



STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SECURITIES DIVISION

IN THE MATTER OF:)
)
SOLIUM FINANCIAL SERVICES LLC,) Case No. 20-09-01
)
RESPONDENT)

ADMINISTRATIVE 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 New Mexico Regulation and Licensing Department, Securities Division (the "Division");

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 elects to permanently waive any right to a hearing and appeal under NMSA 1978, Sections 58-13C-604 and 58-13C-609(A) with respect to this Administrative Consent Order (the "Order");

NOW, THEREFORE, the Division, as administrator of the New Mexico Uniform Securities Act, NMSA 1978, Sections 101 through 705 (the "Act") 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 Division on May 2, 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 New Mexico requests an exercise or liquidation through Solium's software, SFS transmits an order in the relevant account at a clearing broker-dealer registered in New Mexico 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 May 2, 2019, SFS transmitted orders for employee-participants residing in New Mexico when SFS was not registered as a broker-dealer with the Division.

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 May 2, 2019, SFS acted as broker-dealer in New Mexico within the meaning of NMSA 1978, Section 58-13C-102(C).

2. It is unlawful for a person to transact business in New Mexico as a broker-dealer unless such person is registered or exempt from registration. *See* NMSA 1978, Section 58-13C-401.

3. By engaging in the conduct set forth above, SFS acted as an unregistered broker-dealer in New Mexico in violation of the Act.

4. This Order is appropriate in the public interest and is consistent with the purposes intended by the Act.

ORDER

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

1. This Order concludes the investigation by the Division and any other action that the Division could commence under applicable New Mexico law as it relates to the substance of the Findings of Fact and Conclusions of Law herein, provided however, that the Division may pursue claims arising from SFS' 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 NMSA 1978, Section 58-13C-401.

4. (a) SFS shall pay a fine in the amount of five thousand (\$5,000.00) dollars within ten (10) business days of the entry of this Order.