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## ARKANSAS SECURITIES DEPARTMENT

To: Legislative Council Committee  
Co-Chairs, Senator Bill Sample and Representative Jim Dotson  
c/o Marty Garrity, Bureau of Legislative Research  
Fr: Arkansas Securities Department  
Re: Arkansas Securities Department Quarterly Report Pursuant to Act 676 of 2017  
Date: January 4, 2018

During the second quarter of fiscal year 2018, the Arkansas Securities Department collected a total of \$39,500 in fines assessed from Orders. \$25,000.00 was deposited to Special Revenue, Fund SIE0000, and \$14,500.00 was deposited to general revenue. A listing of the orders by the case name with detail of the amounts collected is provided on the attached spreadsheet. There were no settlements or agreements that directed payments to third parties. Copies of the Orders are available on the Department's website at [www.securities.arkansas.gov](http://www.securities.arkansas.gov) under the legal section.

Pursuant to the Arkansas Securities Act, fines paid for violations involving the Securities Act are deposited into the Investor Education Fund, until the total amount of fines collected reaches \$150,000 for each fiscal year. Securities Act fine money in excess of \$150,000 collected in any one year is designated as general revenues.

During the second quarter there were \$109,410.25 in expenditures from the Investor Education Fund. Expenditures include \$142.45 for fuel for the state car, \$25.07 for freight, \$98.28 for mileage, \$31.00 for meals, \$95.79 for in-state lodging, \$610.40 for promotional items and \$108,407.26 for grants to 22 public schools and Economics Arkansas. The Investor Education program made 15 presentations to approximately 737 persons. The programs included presentations on *What's Your Plan for Your Future* that was directed to inmates in the Department of Corrections re-entry program and *Stock Market 101 – Investing Basics* for college students.

2nd Quarter Report for Legislative Council FY2018

	A	B	C	D	E	F	G	H	I
1	Date	Name of Order	Order Number	Total Amount of Fines Assessed	Funds Received by SIE0000	Funds Received by AGA0000	Rescission Offer or Restitution to Arkansas investors	Activities Funded	Summary
2									
3	10/3/2017	Integrated Healing Technologies, LLC	S-17-0095-17-OR01	\$1,000.00	\$1,000.00			Investor Education	Late filing of Form D
4	10/5/2017	Andrew Hardie	S-17-0079-17-OR01	\$5,000.00	\$5,000.00			Investor Education	While registered as broker-dealer agent and investment adviser, representative made unsuitable recommendations to clients.
5	10/5/2017	Amie Elizabeth Fielder	S-17-0106-17-OR01	\$2,000.00	\$2,000.00			Investor Education	Consent order for violations of the Securities Act for having clients sign blank account documents
6	10/19/2017	Kimberly Dawn Smith	S-16-0056-17-OR01	\$5,000.00	\$5,000.00			Investor Education	Consent order for failure to follow firm's compliance policy.
7	10/25/2017	Ocwen Financial Corporation	1:14-ev-02025-RMC	\$9,000.00		\$9,000.00		General Revenue	Global settlement consent order related to uncured potential violation of mortgage laws and regs
8	11/2/2017	Aurora Financial Group, Inc.	C-17-0108-17-OR01	\$5,000.00		\$5,000.00		General Revenue	Consent order for conducting unlicensed mortgage loan servicing activity in violation of the Fair Mortgage Lending Act
9	11/21/2017	First Standard Financial Company, LLC	S-17-0044-17-OR01	\$10,000.00	\$10,000.00			Investor Education	Consent Order for failure to provide informaiton pursuant to written requests from the staff in violation of the Securities Act.
10	11/27/2017	Yield Wealth and Charles Kochel	S-17-0033-OR01	\$2,078.66					Consent order for transacting business after the expiration of the registration in violation of the Securities Act. Fine is due no later than January 2, 2018.
11	12/13/2017	Frazier Blankenship and Game Change Global Technology & Distribution LLC	S-17-0020-17-OR01	\$2,000.00	\$2,000.00			Investor Education	Consent order for selling unregistered securities.
12	12/15/2017	America's Lender LLC	C-17-0123-17-OR01	\$500.00		\$500.00		General Revenue	Consent order concerning violations of the Fair Mortgage Lending Act
13									
14									
15									
16		Totals		\$41,578.66	\$25,000.00	\$14,500.00	\$0.00		
17									
18		Accounts Receivable		\$2,078.66					
19									
20		Fines collected		\$39,500.00					