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IN THE MATTER OF: *
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*
KEENAN, LLC *
d/b/a KEENAN FINANCIAL *
(CRD NO. 285673) *

CONSENT ORDER

MATTER NO. CO-24-202350-S

I. PRELIMINARY STATEMENT

WHEREAS, the Banking Commissioner (“Commissioner”) is charged with the administration of Chapter 672a of the General Statutes of Connecticut, the Connecticut Uniform Securities Act (“Act”) and Sections 36b-31-2 to 36b-31-33, inclusive, of the Regulations of Connecticut State Agencies (“Regulations”) promulgated under the Act;

WHEREAS, on May 24, 2023, Keenan, LLC d/b/a Keenan Financial (“Keenan Financial”), located at 11 Beacon Street, 13th Floor, Boston, Massachusetts 02108, filed with the Commissioner a Form ADV seeking to register as an investment adviser under the Act. Keenan Financial had been registered as an investment adviser in several states (but not Connecticut) until November 2023 when the firm became registered as an investment adviser with the Securities and Exchange Commissioner and made a related notice filing with the affected states. Keenan Financial made a notice filing with Connecticut on November 2, 2023, and sought to withdraw its Connecticut registration application on November 3, 2023. Prior to becoming eligible for SEC registration, Keenan Financial was not registered as an investment adviser in Connecticut;

WHEREAS, the Commissioner, through the Securities and Business Investments Division (“Division”) of the Department of Banking (“Department”), upon receiving and reviewing the above referenced Form ADV filing, conducted an investigation of Keenan Financial pursuant to Section 36b-26 of the Act to determine whether Keenan Financial had violated, was violating or was about to violate any provision of the Act or any regulation or order under the Act (“Investigation”);

WHEREAS, as a result of the Investigation, Division staff ascertained that Keenan Financial transacted business as an investment adviser in Connecticut without registration under the Act in violation of Section 36b-6(c)(1) and engaged an unregistered investment adviser agent in violation of Section 36b-6(c)(3) of the Act;

WHEREAS, the Commissioner believes that a violation of Sections 36b-6(c)(1) and 36b-6(c)(3) of the Act would support the initiation of administrative proceedings against Keenan Financial pursuant to Section 36b-15 and Section 36b-27 of the Act;

WHEREAS, on October 19, 2023, Keenan Financial and the Commonwealth of Pennsylvania Department of Banking and Securities (“Pennsylvania”) entered into a Consent Agreement and Order based on Keenan Financial transacting business as an investment adviser without being registered or exempt from registration pursuant to Section 301 of the Pennsylvania Securities Act of 1972, the same conduct at issue in this Consent Order. Pursuant to the Consent Order with Pennsylvania, Keenan Financial, *inter alia*, paid an administrative fine of \$8,500 and agreed to comply with the Pennsylvania Securities Act of 1972;

WHEREAS, on November 2, 2023, Keenan Financial formally became registered as an investment adviser with the Securities and Exchange Commission (SEC No. 801-129000). On November 3, 2023, Keenan Financial filed with the Commissioner a Form ADV-W seeking to withdraw its application to register as an investment adviser under the Act;

WHEREAS, Keenan Financial has been cooperative with the Division during the entirety of this matter;

WHEREAS, the Commissioner has reason to believe that the foregoing conduct violates certain provisions of the Act, and would support administrative proceedings against Keenan Financial under Section 36b-15 and Section 36b-27 of the Act;

WHEREAS, Section 36b-31(a) of the Act provides, in relevant part, that “[t]he commissioner may from time to time make . . . such . . . orders as are necessary to carry out the provisions of sections 36b-2 to 36b-34, inclusive”;

WHEREAS, Section 36b-31(b) of the Act provides, in relevant part, that “[n]o . . . order may be made . . . unless the commissioner finds that the action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of sections 36b-2 to 36b-34, inclusive”;

WHEREAS, an administrative proceeding initiated under Section 36b-27 of the Act would constitute a “contested case” within the meaning of Section 4-166(4) of the General Statutes of Connecticut;

WHEREAS, Section 4-177(c) of the General Statutes of Connecticut and Section 36a-1-55(a) of the Regulations provide that a contested case may be resolved by consent order, unless precluded by law;

WHEREAS, without holding a hearing and without trial or adjudication of any issue of fact or law, and prior to the initiation of any formal proceeding, the Commissioner and Keenan Financial have reached an agreement, the terms of which are reflected in this Consent Order, in full and final resolution of the matters described herein;

WHEREAS, Keenan Financial expressly consents to the Commissioner’s jurisdiction under the Act and to the terms of this Consent Order;

WHEREAS, the Commissioner finds that the entry of this Consent Order is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act;

WHEREAS, Keenan Financial acknowledges that it has had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Consent Order and execute this

Consent Order freely;

WHEREAS, Keenan Financial specifically assures the Commissioner that the violations alleged in this Consent Order shall not occur in the future;

AND WHEREAS, Keenan Financial's Form ADV-W seeking to withdraw its application to register as an investment adviser will be deemed accepted upon the execution of this Consent Order by the Commissioner.

II. CONSENT TO WAIVER OF PROCEDURAL RIGHTS

WHEREAS, Keenan Financial, through its execution of this Consent Order, voluntarily waives the following rights:

1. To be afforded notice and an opportunity for a hearing within the meaning of Sections 36b-15(f) and 36b-27 of the Act and Section 4-177(a) of the General Statutes of Connecticut;
2. To present evidence and argument and to otherwise avail itself of Sections 36b-15(f) and 36b-27 of the Act and Section 4-177c(a) of the General Statutes of Connecticut;
3. To present its position in a hearing in which it is represented by counsel;
4. To have a written record of the hearing made and a written decision issued by a hearing officer; and
5. To seek judicial review of, or otherwise challenge or contest, the matters described herein, including the validity of this Consent Order.

III. ACKNOWLEDGEMENT OF THE COMMISSIONER'S ALLEGATIONS

WHEREAS, Keenan Financial, through its execution of this Consent Order, acknowledges the following allegations of the Commissioner: Keenan Financial violated Section 36b-6(c)(1) of the Act by transacting business as an investment adviser in Connecticut without registration under the Act and violated Section 36b-6(c)(3) of the Act by engaging an unregistered investment adviser agent;

WHEREAS, the Commissioner would have the authority to enter findings of fact and conclusions of law after granting Keenan Financial an opportunity for a hearing;

AND WHEREAS, Keenan Financial acknowledges the possible consequences of an administrative hearing and voluntarily agrees to consent to the entry of the sanctions described below.

IV. CONSENT TO ENTRY OF SANCTIONS

WHEREAS, Keenan Financial, through its execution of this Consent Order, consents to the Commissioner's entry of an order imposing on it the following sanctions:

1. Keenan Financial, either directly or through any person, organization, entity or other device, shall cease and desist from directly or indirectly violating any provision of the Act or any regulation, rule or order adopted or issued under the Act, including, without limitation, Sections 36b-6(c)(1) and 36b-6(c)(3) of the Act; and,
2. No later than the date this Consent Order is entered by the Commissioner, Keenan Financial shall remit to the department by cashier's check, certified check, electric funds transfer or money order made payable to "Treasurer, State of Connecticut" the sum of five thousand dollars (\$5590), five thousand dollars (\$5000) of which shall constitute an administrative fine, and five hundred and ninety dollars (\$590) which shall represent registration fees not previously paid.

V. CONSENT ORDER

NOW THEREFORE, the Commissioner enters the following:

1. The Sanctions set forth above be and are hereby entered;
2. Entry of this Consent Order by the Commissioner is without prejudice to the right of the Commissioner to take enforcement action against Keenan Financial based upon a violation of this Consent Order or the matters underlying its entry if the Commissioner determines that compliance with the terms herein is not being observed;
3. Nothing in this Consent Order shall be construed as limiting the Commissioner's ability to take enforcement action against Keenan Financial based upon: (i) evidence of which the Division was unaware on the date hereof relating to a violation of the Act or any regulation or order under the Act; or (ii) evidence indicating that Keenan Financial withheld material information from, or made any material misstatement or omission to, the Commissioner in connection with this matter;
4. Keenan Financial shall not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, that the Commissioner had a basis to pursue the allegations set forth in Section III of this Consent Order, or create the impression that this Consent Order is without factual basis;
5. Keenan Financial shall not take any position in any proceeding brought by or on behalf of the Commissioner, or to which the Commissioner is a party, that is inconsistent with any part of this Consent Order. However, nothing in this Consent Order affects Keenan Financial's (i) testimonial obligations; or (ii) right to take any legal or factual position in litigation, arbitration, or other legal proceedings in which the Commissioner is not a party;
6. Contemporaneously with the entry of this Consent Order, Keenan Financial's Form ADV-W seeking to withdraw its application to register as an investment adviser shall be and is hereby accepted; and

7. This Consent Order shall become final when entered.

Dated at Hartford, Connecticut,
this 8th day of March 2024.

_____/s/_____
Jorge Perez
Banking Commissioner

CONSENT TO ENTRY OF ORDER

I, Brian Edward Keenan, state on behalf of Keenan Financial, that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Keenan Financial; that Keenan Financial agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that Keenan Financial consents to the entry of this Consent Order.

Keenan Financial

By:

_____/s/
Brian Edward Keenan
Chief Compliance Officer

State of: [Blank in Original]

County of: [Blank in Original]

On this the 1 day of March 2024 [sic], before me, the undersigned officer, personally appeared Brian Edward Keenan, who acknowledged himself to be the Chief Compliance Officer of Keenan Financial, and that he, as such Chief Compliance Officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited partnership by himself as Chief Compliance Officer.

In witness whereof I hereunto set my hand.

_____/s/
Notary Public
Date Commission Expires: 3/1/2024 [sic]

J. Ali Alimi
Notary Public, Commonwealth of Massachusetts
My Commission Expires February 9, 2029