

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

In the Matter of:

STEPHEN PAUL MAY, and
OPTIONS & SOLUTIONS INC.

Docket No. 2021-7-02

AGREEMENT AND ORDER

The State of Idaho, Department of Finance, acting through its Securities Bureau ("Department") has instituted an investigation into the conduct of STEPHEN PAUL MAY and OPTIONS & SOLUTIONS INC. (collectively "Respondents"). Pursuant to the investigation, it appears that violations of the Idaho Uniform Securities Act (2004) ("Act"), Idaho Code § 30-14-101 et seq. have occurred. Therefore, the Director of the Department ("Director") deems it appropriate and in the public interest that this Agreement and Order ("Order") be entered and the Respondents consent to the entry of this Order.

RESPONDENTS

1. Options & Solutions, Inc. ("OSI") is an Idaho corporation organized on February 2, 1999, with its principal mailing address of P.O. Box 123 Bayview, Idaho, 83803. OSI has never registered as an investment adviser in Idaho or any other jurisdiction.

2. Stephen P. May ("May") is the founder, president, and the sole controlling officer of OSI. May has been a resident of Bayview, Idaho, at all relevant times. May has never registered as an investment adviser in Idaho or any other jurisdiction.

BACKGROUND

3. In November 2020, May created a training course titled "Educational QQQ Options Trading Coaching Program" (the "Program"). The Program involved teaching participants, about the market behavior of option contracts on shares of the Invesco QQQ ETF ("QQQ"), an exchange traded fund that tracks the Nasdaq-100 Index. The educational

trading strategy Program was designed to teach participants how to identify and evaluate specific market indicators to better trade QQQ option contracts. The Program was based on two previous years of simulated market research and included information on how to observe trend, other trading indicators, and how to identify trading risks. The Program contract included a provision disclosing that Respondents were not registered investment advisers and that this class was intended for educational purposes.

4. The fee for the Program was \$20,000. The Program contract also included participation in the "Pay It Forward Program" ("PIFP"). The PIFP required participants to pay 10% "on the student's net QQQ trading income increase," for a period starting February 2021 until December 2022.

5. Some students paid the entire \$20,000 fee up front. Others paid a portion up front with a promise to pay in full at a later date. Some students paid nothing up front and promised to pay the fee later, and others were not charged the \$20,000 fee at all and agreed only to participate in the PIFP.

6. The Program contract is between students and OSI. May had sole control over all actions taken and contracts entered into by OSI.

7. Idaho Code § 30-14-102(15) defines "investment adviser" to include a person that, (A) for compensation, engages in the business of advising others as to the value of securities or the advisability of investing in securities, or (B) for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities.

8. By offering and presenting the Program, Respondents acted as investment advisers. Specifically, Respondents, for compensation, engaged in the business of providing advice about how to invest in QQQ option contracts using a narrowly tailored trading system developed by May. Consequently, Respondents were required to register as investment advisers pursuant to Idaho Code § 30-14-403.

9. At all relevant times, Respondents were not registered with the Department as investment advisers and did not qualify for a valid exemption from registration.

FINDINGS OF VIOLATIONS

10. Idaho Code § 30-14-403(a) provides:

It is unlawful for a person to transact business in this state as an investment adviser unless the person is registered under this chapter as an investment adviser or is exempt from registration as an investment adviser under subsection (b) of this section.

11. Respondents violated Idaho Code § 30-14-403(a) by providing investment advice about QQQ option contracts, as described above, without registering with the Department or qualifying for an exemption from registration.

ACKNOWLEDGMENT AND REMEDIES

12. The parties agree to entry of this Order in lieu of other proceedings.

13. Stephen May and Options & Solutions, Inc. neither admit nor deny the Findings of Violations set forth in this Order.

14. Respondents, jointly and severally, agree to pay an administrative penalty of ten thousand dollars (\$10,000). If Respondents comply with paragraph 15, the penalty is reduced to three thousand dollars (\$3,000). Respondents agree to pay the penalty in monthly, minimum payments of five hundred dollars (\$500) due on the 10th day of each month starting on January 10, 2022 and continuing until fully paid. If Respondents fail to timely make a payment, the entire penalty will be immediately due.

15. Respondents agree to return all Program tuition fees collected, back to the students no later than forty five (45) days from the date of the Order. Respondents shall provide the Department documentation of the return of fees no later than sixty (60) days from the date of this Order.

16. Respondents agree that all amounts owed pursuant to this Order, which are not paid according to the terms of the Order, can be recorded, enforced, and satisfied in the same manner as a judgment of a court, pursuant to Idaho Code § 30-14-604(f) and (g).

17. Solely for purposes of the exceptions to discharge of debt set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19), Respondents agree that the allegations in this Order are accurate and that any debt due under this Order is a debt for the violation of Idaho state securities laws or any regulation or order issued under such laws.

18. Respondents agree to cease and desist from any violation of the Act and Rules promulgated thereunder, including specifically, not to provide investment advice in or from Idaho unless in compliance with the Act and Rules.

19. Respondents represent that all information provided to the Department in connection with the investigation relating to the Order is accurate and complete.

20. Respondents waive their right to notice and opportunity for a hearing on this matter provided by Idaho Code § 30-14-604 and under the contested case provision of the Idaho Administrative Procedures Act, Idaho Code § 67-5240 et seq. Respondents further waive their right to seek judicial review of this Order. The terms contained in this Order constitute the entire agreement between the Department and Respondents.

21. Respondents acknowledge after reasonable written notice, that if they fail to comply with the Order, the Department may institute further proceedings against them. Only in the event Respondents commit future violations of the Act or fail to adhere to the terms of this Order, Respondents acknowledge the Department can incorporate the allegations giving rise to this Order in any future proceeding.

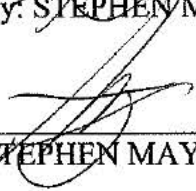
AGREED TO and ACKNOWLEDGED.

Date: 11-15-2021



OPTIONS & SOLUTIONS, INC.
By: STEPHEN MAY, President

Date: 11-15-2021



STEPHEN MAY

Date: _____

PATRICIA HIGHLEY, Securities Bureau Chief
Idaho Department of Finance

IT IS SO ORDERED

DATED this 15 Day of November, 2021

STATE OF IDAHO
DEPARTMENT OF FINANCE

PATRICIA R. PERKINS, Director
Idaho Department of Finance

AGREED TO and ACKNOWLEDGED.


Date: _____

OPTIONS & SOLUTIONS, INC.
By: STEPHEN MAY, President

Date: _____

STEPHEN MAY

Date: 11/19/21



PATRICIA HIGHLEY, Securities Bureau Chief
Idaho Department of Finance

IT IS SO ORDERED

DATED this 23rd Day of November, 2021

STATE OF IDAHO
DEPARTMENT OF FINANCE



PATRICIA R. PERKINS, Director
Idaho Department of Finance

