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*
IN THE MATTER OF: *
*
VALIDEA CAPITAL MANAGEMENT LLC *
(CRD NO. 130887) *
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STIPULATION AND AGREEMENT

MATTER NO. ST-23-202324-S

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, Validea Capital Management LLC (“Validea”), located at 363 Ridgewood Road, West Hartford, Connecticut 06107, has been registered as an investment adviser under the Act since June 29, 2021. From May 31, 2006 to June 30, 2021, Validea was registered as an investment adviser with the Securities and Exchange Commission, and filed with the Commissioner the notice required by Section 36b-6(e) of the Act;

WHEREAS, in February 2023, the staff of the Securities and Business Investments Division (“Division”) of the Department of Banking (“Department”) conducted an examination of Validea (“Examination”);

WHEREAS, during the Examination, Division staff ascertained that Validea was engaging an unregistered investment adviser agent (the “Agent”) in contravention of Section 36b-6(c)(3) of the Act;

WHEREAS, soon after Division staff notified Validea of this issue, the Agent applied for registration as an investment adviser agent of Validea under the Act, which registration became effective

on September 5, 2023, and Validea has been cooperative throughout all communications with the Division;

WHEREAS, Section 36b-6(c)(3) of the Act provides, in part, that “[n]o investment adviser shall engage an investment adviser agent unless such investment adviser agent is registered under . . . [the Act]”;

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

WHEREAS, an administrative proceeding initiated under Section 36b-15 and 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 stipulation or agreed settlement, unless precluded by law;

WHEREAS, Validea desires to settle the matters described herein and voluntarily enters into this Stipulation and Agreement;

WHEREAS, the Commissioner and Validea acknowledge that this Stipulation and Agreement is in lieu of any court action or administrative proceeding against Validea, its members, officers, employees, agents or representatives adjudicating any issue of fact or law on the matters described herein and is being made to settle only the matters described herein;

WHEREAS, without admitting or denying the allegations contained herein, Validea expressly consents to the Commissioner’s jurisdiction under the Act and to the terms of this Stipulation and Agreement;

WHEREAS, Validea, through its execution of this Stipulation and Agreement, voluntarily waives any rights Validea may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Stipulation and Agreement;

WHEREAS, Validea acknowledges that it has had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Stipulation and Agreement and executes this Stipulation and Agreement freely;

AND WHEREAS, Validea specifically assures the Commissioner that the violations alleged in this Stipulation and Agreement shall not occur in the future.

NOW THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. No later than the date this Stipulation and Agreement is executed by the Commissioner, Validea shall remit to the Department by cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut" the sum of five thousand two hundred and fifty dollars (\$5,250), five thousand dollars (\$5,000) of which shall constitute an administrative fine, and two hundred fifty dollars (\$250) of which shall represent payment of past due investment adviser agent registration fees;
2. Validea, its members, officers, representatives, agents, employees, affiliates, and successors in interest shall refrain from engaging, directly or indirectly, in conduct constituting or which would constitute a violation of the Act or any regulation or order under the Act;
3. Execution of this Stipulation and Agreement by the Commissioner is without prejudice to the right of the Commissioner to take enforcement action against Validea or its successors in interest based upon a violation of this Stipulation and Agreement or the basis for its entry if the Commissioner determines that compliance is not being observed with the terms hereof; and
4. This Stipulation and Agreement shall become binding when executed by Validea and the Commissioner.

IN WITNESS WHEREOF, the undersigned have executed this Stipulation and Agreement on the dates indicated.

Dated at Hartford, Connecticut,
this 19 day of October 2023.

_____/s/_____
Jorge L. Perez
Banking Commissioner

