

**ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF SOUTH CAROLINA**

IN THE MATTER OF:

Michael Hanrahan (CRD No. 1951824),

Respondent.

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CONSENT ORDER

Matter No. 20195110

I. PRELIMINARY STATEMENT

Pursuant to the authority granted to the Securities Commissioner of South Carolina (the “Securities Commissioner”) under the South Carolina Uniform Securities Act of 2005, S.C. Code Ann. § 35-1-101, *et seq.* (the “Act”), and delegated to the Securities Division of the Office of the Attorney General of the State of South Carolina (the “Division”) by the Securities Commissioner, the Division conducted an investigation into the securities-related activities of Michael Patrick Hanrahan (CRD No. 1951824) (“Hanrahan” or the “Respondent”), and in connection with its investigation, the Division has determined that the Respondent violated the Act.

Without admitting or denying the findings of fact and conclusions of law set forth below, except as to the jurisdiction of the Securities Commissioner over the Respondent and the subject matter of this proceeding, which are admitted, the Respondent, having been advised of his right to counsel, expressly consents to the entry of this Consent Order, which resolves the allegations against him set forth herein. The Respondent elects to waive permanently any right to a hearing and appeal under S.C. Code Ann. § 35-1-609, with respect to this Consent Order.

II. JURISDICTION

1. The Securities Commissioner has jurisdiction over this matter pursuant to S.C. Code Ann. § 35-1-601(a).

III. RESPONDENT

2. Hanrahan was registered as a broker-dealer agent and an investment adviser representative in South Carolina. Hanrahan was employed by MML Investor Services LLC (CRD No. 10409) (“MML”) until he was terminated on January 14, 2021. Hanrahan’s business address was 1222 Alice Drive, Sumter, South Carolina 29150.

IV. FINDINGS OF FACT

3. The Division conducted an investigation into allegations that the Respondent failed to disclose certain actions on his Form U-4, as required by the Act and regulations promulgated thereunder. Specifically, the Respondent failed to disclose a civil judgment entered against him on May 1, 2015,¹ and he failed to disclose a mortgage foreclosure action and several tax and other liens filed against him. The Respondent also failed to disclose one of his outside business activities.

4. In the course of its investigation, the Division made repeated requests for information from the Respondent. Specifically, the Division issued an access to information request on October 1, 2020, and after the Respondent failed to respond, the Division issued a follow up request on November 17, 2020. After the Respondent failed to respond to the Division’s November 17, 2020 request, the Division issued a subpoena on December 16, 2020 (the “Subpoena”) demanding responses to interrogatories and the production of documents on or before January 5, 2021. After the Respondent failed to timely respond to the Subpoena, the Division contacted MML to determine if the Respondent had reported the Division’s investigation to the

¹ Irene C. Mathis v. RFD, Inc. and Michael P. Hanrahan, 2015-CP-43-00438 (Order of Judgment filed on May 1, 2015).

MML compliance department. He had not. Thereafter, MML contacted the Division and advised the Division that a response would be forthcoming.

5. On January 18, 2021, the Division received a response to the Subpoena. At the same time he provided a response to the Subpoena, the Respondent notified the Division that he had been terminated by MML and that he was surrendering his securities license.

6. The Division, in the course of its investigation, found no evidence of any harm to investors as a result of the Respondent's actions or inactions, and the Division has not received any complaints regarding the Respondent.

V. CONCLUSIONS OF LAW

7. The Respondent failed to update or amend the information required by the Form U-4, in violation of S.C. Code of Regulations §13-403(B)(3).

8. The Respondent failed to cooperate and provide records to the Division, in violation of S.C. Code Ann. § 35-1-411(d).

9. The Respondent's violations of the Act and regulations promulgated thereunder provide the basis for this Order, pursuant to S.C. Code Ann. §35-1-604(a)(1).

10. This Consent Order is appropriate and in the public interest, pursuant to the Act.

VI. ORDER

NOW THEREFORE, pursuant to S.C. Code Ann. § 35-1-604(a)(1), it is hereby **ORDERED** that:

- a. The Respondent and every successor, affiliate, control person, agent, servant, and employee of the Respondent, and every entity owned, operated, or indirectly or directly controlled by or on behalf of the

Respondent shall **CEASE AND DESIST** from transacting business in this State in violation of the Act;

- b. The Respondent shall pay a civil penalty in the amount of three thousand, six hundred dollars (\$3,600.00) to the Division, payable over nine (9) months in the amount of four hundred dollars (\$400.00) per month, with payment due the fifteenth (15th) of each month beginning on December 15, 2021, and continuing until the full amount of three thousand, six hundred dollars (\$3,600.00) has been paid to the Division. Payment not received within five (5) days of the due date will be considered past due and place the Respondent in default of this Consent Order. In the event of default, the Securities Commissioner will, at his discretion, have the ability to vacate this Consent Order, and the Respondent agrees that the Order to Cease and Desist and the civil penalty set forth therein will be reinstated and be a final order by operation of law. In addition, the Division will have the ability to pursue further action, including, but not limited to, the relief provided in S.C. Code Ann. §35-1-604(g);
- c. The Respondent shall pay four hundred dollars (\$400.00) for the Division's costs associated with this investigation, due immediately upon execution of this Consent Order; and
- d. The Respondent expressly consents and agrees that he is **PERMANENTLY BARRED** from participating in any aspect of the securities industry in or from the State of South Carolina.

Upon execution by the Securities Commissioner, this Consent Order resolves Matter Number 20195110, as to the Respondent.

As part of this Consent Order, the Respondent agrees that he: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in this Consent Order or creating the impression that this Consent Order is without factual basis; and (ii) will not make or permit to be made any public statement to the effect that the Respondent does not admit the allegations of this Consent Order, or that this Consent Order contains no admission of the allegations, without also stating that the Respondent does not deny the allegations. If the Respondent breaches any of the terms of this Consent Order, the Securities Commissioner may vacate this Consent Order. Nothing in this paragraph affects the Respondent's testimonial obligations or right to take differing legal or factual positions in litigation or other legal proceedings.

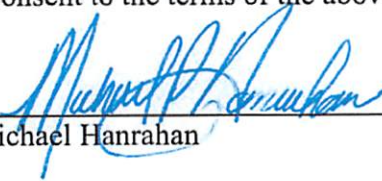
This Consent Order should not be interpreted as waiving any (i) criminal cause of action, (ii) private cause of action that may have accrued to investors as a result of the activities detailed herein, or (iii) other causes of action that may result from activities of the Respondent not detailed in this Consent Order.

ENTERED, this the 27 day of January, ²⁰²² ~~2021~~ ^{AW}

ALAN WILSON
SECURITIES COMMISSIONER

By: Alan Wilson
ALAN WILSON
Securities Commissioner
State of South Carolina


I consent to the terms of the above Consent Order:



Michael Hanrahan

Date: 12-21-21

The Securities Division of the Office of the Attorney General consents to the terms of the above Consent Order:



Jonathan B. Williams
Assistant Deputy Attorney General

Date: 12/30/21