

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

CASE NO. S-10-040

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

ORDER NO. S-10-040-10-CO01

BROOKSTONE SECURITIES, INC

RESPONDENT

CONSENT ORDER

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

Brookstone admits the jurisdiction of the Act and the Arkansas Securities Commissioner ("Commissioner"), waives its right to a formal hearing, and without admitting or denying the findings of facts made herein, consents to the entry of this order and agrees to abide by its terms.

FINDINGS OF FACT

1. Brookstone, CRD # 13366, is a registered broker-dealer that transacts business in Arkansas.
2. Brookstone conducted business as a broker-dealer through a branch office located at 15721 Chenal Parkway, Suite 213, Little Rock, Arkansas.
3. On or about November 3, 2009, the Staff requested Brookstone register the branch office in accordance with the Act.
4. Brookstone failed to register the branch office until January 25, 2010.

CONCLUSIONS OF LAW

5. Brookstone operated a branch office in Arkansas without properly registering the branch office as detailed in ¶¶ 1-4 in violation of Ark. Code Ann. § 23-42-301(f).

6. The acts of Brookstone as described above in ¶¶ 1-4 constitute violations of Ark. Code Ann. § 23-42-301(f). The violations warrant the entry of an appropriate civil penalty against Respondent Brookstone, as authorized by Ark. Code Ann. § 23-42-308(g)(1).
7. The Act permits the informal disposition of allegations by consent order. Ark. Code Ann. § 23-42-308(h).

ORDER

By agreement and with the consent of the Staff and the authorized representatives of Brookstone, it is hereby ordered that Brookstone shall comply with all applicable provisions of the Act and Rules and pay a civil penalty in the amount of \$100.00 to the Arkansas Securities Department. Payment shall be made by Brookstone within thirty days of the entry of this Consent Order.

WITNESS MY HAND AND SEAL on this 15th day of March, 2010.

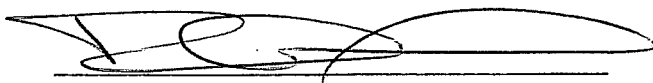


A. HEATH ABSHURE
Arkansas Securities Commissioner

March 15, 2010

DATE

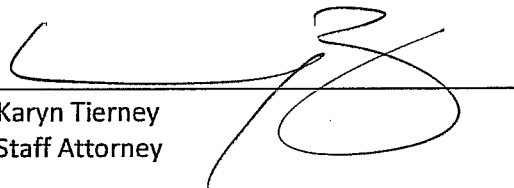
I hereby agree to the entry of this Consent Order, and consent to all terms, conditions, and orders contained therein, and waive any right to an appeal from this order.



David Lochy
President, Brookstone Securities, Inc.

3/10/10

Date



Karyn Tierney
Staff Attorney

3/11/10

Date