

ASA HUTCHINSON  
GOVERNOR

B. EDMOND WATERS  
COMMISSIONER



HERITAGE WEST BUILDING, SUITE 300  
201 EAST MARKHAM STREET  
LITTLE ROCK, ARKANSAS 72201-1692  
TELEPHONE: (501) 324-9260  
FACSIMILE: (501) 324-9268

## ARKANSAS SECURITIES DEPARTMENT

To: Legislative Council  
Co-Chairs, Senator Cecile Bledsoe and Representative Jeff Wardlaw  
c/o Marty Garrity, Bureau of Legislative Research  
Fr: Arkansas Securities Department  
Re: Arkansas Securities Department Quarterly Report Pursuant to Act 167 of 2018  
Date: October 9, 2019

During the first quarter of fiscal year 2020, the Arkansas Securities Department collected a total of \$6,000 in fines assessed from Orders. The total amount collected was deposited to special revenues, funding investor education activities. A listing of the orders 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 first quarter \$1,823.70 was spent from the Investor Education Fund. Expenditures include \$206.58 in fuel and maintenance for the state vehicle and \$2,157.12 for an updated laptop and accessories. In addition, \$540.00 was returned to the Investor Education Fund in unused assistance, grants, and aid funding. The Investor Education program made 19 presentations to approximately 906 persons during this quarter. The programs included presentations on *What's Your Plan for Your Future* that were directed to pre-retirees, investing training/future planning for inmates in the Department of Corrections re-entry program and investing basics and stock market training for teachers.

1st Quarter Report for Legislative Council FY 2020

A	B	C	D	E	F	G	H	I
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
8/15/2019	Edison Nation, Inc. f/k/a Xspand Products Lab, Inc.	S-19-0051-19-OR01	\$1,000.00	\$1,000.00			Special Revenue	Consent order entered against an issuer of securities covered by Regulation A, Tier 2 for a late notice filing with the Department.
8/6/2019	Wilshire-Pennington Group, Inc., Benjamin Daniel Kennedy III, and Benjamin Daniel Kennedy IV	S-17-0058-19-OR01	\$12,500.00	\$5,000.00			Special Revenue	Consent order entered for multiple violations of the Arkansas Securities Act and Rules of the Arkansas Securities Commissioner concerning unsuitable securities recommendations, omissions of material information and supervision.
	Totals		\$13,500.00	\$6,000.00	\$0.00			