
*
IN THE MATTER OF: *
*
AEGIS CAPITAL CORP. *
*
(CRD NO. 15007) *
*

CONSENT ORDER
NO. CO-25-202512-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, Aegis Capital Corp. (“Aegis”), located at 1345 Avenue of the Americas, 27th Floor, New York, New York 10105, has been registered as a broker-dealer under the Act since November 19, 1992;

WHEREAS, on December 12, 2023, the staff of the Securities and Business Investments Division (“Division”) of the Department of Banking (“Department”) commenced a broker-dealer branch examination of Aegis’ branch located at 156 Kings Highway North, 1st Floor, Westport, Connecticut (“Examination”).

WHEREAS, during the Examination, the Division ascertained that: (1) in addition to a salary, one of Aegis’s non-registered sales assistants (“Employee A”) received compensation derived from a percentage of commissions from brokerage activity; (2) one of Aegis’ agents (“Agent”) failed to disclose an outside business activity (“OBA”) on his Form U4; and, (3) Aegis did not maintain or send concentration letters for several clients, as required by Aegis’ supervisory procedures. A concentration

letter puts the client on notice of risk from lack of diversification such as investing only in a particular industry or security.

WHEREAS, soon after the Division put Aegis on notice of the above concerns arising from the Examination, Employee A became registered as a broker-dealer agent of Aegis, and the Agent disclosed the OBA on his Form U4;

WHEREAS, as a result of the Examination, the Commissioner has reason to believe that the foregoing conduct violates certain provisions of the Regulations, and would support administrative proceedings against Aegis 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 Aegis have reached an agreement, the terms of which are reflected in this Consent Order, in full and final resolution of the matters described herein;

WHEREAS, Aegis, without admitting or denying any of the Commissioner’s allegations, expressly consents to the Commissioner’s jurisdiction under the Act and to the terms of this Consent Order;

WHEREAS, the Commissioner finds that the entry 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;

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

AND WHEREAS, Aegis, 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, Aegis, 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 Sections 36b-15(f) and 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 Sections 36b-15(f) and 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 ALLEGATIONS

WHEREAS, Aegis, through its execution of this Consent Order, acknowledges, without admitting or denying, the following allegations of the Commissioner:

1. Aegis engaged in dishonest or unethical business practices within the meaning of Section 36b-31-15a(b) of the Regulations by compensating an unregistered sales assistant with a percentage of the commissions earned by other Aegis broker-dealer agents; and,
2. Aegis violated Section 36b-31-6f(b) of the Regulations by failing to establish, enforce and maintain a system for supervising the activities of its agents that was reasonably designed to achieve compliance with applicable securities laws and regulations.

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

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

1. Aegis, its representatives, agents, and employees shall cease and desist from engaging in conduct constituting or which would constitute a violation of the Act or any regulation, rule or order adopted or issued under the Act, either directly or through any person, organization or other device, including without limitation engaging in any activity in or from Connecticut that violates Section 36b-31-6f(b) of the Regulations or that constitutes dishonest or unethical business practices within the meaning of Section 36b-31-15a(b) of the Regulations; and
2. No later than the date this Consent Order is entered by the Commissioner, Aegis shall remit to the Department by cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut," the sum of twenty thousand dollars (\$20,000), which shall constitute 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 Aegis 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 Aegis 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 adopted or issued under the Act;
4. Aegis 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. Aegis 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 Aegis's (i) testimonial obligations; or (ii) right to take a legal or factual position in litigation 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 3rd day of September 2025.

_____/s/_____
Jorge L. Perez
Banking Commissioner

CONSENT TO ENTRY OF ORDER

I, Robert Steven Feinman, state on behalf of Aegis Capital Corp. (“Aegis”), that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Aegis; that Aegis agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that Aegis consents to the entry of this Consent Order.

Aegis Capital Corp.

By: /s/
Robert Steven Feinman
Chief Compliance Officer

State of: New York

County of: Richmond

On this the 20th day of August 2025, before me, the undersigned officer, personally appeared Robert Steven Feinman, who acknowledged himself to be the Chief Compliance Officer of Aegis, and that he, as such Chief Compliance Officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Chief Compliance Officer.

In witness whereof I hereunto set my hand.

 /s/
Notary Public
Date Commission Expires: 12/13/26