

ASA HUTCHINSON
GOVERNOR

B. EDMOND WATERS
COMMISSIONER



HERITAGE WEST BUILDING, SUITE 300
201 EAST MARKHAM STREET
LITTLE ROCK, ARKANSAS 72201-1692
TELEPHONE: (501) 324-9260
FACSIMILE: (501) 324-9268

ARKANSAS SECURITIES DEPARTMENT

***** FOR IMMEDIATE RELEASE *****

Date: March 16, 2016

Contact Person: Robert M. Cossio

ARKANSAS SECURITIES COMMISSIONER ORDERS ROGERS RESIDENT TO STOP VIOLATING SECURITIES LAWS

On March 16, 2016, Arkansas Securities Commissioner, B. Edmond Waters, issued a Cease and Desist Order ("Order") against Chastain Financial, LLC ("Chastain Financial"), an Arkansas limited liability company located in Rogers; and Carla L. Chastain ("Chastain"), a Rogers resident. The Order directed the Respondents to refrain from engaging in investment adviser or broker-dealer related activity and, to immediately cease and desist from committing fraud or deceit in connection with the offer or sale of any securities in Arkansas.

Chastain is a licensed insurance producer and President and CEO of Chastain Financial, a registered insurance agency. Both are registered and licensed to sell insurance products, however, neither Chastain nor Chastain Financial are registered to sell or offer securities in Arkansas. Despite not being registered with the Arkansas Securities Department, the Commissioner found that Chastain and Chastain Financial advertised a licensed affiliation and offered securities through Comprehensive Asset Management and Servicing, Inc. and investment advice through Capital Portfolio Management, LLC. The Order further states that Chastain and Chastain Financial solicited Arkansas residents by offering a free dinner seminar, the invitations to which contained untrue and misleading statements. Chastain claimed to be an investment adviser representative who had earned an IRA distribution specialist designation from the Ed Slott Institute, neither of which were found to be true.

The Order found that Chastain Financial acted as a broker-dealer and investment adviser without being properly registered per the Arkansas Securities Act ("Act"), and also found that Chastain acted as an agent and investment adviser representative without being properly registered per the Act. Further, the Order found that both Chastain and Chastain Financial had committed securities fraud in the offer, sale, or purchase of securities.

A copy of the Order is available on the Arkansas Securities Department's website at www.securities.arkansas.gov, Order No. S-16-0018-16-OR01.