

**COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE ACTION NO. 2025-DFI-0001**

KENTUCKY DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

CRANE INVESTMENT GROUP, LLC
and
BRADLEY KYLE KREIN

RESPONDENTS

AGREED ORDER

PARTIES

1. The Department is responsible for administering the provisions of KRS Chapter 292, the Securities Act of Kentucky ("the Act"), as well as any applicable rules, regulations and orders entered pursuant to the Act.
2. Crane Investment Group, LLC is a Kentucky limited liability company with its principal office listed on the Kentucky Secretary of State's website as 585 S. Upper St. Apt 124, Lexington, KY 40508.
3. Bradley Kyle Krein is the organizer and managing member of Crane Investment Group, LLC.

STATEMENT OF FACTS

4. From May 1, 2023, to May 2, 2023, the Department conducted a routine compliance examination of Crane Investment Group, LLC.
5. On June 5, 2023, the Department presented Krein a Statement of Findings Letter, which contained several concerns for Crane Investment Group, LLC to address. In particular, the firm

was to provide a trade blotter to the Department to ensure compliance. The Department provided a response deadline of July 10, 2023, to the Statement of Findings.

6. On August 15, 2023, having received no response from the Respondents, the Department emailed Crane Investment Group, LLC, inquiring about the response and providing a deadline of August 22, 2023, to respond to this latest communication.

7. On October 10, 2023, having received no response from the Respondents, the Department called Krein and spoke to him about the issue and provided a deadline to respond set for the next day's close of business. An email was subsequently sent that day to Crane Investment Group, LLC, communicating the same.

8. On October 13, 2023, Crane Investment Group, LLC provided its response to the Statement of Findings Letter. The firm claimed to have attached the trade blotter, but no attached trade blotter was included in its communications to the Department.

9. On November 1, 2023, The Department presented Krein a Follow-up Letter based on the October 13, 2023, response, requesting further information about the initial inquiries. The Department provided a response deadline of November 29, 2023, to this letter.

10. On December 6, 2023, having once again received no response from the Respondents to the Follow-up Letter, the Department emailed Krein asking about the response and providing a deadline of December 21, 2023, to respond to this latest communication.

11. On January 8, 2024, having received no response from the Respondents, the Department called and left a voicemail for Krein, requesting a response to the Follow-up Letter. As of the date of this *Administrative Complaint*, the Department has not received a response to the Follow-up Letter.

STATUTORY AUTHORITY

12. KRS 292.310(11) states,

"Investment adviser" means any person who, for compensation, directly or indirectly, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities.

13. KRS 292.310(12) states,

"Investment adviser representative" means an individual employed by or associated with an investment adviser or covered adviser and who makes any recommendations or otherwise gives investment advice regarding securities, manages accounts or portfolios of clients, determines which recommendations or advice regarding securities should be given, provides investment advice or holds himself or herself out as providing investment advice, receives compensation to solicit, offer, or negotiate for the sale of or for selling investment advice, or supervises employees who perform any of the foregoing.

14. 808 KAR 10:110, Section 1(1)(b) states,

Pursuant to KRS 292.336(1)(a), and investment adviser who maintains his principal place of business in Kentucky shall:

...

(b) Maintain his books and records in accordance with the applicable federal regulations, including 17 C.F.R. 275.204-2.

15. 808 KAR 10:450 Section 2(26)(d) states,

A person who is an investment adviser or an investment adviser representative shall be a fiduciary and shall have a duty to act primarily for the benefit of its clients. An investment adviser or investment adviser representative shall not engage, either directly or indirectly, in unethical or dishonest practices. The following acts and practices shall be considered either a breach of fiduciary duty or a dishonest and unethical practice. Violations may result in a fine, suspension, or revocation in proportion to the seriousness of the offense:

...

(26) Failing to respond in a timely manner to a written request from an authorized representative of the Department of Financial Institutions for:

(a) Information;

(b) An explanation of practices or procedures;

(c) A response to a complaint filed with the department; or

(d) A response to a written statement of findings from an examination.

16. KRS 292.470(3) states,

Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of this chapter or any rule or order under this chapter, the commissioner may in his or her discretion bring any or all of the following remedies:

(3) Issue a final order, after notice and an opportunity for a hearing, containing findings of fact and conclusions of law, directing any person or persons found to have engaged in, or about to be engaged in, activity that constitutes a violation of this chapter or any rule or order under this chapter:

(a) To cease and desist from the activity;

(b) To perform any other reasonable mandates directed by the commissioner pursuant to an appropriate remedy fashioned by the commissioner and reasonably calculated to carry out the provisions of this chapter; or

(c) To pay fines assessed under KRS 292.500(14) and costs assessed under KRS 292.500(15).

17. KRS 292.500(14) states,

The commissioner may impose civil fines against any person who violates any provision of this chapter or any rule or order or voluntary agreement entered into under this chapter. The fine shall not exceed twenty thousand dollars (\$20,000) per violation, except when the violation is directed at or results in monetary damage to one (1) or more individuals who are sixty (60) years of age or older, the commissioner may impose an additional fine not to exceed twenty thousand dollars (\$20,000) per violation. Each act or transaction which violates this chapter or administrative regulation, or orders or agreements entered into under this chapter, shall constitute a separate violation. Any employer or principal shall be jointly and severally liable for fines imposed in connection with the conduct of employees or agents.

VIOLATIONS

18. In contravention of 808 KAR 10:110, Crane Investment Group, LLC did not maintain true and accurate records regarding its trade blotter.

19. In contravention of 808 KAR 10:450 Section 2(26)(d), Respondents did not timely respond to the Department's written statement of findings from the 2023 examination, including both the initial and follow-up communications.

AGREEMENT AND ORDER

16. To resolve this matter without litigation or other adversarial proceedings, the Department, Bradley Kyle Krein and Crane Investment Group, LLC agree to compromise and settle all claims arising from the above-referenced factual background in accordance with the terms set forth herein.

17. In the interest of economically and efficiently resolving the violations described herein, it is hereby **AGREED** and **ORDERED**:

i. Crane Investment Group, LLC agrees to pay a civil fine in the amount of two thousand five hundred dollars (\$2,500.00) for the violations described herein, which shall be due and payable within thirty (30) days of the entry of this Order;

ii. Crane Investment Group, LLC and Krein, jointly and severally, agree to pay a civil fine of five thousand dollars (\$5,000.00) for the violations described herein, which shall be due and payable within thirty (30) days of the entry of this Order;

iii. All payments under this Order shall be in the form of an ACH payment made via secure website, pursuant to instructions provided to the Respondents, or by a certified check or money order made payable to "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Securities Division, 2025-AH-0001, 500 Mero Street, Frankfort, Kentucky 40601;

iv. Krein and Crane Investment Group, LLC waive the right to demand a hearing at which they would be entitled to legal representation, to confront and cross-examine

witnesses, and to present evidence on their behalf, or to otherwise appeal or set aside this Agreed Order;

v. Krein and Crane Investment Group, LLC consent to and acknowledge the jurisdiction of the Department over this matter and that this Agreed Order is a matter of public record and may be disseminated as such;

vi. In consideration of execution of this Agreed Order, Krein and Crane Investment Group, LLC for themselves, and for their successors and assigns, hereby release and forever discharge the Commonwealth of Kentucky, the Department, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that Krein and Crane Investment Group, LLC ever had, now has, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration;

vii. By signing below, the parties acknowledge they have read the foregoing Agreed Order, fully understand its contents, and that they are authorized to enter into and execute this Agreed Order and legally bind their respective parties; and

viii. This Agreed Order shall constitute the Final Order in this matter.

SO ORDERED on this the 19th day of May, 2025.


MARNI ROCK GIBSON
COMMISSIONER

Consented to:

On behalf of the Department of Financial Institutions.

This 19th day of May, 2025.

Chad Harlan

Assistant Director, Division of Securities
Department of Financial Institutions

and

On behalf of Bradley Kyle Krein and Crane Investment Group, LLC.

This 1st day of May, 2025.

[Signature]

Bradley Kyle Krein
Crane Investment Group, LLC

ACKNOWLEDGEMENT

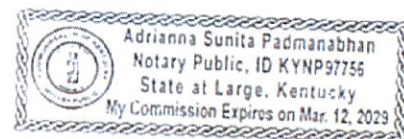
STATE OF Kentucky)

COUNTY OF Fayette)

On this the 1st day of May, 2025, Bradley Kyle Krein, in my presence, acknowledged **himself** to be the authorized representative of **Crane Investment Group, LLC** and **himself**, and, being authorized to do so, did enter into and execute the foregoing instrument, on behalf of **Crane Investment Group, LLC** and **himself**, for the purposes therein contained, acknowledging the same.

My Commission Expires: Mar. 12, 2029

Adrianna Padmanabhan
Notary Public



CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Agreed Order was sent on this the 20th day of May, 2025, by the method indicated below to the following:

Via electronic delivery:

Bradley Kyle Krein
bkrein@craneinvestmentgroup.com
Respondent

Bradley Kyle Krein
bradleykkrein@gmail.com
Respondent

Via electronic delivery:

Brandon Adcock, Staff Attorney III
DEPARTMENT OF FINANCIAL INSTITUTIONS
500 Mero Street
Frankfort, KY 40601
brandon.adcock@ky.gov
Counsel for Department of Financial Institutions

Kentucky Department of Financial Institutions

Name: Autumn Reed

Title: Executive Staff Advisor