

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934

Release No. 101558 / November 7, 2024

INVESTMENT ADVISERS ACT OF 1940

Release No. 6769 / November 7, 2024

ADMINISTRATIVE PROCEEDING

File No. 3-22305

In the Matter of

SEAN MICHAEL KANE,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND 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 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Sean Michael Kane (“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 is admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and 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. Respondent, 37 years old, is a resident of Philadelphia, Pennsylvania. From October 1, 2018 through February 23, 2021, Respondent was associated with a dually-registered investment adviser and broker-dealer ("Investment Adviser 1") as an investment adviser representative and a registered representative. From March 25, 2021 through May 4, 2021, he was associated as a registered representative with a broker-dealer, and from May 5, 2021 through March 2, 2023, as an investment adviser representative with an investment advisory firm affiliated with the broker-dealer. Respondent holds Series 6, 7, 63, and 66 licenses issued by the Financial Industry Regulatory Authority ("FINRA").

2. On October 29, 2024, a final judgment was entered by consent against Respondent, permanently enjoining him from future violations of Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 ("Advisers Act"), 15 U.S.C. §§ 80b-6(1) and 80b-6(2) as set forth in the judgment entered in the civil action entitled *Securities and Exchange Commission v. Kevin John Kane et al.*, Civil Action No. 1:23-cv-00371-CCC, in the United States District Court for the Middle District of Pennsylvania ("Complaint").

3. The Complaint alleged Investment Adviser 1 terminated Respondent because he violated its policies and procedures and, following that termination, and in an effort to convince clients to join Respondent at a new investment advisory firm, Respondent repeatedly defrauded and breached his fiduciary duty to these clients by: (1) falsely telling clients that Respondent voluntarily ended his association with Investment Adviser 1, despite having been terminated for cause; (2) falsely telling clients that he was still associated with Investment Adviser 1 and could continue to effect transactions in their accounts; (3) failing to alert clients of Respondent's termination and inability to perform transactions in their accounts; and (4) to prevent clients from discovering the truth, impersonating clients in telephone calls with Investment Adviser 1 to effect securities transactions.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, and Section 203(f) of the Advisers Act, that Respondent Kane 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 reapply for reentry after three years to the appropriate self-regulatory organization, or if there is none, to the Commission.

Any application for reentry 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, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered

against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) 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 (e) 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.

Vanessa A. Countryman
Secretary