



ARIZONA CORPORATION COMMISSION

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Commission Sanctions Two Insurance Producers for Illegal Activity

PHOENIX, AZ—The Arizona Corporation Commission today sanctioned two Scottsdale insurance producers for not complying with Arizona’s securities and investment management laws.

Patrick Moran

The Commission ordered Arizona insurance producer Patrick Moran of Scottsdale to pay \$50,000 in restitution and a \$5,000 administrative penalty for offering and selling unregistered investments in connection with a hedge fund. The Commission found that, while not registered to offer or sell securities in Arizona, Moran offered and sold investments in a hedge fund that later turned out to be fraudulent. The Commission found that Moran, who is also a former securities salesman, sold the hedge fund investments to at least three Arizona residents. In settling this matter, Patrick Moran neither admitted nor denied the Commission’s findings, but agreed to the entry of the consent order. For more details about this case, view the full text of the Commission’s order [S-20823A-11-0407](#).

Timothy D. Moran

The Commission revoked the securities salesman registration and investment adviser license of Timothy D. Moran of Scottsdale after it found that Moran was subject to a suspension or bar of greater than six months by a self-regulatory organization. The Commission found that Moran failed to answer the allegations or provided false information to the Financial Industry Regulatory Authority (FINRA), a national self-regulatory organization that oversees securities salesmen and securities dealers. The Commission found that in FINRA’s allegations, Moran, who is also a licensed insurance producer, engaged in private securities transactions without providing his employer with prior written notice and failed to timely disclose a tax lien. In settling this matter, Timothy D. Moran neither admitted nor denied the Commission’s findings, but agreed to the entry of the consent order. For more details about this case, view the full text of the Commission’s order [S-2000823A-11-0407](#).

The Commission’s final order against the named respondents will be posted online as soon as it is signed by all of the Commissioners. Please check the website in a few days:

<http://www.azcc.gov/divisions/securities/enforcement/enforce-orders.asp>

More caution for investors:

Even when selling a legitimate product, some promoters do not recognize the investment program they have created is a security. Determining whether an alternative investment program is a security is not always easy to determine and depends upon the unique facts and circumstances of the transaction and not on what a promoter calls the investment product. Even when investing with someone they know, investors should verify the registration of sellers and investment opportunities and investigate disciplinary histories by contacting the Arizona Corporation Commission’s Securities Division at 602-542-4242 or toll free in Arizona at 1-866-VERIFY-9 (837-4399). The Securities Division’s investor education website also has helpful information at www.azinvestor.gov.

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