

## **Gemini Galactic Markets, LLC**

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### **Statement of Financial Condition With Report of Independent Registered Public Accounting Firm**

As of and for the year ended December 31, 2023

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

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Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

REPORT FOR THE PERIOD BEGINNING 01/01/2023 AND ENDING 12/31/2023  
MM/DD/YYYY MM/DD/YYYY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: GEMINI GALACTIC MARKETS, LLC

TYPE OF REGISTRANT (check all applicable boxes):

- ☒ Broker-dealer ☐ Security-based swap dealer ☐ Major security-based swap participant  
☐ Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

315 PARK AVENUE SOUTH

(No. and Street)

NEW YORK

(City)

NY

(State)

10010

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Anna Tse

(Name)

(646) 751 - 4442

(Area Code — Telephone No.)

anna.tse@gemini-galactic.com

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing\*

Deloitte & Touche LLP

(Name — if individual, state last, first, and middle name)

30 Rockefeller Plaza

(Address)

New York

(City)

New York

(State)

10112

(Zip Code)

10/20/2003

(Date of Registration with PCAOB)(if applicable)

34

(PCAOB Registration Number, if applicable)

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\* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

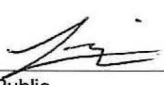
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### OATH OR AFFIRMATION

I, Anna Tse, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Gemini Galactic Markets, LLC, as of December 31, 2023, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.

  
Anna Tse

CCO, Gemini Galactic Markets, LLC

  
Notary Public

HO CHEUNG LI  
NOTARY PUBLIC, STATE OF NEW YORK  
No. 01LI6130180  
Qualified in Kings County  
Commission Expires July 11, 2025

This filing\*\* contains (check all applicable boxes):

- ☒ (a) Statement of financial condition.
- ☒ (b) Notes to consolidated statement of financial condition.
- ☐ (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income (as defined in § 210.1-02 of Regulation S-X).
- ☐ (d) Statement of cash flows.
- ☐ (e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
- ☐ (f) Statement of changes in liabilities subordinated to claims of creditors.
- ☐ (g) Notes to consolidated financial statements.
- ☐ (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- ☐ (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- ☐ (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- ☐ (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- ☐ (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- ☐ (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- ☐ (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- ☐ (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- ☐ (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- ☒ (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- ☐ (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable [FILED SEPARATELY].
- ☒ (t) Independent public accountant's report based on an examination of the statement of financial condition.
- ☐ (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.

- ☐ (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable [FILED SEPARATELY].
- ☐ (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- ☐ (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- ☐ (z) Other: \_\_\_\_\_

**\*\*** To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

# **Gemini Galactic Markets, LLC**

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## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Member of Gemini Galactic Markets, LLC and the Board of Directors of Gemini Space Station, LLC

### **Opinion on the Financial Statement**

We have audited the accompanying statement of financial condition of Gemini Galactic Markets, LLC (the "Company") as of December 31, 2023, and the related notes (collectively referred to as the "financial statement"). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

The financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit of the financial statement provides a reasonable basis for our opinion.



April 1, 2024

We have served as the Company's auditor since 2023.

**Gemini Galactic Markets, LLC**  
**Statement of Financial Condition**  
**As of December 31, 2023**

**Assets**

Cash	\$ 1,055,156
Prepaid expenses	4,850
Total assets	<u>\$ 1,060,006</u>

**Liabilities and Member's Equity**

Liabilities:

Accounts payable	\$ 15,575
Payables due to affiliates	182,665
Total liabilities	<u>198,240</u>

Commitments and contingencies (Note 6)

Member's equity:

Member's equity	2,957,616
Accumulated deficit	<u>(2,095,850)</u>
Total member's equity	861,766
Total liabilities and member's equity	<u>\$ 1,060,006</u>

See accompanying notes to statement of financial condition.

**Gemini Galactic Markets, LLC**  
**Notes to Statement of Financial Condition**  
**As of and for the year ended December 31, 2023**

**1. Description of Business**

Gemini Galactic Markets, LLC (the "Company"), a Delaware limited liability company incorporated on February 28, 2019, operates pursuant to an operating agreement with its sole member, Gemini Space Station, LLC (the "Member") effected on February 28, 2019, as amended on June 25, 2019. The Company is a member of the Financial Industry Regulatory Authority, Inc. and was approved as a securities broker-dealer with the United States ("U.S.") Securities and Exchange Commission (the "SEC") on December 6, 2021. The Company has been approved to operate an online alternative trading system ("ATS") that will offer its subscribers the ability to trade "virtual" or "tokenized" digital asset securities. However, the Company had not commenced principal operations as of December 31, 2023.

**2. Summary of Significant Accounting Policies**

**Basis of presentation**

The accompanying statement of financial condition is presented in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

**Use of estimates**

The preparation of the statement of financial condition is in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the statement of financial condition and the reported amounts of expenses during the reporting period.

Actual results and outcomes may differ from management's estimates and assumptions due to risks and uncertainties. To the extent that there are material differences between these estimates and actual results, the Company's statement of financial condition will be affected. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the result of which forms the basis for making judgments about the carrying values of assets and liabilities.

**Cash**

The Company maintains its cash as deposits at a U.S. bank. Cash balances may exceed federally insured limits from time to time, however the Company does not expect any losses.

**Fair value measurements**

The Company applies fair value measurement principles to certain assets and liabilities that are disclosed at fair value in the statement of financial condition on a recurring basis. The Company defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is estimated by applying a three-level hierarchy which reflects the degree to which objective prices in active markets are available. The fair value hierarchy requires maximized use of observable inputs and outlines the following levels used to classify measurement:

- **Level 1:** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
- **Level 2:** Observable inputs other than those that meet the criteria outlined in Level 1, quoted prices for identical or similar assets or liabilities in inactive markets, quoted prices for similar



**Gemini Galactic Markets, LLC**  
**Notes to Statement of Financial Condition**  
**As of and for the year ended December 31, 2023**

assets or liabilities in active markets, or other inputs that are observable or can be validated by observable market data for substantially the full term of the assets or liabilities.

- **Level 3:** Inputs that are generally unobservable and significant to the fair value measurement of the assets or liabilities typically resulting in a situation in which management would make an estimate of assumptions that market participants would use in pricing the asset or liability.

The Company does not currently have any financial assets or liabilities carried at fair value. The assets and liabilities on the statement of financial condition (prepaid expenses, accounts payable and payables due to affiliates) are carried at amounts other than fair value. The carrying value of these assets and liabilities approximates fair value as they are short-term in nature and generally have negligible credit risk.

### **Market risk factors**

The Company is subject to the market risk factor described below.

#### *Concentration of credit risk*

Financial instruments that potentially subject the Company to concentrations of credit risk include cash. To alleviate this potential credit risk, the Company maintains its cash as deposits with a high credit quality financial institution. The Company has not experienced any losses in such account.

### **3. Related Party Transactions**

The Company entered into two separate Administrative Services Agreements (the "Agreements"), one with the Member on July 10, 2023 and one with Gemini Trust Company, LLC ("GTC"), an affiliated entity under common control, on July 12, 2019, as amended on April 17, 2023. The Agreements define the Member's and GTC's cost allocations to the Company in exchange for providing office space, technology, and certain personnel services. Under the Agreements, these expenses are determined reasonably using methodologies that take into account the cost of services proportional to the use or benefit derived from such services and are settled on a periodic basis.

Pursuant to the Agreements, the Member and GTC charged the Company \$88,755 for the portion of shared services allocable to the Company for the year December 31, 2023. These charges were unpaid and included in Payables due to affiliates on the statement of financial condition as of December 31, 2023.

The Member and GTC also paid certain third party expenses on behalf of the Company for the year ended December 31, 2023. These charges were also unpaid and included in Payables due to affiliates on the statement of financial condition as of December 31, 2023.

### **4. Net Capital Requirement**

The Company is subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital, as defined, equal to \$250,000 or 6 2/3% of total aggregate indebtedness. SEC Rule 15c3-1 also requires that the ratio of aggregate indebtedness to net capital shall not exceed 15 to 1. As of December 31, 2023, the Company had net capital of \$856,916, which was \$606,916 in excess of its required net capital of \$250,000. As of December 31, 2023, the Company's aggregate indebtedness to net capital ratio was 0.23 to 1.

**Gemini Galactic Markets, LLC**  
**Notes to Statement of Financial Condition**  
**As of and for the year ended December 31, 2023**

**5. Member's Equity**

The Member makes cash contributions to the Company in order to fund its expenditures and maintain its minimum net capital requirement. The Company did not receive cash contributions from the Member for the year ended December 31, 2023.

**6. Commitments and Contingencies**

**Litigation**

The Company may be subject to various litigation matters, legal claims, investigations, and regulatory proceedings arising mainly from the ordinary course of its business. There are no such matters deemed reasonably possible to have a material effect on the Company's financial position or results of operations.

**7. Subsequent Events**

The Company has evaluated subsequent events through the issuance of the statement of financial condition and determined that there have been no events that have occurred that would require adjustments or disclosures to the statement of financial condition.