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**IN THE MATTER OF:**

**ERG SECURITIES (US) LLC**

**(CRD No. 121057)**

**STIPULATION AND  
AGREEMENT**

**No. ST-20-202011-S**

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

**WHEREAS**, ERG Securities (US) LLC (“ERG”) of 50 Washington Street, Suite 921, Norwalk, Connecticut 06854 has been registered as a broker-dealer under the Act from April 14, 2005 to December 14, 2007 and from June 22, 2016 forward;

**WHEREAS**, in 2020, the Commissioner, through the Securities and Business Investments Division (the “Division”) of the Department of Banking, conducted an examination of ERG’s records pursuant to Section 36b-14(d) of the Act and Section 36b-31-14f of the Regulations, and a related investigation under Section 36b-26 of the Act to determine whether ERG had violated, was violating or was about to violate any provision of the Act or any regulation or order under the Act;

**WHEREAS**, as a result of such examination and investigation, the Commissioner alleges that commencing in 2018, ERG employed an unregistered broker-dealer agent in contravention of Section 36b-6(b) of the Act to sell private placements and, in conjunction therewith, failed to effectively establish, enforce and maintain an adequate supervisory system in violation of Section 36b-31-6f(b) of the Regulations;

**WHEREAS**, neither ERG nor the broker-dealer agent in question have any reported disciplinary history;

**WHEREAS**, the broker-dealer agent referenced above became registered as an agent of ERG under the Act on April 23, 2020;

**WHEREAS**, the foregoing allegations, if proven, would support the initiation of administrative proceedings against ERG under Sections 36b-15 and 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 of Connecticut State Agencies provide that a contested case may be resolved by stipulation or agreed settlement, unless precluded by law;

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

**WHEREAS**, the Commissioner and ERG acknowledge that this Stipulation and Agreement is in lieu of any court action or administrative proceeding 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, ERG expressly consents to the Commissioner’s jurisdiction under the Act and to the terms of this Stipulation and Agreement;

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

**AND WHEREAS**, ERG specifically assures the Commissioner that none of the violations alleged in this Stipulation and Agreement shall 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, ERG shall remit to the department via electronic funds transfer or check payable to “Treasurer, State of Connecticut” the sum of three thousand two hundred fifty dollars (\$3,250), three thousand dollars (\$3,000) of which shall constitute an administrative fine, and two hundred fifty dollars (\$250) of which shall reimburse the department for past due agent registration fees;
2. ERG, 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, including, without limitation, employing unregistered broker-dealer agents and failing to adhere to the supervisory requirements in Section 36b-31-6f(b) of the Regulations;

3. Execution of this Stipulation and Agreement by the Commissioner is without prejudice to the right of the Commissioner to take enforcement action against ERG, its affiliates 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;
4. Nothing in this Stipulation and Agreement shall be construed as limiting the Commissioner's ability to take enforcement action against ERG 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 ERG or its members withheld material information from, or made any material misstatement or omission to, the Commissioner in connection with this matter; and
5. This Stipulation and Agreement shall become binding when executed by ERG and the Commissioner.

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

Dated at Hartford, Connecticut  
this 21st day of May, 2020.

\_\_\_\_\_/s/\_\_\_\_\_  
Jorge L. Perez  
Banking Commissioner

I, Robert M. Goodman, state on behalf of ERG Securities (US) LLC, that I have read the foregoing Stipulation and Agreement; that I know and fully understand its contents; that I am authorized to execute this Stipulation and Agreement on behalf of ERG Securities (US) LLC; and that ERG Securities (US) LLC agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein.

ERG Securities (US) LLC

By

\_\_\_\_\_/s/\_\_\_\_\_  
Robert M. Goodman  
Managing Member

State of:               New York

County of:           Westchester

On this the 18 day of May 2020, before me, the undersigned officer, personally appeared Robert M. Goodman, who acknowledged himself to be the Managing Member of ERG Securities (US) LLC, and that he, as such Managing Member, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of ERG Securities (US) LLC by himself as Managing Member.

In witness whereof I hereunto set my hand.

\_\_\_\_\_/s/\_\_\_\_\_  
Notary Public/Commissioner of the Superior Court  
Date Commission Expires: 12/07/23