

ALABAMA SECURITIES COMMISSION

Post Office Box 304700 Montgomery, Alabama 36130-4700
Telephone: (334) 242-2984 or 1-800-222-1253 Fax: (334) 242-0240
Email: asc@asc.alabama.gov Website: www.asc.alabama.gov

Jefferson County Man Indicted for Alleged Securities Fraud

Montgomery, Alabama (August 16, 2024) – The Alabama Securities Commission (ASC) and Jefferson County District Attorney Danny Carr for the 10th Judicial Circuit announced today that Bradley Todd Spencer was indicted by a grand jury on 3 counts of securities fraud involving \$58,000. Spencer was released on a \$30,000 bond.

Counts one and two charge Spencer with willfully and unlawfully making untrue statements of material fact and/or omitting to state material facts necessary in order to make the statements not misleading to investors. Count three of the indictment charges Spencer with willfully and unlawfully engaging in an act, practice, or course of business which operated or would operate as a fraud or deceit upon investors. All three of these charges are class B felonies and carry a maximum fine of \$30,000, and between 2 to 20 years of jail time.

Spencer solicited investments from two individuals in Blondin Bioscience, a biotech startup, when Blondin Bioscience was no longer in business. He failed to disclose to both investors that between July 2015 and July 2017 he had misused \$179,448.67 of National Institutes of Health research grant funding. The indictment alleges, from about 2017 to May 2019, Spencer led the first investor to believe Blondin Bioscience had secured \$1 million in funding, when in fact there was no such funding commitment. Based on this false representation, the investor provided Spencer with \$33,000 to be used as short-term funding for the business.

From around July 2017 to September 2018, Spencer represented to the second investor that Blondin Bioscience was valued between 4-6 million dollars at a time when it was already out of business. The indictment also alleges that Spencer led this investor to believe his only liability was an \$89,400 line of credit. Based on Spencer's misrepresentations, the second investor provided Spencer with \$25,000. According to the indictment, Spencer spent both investors' funds on personal expenses.

In January of 2022, Spencer was convicted by the United States Attorney for the Northern District of Alabama on a federal felony charge of theft of public funds for using the NIH research grant funding for personal expenses.

The ASC cautions investors to research any investment opportunity thoroughly. Call the ASC at 1-800-222-1253 and ask for the registration department to check out persons offering investment opportunities, investment advice for a fee, and any products they offer. Contact the ASC to report suspected fraud, inappropriate securities business practices, or to obtain consumer information. Free investor education and fraud prevention materials are available at www.asc.alabama.gov.

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For further information contact 1-800-222-1253 and ask for Public Affairs.

(NOTE: An arrest or indictment is not evidence that the defendant committed the crime(s) charged. The defendant is presumed innocent until the government meets its burden of proving guilt beyond reasonable doubt in court.)

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