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BEFORE THE ARKANSAS SECURITIES COMMISSIONER ARKANSAS SECURITIES DEPT.

CASE NO. S-14-0026

IN THE MATTER OF:

CHRISTOPHER NEUDECKER

RESPONDENT

COMPLAINT

The Staff of the Arkansas Securities Department (“Staff”), by and through its attorney, David H. Smith, for its Complaint states as follows:

ADMINISTRATIVE AUTHORITY

1. This Complaint is filed pursuant to the Arkansas Securities Act, Ark. Code Ann. §§ 23-42-101 through 23-42-509 (“Act”), the Rules of the Arkansas Securities Commissioner (“Rules”), and the Arkansas Administrative Procedures Act, Ark. Code Ann. §§ 25-15-201 through 25-15-219, and is therefore properly before the Arkansas Securities Commissioner (“Commissioner”) pursuant to Ark. Code Ann § 23-42-308.

RESPONDENT

2. Christopher L. Neudecker (“Neudecker”), CRD # 3181809, is a resident of Tennessee that filed an application for registration in Arkansas as an investment adviser representative with Sowell Management Services (“Sowell”), CRD # 127145, an investment adviser registered with the Securities and Exchange Commission with its principal place of business in North Little Rock, Arkansas.

FACTUAL ALLEGATIONS

3. On March 10, 2014 Neudecker filed an application for registration as an investment adviser representative with Sowell. On April 4, 2014 the Arkansas Securities Department Staff

("Staff") requested additional information regarding Neudecker and his registration application through a letter to Sowell. On April 11, 2014 the Staff received a response to the request for additional information from Sowell. Information received by the Staff for Neudecker's application included a fraudulent performance verification report for a Neudecker owned entity, Lakeshore Capital Management, LLC ("Lakeshore"), CRD # 167217. The report was purportedly prepared by an audit and accounting firm located in Pennsylvania. The accounting firm informed the Staff that they did not prepare the report and have not done business with Neudecker or Lakeshore. Lakeshore, solely owned and controlled by Neudecker and located in Lakeland, Tennessee, applied for registration as an investment adviser in Tennessee in May 2013, but was never approved.

4. The State of Tennessee entered an order of denial against Neudecker on April 3, 2014 concerning an application for registration as an investment adviser representative with Lakeshore. The Tennessee Order No. 14-001 ("Order") found that Neudecker offered advisory services to a potential client without being registered in violation of the Tennessee Securities Act. The Order also found that Neudecker used a fraudulent document in soliciting investment advisory services. The Order denied Neudecker's application for registration.

5. On April 7, 2014 Sowell and Neudecker requested that the pending application for registration of Neudecker as an investment adviser representative for Sowell in Arkansas be terminated.

VIOLATIONS OF THE ACT

6. The Act in § 23-42-308 provides, in part, that the Commissioner may deny a registration if he finds that the applicant has filed an application for registration that contained any statement that was false or misleading concerning any material fact. Documents provided to

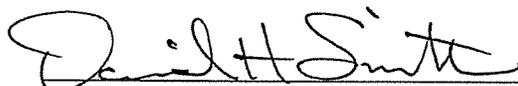
the Staff concerning Neudecker's application for registration included a fraudulent performance report for a Neudecker owned investment adviser.

7. The Act in § 23-42-308 provides, in part, that the Commissioner may deny a registration if he finds that the applicant is the subject of an order entered within the past five years by the securities administrator of any other state. The State of Tennessee entered an order of denial against Neudecker on April 3, 2014 concerning his application for registration as an investment adviser representative in Tennessee. The Tennessee Order found that Neudecker offered advisory services to a potential client without being registered and that he used a fraudulent document in soliciting investment advisory clients, both in violation of the Tennessee Securities Act.

REQUESTED RELIEF

WHEREFORE, the Staff respectfully prays that its Complaint be received, that a date for a hearing on the merits be set, and that upon a final hearing the Commissioner by order deny the application for registration for Neudecker in accordance with Ark. Code Ann. § 23-42-308.

Respectfully submitted,



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