ASA HUTCHINSON GOVERNOR

B. EDMOND WATERS
COMMISSIONER



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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: October 8, 2015

During the first quarter of fiscal year 2016, the Arkansas Securities Department collected a total of \$46,683.35 in fines assessed from Consent Orders that were deposited to Special Revenue, Fund SIE0000. 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 <a href="https://www.securities.arkansas.gov">www.securities.arkansas.gov</a> 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 first quarter there were \$1,351.47 in expenditures from the Investor Education Fund. Expenditures included \$735.75 for promotional items; \$163.86 for vehicle maintenance; \$124.72 for travel reimbursement; \$228.88 for office supplies; and \$98.26 for fuel for the state car. The Investor Education program made 15 presentations to approximately 462 persons throughout the state. The programs included presentations on Planning for Retirement that were directed to preretirees and state employees and training for teachers and school administrators about teaching investing basics.

Hotline: (800) 981-4429

WEBSITE: WWW.SECURITIES.ARKANSAS.GOV

## 1st Quarterly Report for Legislative Council FY2016

П	A	В	Т с	D	E	F	G	Т	1 .	
$\vdash$			· ·			1	Rescission Offer or	11	<u> </u>	1
1	Date	Name of Order	Order Number	Amount of Funds	Funds Received by	Funds Received by	Restitution to	Activities Funded	Summary	Rationale
2				Total	SIE0000	AGA0000	Arkansas investors			
	Market all the Art and	THE PERSON NAMED OF COME AS A SET PROPOSITION OF THE ASSAULT AND A SET OF THE ASSAULT AND ASSAULT AND ASSAULT			Previousy Fund					
3					SDH0100					
			and a second							Multi-state settlement for failure to
										register sales assistants and failure to
4	*****	Citigroup Global Markets Inc.	S-15-0016-15-OR01	\$35,000.00	\$35,000.00			Investor Education	Consent Order	supervise.
5	8/6/2015	Restoration Robotics, Inc	S-15-0022-15-OR01	\$500.00	\$500.00			Investor Education	Consent Order	Late notice filing of Form D
6	9/6/2015	Jonathan Edward Rago	C 12 0127 15 0001	¢500.00	¢500.00					Total fine of \$7,500 with 15 monthly
7	***************************************	Bonanza Goldfield Corp.	S-13-0137-15-OR01 S-13-0088-14-OR01	\$500.00 \$100.00	\$500.00 \$100.00			Investor Education	Consent Order	payments of \$500.
H	0/10/2013	Bonanza Goldneid Corp.	3-13-0000-14-UNU1	\$100.00	\$100.00			Investor Education	Consent Order	Late notice filing of Form D
							5 A			Total fine of \$15,000. Initial check of
										\$10,000 was returned for insufficient
1 1										funds. New payment schedule of
1 1										initial payment of \$2,500 and
1 1		THE VANDAGE		The second secon						monthly payments of \$694.45
8	8/10/2015	Salvatore Gioe	S-13-0112-15-OR04	\$694.45	\$694.45			Investor Education	Consent Order	amended by Order on April 1, 2015.
H			J 15 0112 15 0110 ;	Q054.15	7071170	at Paul VII on the Paul VII dead of the label that an immediate an in the payment property open young a group		investor Education	consent order	amended by Order on April 1, 2013.
										Total fine of \$15,000. Initial check of
							OPPORTUNE TO A STATE OF THE STA			\$10,000 was returned for insufficient
										funds. New payment schedule of
					and the second		THE RESIDENCE OF THE PERSON OF			initial payment of \$2,500 and
					a constant		ventura de la companya del companya de la companya del companya de la companya de			monthly payments of \$694.45
9	8/28/2015	Salvatore Gioe	S-13-0112-15-OR04	\$694.45	\$694.45			Investor Education	Consent Order	amended by Order on April 1, 2015.
П							- 1 The ATT ON A COME CONTOUR BANK MINE AND A SECRET			Total fine of \$7,500 with 3
10	8/28/2015	Allied Energy, Inc.	S-15-0013-15-OR02	\$7,500.00	\$2,500.00			Investor Education	Consent Order	installments of \$2,500.
					CONTROL POR CONTROL MARKETON CONTROL TO A LAST SE PARAMETER SOLO AND					Initial payment of \$5,000 with 4
11	8/28/2015	Steele Stephens	60CV-15-3037	\$20,000.00	\$5,000.00			Investor Education	Judgment Order	quarterly installments of \$3,750.
										The second secon
12	8/28/2015	Curtis Lumber Company Inc.	S-15-0030-15-OR01	\$500.00	\$500.00			Investor Education	Consent Order	Late notice filing of Form D
										Total fine of \$7,500 with 15 monthly
13	9/1/2015	Jonathan Edward Rago	S-13-0137-15-OR01	\$500.00	\$500.00			Investor Education	Consent Order	payments of \$500.
				The state of						
										Total fine of \$15,000. Initial check of
					Control of the Contro			To produce appropriate		\$10,000 was returned for insufficient
					noncycles.			and the same of th		funds. New payment schedule of
					посомо			Table to the state of the state		initial payment of \$2,500 and
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14	9/28/2015	Salvatore Gioe	S-13-0112-15-OR04	\$694.45	\$694.45			Investor Education	Consent Order	amended by Order on April 1, 2015.
15 16				466 600 00	A45.000.00		±			
10		Totals		\$66,683.35	\$46,683.35	\$0.00	\$0.00	1	<u> </u>	