

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

CASE NO. S-15-0044

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IN THE MATTER OF:

Order No. S-15-0044-15-ORC01 ARKANSAS SECURITIES DEPT.

Blue Zebra Brands, Inc

RESPONDENT

CONSENT ORDER

This Consent Order is entered pursuant to the Arkansas Securities Act, codified at Ark. Code Ann. §§ 23-42-101 through 23-42-509 (“Act”), the Rules of the Arkansas Securities Commissioner (“Rules”) promulgated under the Act and the Arkansas Administrative Procedures Act, codified at Ark. Code Ann. §§ 25-15-201 through 25-15-219 in accordance with an agreement by and between the Staff of the Arkansas Securities Department (“Staff”) and Blue Zebra Brands, Inc. (“Blue Zebra”) in full and final settlement of all claims that could be brought against Blue Zebra by the Staff on the basis of the facts set forth herein.

Blue Zebra admits the jurisdiction of the Act and the Arkansas Securities Commissioner (“Commissioner”), waives its right to a formal hearing, consents to the entry of this order, and agrees to abide by its terms. Blue Zebra also agrees that entry of this order has no impact on its potential civil liability to Arkansas investors under Ark. Code Ann. § 23-42-106 for the violations detailed below.

FINDINGS OF FACT

1. On or about November 20, 2014, agents or employees of Blue Zebra made its first sale of securities in an offering to an Arkansas resident.
2. On or about February 2, 2015, Blue Zebra filed a transaction notice of a sale pursuant to the accredited investors exemption available under Rule 504.01(a)(12)(N) of the Rules.

3. Blue Zebra failed to file the notice of a sale pursuant to the accredited investor exemption within fifteen days of the sale of securities to an Arkansas investor.

CONCLUSIONS OF LAW

4. Rule 504.01(a)(12)(N) of the Rules sets forth a transactional exemption from the registration requirements of Ark. Code Ann. § 23-42-501. The accredited investor exemption requires that the issuer file a notice of transaction within fifteen days of the first sale in Arkansas.

5. Blue Zebra's filing of the notice of the transaction pursuant to the accredited investor exemption approximately two months after the sale of securities in the offering to an Arkansas resident as detailed in paragraphs 1-3 is a violation of Rule 504.01(a)(12)(N) of the Rules.

6. Entry of this Order does not affect the potential civil liability of Blue Zebra under Ark. Code Ann. § 23-42-106 for Arkansas investors in the offering.

ORDER

IT IS THEREFORE ORDERED that Blue Zebra pay a fine in the amount of \$500.00.



B. Edmond Waters
Arkansas Securities Commissioner

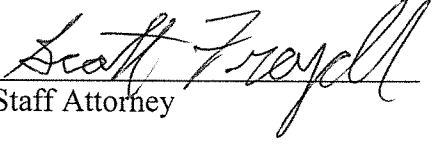
11-24-15
Date

Blue Zebra Brands, Inc.

By: 

Title: Jean Sim, Co-CEO

Date: 11/15/15


Staff Attorney