

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER  
CASE NO. S-22-0003  
ORDER NO. S-22-0003-22-OR01**

**IN THE MATTER OF:  
UNITED PENTECOSTAL CHURCH  
DEVELOPMENT FUND, INC.**

**RESPONDENT**

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ARKANSAS SECURITIES DEPARTMENT

**CONSENT ORDER**

This Consent Order is entered pursuant to the Arkansas Securities Act (“Act”), codified at Ark. Code Ann. §§ 23-42-101 through 23-42-509, the Rules of the Arkansas Securities Commissioner (“Rules”) promulgated under the Act, and the Arkansas Administrative Procedures Act, codified at Ark. Code Ann. §§ 25-15-101 through 25-15-220, in accordance with an agreement by and between the Staff of the Arkansas Securities Department (“Staff”) and United Pentecostal Church Development Fund, Inc. (“Fund”) in full and final settlement of all claims that could be brought against the Fund by the Staff on the basis of the facts set forth herein.

The Fund admits the jurisdiction of the Act and the Arkansas Securities Commissioner (“Commissioner”), waives its right to a formal hearing, and consents to the entry of this order and agrees to abide by its terms.

**FINDINGS OF FACT**

1. The Fund is a not-for-profit organization as described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Fund is organized under the laws of the state of Missouri, and its principal office is located at 36 Research Park Court Weldon Spring, Missouri 63304.
2. The Fund filed for exemption under Ark. Code Ann. § 23-42-503(a)(7) on October 23, 2020. The Fund’s offering expired on October 23, 2021.

3. The Fund made sales of its securities after the expiration of the offering. These unregistered sales occurred on November 8, 2021, November 11, 2021, and November 28, 2021.

#### **LEGAL AUTHORITY**

4. Ark. Code Ann. § 23-42-501 states it is unlawful for any person to offer or sell any security in this state unless: (1) it is registered under this chapter; (2) the security or transaction is exempted under Ark. Code Ann. § 23-42-503 or Ark. Code Ann. § 23-42-504; or (3) it is a covered security.
5. Ark. Code Ann. § 23-42-503(a)(7) provides in part that any security issued by any person organized and operated not for private profit but exclusively for religious, educational, benevolent, charitable, fraternal, social, athletic, or reformatory purposes, or as a chamber of commerce or trade or professional association is exempted from §§ 23-42-501 and 23-42-502.
6. Ark. Code Ann. § 23-42-503(d)(1) states before any security may be issued as an exempted security under subdivision (a)(7) of this section or subdivision (c)(1)(A) of this section, a proof of exemption must first be filed with the commissioner, and the commissioner by order shall not have disallowed the exemption within the next ten (10) full business days.
7. Rule 503.01(a)(7) provides the proof of exemption filing requirements for securities exempt under Ark. Code Ann. § 23-42-503(a)(7).

#### **CONCLUSIONS OF LAW**

8. The offer and sale of securities by the Fund to Arkansas residents, where such securities were neither registered with the Department nor exempted from registration, constituted a violation of Ark. Code Ann. § 23-42-501.

9. Ark. Code Ann. §23-42-308(h) provides that matters may be resolved by consent order in lieu of a formal proceeding.

### UNDERTAKING

10. In settlement of all claims that could be brought against the Fund by the Arkansas Securities Department based on the above stated findings of fact, the Fund agrees to the terms of this Consent Order.

11. The Fund agrees to pay a fine in the amount of \$500, which shall be due upon the entry of this Order.

12. The Fund shall cease and desist from soliciting, offering, or selling securities in the state of Arkansas unless and until the securities are properly registered, exempt from registration, or are covered securities pursuant the Act and Rules.

### OPINION

This Order is in the public interest. The facts set out in paragraphs one through three support the violation of the Act as set out in paragraph eight.

### ORDER


IT IS THEREFORE ORDERED that United Pentecostal Church Development Fund, Inc. pay a fine in the amount of \$500 and cease and desist from further violations of the Act.

WITNESS MY HAND AND SEAL on this 9<sup>th</sup> day of March, 2022.



Eric P. Munson  
Arkansas Securities Commissioner

I hereby agree to the entry of this Consent Order; consent to all terms, conditions, and orders contained therein; and waive any right to appeal from this Order.

  
\_\_\_\_\_  
Respondent

3 8 22  
\_\_\_\_\_  
Date

*Approved as to content and form:*

\_\_\_\_\_  
Respondent's Attorney

\_\_\_\_\_  
Date

\_\_\_\_\_  
Aislinn Andrews, Staff Attorney  
Arkansas Securities Department

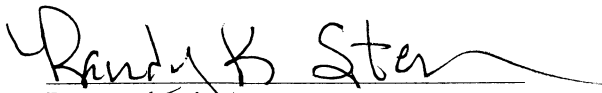
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\_\_\_\_\_  
Respondent

\_\_\_\_\_  
Date

*Approved as to content and form:*

  
\_\_\_\_\_  
Respondent's Attorney

3/07/2022  
Date

  
\_\_\_\_\_  
Aislinn Andrews, Staff Attorney  
Arkansas Securities Department

3/9/2022  
Date