



Arkansas Securities
Department



Department of
Commerce

To: Arkansas Legislative Council

Co-Chairs, Senator Terry Rice and Representative Jeff Wardlaw
c/o Marty Garrity, Bureau of Legislative Research

From: Arkansas Securities Department

Re: Arkansas Securities Department Quarterly Report Pursuant to Act 52 of 2021

Date: July 14, 2022

During the 4th quarter of Fiscal Year 2022, the Arkansas Securities Department collected a total of \$188,679.24 assessed from orders. The total amount was deposited into the Investor Education Fund. A list of the orders is provided on the attached spreadsheet. No settlements or agreements directed payments to a specific entity. 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 \$150,000.00 for each fiscal year. Securities Act fine money in excess of \$150,000.00 collected in any one year is designated as general revenues. All funds collected for violations of the Fair Mortgage Lending Act are directed to general revenue.

During the 4th quarter, the Department spent \$1,058.56 from the Investor Education Fund on promotional items. In addition, the Department awarded \$50,000 in grants and aid to Economics Arkansas to make the stock market game available to all public and private schools in Arkansas. In addition, the Department spent \$10,867.49 in operating expenses including \$8,000 for a new Department website. The Investor Education Program made 2 presentations to approximately 70 persons during this quarter. These presentations focused on financial literacy and functions of the Arkansas Securities Department. Throughout the 4th quarter, the Investor Education Program continued its partnership with Economics Arkansas to host a program for middle school students at Dunbar Magnet Middle School in Little Rock. This program is designed to instruct the students on matters of financial literacy. There are approximately 22 students participating in the program.

2nd Quarter Report for Legislative Council FY2020

	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
1									
2									
3	3/29/2022	BlockFi Lending LLC	S-22-0012-22-OR01	\$943,396.22	\$188,679.24			Special Revenue	Consent Order regarding the sale of unregistered securities and an untrue statement of material fact made in connection with the sale of securities in Arkansas. The assessed fine will be paid in five installments with the first installment received in the 4th quarter of FY'22.
4		Totals		\$943,396.22	\$188,679.24				