
IN THE MATTER OF:

**PARKER STREET SECURITIES LLC
CRD NO. 316044**

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STIPULATION AND AGREEMENT

NO. ST-2022-47-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, Parker Street Securities LLC (“Parker Street”), is a Delaware limited liability company formed on September 21, 2021 and having its principal place of business at 751 Park of Commerce Drive, Suite 128, Boca Raton, Florida. Parker Street has been registered as a broker-dealer with the Financial Industry Regulatory Authority (FINRA) since March 8, 2022 and with its home state of Florida since August 17, 2022;

WHEREAS, on September 27, 2022, Parker Street applied for registration as a broker-dealer under the Act, which application is currently pending with the Division;

WHEREAS, the Commissioner, through the Securities and Business Investments Division (“Division”) of the Department of Banking (“Department”), conducted an investigation pursuant to Sections 36b-8 and 36b-26(a) of the Act into the activities of Parker Street to determine if it had violated, was violating or was about to violate provisions of the Act or Regulations (“Investigation”);

WHEREAS, in connection with its application for broker-dealer registration under the Act, Parker Street filed with the Commissioner a September 29, 2022 Connecticut Broker-dealer Supplement form which disclosed that Parker Street had transacted business as a broker-dealer in Connecticut prior to registration. More specifically, Parker Street disclosed that, between May 2022 and August 2022, 1) it had sold interests in two private equity funds, ID Funds 3 - Vidmob 3 Private Fund and ID Funds 3 - Buzzer Private Fund, to a single Connecticut investor whom it represented was accredited under federal Regulation D; and 2) sales of the private equity fund interests were effected through an unregistered agent of the firm;

WHEREAS, a review of records maintained by the Division indicates that notice filings for each of the private equity fund issuers were made pursuant to Section 36b-21(e) of the Act;

WHEREAS, Parker Street has represented to the Division that it extended a \$400,000 offer of rescission to the affected investor, which rescission offer the investor declined;

WHEREAS, Parker Street filed an application to register the affected broker-dealer agent on September 29, 2022;

WHEREAS, Parker Street maintains that its failure to obtain proper registration was attributable to an oversight by its former compliance consultant. Parker Street further maintains that, upon hiring a new Chief Compliance Officer, the error was identified, proper registration paperwork was submitted to the Division and the transactions that occurred while unregistered were self-reported to the Division by Parker Street;

WHEREAS, Section 36b-6 of the Act provides, in part, that: “(a) No person shall transact business in this state as a broker-dealer unless such person is registered under sections 36b-2 to 36b-34, inclusive . . . No individual shall transact business as an agent in this state unless such individual is (1) registered as an agent of the broker-dealer . . . whom such individual represents in transacting such business . . . (b) . . . No broker-dealer shall employ an agent unless such agent is (1) registered under sections 36b-2 to 36b-34, inclusive”

WHEREAS, the Commissioner believes that a violation of Section 36b-6 of the Act would support the initiation of administrative proceedings against Parker Street pursuant to Sections 36b-15 and 36b-27 of the Act;

WHEREAS, an administrative proceeding initiated under Sections 36b-15 and 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, Parker Street desires to settle the matters described herein and voluntarily enters into this Stipulation and Agreement;

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

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

AND WHEREAS, Parker Street 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, Parker Street 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 three hundred forty dollars (\$5,340), five thousand dollars (\$5,000) of which shall constitute an administrative fine, and three hundred forty dollars (\$340) of which shall represent payment for past due broker-dealer and agent registration fees;
2. Parker Street, 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 Parker Street 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 or if any representation made by Parker Street and reflected herein is subsequently determined to be untrue; and
4. This Stipulation and Agreement shall become binding when executed by Parker Street and the Commissioner.

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

Dated at Hartford, Connecticut,
this 17th day of February 2023.

_____/s/_____
Jorge L. Perez
Banking Commissioner

I, David Hepburn Deming, state on behalf of Parker Street Securities 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 Parker Street Securities LLC; and that Parker Street Securities LLC agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein.

Parker Street Securities LLC

By: _____/s/_____
David Hepburn Deming
President

State of: Florida

County of: Palm Beach ss:

On this the 7 day of February 2023, before me, the undersigned officer, personally appeared David Hepburn Deming, who acknowledged himself to be the President of Parker Street Securities LLC, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of Parker Street Securities LLC by himself as President.

In witness whereof I hereunto set my hand.

_____/s/_____
Notary Public / Commissioner of the Superior Court
Date Commission Expires: 11/5/2025