

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 85415 / March 26, 2019

INVESTMENT ADVISERS ACT OF 1940
Release No. 5212 / March 26, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19121

In the Matter of

OSCAR FRANCIS,

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 Oscar Francis (“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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2 below, and 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. Francis, age 40, formerly a resident of Margate, Florida, is currently in the custody of the Federal Bureau of Prisons. From July 2008 through May 2017, Francis was associated with MML Investors Services, LLC (“MML”), a broker-dealer and investment adviser registered with the Commission. From January 2006 through June 2008, Francis was associated with other broker-dealers and investment advisers registered with the Commission.

2. On August 31, 2018, Francis pled guilty to one count of wire fraud in violation of Title 18, United States Code, Section 1343, before the United States District Court for the Southern District of Florida, in *United States v. Oscar Francis*, Case No. 18-60216-CR-COHN. On November 15, 2018, Francis was sentenced to a prison term of 41 months followed by three years of supervised release and was ordered to pay restitution in the amount of \$422,387.18.

3. In connection with that plea, Francis admitted that between June 25, 2012 and May 31, 2017, he knowingly devised a scheme to defraud at least eleven investors out of approximately \$665,190. Francis solicited his MML clients, with whom he attended church, to invest in Mahum, Inc., which Francis incorporated and controlled. Francis falsely represented that Mahum was affiliated with MML and that investments in Mahum would generate high rates of return. Francis misappropriated the funds he received, spending them on cocaine, alcohol, strip clubs, and luxury items. When investors inquired or complained about the status of their investments, Francis would obtain loans and use other investment funds to repay the investors to prevent them from reporting Francis’s activity to MML or to law enforcement.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in the Respondent’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 Francis 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; and

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Francis be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

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.

Vanessa A. Countryman
Acting Secretary