

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: August 17, 2016

Contact Person: David H. Smith

ARKANSAS SECURITIES COMMISSIONER ORDERS FORT SMITH RESIDENT TO STOP VIOLATING SECURITIES LAWS

On August 15, 2016, Arkansas Securities Commissioner, B. Edmond Waters, issued a Cease and Desist Order ("Order") against Jeffery Smith ("Smith"), a Fort Smith resident, and Four Corners Management, LLC ("Four Corners"), an Arkansas limited liability company located in Fort Smith.

The Order found that Smith sold an Arkansas resident an investment in an Arkansas company involved in solar energy located in Fayetteville. Smith represented that the investment of \$24,500 would generate a 200% return within a four month period ending in February of 2016. Smith and Four Corners were not authorized by the company to offer or sell any investment on behalf of or in connection with the company. Smith is not and has never been a shareholder, owner, officer, employee, or contractor of the company. In addition, neither Smith nor Four Corners is registered in any capacity pursuant to the Arkansas Securities Act. To date, the investor has received no payments or returns on the investment he made with Smith and Four Corners.

The Commissioner found that Smith acted as an unregistered agent in violation of Ark. Code Ann. §23-42-301. Furthermore, the security offered and sold by Smith and Four Corners was not registered with the Department, exempt from registration with the Department, or a covered security under federal law in violation of §23-42-501.

The Commissioner also found that Smith and Four Corners committed securities fraud in violation of Ark. Code Ann. §23-42-507 by: selling an investment in a company that had not authorized Smith and Four Corners to sell its securities; failing to inform the investor that Smith was not authorized to sell securities; and representing to the investor that his investment in the company would be used to establish the investor in a "Provider" position in the company, and that the investment would provide a 200% return within four months.

The Order directs the Respondents to cease and desist from offering and/or selling securities to residents of the State of Arkansas until such time as the securities in question and the entities and persons offering and selling the securities are all properly registered under the Arkansas Securities Act. In addition, the Order directs the Respondents to cease and desist from committing fraud or deceit in connection with the offer or sale of any securities to residents of the State of Arkansas.

A copy of the Order is available on the Arkansas Securities Department's website at www.securities.arkansas.gov, Order No. S-16-0068-16-OR02. Anyone that has recently been involved in a similar business transaction with Jeffery Smith or Four Corners Management, LLC is urged to contact the Department at 501-324-9260.