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IN RE APPLICATION OF: *
*
LAYERED FINANCIAL, LLC *
*
(IARD NO. 326418) *
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**ORDER CONDITIONING
REGISTRATION AS AN
INVESTMENT ADVISER**

MATTER NO. COND-24-202345-S

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 promulgated under the Act (the “Regulations”);

WHEREAS, on April 28, 2023, Layered Financial, LLC (“Layered Financial”), a Connecticut limited liability company formed on March 14, 2023 and having its principal office at 160 Dockerel Road, Tolland, Connecticut 06069, filed with the Securities and Business Investments Division of the Department of Banking (the “Division”) an application for registration as an investment adviser pursuant to Sections 36b-7 and 36b-32 of the Act;

WHEREAS, on April 28, 2023, Tyler Joseph Weerden (CRD number 7722869) (“Weerden”), sole managing member, chief compliance officer and control person of Layered Financial, filed with the Commissioner an application for registration as an investment adviser agent of the firm pursuant to Sections 36b-7 and 36b-32 of the Act;

WHEREAS, neither Layered Financial nor Weerden are or have ever been registered under the Act or under the securities laws of any other state;

WHEREAS, the aforementioned applications indicated that Layered Financial, through Weerden, proposed to offer financial planning to clients for a fixed fee on a by appointment only basis, and that Weerden had not been employed in the securities business as an agent, investment adviser agent, broker-dealer, investment adviser or in a related capacity;

WHEREAS, Weerden has furnished proof to the Division that he is a Certified Fraud Examiner, has taken master courses at the University of New Haven relating to white collar crime and has taken courses sponsored by the U.S. State Department and NW3C regarding retirement planning and financial investigations;

WHEREAS, Weerden has passed the Series 65 examination and has no reported disciplinary history;

WHEREAS, in its application, Layered Financial indicated that its business would be limited to financial planning;

WHEREAS, in its application, Layered Financial stated that it would be compensated by a fixed fee rather than on a percentage of assets under management, and that it would not charge performance fees;

WHEREAS, in its application, Layered Financial represented that it would not have discretion over client accounts, that it would not maintain custody of client funds or securities and that it would not offer direct fee deduction;

WHEREAS, the Commissioner, through the Division, has conducted an investigation of Layered Financial pursuant to Section 36b-8 of the Act;

WHEREAS, as a result of such investigation, the Division believes that Layered Financial has not fulfilled the experience requirements set forth in Section 36b-31-7b of the Regulations;

WHEREAS, Section 36b-31-7b of the Regulations under the Act provides, in part, that:

(a) Each applicant for investment adviser registration shall (1) have been engaged in the securities business as a broker-dealer, agent, investment adviser or investment adviser agent spending a major portion of his or her working time in the securities business for at least three years within the seven calendar years preceding the date of the application or (2) be otherwise qualified by knowledge and experience as determined by the commissioner. An attorney who has had at least three years of substantial experience in the practice of securities law, an accountant who has had at least three years of substantial experience in the sale of securities or the rendering of advice about the purchase or sale of securities and any other person who can demonstrate equivalent knowledge and experience in the sale of securities or the rendering of investment advice may be deemed to have sufficient experience for purposes of this subsection.

(d) Persons acting as managers shall meet the experience requirements of subsection (a) of this section. For purposes of this subsection, ‘manager’ means (1) any person who supervises investment adviser agents either directly or indirectly or (2) any person responsible for the day-to-day operation and supervision of an investment adviser office in this state.

WHEREAS, as a result of such investigation, the Division also believes that a basis exists under Section 36b-15(a)(2)(J) of the Act for restricting or imposing conditions on the securities or investment advisory activities that Layered Financial may perform in this state based on Layered Financial’s lack of securities-related experience;

WHEREAS, Section 36b-15(a) of the Act provides, in part, that: “The commissioner may by order deny ... any registration or by order restrict or impose conditions on the securities or investment advisory activities that an applicant ... may perform in this state if he finds (1) that the order is in the public interest and (2) that the applicant ... (J) is not qualified on the basis of such factors as training, experience, and knowledge of the securities business, except as otherwise provided in subsection (b) of this section”

WHEREAS, Layered Financial voluntarily agrees to waive any right to a hearing upon the entry of this Order Conditioning Registration as an Investment Adviser (“Conditional Registration Order”), and waives the right to seek judicial review or otherwise challenge or contest the validity of this Conditional Registration Order;

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

WHEREAS, the Commissioner finds that the entry of this Conditional Registration 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 this Act;

NOW THEREFORE, THE COMMISSIONER ORDERS AS FOLLOWS:

1. For three (3) years following the issuance of this Conditional Registration Order, Layered Financial shall notify each new client in writing prior to the rendering of investment advisory services concerning the restricted nature of the firm's investment adviser activities as set forth herein and/or provide a copy of this Conditional Registration Order to such client;
2. For three years, commencing on the date this Conditional Registration Order is signed by the Commissioner, Layered Financial and Weerden shall refrain from having custody or control of client funds or securities;
3. For three years, commencing on the date this Conditional Registration Order is signed by the Commissioner, Layered Financial and Weerden shall not exercise discretionary trading authority with respect to client accounts nor shall they charge performance fees;
4. No later than six months after the Commissioner signs this Conditional Registration Order, Layered Financial shall consult with a regulatory consultant experienced in state and federal investment advisory legal and compliance issues and not unacceptable to the Division Director to ensure that Layered Financial is in compliance with this Conditional Registration Order, the Act and the Regulations thereunder. Layered Financial shall identify such consultant in writing to the Division Director no later than the date the Commissioner signs this Conditional Registration Order. After the initial consultation, Layered Financial shall meet and confer with such consultant annually until three years have elapsed from the date the Commissioner signs this Conditional Registration Order;
5. For three years after the Commissioner signs this Conditional Registration Order, Layered Financial shall limit its investment advisory activity to securities listed on the New York Stock Exchange, the NYSE MKT, the NASDAQ Global Select Market or the NASDAQ Global Market; securities issued by investment companies regulated under the Investment Company Act of 1940; commercial paper; certificates of deposit; corporate debt securities; municipal securities; United States government securities; and insurance products subject to regulation by the Insurance Commissioner. Nothing in this paragraph shall preclude Layered Financial from referring clients to registered investment advisers whose activities are not so limited, and from receiving a referral fee in conjunction therewith provided that full written disclosure of the fee arrangement is made to clients;
6. For three (3) years after the Commissioner signs this Conditional Registration Order, Layered Financial shall notify the Division Director promptly, through appropriate amendments to the CRD and IARD filings of Layered Financial and Weerden, concerning any securities-related

complaints, actions, arbitrations or proceedings (and any updates thereto), including the dispositions thereof;

7. Nothing in this Conditional Registration Order shall preclude Layered Financial from applying in writing to the Division Director for relief from one or more of the foregoing restrictions prior to their expiration if Layered Financial demonstrates that it has retained additional qualified individuals to serve as active officers or managers of Layered Financial. As used in this paragraph, “qualified” shall mean meeting the experience requirements in Section 36b-31-7b of the Regulations;
8. Issuance of this Conditional Registration Order by the Commissioner is without prejudice to the right of the Commissioner to take enforcement action against Layered Financial or Weerden based upon a violation of this Conditional Registration Order if the Commissioner determines that compliance is not being observed with the terms hereof or if any representation made by or on behalf of Layered Financial in connection with its application for registration is subsequently discovered to be untrue;
9. Nothing in this Conditional Registration Order shall be construed as limiting the Commissioner’s ability to take enforcement action against Layered Financial or Weerden based upon evidence of which the Division was unaware on the date hereof relating to a violation of the Act or any regulation, rule or order under the Act;
10. Effective on the issuance of this Conditional Registration Order, the name “Layered Financial LLC” shall be and is hereby entered on the Register of Investment Advisers pursuant to Section 36b-8 of the Act; and
11. This Conditional Registration Order shall become final when entered.

So ordered at Hartford, Connecticut
this 3rd day of January 2024.

_____/s/_____
Jorge L. Perez
Banking Commissioner

