

**ADMINISTRATIVE PROCEEDING
BEFORE THE
MARYLAND SECURITIES COMMISSIONER**

IN THE MATTER OF: *

NYPPEX, LLC, CRD # 47654 * FILE NO.: 2021-0104

Respondent *

* * * * *

CONSENT ORDER

WHEREAS, pursuant to section 11-405 of the Maryland Securities Act, Corporations and Associations Article, Title 11, Annotated Code of Maryland (2014 Repl. Vol. & Supp. 2020) (the "Act"), NYPPEX, LLC (the "Respondent") submitted an application to the Maryland Division of Securities (the "Division") for registration as a broker-dealer in this State; and

WHEREAS, Respondent's application for broker-dealer registration in this State was approved on May 19, 2020; and

WHEREAS, on or about February 4, 2021, the Supreme Court of the State of New York entered an order permanently enjoining Respondent and its employees, representatives and agents from, among other things, directly or indirectly: (1) taking any action pursuant to the Seventh Amendment to the Amended and Restated Agreement of the limited partnership agreement of ACP X, LP, an affiliated entity; (2) making any investments, extending any loans or lines of credit or entering into any agreements on behalf of ACP X, LP to or with certain affiliated persons; (3) facilitating, allowing or participating in the purchase, sale or transfer of any limited partnership interest in ACP X, LP; (4) withdrawing, converting, transferring, selling or otherwise disposing of funds and assets held by ACP X LP and other affiliated entities, except for distributions to ACP X

LP's limited partners on a pro rata basis upon court approval; and (5) violating Article 23-A of the New York General Business Article and engaging in fraudulent, deceptive and illegal acts, and further employing any device, scheme or artifice to defraud or to obtain money or property by means of false pretense, representation or promise; and

WHEREAS, on June 4, 2021, the Maryland Securities Commissioner (the "Commissioner") issued an Order to Show Cause and Order of Summary Suspension (the "Orders"), which Orders are incorporated by reference, summarily suspending Respondent's registration as a broker-dealer in Maryland and requiring Respondent to show cause why an Order of Revocation of Broker-Dealer Registration should not be issued against Respondent; and

WHEREAS, the Orders were lawfully served on Respondent by certified mail, return-receipt-requested on June 10, 2021, at the address listed as its principal business address and mailing address on the Central Registration Depository system ("CRD"), but at which Respondent was not located and did not actually conduct business; and

WHEREAS, the Order to Show Cause provided that the failure to file an answer, including a request for a hearing, within fifteen (15) days of service of the Order to Show Cause would result in the entry of an Order of Revocation of Broker-Dealer Registration revoking Respondent's broker-dealer registration in Maryland; and

WHEREAS, Respondent failed to timely file an answer to the Orders or to make a written request for a hearing; and

WHEREAS, on July 13, 2021, the Commissioner issued an Order of Revocation of Broker-Dealer Registration revoking Respondent's broker-dealer registration in Maryland; and

WHEREAS, the Order of Revocation of Broker-Dealer Registration notified Respondent that it may appeal the Order of Revocation of Broker-Dealer Registration to the appropriate Circuit

Court of the State of Maryland within 30 days from the date the Order of Revocation of Broker-Dealer Registration was mailed by the Securities Division; and

WHEREAS, Respondent failed to appeal the Order of Revocation of Broker-Dealer Registration within 30 days of the mailing of the Order of Revocation of Broker-Dealer Registration; and

WHEREAS, Respondent has represented to the Division that it failed to respond to the Orders because, although the Orders were lawfully served on Respondent at its address of record in the CRD system, Respondent's mail was not timely forwarded to Respondent's principals who were not actually located at the address of record listed on the CRD; and

WHEREAS, the Commissioner has determined that it is in the public interest to issue this Consent Order.

ACCORDINGLY, IT IS HEREBY ORDERED and Respondent consents and agrees, that:

1. Contemporaneously with the execution of this Consent Order, Respondent shall pay \$5,000 to the Office of the Attorney General, in support of vacating the Order of Revocation of Broker-Dealer Registration.
2. The Order of Revocation of Broker-Dealer Registration issued against Respondent on July 13, 2021, is vacated.
3. Respondent's registration as a broker-dealer in this State is withdrawn as of the date of this Consent Order.
4. Respondent or any successor of the Respondent agrees not to apply or reapply for registration as a broker-dealer or investment adviser with the State of Maryland or conduct securities or investment advisory business in Maryland until the later of five years from the date of this Order or all pending regulatory matters, including without limitation matters with the New

York Attorney General, Financial Industry Regulatory Authority, Inc., and the Securities and Exchange Commission, have been resolved. Once all pending regulatory matters have been resolved and at least five years have passed, Respondent may petition the Commissioner to seek permission to apply as a broker-dealer or investment adviser and conduct securities and investment advisory business in Maryland. Any such petition shall be evaluated in light of Respondent's current and past disciplinary history as well as any other then relevant information.

DATE OF THIS ORDER:

SO ORDERED:

December 6, 2021

**Commissioner's Signature on File
w/Original Document**

Melanie Senter Lubin
Securities Commissioner

NYPPEX, LLC

by: _____

Signature of Principal

Print name of Principal

Print title of Principal

Subscribed to and sworn to before me
this _____ day of _____ 2021.

NOTARY PUBLIC

My Commission Expires: _____