
 - c. on June 25, 2020, Bridgforth paid MR1 and MR2 \$24,000;
 - d. on August 10, 2020, Bridgforth paid MR1 and MR2 \$4,000 with a memo written (interest-Aug 23 -Early);
 - e. on June 25, 2021, Bridgforth paid MR1 and MR2 \$24,000 with a memo written (Interest); and
 - f. on August 23, 2021, Bridgforth paid MR1 and MR2 \$4,000.
59. Bridgforth has not remitted any so-called interest payments since the August 23, 2021, payment mentioned in the previous paragraph.
60. Despite claims on the Instruments that the investor's money would be secured by 14,000 silver coins, no evidence supported that the purported collateralization ever occurred.
61. Contrary to representations to MR1 and MR2 that Bridgforth would use their money to invest in 14,000 silver coins, a review of Bridgforth's bank records revealed that Bridgforth used their money for personal use and to pay commissions to Wegener.
62. Unbeknownst to MR1 and MR2, Bridgforth paid Wegener \$30,000 in commissions for the investments made by MR1 and MR2.
63. Bridgforth's personal use of MR1 and MR2's money consisted of money transfers, online purchases, utility expenses, gym memberships, cash withdrawals, restaurants, daycare expenses, gas stations, beauty products, rent payments, vehicle lease payments, credit card payments, music subscriptions, luggage purchases, airline tickets, hotel stays, attorney fees, orthodontia care, vacation home stays, dentist visits, personal check purchases, furniture, child support payments, shipping expenses, gold depository fees and personal purchases of gold and silver.⁶
64. To date, Bridgforth remitted \$84,000 to MR1 and MR2 in payments that he claimed to be interest payments for their investment. However, Bridgforth's bank accounts show that the payments were made from a combination of MR1 and MR2's own funds and various other investors' money.

⁶ It is important to note that while Bridgforth did, on occasion, purchase gold and silver products for himself at various times, at no point did he purchase them for the benefit of or designation for any of the investors.

65. On several occasions, W1, on behalf of MR1 and MR2 demanded that Bridgforth return MR1 and MR2's investment.
66. W1 provided recordings of some of those calls to the Enforcement Section.
67. On or about November 10, 2021, Bridgforth wrote a letter to MR1 in which Bridgforth ratified the Instruments and offered additional financial advice with the following statements: "...I am giving you a current accounting for the promissory notes I issued to you and [MR2] in June and August of 2018;" and "...If you will simply wait for the notes to mature, you will forfeit no interest and receive your initial principal. I believe you will be glad you waited when you receive \$28,000 in interest this summer and every summer until the notes mature."
68. In the same letter to MR1 dated November 10, 2021, Bridgforth repeated the lie that the investments had been collateralized and additionally sought to mislead MR1 with the claim that liquidation of the collateralization would result in a \$100,000 loss when sold at current prices. Bridgforth specifically wrote: "Furthermore, as per the terms of the note, collateral was used to make your interest. It appears that you would LOSE more than \$100,000 if the remaining collateral was sold at current prices."
69. Despite assertions made by Bridgforth at the time MR1 and MR2 invested that the funds could easily be recouped at any time and that all Bridgforth would need to do would be to sell the gold, Bridgforth has repeatedly rebuffed requests by W1 to repay MR1 and MR2.
70. Bridgforth told MR1 that China is poised to restrict funding to the United States and that MR1 and MR2's money would be safer if invested in gold.
71. Bridgforth never disclosed to MR1 and MR2 his lack of registration concerning the issuance of securities, providing financial advice, prior regulatory sanctions, or the fact that LGS was not a real company.
72. Bridgforth never disclosed to MR1 and MR2 that the Instruments he offered and sold them were unregistered securities.
73. To date, MR1 and MR2's aggregate loss, excluding unpaid interest, is \$266,000.

Independence, Missouri Resident ("MR3")

74. Sixty-three-year-old Independence, Missouri resident, MR3, also invested in Instruments offered by Bridgforth.
75. MR3 met Raysik after she had inquired about Medicare Insurance in the fall of 2018.
76. Raysik subsequently introduced Bridgforth to MR3 at her residence in Missouri.

77. During their meetings, Raysik learned that MR3 had residual income from stock investments and told her that he did not like the idea of having her money tied up in the stock market.
78. Raysik understood the purported business of Bridgforth and introduced MR3 to Bridgforth for the purpose of investing her money in gold and silver.
79. In spite of MR3's initial contact with Raysik relating to Medicare Insurance, Raysik never sold her any insurance products.
80. As a result of Raysik's introduction, Bridgforth advised MR3 that MR3 should liquidate her shares of stock with Primerica, Inc., and invest in Bridgforth's Instruments in light of what he claimed was the impending collapse of the United States Government.
81. Bridgforth further induced MR3 to invest when he expressed to MR3 that investments in gold and silver were more secure than investments in the stock market.
82. MR3 gave Bridgforth a \$25,000 cashier's check on or about January 23, 2019 for one (1) Instrument offered and sold to her at her residence.
83. Unbeknownst to MR3, Bridgforth paid Raysik \$2,500 in commissions for the investments made by MR3 in the Instrument offered by Bridgforth.
84. Review of Bridgforth's First National Bank of Omaha ("FNBO") account revealed that on January 23, 2019, MR3's investment, along with \$100,000 of a Kansas investor's funds, were used to open the FNBO account under the name Robert Craig Bridgforth d/b/a Liberty Gold and Silver.
85. Bridgforth never disclosed to MR3 his lack of registration concerning the issuance of securities, providing financial advice, prior regulatory sanctions, or the fact that LGS was not a real company.
86. Bridgforth never disclosed to MR3 that the Instrument he offered and sold her was an unregistered security.
87. In mid-September 2019, after nine months into the investment, MR3 demanded the full return of her investment and received a check from Bridgforth on or about September 30, 2019, in the amount of \$13,000.
88. MR3 requested the return of the remaining principal amount and finally received a check from Bridgforth on or about June 18, 2020 in the amount of \$10,000.
89. To date, MR3's aggregate loss, excluding unpaid interest, is \$2,000.⁷

⁷ Because Bridgforth repaid \$23,000 of the \$25,000 principal, \$2,000 plus unpaid interest is all that remains for MR3 to recoup at the time the petition was filed.

Oak Grove, Missouri Resident (“MR4”)

90. On or before July 6, 2020, Cochran introduced seventy-two-year-old Oak Grove, Missouri resident, MR4, to Bridgforth in her home to pitch the Instruments and induce her to invest in gold and silver.
91. MR4 liquidated \$145,276.75 from a SEP IRA with Putnam Fiduciary Trust Co. (“Putnam”) that provided her the liquid funds necessary to invest.
92. On July 6 and 8, 2020, MR4 purchased \$220,000 worth of Instruments from Bridgforth as follows:
 - a. Instrument with serial number J2907061D was dated July 6, 2020, memorialized a \$50,000 investment secured by gold in the form of 500 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$100,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
 - b. Instrument with serial number I2907061D was dated July 6, 2020, memorialized a \$25,000 investment secured by gold in the form of 250 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$50,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
 - c. Instrument with serial number I2907081D was dated July 8, 2020, memorialized a \$25,000 investment secured by gold in the form of 250 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$50,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
 - d. Instrument with serial number K2907031D was dated July 8, 2020, memorialized a \$100,000 investment secured by gold in the form of 1,000 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$200,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
 - e. Instrument with serial number H2907082D was dated July 8, 2020, memorialized a \$10,000 investment secured by gold in the form of 100 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$20,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity; and
 - f. Instrument with serial number H2907081D was dated July 8, 2020, memorialized a \$10,000 investment secured by gold in the form of 100 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$20,000, and listed Bridgforth as the Promissor; the Instrument also provided for

3% simple interest to be applied if surrendered prior to maturity.

93. On July 8, 2020, the final payment by MR4 to Bridgforth for the Instruments she purchased was made by check.
94. Upon information and belief, Bridgforth never disclosed to MR4 that:
 - a. he was not registered or exempt from registering for issuing securities;
 - b. the Instruments he issued were not registered securities;
 - c. he would be paying Cochran 8% of MR4's investments as commissions; and
 - d. he had previous regulatory sanctions and complaints.
95. MR4 passed away July 11, 2020, just days after her investments with Bridgforth.
96. Prior to her death, MR4 was diagnosed with coronary heart failure, chronic obstructive pulmonary disease ("COPD"), and onset of dementia. Her deteriorating condition was evident in the days leading up to her passing according to her daughter.
97. The final payment referenced in Paragraph 95 was actually deposited by Bridgforth into his FNBO account ending in 0357 on July 13, 2020, two days *after* MR4's passing.
98. According to a review of his bank records, Bridgforth spent most of MR4's investment in less than a month as follows:
 - a. on July 8, 2020, Bridgforth remitted \$14,000 in commissions to Cochran in two payments of \$8,000 and \$6,000. representing 8% of the Instruments purchased by MR4;
 - b. on July 9, 2020, Bridgforth paid himself \$2,000 using a portion of MR4's investment;
 - c. on July 10, 2020, Bridgforth used a portion of MR4's investment in a Ponzi-like fashion to pay interest to other investors, MR1 and MR2, in the amount of \$24,000;
 - d. on July 14, 2020, Bridgforth remitted \$3,600 in commissions to Cochran representing 8% of the remaining Instrument purchases by MR4;
 - e. on July 24, 2020, Bridgforth paid himself \$20,000 using a portion of MR4's investment; and
 - f. on July 31, 2020, Bridgforth transferred \$150,000 of MR4's investment into his personal TD Ameritrade account ending in 4186.

99. By July 31, 2020, as a result of Bridgforth's spending, \$213,600 of MR4's \$220,000 investment was extinguished in ways not disclosed to MR4 and contrary to the terms of the Instruments sold to MR4.
100. Bridgforth subsequently manufactured a document issued from Pre-Arranged Settlement Services LLC ("PASS")⁸ that purported to show a rollover from Putnam to LGS as custodian with IRA #29070, this despite a rollover could not have technically been achieved from Putnam to LGS as LGS was not a legitimate entity, let alone a qualified custodian.
101. To date, MR4 (or her estate) received nothing in return for her investment. As a result, MR4's aggregate loss as of the filing of this petition, excluding unpaid interest, is \$220,000.

Corryton, Tennessee Residents ("TR1 and TR2")

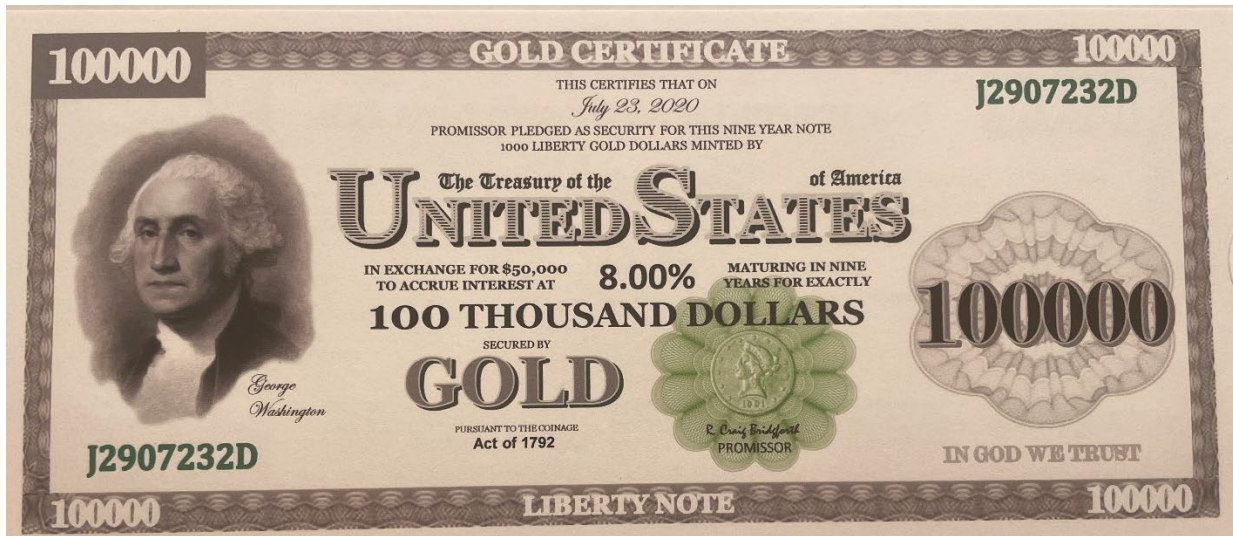
102. The daughter of MR4, forty-three-year-old, TR1, became acquainted with Bridgforth and Cochran when she came to Missouri to settle MR4's affairs following MR4's death.
103. As with MR4, Cochran facilitated introductions and vouched for Bridgforth to TR1.
104. TR1 discovered MR4's investment with LGS while in Oak Grove, Missouri reviewing a binder containing MR4's estate planning wishes after MR4's death.
105. TR1 first contacted Bridgforth and Cochran by phone wherein both expressed their condolences upon learning about MR4's passing and referenced how special they thought MR4 was.
106. On July 18, 2020, TR1 met Bridgforth and Cochran in person for the first time at MR4's funeral. Both Bridgforth and Cochran signed the visitation guestbook and identified themselves as friends.
107. For several weeks following the funeral, TR1 continued to have contact with Bridgforth and Cochran and met with them together several times in MR4's home between July 18, 2020, and August 9, 2020.
108. Bridgforth and Cochran took advantage of those meetings to offer and ultimately convince TR1 and her husband, forty-six-year-old TR2 that they, too, should invest in Instruments similar to those invested in by MR4.
109. Bridgforth, with Cochran's assistance and vouching, also convinced TR1 and TR2 to renew the Instruments previously issued to MR4. Bridgforth reissued the six notes issued to MR4 to be payable upon maturity to TR1 and TR2.
110. On July 23, 2020, TR1 and TR2 purchased six (6) Instruments (in addition to the MR4

⁸ PASS was another entity purportedly created and operated by Bridgforth.

renewed Instruments) from Bridgforth for a total amount of \$165,000. The Instruments promised that annual interest was to be calculated at 8% simple interest and that the entire principal would be returned at maturity.

- 111. The Instruments included the names of beneficiaries and contingent beneficiaries.
- 112. Each of the twelve documents issued to TR1 and TR2 were similar and only contained minor changes as to the amounts and serial numbers. Below is a sample redacted image of the front and back of one of the TR1/TR2 Instruments with serial number J2907232D:

FRONT SIDE OF THE INSTRUMENT:



BACK SIDE OF THE INSTRUMENT:



- 113. Similar to the images depicted in Paragraph 114, the terms of each of the certificates issued

to TR1 and TR2 are as follows:

- a. Instrument with serial number H29077241D was dated July 24, 2020, memorialized a \$10,000 investment secured by gold in the form of 50 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$20,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
- b. Instrument with serial number H2907082D was dated July 8, 2020, memorialized a \$10,000 investment secured by gold in the form of 100 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$20,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
- c. Instrument with serial number K2907031D was dated July 8, 2020, memorialized a \$100,000 investment secured by gold in the form of 1,000 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$200,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
- d. Instrument with serial number H2907081D was dated July 8, 2020, memorialized a \$10,000 investment secured by gold in the form of 100 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$20,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
- e. Instrument with serial number I2907081D was dated July 8, 2020, memorialized a \$25,000 investment secured by gold in the form of 250 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$50,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
- f. Instrument with serial number G2907241D was dated July 24, 2020, memorialized a \$5,000 investment secured by gold in the form of 50 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$10,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity.
- g. Instrument with serial number I2907241D was dated July 24, 2020, memorialized a \$25,000 investment secured by gold in the form of 50 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$50,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
- h. Instrument with serial number J2907232D was dated July 23, 2020, memorialized a \$50,000 investment secured by gold in the form of 1,000 Liberty Gold Dollars

which would accrue at 8% for nine (9) years when it could be redeemed for \$100,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;

- i. Instrument with serial number I2907231D was dated July 23, 2020, memorialized a \$25,000 investment secured by gold in the form of 500 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$50,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
 - j. Instrument with serial number I2907061D was dated July 6, 2020, memorialized a \$25,000 investment secured by gold in the form of 250 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$50,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity;
 - k. Instrument with serial number J2907231D was dated July 23, 2020, memorialized a \$50,000 investment secured by gold in the form of 500 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$100,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity; and
 - l. Instrument with serial number J2907061D was dated July 6, 2020, memorialized a \$50,000 investment secured by gold in the form of 500 Liberty Gold Dollars which would accrue at 8% for nine (9) years when it could be redeemed for \$100,000, and listed Bridgforth as the Promissor; the Instrument also provided for 3% simple interest to be applied if surrendered prior to maturity.
114. Despite the Instruments' terms clearly stating that the Instruments were "Secured by Gold Pursuant to the Coinage Act Of 1792" and "Secured by Liberty Gold Dollars Minted by the Treasury of the United States of America," a review of Bridgforth's bank accounts reveal that no collateralization or securing of gold with TR1 and TR2's money ever occurred.
 115. TR1 and TR2 utilized life insurance proceeds from the passing of MR4 and a liquidation of \$36,868.14 from TR1's IRA with Charles Schwab in order to make the Instrument investment with LGS.
 116. Bridgforth contacted Charles Schwab on behalf of TR1 to effect the transaction liquidating the account.
 117. TR1 told Bridgforth that she and TR2 wanted to use the life insurance proceeds from MR4 to pay off their mortgage. However, Bridgforth advised them that it would be better to invest the money with him in order to keep their credit in good standing by maintaining a mortgage.

118. Bridgforth assured TR1 that he could return any of their funds within one day by wire transfer if they ever desired to withdraw the investment.
119. Unbeknownst to TR1 and TR2, Bridgforth paid Cochran commissions for the sale of Instruments to them in the amount of \$11,000 in three payments of \$4,000, \$4,000 and \$3,000 on August 7, 8, and 10, 2020 respectively.
120. Following the sale of MR4's home, Bridgforth advised TR1 to use the proceeds from the home to further invest with him. TR1 did not follow this financial advice.
121. Throughout their dealings with Bridgforth, Cochran encouraged and aided TR1 and TR2 in their investments with Bridgforth by, among other things, the following:
 - a. Cochran assisted TR1 in making the life insurance claim following the passing of MR4 and recommended along with Bridgforth that she put the proceeds into an investment in gold;
 - b. vouched for Bridgforth in person and in written communications; and
 - c. encouraged TR1 and TR2 to put their faith in Bridgforth and his plans.
122. Subsequent to the TR1/TR2 sale and renewal of MR4 Instruments, Bridgforth provided TR1 and TR2 a document entitled Gold Certificate Schedule that ratified the terms of the Instruments for TR1 and TR2.
123. Bridgforth attempted to sell TR1 and TR2 an additional \$80,900 in coins in October 2021.
124. A review of Bridgforth's bank records and purchase history from CMI Gold and Silver, Bridgforth's apparent merchant of preference when he purchased coins, revealed that Bridgforth purchased five-hundred (500) 90% Silver Quarters and twenty (20) Liberty Gold Coins as reflected in Invoice 64251 on or about August 21, 2020 ("the August Coin Purchase").
125. The August Coin Purchase totaled \$29,935 with funds obtained from TR1 and TR2's Instrument purchases.
126. The coins offered by Bridgforth to TR1 and TR2 for purchase in October 2021 for \$80,900 appear to be the same coins purchased with funds from their earlier investment at a purchase price of \$29,935.
127. Bridgforth never disclosed to TR1 and TR2 that:
 - a. he was not registered or exempt from registering for issuing securities;
 - b. the Instruments he issued were not registered securities;

- c. he would be paying Cochran percentages of their investments as commissions; and
 - d. he had previous material regulatory sanctions and complaints.
128. To date, TR1 and TR2 received no interest payments by Bridgforth and despite requests for the return of their investment, have not received any of the principal from their investment, let alone the remaining investments of MR4. As a result, TR1 and TR2's aggregate loss as of the filing of this petition, excluding unpaid interest, is \$165,000.

Bridgforth's Bank Records

129. The following Bridgforth bank accounts were examined by the Enforcement Section during its investigation into this matter:
- a. two (2) Enterprise Bank and Trust Accounts belonging to Ellean H. McDowell⁹ and Robert C. Bridgforth with account number ending in 0682 and Ellean H. McDowell and Robert C. Bridgforth account number ending in 5305;
 - b. four (4) Central Bank accounts belonging to Robert C. Bridgforth d/b/a PASS account number ending in 4199, Robert C. Bridgforth d/b/a Liberty Gold and Silver account number ending in 1969, Robert C. Bridgforth checking account number ending in 1934, Robert C. Bridgforth and Shannon K. Bridgforth¹⁰ checking account number ending in 5446, and Robert C. Bridgforth and Shannon K. Bridgforth savings account number ending in 0118;
 - c. one (1) Landmark National Bank personal bank account belonging to Bridgforth with account number ending in 3182;
 - d. two (2) First National Bank accounts belonging to Robert Craig Bridgforth d/b/a Liberty Gold and Silver account number ending in 0357 and Robert Craig Bridgforth d/b/a In His Time Ministries account number ending in 2040;
 - e. one (1) Bank of America account belonging to Robert Craig Bridgforth and Shannon K. Bridgforth personal checking account number ending in 6680; and
 - f. one (1) First National Bank of Omaha account belonging to Robert Craig Bridgforth d/b/a Liberty Gold and Silver checking account number ending in 0357.

Bridgforth's Credit Card Records

130. Similar to bank accounts, the Enforcement Section examined the following credit card accounts during its investigation into this matter:
- a. one (1) Discover credit card account number ending in 9735 in which Bridgforth

⁹ Ellean H. McDowell is Bridgforth's deceased mother.

¹⁰ Shannon K. Bridgforth is the former spouse of Bridgforth.

as the primary applicant listed his employment as self-employed with PASS;

- b. one (1) Capital One credit card account number ending in 2439 in which Bridgforth was the primary applicant; and
- c. two (2) Capital One credit card accounts ending in 8684 and 8715 belonging to Shannon Bridgforth.

Bridgforth's Custodial Accounts

- 131. The Enforcement Section also examined two custodial accounts owned by Bridgforth as follows:
 - a. a Charles Schwab account opened August 5, 2019 belonging to Bridgforth with account number ending in 6282; and
 - b. a TD Ameritrade account opened February 24, 2020 belonging to Bridgforth with account number ending in 4186.

Additional Findings

- 132. Bridgforth used investor funds to pay utility bills, make fast food purchases, Venmo money transfers to his ex-wife, purchase fuel, make credit card payments, pay book publishing costs, and make his BMW auto lease payments.
- 133. As previously discussed in details, Bridgforth used investor funds to pay undisclosed commissions to Wegener, Raysik, and Cochran.
- 134. The Enforcement Section's examination of Bridgforth's bank records revealed ten (10) additional potential Kansas residents that similarly invested with Bridgforth ("KR1" through "KR10").
- 135. Similar to the six (6) investors in Missouri, Bridgforth utilized Wegener, Raysik, and Cochran to aid him in his solicitation and sale of gold and silver certificates to the Kansas residents.
- 136. Bridgforth also used subsequent investor funds to remit interest payments to investors in a Ponzi-like fashion as follows:
 - a. on July 3, 2018, a portion of MR1 and MR2's investment funds were used to pay KR2's interest payment in the amount of \$1,550 from the Central Bank account ending in 4199;
 - b. on July 9, 2018, a portion of MR1 and MR2's investment funds were used to pay KR1's interest payment in the amount of \$2,800 from the Central Bank account ending in 4199;

- c. on September 10, 2018, a portion of MR1 and MR2's investment funds were used to pay KR1's interest payment in the amount of \$2,800 from the Central Bank account ending in 4199;
 - d. on September 10, 2018, a portion of MR1 and MR2's investment funds were used to pay KR2's interest payment in the amount of \$350 from the Central Bank account ending in 4199;
 - e. on October 2, 2018, a portion of MR1 and MR2's investment funds were used to pay KR1's interest payment in the amount of \$1,400 from the Central Bank account ending in 4199;
 - f. on October 4, 2018, a portion of MR1 and MR2's investment funds were used to pay KR2's interest payment in the amount of \$350 from the Central Bank account ending in 4199;
 - g. on August 24, 2020, a portion of TR1 and TR2's investment funds were used to pay MR1 and MR2's interest payment in the amount of \$4,000 from the FNBO account ending in 0357; and
 - h. on January 12, 2021, \$87.21 of TR1 and TR2's investment funds were used to pay a portion of KR6's \$2,300 interest payment from the FNBO account ending in 0357.
137. Bridgforth never disclosed to investors that he was not registered to offer, sell, or manage investments.
138. Bridgforth never advised investors that he was subject to a C&D Order on or about March 26, 2002, in Case No. 2001-4373 by the Kansas Securities Commission, let alone the subject of a complaint before the same commission in 2012 via Complaint No. 2013-6042.

Respondents' Responses to the Enforcement Section

139. While the Enforcement Section successfully contacted Wegener by phone on November 4, 2021, subsequent attempts to reach him by phone and certified letters have been unsuccessful.
140. Despite acknowledgment of the written requests for information from Bridgforth and Cochran and a subsequent agreement by the Enforcement Section to extend deadlines for responses, neither Bridgforth nor Cochran have responded with any production of documents or responsive statements requested by the Enforcement Section as of the date of this petition.
141. The Enforcement Section's attempts to reach Raysik by phone succeeded on January 12, 2022 wherein Raysik provided updated contact information and admitted that he received a \$2,500 commission based upon his efforts in securing the MR3 investment.

II. COMMISSIONER'S DETERMINATIONS AND FINDINGS

COUNT I – Twenty-Five Violations of Section 409.3-301 (LGS & Bridgforth)

142. **THE COMMISSIONER DETERMINES** that the Instruments purchased by MR1, MR2, MR3, MR4, TR1, and TR2 are securities under Section 409.1-102(28) which defines “security” as, among other things, “a note”, “a bond” and “evidence of indebtedness.”
143. The Instruments purchased by MR1, MR2, MR3, MR4, TR1, and TR2 were not registered with the Commissioner and are not covered by any exemptions from registration.
144. MR1 and MR2 purchased six (6) Instruments, MR3 purchased one (1) Instrument, MR4 purchased six (6) Instruments, and TR1 and TR2 purchased twelve (12) Instruments totaling twenty-five (25) Instruments sold in this matter.
145. By engaging in the conduct as set forth above, Bridgforth offered and sold unregistered, non-exempt securities in the form of Instruments that evidenced indebtedness.
146. At the time Bridgforth engaged in thirteen (13) of the violations described in the conduct set forth above, four (4) investors (MR1, MR2, MR3, and MR4) were more than sixty years old and were elderly persons, as that term is defined under Section 409.6-604(d)(3)(B).
147. Respondents LGS and Bridgforth’s violations of Section 409.3-301 constitute illegal acts, practices, or courses of business subject to the Commissioner’s authority under Section 409.6-604.

COUNT II - Six Violations of Section 409.4-402(a) (Wegener)

148. **THE COMMISSIONER FURTHER DETERMINES** that Wegener acted as an issuer agent for issuer Bridgforth in that he introduced Bridgforth to MR1 and MR2 for the purpose of effecting the sale of securities between Bridgforth and MR1 and MR2, participated in the solicitation of investments into the Instruments purchased by MR1 and MR2 and received a commission for his efforts.
149. At the time Wegener engaged in the conduct set forth above, MR1 and MR2 were more than sixty years old and were elderly persons, as that term is defined under Section 409.6-604(d)(3)(B).
150. Wegener’s violations of Section 409.4-402(a) constitute illegal acts, practices, or courses of business subject to the Commissioner’s authority under Section 409.6-604.

COUNT III – One Violation of Section 409.4-402(a) (Raysik)

151. **THE COMMISSIONER FURTHER DETERMINES** that Raysik acted as an issuer agent for issuer Bridgforth in that he introduced Bridgforth to MR3 for the purpose of effecting the sale of securities between Bridgforth and MR3, participated in the solicitation

of investments into the Instruments purchased by MR3, and received a commission for his efforts.

152. At the time Raysik engaged in the conduct set forth above, MR3 was more than sixty years old and were elderly persons, as that term is defined under Section 409.6-604(d)(3)(B).
153. Raysik's violation of Section 409.4-402(a) constitutes illegal acts, practices, or courses of business subject to the Commissioner's authority under Section 409.6-604.

COUNT IV – Eighteen Violations of Section 409.4-402(a) (Cochran)

154. **THE COMMISSIONER FURTHER DETERMINES** that Cochran acted as an issuer agent for issuer Bridgforth in that he facilitated the sales of securities between Bridgforth and MR4 in six (6) transactions, and between Bridgforth and TR1 and TR2 in twelve (12) transactions for the purpose of effecting the sale of securities, he actively participated in the solicitation of investments into the Instruments purchased by MR4, TR1, and TR2, and he received a commission for his efforts.
155. At the time Cochran engaged in six (6) of the violations described in the conduct set forth above, MR4 was more than sixty years old and was an elderly person, as that term is defined under Section 409.6-604(d)(3)(B).
156. Cochran's violations of Section 409.4-402(a) constitute illegal acts, practices, or courses of business subject to the Commissioner's authority under Section 409.6-604.

COUNT V – Twenty-Five Violations of Section 409.4-402(d) (Bridgforth)

157. **THE COMMISSIONER FURTHER DETERMINES** that in twenty-five (25) instances, Bridgforth employed unregistered agents Wegener, Raysik, and Cochran to effect and secure the sales of securities issued by Bridgforth to MR1, MR2, MR3, MR4, TR1, and TR2.
158. At the time Bridgforth engaged in twelve (12) of the violations described in the conduct set forth above, MR1, MR2, MR3, and MR4 were more than sixty years old and were elderly persons, as that term is defined under Section 409.6-604(d)(3)(B).
159. Bridgforth's violations of Section 409.4-402(d) constitute illegal acts, practices, or courses of business subject to the Commissioner's authority under Section 409.6-604.

COUNT VI – Twenty-Seven Violations of Section 409.4-404(a) (Bridgforth)

160. **THE COMMISSIONER FURTHER DETERMINES** that Bridgforth, in at least twenty-seven (27) instances, held himself out as one giving investment advice regarding securities when he provided recommendations and advice concerning the purchase of the twenty-five (25) securities being sold to MR1, MR2, MR3, MR4, TR1, and TR2 and specifically provided financial advice to TR1 and TR2 in at least two (2) other instances that did not

result in the additional sales of securities.

161. Bridgforth paid himself from investor funds that were made available to him based upon his advice and representations to the investors and was therefore compensated for the advice he rendered.
162. At the time Bridgforth engaged in thirteen (13) of the violations described in the conduct set forth above, MR1, MR2, MR3, and MR4 were more than sixty years old and were elderly persons, as that term is defined under Section 409.6-604(d)(3)(B).
163. Respondent Bridgforth's violations of Section 409.4-404(a) constitute illegal acts, practices, or courses of business subject to the Commissioner's authority under Section 409.6-604.

COUNT VII – Twenty-Five Violations of Section 409.5-501 (Bridgforth)

164. **THE COMMISSIONER FURTHER DETERMINES** that by engaging in the conduct as set forth above, Bridgforth, in connection with the offer and sale of the notes in this matter: (i) employed a device, scheme, or artifice to defraud, (ii) made untrue statements of material fact or omitted to a state material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading, and (iii) engaged in an act, practice or course of business that operates or would operate as a fraud or deceit upon another person, all of which were in violation of Sections 409.5-501(1), 409.5-501(2) and 409.5-501(3) to wit:
 - a. Bridgforth utilized fear of the collapse of the U.S. government to induce investors to give their money for the purpose of securing their funds with gold and/or silver;
 - b. Bridgforth utilized official looking graphics and wording that resembled government issued financial documents to give the Instruments a genuine appearance;
 - c. Bridgforth claimed that investments in gold and silver were safer alternatives to the traditional investments investors were already invested in;
 - d. Bridgforth falsely told investors that upon request their money would be returned within a day or two;
 - e. Bridgforth failed to disclose to the investors Bridgforth's lack of registration as an investment adviser representative;
 - f. Bridgforth failed to disclose to the investors the fact that LGS was not a registered company or corporation;
 - g. Bridgforth failed to disclose to the investors the fact that the notes being offered were not registered or exempt from registration as securities;

- h. Bridgforth misrepresented the fact that he would secure investors' funds with gold and silver;
 - i. Bridgforth failed to disclose to the investors the fact that Bridgforth was subject to previous financial regulatory scrutiny in the form of a Kansas C&D order in 2002 and 2012 investigation into similar conduct as alleged in this matter;
 - j. Bridgforth misappropriated investor funds for his own personal use and benefit by taking investor funds and making retail purchases, making personal utility payments, personal vehicle lease payments, credit card payments, day care expenses, vacation and travel expenses, dental and orthodontia payments, personal investment purchases and payments directly to Bridgforth;
 - k. Bridgforth engaged in a Ponzi-like scheme by paying interest to investors with investment money from other investors in order to placate investors into believing their investment was providing a return;
 - l. Bridgforth attempted to sell coins to TR1 and TR2 for \$80,900 when those same coins were purchased with their own investment funds for \$29,935; and
 - m. Bridgforth created paperwork purporting to memorialize MR4's investment in a manner that was not possible.
165. At the time Respondent Bridgforth engaged in thirteen (13) of the violations described in the conduct set forth above, MR1, MR2, MR3 and MR4 were more than sixty years old and were elderly persons, as that term is defined under Section 409.6-604(d)(3)(B).
166. Respondent's violations of Section 409.5-501 constitute engagement in an illegal act, practice, or course of business subject to the Commissioner's authority under Section 409.6-604.
167. An order is in the public interest and is consistent with the purposes of the Missouri Securities Act of 2003. *See* Section 409.6-605(b).

ALTERNATIVE COUNT VII – Twenty-Five Violations of Section 409.5-502 (Bridgforth)

168. **THE COMMISSIONER FURTHER DETERMINES** that, in the alternative to violations of Section 409.5-501, that by engaging in the conduct as set forth above, Bridgforth, being a person that advised others for compensation as to the advisability of investing in or purchasing securities: (i) employed a device, scheme, or artifice to defraud and (ii) engaged in an act, practice or course of business that operates or would operate as a fraud or deceit upon another person, all of which were in violation of Sections 409.5-502(1) and 409.5-502(2) to wit:
- a. Bridgforth utilized fear of the collapse of the U.S. government to induce investors to give their money for the purpose of securing their funds with gold and/or silver;

- b. Bridgforth utilized official looking graphics and wording that resembled government issued financial documents to give the Instruments a genuine appearance;
 - c. Bridgforth claimed that investments in gold and silver were safer alternatives to the traditional investments investors were already invested in;
 - d. Bridgforth falsely told investors that upon request their money would be returned within a day or two;
 - e. Bridgforth failed to disclose to the investors Bridgforth's lack of registration as an investment adviser representative;
 - f. Bridgforth failed to disclose to the investors the fact that LGS was not a registered company or corporation;
 - g. Bridgforth failed to disclose to the investors the fact that the notes being offered were not registered or exempt from registration as securities;
 - h. Bridgforth misrepresented the fact that he would secure investors' funds with gold and silver;
 - i. Bridgforth failed to disclose to the investors the fact that Bridgforth was subject to previous financial regulatory scrutiny in the form of a Kansas C&D order in 2002 and 2012 investigation into similar conduct as alleged in this matter;
 - j. Bridgforth misappropriated investor funds for his own personal use and benefit by taking investor funds and making retail purchases, making personal utility payments, personal vehicle lease payments, credit card payments, day care expenses, vacation and travel expenses, dental and orthodontia payments, personal investment purchases and payments directly to Bridgforth;
 - k. Bridgforth engaged in a Ponzi-like scheme by paying interest to investors with investment money from other investors in order to placate investors into believing their investment was providing a return;
 - l. Bridgforth attempted to sell coins to TR1 and TR2 for \$80,900 when those same coins were purchased with their own investment funds for \$29,935; and
 - m. Bridgforth created paperwork purporting to memorialize MR4's investment in a manner that was not possible.
169. At the time Bridgforth engaged in thirteen (13) of the violations described in the conduct set forth above, MR1, MR2, MR3, and MR4 were more than sixty years old and were elderly persons, as that term is defined under Section 409.6-604(d)(3)(B).

170. Respondent Bridgforth's violations of Section 409.5-502 constitute engagement in an illegal act, practice, or course of business subject to the Commissioner's authority under Section 409.6-604.
171. An order is in the public interest and is consistent with the purposes of the Missouri Securities Act of 2003. *See* Section 409.6-605(b).

III. ORDER

NOW THEREFORE, it is hereby ordered that Respondents, their agents, employees and servants, and all other persons participating in or about to participate in the above-described violations with knowledge of this order be prohibited from violating or materially aiding in any violation of:

- A. Section 409.3-301, by offering or selling any securities as defined by Section 409.1-102(28), in the State of Missouri unless those securities are registered with the Securities Division of the Office of the Secretary of State in accordance with the provisions of Section 409.3-301;
- B. Section 409.4-402(a), by transacting business as an unregistered issuer agent;
- C. Section 409.4-402(d), by employing an unregistered issuer agent;
- D. Section 409.4-404(a), by transacting business as an unregistered investment adviser representative;
- E. Section 409.5-501, by, in connection with the offer or sale of securities, employing a device, scheme or artifice to defraud, making an untrue statement of a material fact or omitting to state a material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading or engaging in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person; and
- F. Section 409.5-502, by, giving financial advice for compensation, employing a device scheme or artifice to defraud another person and engaging in an act, practice or course of business that operates or would operate as a fraud or deceit upon another person.

IV. STATEMENT

Pursuant to Section 409.6-604, the Commissioner states that he will determine whether to grant the Enforcement Section's requests for:

- A. \$820,000 against Bridgforth for twenty-five (25) violations of Section 409.3-301 where thirteen (13) of those violations involved an elderly person as defined by Section 409.6-604, in a final order, unless Respondents request a hearing and show cause why the penalties should not be imposed;

- B. \$240,000 against Wegener for six (6) violations of Section 409.4-402(a) where all six (6) of those violations involved an elderly person as defined by Section 409.6-604, in a final order, unless Respondents request a hearing and show cause why the penalties should not be imposed;
- C. \$40,000 against Raysik for one (1) violation of Section 409.4-402(a) where that violation involved an elderly person as defined by Section 409.6-604, in a final order, unless Respondents request a hearing and show cause why the penalties should not be imposed;
- D. \$540,000 against Cochran for eighteen (18) violations of Section 409.4-402(a) where six (6) of those violations involved an elderly person as defined by Section 409.6-604, in a final order, unless Respondents request a hearing and show cause why the penalties should not be imposed;
- E. \$820,000 against Bridgforth for twenty-five (25) violations of Section 409.4-402(d) where thirteen (13) of those violations involved an elderly person as defined by Section 409.6-604, in a final order, unless Respondents request a hearing and show cause why the penalties should not be imposed;
- F. \$870,000 against Bridgforth for twenty-seven (27) violations of Section 409.4-404(a) where thirteen (13) of those violations involved an elderly person as defined by Section 409.6-604, in a final order, unless Respondents request a hearing and show cause why the penalties should not be imposed;
- G. \$820,000 against Bridgforth for twenty-five (25) violations of Section 409.5-501 or 409.5-502, where thirteen (13) of those violations involved an elderly person as defined by Section 409.6-604, in a final order, unless Respondent requests a hearing and shows cause why the penalties should not be imposed; and
- H. an order providing such other relief as he deems just.

All of the preceding relief is sought on behalf of the persons injured by the acts and practices of Respondent that constitute violations of the Missouri Securities Act.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY, MISSOURI THIS 4th DAY OF FEBRUARY, 2022.



JOHN R. ASHCROFT
SECRETARY OF STATE


DAVID M. MINNICK
COMMISSIONER OF SECURITIES



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
ROBERT C. BRIDGFORTH;)
ASHLEY R. WEGENER;)
DUSTIN M. RAYSIK; and)
BRYAN L. COCHRAN,)

Case No.: AP-22-01

Respondents.)

Serve: Robert C. Bridgforth)
C/O Attorney Daniel Herrington)
Rouse Frets White Goss Gentile)
Rhodes, PC)
4510 Belleview Avenue, Suite 300)
Kansas City, MO 64111)
)
Ashley R. Wegener)
3701 SW McDaniel Avenue)
Blue Springs, MO 64015)
)
Dustin M. Raysik)
1826 S. Sterling Avenue)
Independence, MO 64052)
)
Bryan L. Cochran)
C/O Attorney Marc S. Wilson)
Securitas Financial Law, LLC)
7227 Metcalf Avenue, Ste. 201)
Overland Park, KS 66204)

NOTICE

TO: Respondents and any unnamed representatives aggrieved by this Order:

You may request a hearing in this matter within thirty (30) days of the receipt of this Order pursuant to Section 409.6-604(b), RSMo, and 15 CSR 30-55.020. Any requests for hearing before the Commissioner must contain:

- a. a brief statement of the facts;
- b. a summary of the factual and legal issues involved;
- c. a request for relief;
- d. suggestions in support of the relief sought, including the relevant statutes;
- e. the name of the party requesting the hearing; and
- f. the name of the attorney representing the party, if any.

Within fifteen (15) days after receipt of a request in a record from a person or persons subject to this order, the Commissioner will schedule this matter for a hearing.

A request for a hearing must be mailed or delivered, in writing, to:

David M. Minnick, Commissioner of Securities
Office of the Secretary of State, Missouri Secretary of State
600 West Main Street, Room 229
Jefferson City, Missouri 65102

CERTIFICATE OF SERVICE

I hereby certify that on this 4th day of February, 2022, a copy of the foregoing Order to Cease and Desist and Order to Show Cause Why Civil Penalties, Restitution, Costs, and Other Administrative Relief Should Not Be Imposed in the above styled case was **mailed via certified U.S. mail to:**

Robert C. Bridgforth
C/O Attorney Daniel Herrington
Rouse Frets White Goss Gentile Rhodes, PC
4510 Belleview Avenue, Suite 300
Kansas City, MO 64111

Ashley R. Wegener
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