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## ARKANSAS SECURITIES DEPARTMENT

To: Arkansas Legislative Council  
Co-Chairs, Senator Bill Sample and Representative David L. Branscum  
c/o Vicki Freeburn, Bureau of Legislative Research  
Fr: Arkansas Securities Department  
Re: Arkansas Securities Department Quarterly Report Pursuant to Act 269 of 2014  
Date: July 8, 2015

During the fourth quarter of fiscal year 2015, the Arkansas Securities Department collected a total of \$68,916.69 in fines assessed from Consent Orders that were deposited to General Revenues, Fund AGA0000. A listing of the orders by the case name with detail of the amounts collected is provided on the attached spreadsheet. During this period, 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 go into the Investor Education Fund, until the balance reaches \$150,000. 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 \$5,317.61 in expenditures from the Investor Education Fund. Expenditures included \$2,850.35 for promotional items; \$2,000.00 for postage; \$436.04 for travel reimbursement; and \$31.22 for fuel for the state car. The Investor Education program made 8 presentations to approximately 170 persons throughout the state. The programs included presentations on Planning for Retirement that were directed to pre-retirees and state employees, presentations on fighting fraud directed to Senior Citizens, and training for teachers and school administrators about teaching investing basics.

4th Quarterly Report for Legislative Council FY2015

	A	B	C	D	E	F	G	H	I	J
1	Date	Name of Order	Order Number	Amount of Funds	Funds Received by	Funds Received by	Rescission Offer or	Activities Funded	Summary	Rationale
2				Total	SDH0100	AGA0000	Arkansas investors			
3	4/13/2015	New Day Financial, LLC d/b/a NewDay USA	C-15-0000-15-OR01	\$60,000.00		\$60,000.00		General Revenue	Multi-State Consent Order	Total fine of \$120,000 paid in 2 equal installments. Final payment due in 6 months.
4	5/4/2015	Salvatore Gioe	S-13-0112-15-OR04	\$694.45		\$694.45		General Revenue	Consent Order	Total fine of \$15,000. Initial check of \$10,000 was returned for insufficient funds. New payment schedule of initial payment of \$2,500 and monthly payments of \$694.45 amended by Order on April 1, 2015.
5	5/4/2015	Niaz Elmazi	S-12-0102-14-OR02	\$2,916.67		\$2,916.67		General Revenue	Consent Order	Total fine of \$45,000 with initial payment of \$10,000 and monthly payments of \$2,916.67
6	5/7/2015	Steele V. Stephens	S-14-0084-15-OR05	\$20,000.00					Final Order	Total fine of \$20,000. Registration revoked. Fine not paid.
7	5/22/2015	Jonathan Edward Rago	S-13-0137-15-OR01	\$7,500.00		\$500.00		General Revenue	Consent Order	Total fine of \$7,500 with 15 monthly payments of \$500.
8	5/28/2015	Salvatore Gioe	S-13-0112-15-OR04	\$694.45		\$694.45		General Revenue	Consent Order	Total fine of \$15,000. Initial check of \$10,000 was returned for insufficient funds. New payment schedule of initial payment of \$2,500 and monthly payments of \$694.45 amended by Order on April 1, 2015.
9	6/3/2015	Niaz Elmazi	S-12-0102-14-OR02	\$2,916.67		\$2,916.67		General Revenue	Consent Order	Total fine of \$45,000 with initial payment of \$10,000 and monthly payments of \$2,916.67
10	6/29/2015	Salvatore Gioe	S-13-0112-15-OR04	\$694.45		\$694.45		General Revenue	Consent Order	Total fine of \$15,000. Initial check of \$10,000 was returned for insufficient funds. New payment schedule of initial payment of \$2,500 and monthly payments of \$694.45 amended by Order on April 1, 2015.
11	6/30/2015	Jonathan Edward Rago	S-13-0137-15-OR01	\$500.00		\$500.00		General Revenue	Consent Order	Total fine of \$7,500 with 15 monthly payments of \$500.
12										
13										
14										
15		Totals		\$95,916.69	\$0.00	\$68,916.69	\$0.00			