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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: July 3, 2018

During the fourth quarter of fiscal year 2018, the Arkansas Securities Department collected a total of \$23,000.00 in fines assessed from Orders and \$22,000.00 was deposited as special revenue to the Investor Education Fund. A fine in the amount of \$1,000 for an order assessed on June 19, 2018 was not received until July 2, 2018. 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 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 fourth quarter there were \$7,365.10 in expenditures from the Investor Education Fund. Expenditures include \$271.17 for freight, \$114.45 for setup for promotional items, \$60.00 for meals, \$171.59 for lodging, \$211.27 for fuel for the state car, \$2,434.94 for supplies, and \$4,101.68 for promotional items. The Investor Education program made 17 presentations to approximately 615 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, stock market and investing basics for teachers and students, and *Planning for Retirement* for teachers.

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	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	5/14/2018	RealtyShares 346 LLC	S-18-0047-18-OR01	\$1,000.00	\$1,000.00			Investor Education	Consent order for a late Reg. D notice filings
4	5/15/2018	SoundFi Systems, LLC	S-18-0041-18-OR01	\$1,000.00	\$1,000.00			Investor Education	Consent order for a late Reg. D notice filings
5	5/18/2018	Bluebird Sand, LLC, Anthony D. Stewart, F Waylan Hensley, Rebecca L. Hensley, and Curtis Blane Johnson	S-15-0040-18-OR02	\$15,000.00	\$15,000.00			Investor Education	Consent order for sales of unregistered securities and the employment of an unregistered agent of the issuer.
6	5/29/2018	Caddo Mountain Spring Water LLC	S-18-002-18-OR01	\$1,000.00	\$1,000.00			Investor Education	Consent order for a late Reg. D notice filings
7	5/30/2018	Ballcorps, LLC	S-18-0053-18-OR01	\$1,000.00	\$1,000.00			Investor Education	Consent order for a late Reg. D notice filings
8	6/19/2018	RealtyShares 364 LLC	S-16-0063-18-OR01	\$1,000.00	\$0.00			Investor Education	Consent order for a late Reg. D notice filings. Fine was received on July 2, 2018.
9	6/29/2018	Vision Technologies Inc	S-11-0393-13-OR02	\$3,000.00	\$3,000.00			Investor Education	Final payment on consent order for selling unregistered securities
10									
11									
12		Totals		\$23,000.00	\$22,000.00	\$0.00	\$0.00		