



**COMMISSIONER OF SECURITIES  
STATE OF GEORGIA**

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**In the Matter of**

**Solium Financial Services LLC**

**Respondent.**  
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**Case Number: ENSC-200913**

**CONSENT ORDER**

**WHEREAS**, Solium Financial Services LLC (“SFS”) is a broker-dealer with a principal place of business at 50 Tice Boulevard, Suite A-18 Woodcliff Lake, New Jersey 07677, and is registered as a broker-dealer with the Georgia Secretary of State, who is designated as the Commissioner of Securities (“Commissioner”);

**WHEREAS**, on May 1, 2019, Morgan Stanley acquired Solium Capital Inc., which included its subsidiaries Solium Holdings USA LLC and SFS (hereinafter collectively with SFS and its affiliates, “Solium”);

**WHEREAS**, after the acquisition, SFS self-reported to state securities regulators that it had transmitted certain securities orders in certain jurisdictions at a time when SFS was not registered as a broker-dealer in such jurisdictions;

**WHEREAS**, certain members of the North American Securities Administrators Association, with Alabama serving as the lead state (collectively, the “State Regulators”) conducted a coordinated investigation of SFS to determine whether SFS’s activity was in violation of the relevant jurisdictions’ broker-dealer registration requirements;

**WHEREAS**, SFS has cooperated during the course of the investigation and has agreed to

resolve the investigation with the State Regulators;

**WHEREAS**, SFS, without admitting or denying the Findings of Fact and Conclusions of Law contained herein, voluntarily consents to the entry of this Consent Order (the “Order”) pursuant to the Georgia Uniform Securities Act of 2008 (“Act”) with respect to this Order;

**NOW, THEREFORE**, the Commissioner of Securities finds this Order is in the public interest and hereby enters the following:

### **FINDINGS OF FACT**

1. SFS, CRD No. 147933, is a subsidiary of Solium Holdings USA LLC. SFS registered as a broker-dealer with the Commissioner on July 23, 2019.
2. Solium provides equity plan administration software to employers. Employee-participants of employer-sponsored equity plans that utilize Solium’s software can view and track the options and shares issued to them by their employers.
3. If an employee-participant residing in Georgia requests an exercise or liquidation through Solium’s software, SFS transmits an order in the relevant account at a clearing broker-dealer registered in Georgia and then routes the proceeds to the employee-participant’s account. SFS receives a share of the commissions earned on these transactions.
4. SFS does not provide advice to employee-participants or solicit transactions in any manner.
5. From at least January 2009 to July 23, 2019, SFS transmitted orders for employee-participants residing in Georgia when SFS was not registered as a broker-dealer with the Commissioner.
6. SFS has provided substantial and timely cooperation to the State Regulators during the course of the referenced investigation.

### **CONCLUSIONS OF LAW**

1. During the period from at least January 2009 to July 23, 2019, SFS acted as a broker-dealer in Georgia as the term broker-dealer is defined by O.C.G.A. § 10-5-2(3) of the Act.
2. O.C.G.A. § 10-5-30(a) states that it is unlawful for a person to transact business in Georgia as a broker-dealer unless such person is registered under the Act
3. By engaging in the conduct set forth above, SFS acted as an unregistered broker-dealer in Georgia in violation of O.C.G.A. § 10-5-30(a) of the Act.
4. As a result of the stated violation, SFS is subject to the assessment of a fine pursuant to O.C.G.A. § 10-5-73(d) of the Act.
5. This Order is appropriate and in the public interest.

### **ORDER**

On the basis of the Findings of Fact, Conclusions of Law, and SFS's consent to the entry of this Order, **IT IS HEREBY ORDERED:**

1. This Order concludes the investigation by the Commissioner and any other action that the Commissioner could commence under applicable Georgia law as it relates to the substance of the Findings of Fact and Conclusions of Law herein, provided however, that the Commissioner may pursue claims arising from SFS's failure to comply with the terms of this Order.
2. This Order is entered into solely for the purpose of resolving the investigation and is not intended to be used for any other purpose.
3. SFS shall cease and desist from violating O.C.G.A. § 10-5-30(a) of the Act.

4. (a) SFS shall pay a fine in the amount of Twenty-Two Thousand One Hundred Four Dollars and Twelve Cents (\$22,104.12) to the Office of the Georgia Secretary of State payable on July 1, 2020. This payment of Twenty-Two Thousand One Hundred Four Dollars and Twelve Cents (\$22,104.12) is to be used for the reimbursement of the direct and indirect costs of investigation into this matter and to ensure ongoing compliance with the terms of this Consent Order.

(b) SFS shall pay back registration fees in the amount of One Thousand Two Hundred Fifty Dollars (\$1,250.00) for the period July 23, 2014 through July 23, 2019 to the Office of the Georgia Secretary of State payable on July 1, 2020.

5. This Order is not intended to form the basis for any disqualification from registration as a broker-dealer, investment adviser, or issuer under the laws, rules, and regulations of Georgia and waives any disqualification from relying upon the securities registration exemptions or safe harbor provisions to which SFS or any of its affiliates may be subject under the laws, rules and regulations of Georgia.

6. Nothing in this Order is intended to form the basis for any disqualification under the laws of Georgia, any other state, the District of Columbia, Puerto Rico, or the U.S. Virgin Islands; under the rules or regulations of any securities or commodities regulator or self-regulatory organizations (SROs); or under the federal securities laws, including but not limited to, Section 3(a)(39) of the Securities Exchange Act of 1934, Regulation A, Rules 504 and 506 of Regulation D under the Securities Act of 1933, and Rule 503 of Regulation CF. Further, nothing in this Order is intended to form the basis for disqualification under the FINRA rules prohibiting continuance in membership or disqualification under other SRO rules prohibiting continuance in membership. This Order is not intended to be a final order

based upon any violation of any Georgia statute, rule, or regulation that prohibits fraudulent, manipulative, or deceptive conduct.

7. Except in an action by the Commissioner to enforce the obligations in this Order, this Order is not intended to be deemed or used as (a) an admission of, or evidence of, the validity of any alleged wrongdoing or liability; or (b) an admission of, or evidence of, any such alleged fault or omission of SFS in any civil, criminal, arbitration, or administrative proceeding in any court, administrative agency, or other tribunal.

8. This Order is not intended to state or imply willful, reckless, or fraudulent conduct by SFS, or its affiliates, directors, officers, employees, associated persons, or agents.

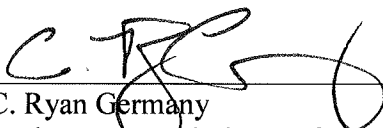
9. SFS, through execution of this Order, voluntarily waives the right to a hearing and to judicial review of this Order under the Act.

10. SFS enters into this Order voluntarily and represents that no threats, offers, promises, or inducements of any kind have been made by the Commissioner or any member, officer, employee, agent, or representative of the Commissioner to induce it to enter into this Order.

SO ORDERED this 4<sup>th</sup> day of May, 2020.

**BRAD RAFFENSPERGER**  
**SECRETARY OF STATE**  
**COMMISSIONER OF SECURITIES**

By:

  
C. Ryan Germany  
Assistant Commissioner of Securities

I hereby agree to the entry of this Consent Order; consent to all terms, conditions and orders contained therein; and waive any right to appeal from this Order.

DocuSigned by:  
*Michael Hennessy*

Apr 29, 2020

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Michael Hennessy, Managing Director  
Solium Financial Services LLC

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Date