

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 86531 / July 31, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19299

In the Matter of

PAUL G. KIRK, ESQ.

Respondent.

**ORDER INSTITUTING PUBLIC
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND RULE 102(e) OF THE
COMMISSION’S RULES OF PRACTICE,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 102(e)(3)(i) of the Commission’s Rules of Practice¹ against Paul G. Kirk (“Kirk” or “Respondent”).

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any attorney . . . who has been by name: (A) permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder; or (B) found by any court of competent jurisdiction in an action brought by the Commission to which he or she is a party . . . to have violated (unless the violation was found not to have been willful) or aided and abetted the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in paragraph III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Public Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Paul G. Kirk, age 58, resides in Paoli, Pennsylvania. Kirk is a member of the Pennsylvania State Bar. He was the General Counsel and Chief Operating Officer of Global Transition Solutions, LLC (GTS, LLC). He was also a registered representative of Global Transition Solutions, Inc. (GTS, Inc.), formerly a registered broker-dealer with the Commission. Kirk held Series 7, 24 and 63 securities licenses. Kirk provided advice to individuals and entities regarding compliance with the federal securities laws.

2. During the relevant period, GTS, Inc. was a Wisconsin corporation, and GTS, LLC was a Delaware limited liability company. Their principal place of business was in Newtown Square, Pennsylvania. The entities engaged in the business of transition management services, which involved assisting customers in handling large orders to buy and sell equity and fixed income securities. At all relevant times, GTS, Inc. was registered with the Commission pursuant to Section 15(b) of the Exchange Act. GTS, LLC was not registered with the Commission.

3. On August 8, 2016, the Commission filed a complaint against Kirk in Securities and Exchange Commission v. Place et al. (Civil Action No.2:16-cv-04291-MMB), in the United States District Court for the Eastern District of Pennsylvania. On July 22, 2019, the court entered, by consent, a final judgment permanently enjoining Kirk from future violations of Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder, and Section 15(c)(1) of the Exchange Act.

4. The Commission’s complaint alleged, among other things, that John T. Place, John P. Kirk and his brother Paul G. Kirk operated the “transition management” brokerage consulting business of GTS, Inc. and GTS, LLC. The complaint further alleged that GTS assisted its customers – largely public pension funds – in handling large orders to buy and sell securities when transitioning a large portfolio from one investment manager or strategy to another, or liquidating it. According to the complaint, Place and the Kirks told many of their customers that GTS would receive only explicitly disclosed commissions; however, GTS also received revenue from mark-ups and mark-downs taken by other brokers and shared with GTS. In the Consent Judgment or otherwise, the Kirks neither admitted nor denied the allegations against them.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

Accordingly, it is further ORDERED pursuant to Rule 102(e)(3)(i) of the Commission's Rules of Practice, that Respondent is suspended from appearing or practicing before the Commission as an attorney.

By the Commission.

Vanessa A. Countryman
Secretary