
*
IN THE MATTER OF: *
*
PERKINS FUND MARKETING, L.L.C. *
*
*
CRD NO. 45642 *
*

CONSENT ORDER

MATTER NO. CO-22-20226-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, Perkins Fund Marketing, L.L.C. (“Perkins”) is a broker-dealer registered under the Act and currently maintains its main office at 1001 N US Highway 1, Suite 204, Jupiter, Florida 33477;

WHEREAS, the Commissioner, through the Securities and Business Investments Division (“Division”) of the Department of Banking, conducted an investigation of Perkins under Section 36b-26 of the Act to determine whether Perkins 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, the Division ascertained that Perkins failed to maintain adequate supervisory policies and procedures with respect to the supervision of outside business activities and private securities transactions;

WHEREAS, once aware of the issue, Perkins took remedial measures to prevent recurrence of issues involving the supervision of outside business activities and private securities transactions, including but not limited to hiring a compliance consulting firm to review and update Perkins' policies and procedures and to provide compliance training to employees;

WHEREAS, as a result of the Investigation, the Commissioner has reason to believe that the foregoing conduct violates Section 36b-31-6f of the Regulations, and would also support administrative proceedings against Perkins under Section 36b-15 of the Act 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-15 of the Act 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 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 Perkins reached an agreement, the terms of which are reflected in this Consent Order, in full and final resolution of the matters described herein;

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

WHEREAS, Perkins expressly consents to the Commissioner's jurisdiction under the Act and to the terms of this Consent Order;

WHEREAS, the issuance 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;

AND WHEREAS, Perkins, through its execution of this Consent Order, specifically assures the Commissioner that the violations alleged in this Consent Order shall not occur in the future.

II. CONSENT TO WAIVER OF PROCEDURAL RIGHTS

WHEREAS, Perkins, 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 Section 36b-15(f) of the Act, Section 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 Section 36b-15(f) of the Act, Section 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 ALLEGATION

WHEREAS, Perkins, through its execution of this Consent Order acknowledges the following allegation of the Commissioner, without admitting or denying the same:

Perkins violated Section 36b-31-6f of the Regulations by failing to establish, enforce and maintain adequate written supervisory procedures with respect to outside business activities and private securities transactions.

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

AND WHEREAS, Perkins 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, Perkins, through its execution of this Consent Order, consents to the Commissioner's entry of a Consent Order imposing on it the following sanctions:

1. Perkins shall refrain from engaging in conduct constituting or which would constitute a violation of the Act or any regulation or order under the Act, including, without limitation, failing to establish, enforce and maintain adequate written supervisory procedures with respect to outside business activities and private securities transactions; and
2. No later than the date this Consent Order is entered by the Commissioner, Perkins shall remit to the Department of Banking by cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", or by electronic funds transfer, the sum of ten thousand dollars (\$10,000) as an administrative fine.

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 Perkins 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 Perkins based upon 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;
4. Perkins shall not take any action or make or permit to be made any public statement, including in regulatory filings, any proceeding in any forum or otherwise, denying, directly or indirectly, any allegation referenced in this Consent Order or create the impression that this Consent Order is without factual basis;
5. Perkins 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. Nothing in this provision affects Perkin's testimonial obligations or right to take a legal or factual position in litigation, arbitration, or other legal proceeding in which the Commissioner is not a party;

6. The entry of this Consent Order by the Commissioner is not intended to give rise to disqualifications under Rule 506(d)(1) of federal Regulation D, 17 C.F.R. Section 230.506(d)(1) or Rule 262(a) of federal Regulation A, 17 C.F.R. Section 230.262(a); and
7. This Consent Order shall become final when entered.

So ordered at Hartford, Connecticut,
this 13th day of July 2022.

_____/s/_____
Jorge L. Perez
Banking Commissioner

