

STATE OF NEW JERSEY
BUREAU OF SECURITIES
P.O. Box 47029
Newark, New Jersey 07101
(973) 504-3600

IN THE MATTER OF:

Zenith Solutions, Inc. (CRD No. 304732),
Respondent.

CONSENT ORDER

BEFORE ELIZABETH M. HARRIS, BUREAU CHIEF

Pursuant to the authority granted to Elizabeth M. Harris, Chief of the New Jersey Bureau of Securities (“Bureau Chief”), under the Uniform Securities Law (1997), N.J.S.A. 49:3-47 to -89 (“Securities Law”), and after investigation, careful review, and due consideration of the facts and statutory provisions set forth below, the Bureau Chief hereby finds that there is good cause and it is in the public interest to enter into a Consent Order (the “Consent Order”) with Zenith Solutions, Inc. (CRD No. 304732) (“Zenith”), and Zenith agrees to resolve any and all issues in controversy regarding the specific conduct described herein on the terms set forth in this Consent Order.

WHEREAS, the New Jersey Bureau of Securities (the “Bureau”) is the State agency with the responsibility to administer and enforce the Securities law;

WHEREAS, N.J.S.A. 49:3-67 authorizes the Bureau Chief from time to time to issue such Orders as are necessary to carry out the provisions of the Securities Law, upon a finding that the action is necessary and appropriate in the public interest or for the protection of investors or consistent with the purposes fairly intended by the provisions of the Securities Law;

WHEREAS, the Bureau has conducted an investigation into certain activities of Zenith as set forth in this Consent Order;

WHEREAS, Zenith and the Bureau Chief wish to resolve the Bureau's investigation regarding the specific conduct described herein without the expense and delay that formal proceedings would involve;

WHEREAS, Zenith consents to the form, content, and entry of this Consent Order. Accordingly, Zenith waives the following rights:

- a. To be afforded an opportunity for hearing on the Bureau Chief's findings of fact and conclusions of law in this Consent Order; and
- b. To seek judicial review of, or otherwise challenge or contest, the validity of this Consent Order;

WHEREAS, Zenith agrees that solely for the purposes of settling this matter, or any future proceedings by the Bureau regarding the specific conduct described herein, this Consent Order is a final order and shall have the same effect as if entered into after a full hearing held pursuant to N.J.S.A. 52:14B-1 to -31; and

WHEREAS, this Consent Order concludes the investigation and action by the Bureau Chief and any civil or administrative action that could be commenced, pursuant to the Securities Law, on behalf of the Bureau Chief, as it relates to seeking civil monetary penalties or other relief against Zenith for the specific conduct described herein solely as it relates to Zenith. The Bureau Chief makes the following Findings of Fact and Conclusions of Law which Zenith neither admits nor denies:

FINDINGS OF FACT

1. Zenith (CRD No. 304732) is an investment adviser that maintains a principal place of business at 2400 Market Street, Suite 216, Philadelphia, Pennsylvania.
2. On March 31, 2022, Zenith initially applied to register with the Bureau as an investment adviser.
3. On February 23, 2023, the Bureau approved Zenith's registration as an investment adviser.
4. On March 1, 2024, the U.S. Securities and Exchange Commission approved Zenith's application as an investment adviser. As such, Zenith withdrew its registration with the Bureau.
5. As part of its investment adviser registration application with the Bureau, Zenith submitted a Certification of Advisory Activity dated October 17, 2022, certifying that it 1) was previously exempt from registration and relied upon N.J.S.A. 49:3-56(g); and 2) had more than five (5) New Jersey clients in the past 12 months.
6. In 2021 and 2022, Zenith had at least six (6) New Jersey clients for whom it provided investment advisory services for compensation. Specifically, Zenith had:
 - a. Six New Jersey clients in 2021; and
 - b. Fifteen New Jersey clients in 2022.
7. Jason M. Ray (CRD No. 6204562) ("Ray") although registered with Zenith in other states as an investment adviser representative since July 30, 2019, did not apply for investment adviser representative registration with the Bureau until March 31, 2022. The Bureau approved Ray's investment adviser representative registration on February 23, 2023.

8. Ray was the investment adviser representative for the above-mentioned New Jersey clients.

9. Fahmin Fardous (CRD No. 7555393) (“Fardous”) although registered with Zenith in other states as an investment adviser representative since January 25, 2023, did not apply for investment adviser representative registration with the Bureau until February 28, 2024. Since the start of her association with Zenith, Fardous has worked from her residence in New Jersey. The Bureau approved Fardous’s investment adviser representative registration on March 7, 2024.

10. Fardous has acted as the investment adviser representative for New Jersey clients since August 17, 2023.

CONCLUSIONS OF LAW

ZENITH ACTED AS AN INVESTMENT ADVISER WITHOUT REGISTRATION IN VIOLATION OF N.J.S.A. 49:3-56(a)

11. The preceding paragraphs are incorporated by reference as though set forth verbatim herein.

12. While Zenith became registered in New Jersey as an investment adviser on February 23, 2023, from 2020 through 2022, Zenith has conducted investment advisory business in and from New Jersey without registration with the Bureau.

13. Zenith from, to or in New Jersey, for direct or indirect compensation, engaged in the business of advising others as to the value of securities and/or as to the advisability of investing in, purchasing, selling or holding securities. Thus, Zenith acted as an investment adviser, as defined in N.J.S.A. 49:3-49(g), without being registered with the Bureau.

14. Zenith violated N.J.S.A. 49:3-56(a), which requires, among other things, that only

persons registered with the Bureau may lawfully act as an investment adviser unless exempt from registration.

15. N.J.S.A. 49:3-56(g)(2) provides an exemption if an investment adviser, with no place in New Jersey, has no more than five New Jersey clients in any 12 consecutive months.

16. As Zenith had more than five New Jersey clients in any consecutive 12-month period, it was required to be registered with the Bureau from 2021 through its registration with the Bureau in 2024.

17. Each violation of N.J.S.A. 49:3-56(a) by Zenith is a separate violation and is cause for the imposition of a civil monetary penalty for each separate violation pursuant to N.J.S.A. 49:3-70.1.

**ZENITH EMPLOYED INVESTMENT ADVISER REPRESENTATIVES WITHOUT
REGISTRATION IN VIOLATION OF N.J.S.A. 49:3-56(j)**

18. The preceding paragraphs are incorporated by reference as though set forth verbatim herein.

19. Zenith employed two investment adviser representatives, as defined in N.J.S.A. 49:3-49(s) without registration as required by N.J.S.A. 49:3-56(j).

20. Zenith violated N.J.S.A. 49:3-56(j), which requires, among other things, that “it shall be unlawful for any investment adviser required to be registered...to employ any investment adviser representative, unless that investment adviser representative is also registered.”

21. Each violation of N.J.S.A. 49:3-56(j) by Zenith is a separate violation and is cause for the imposition of a civil monetary penalty for each separate violation pursuant to N.J.S.A. 49:3-70.1.

IT IS on this 29th day of July, 2024 **ORDERED AND**

AGREED that:

22. Zenith shall **CEASE AND DESIST** from further violations of the Securities Law, including N.J.S.A. 49:3-56(a), N.J.S.A. 49:3-56(i), and N.J.S.A. 49:3-56(j), and will comply with the Securities Law.

23. Zenith shall pay investment adviser and investment adviser representative registration filing fees in the amount of \$1,645.00, due and payable upon execution of this Consent Order.

24. Zenith is assessed a civil monetary penalty in the amount of \$20,000 due and payable upon execution of this Consent Order.

25. All payments shall be made by certified check, bank check; or an attorney trust account check, payable to "State of New Jersey, Bureau of Securities" and delivered to "New Jersey Bureau of Securities," 153 Halsey Street, 6th Floor, Newark, NJ 07102, or to be mailed to "New Jersey Bureau of Securities," P.O. Box 47029, Newark, NJ 07101, to the attention of the Bureau Chief. The payment of the civil monetary penalty shall be deposited in the Securities Enforcement Fund, pursuant to N.J.S.A. 49:3-66.1.

ADDITIONAL PROVISIONS

26. Zenith has read this Consent Order, understands it, and agrees to be bound by its terms.

27. Zenith consents to the jurisdiction of the Bureau.

28. No person representing, or employee, or official, of the Bureau or the State of New

Jersey has made any additional promise or representation to Zenith or its counsel regarding this Consent Order.

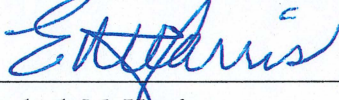
29. This Consent Order shall not bind any person not a party hereto, except as provided herein.

30. Zenith represents that it has had ample opportunity to consult with an attorney regarding this Consent Order.


31. In the event that Zenith violates this Consent Order, the Bureau Chief may vacate this Consent Order and take further action against Zenith or any director, officer, agent, or employee thereof under the Securities Law.

32. In the event that Zenith violates this Consent Order, the Bureau Chief may vacate this Consent Order and take further action against Zenith under the Securities Law.

NEW JERSEY BUREAU OF SECURITIES

By: 
Elizabeth M. Harris
Bureau Chief

ZENITH SOLUTIONS, INC.

DATED: 07 / 22, 2024 By: 
Name: Jason M. Ray
Title: President, Chief Investment Officer, & Chief Compliance Officer