

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER**

**CASE NO. S-17-0072**

**ORDER NO. S-17-0072-17-OR01**

RECEIVED

17 AUG -1 AM 8:19

ARKANSAS SECURITIES DEPT.

**IN THE MATTER OF:**

**STRAWBERRY FIELDS, L.L.C.**

**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. §§ 25-16-201 through 25-16-303 in accordance with an agreement by and between the Staff of the Arkansas Securities Department (“Staff”) and Strawberry Fields, L.L.C. (“Strawberry Fields”), in full and final settlement of all claims that could be brought against Strawberry Fields by the Staff on the basis of the facts set forth herein. Strawberry Fields admits the jurisdiction of the Act and the Arkansas Securities Commissioner (“Commissioner”), neither admits nor denies the findings of fact, waives its right to a formal hearing, consents to the entry of this order, and agrees to abide by its terms.

**FINDINGS OF FACT**

1. On or about June 9, 2015, agents or employees of Strawberry Fields sold securities issued by Strawberry Fields to four Arkansas residents. On June 21, 2017, the Strawberry Fields filed a Notice of Sale of Securities on United States Securities and Exchange Commission (“SEC”) Form D with the Arkansas Securities Department (“Department”) for the Strawberry Fields securities offering.

2. Strawberry Fields fully cooperated with the Staff during the Staff’s investigation of this matter.

### APPLICABLE LAW

3. Ark. Code Ann. § 23-42-509(c)(1) and Rule 509.01(b)(2) state that with respect to any security that is a covered security under Section 18(b)(4)(F) of the Securities Act of 1933, the Commissioner, by rule or order, may require the issuer to file a notice on SEC Form D and a consent to service of process signed by the issuer no later than fifteen (15) days after the first sale of such covered security in this state.

### CONCLUSIONS OF LAW

4. The Notice of Sale of Securities on SEC Form D filed by Strawberry Fields with the Department over two years after the first sale of securities to four Arkansas residents, as detailed in paragraph one, was a violation of Ark. Code Ann. § 23-42-509(c)(1) and Rule 509.01(b)(2) of the Rules.

5. This Consent Order is not intended to indicate that Strawberry Fields should be subject to any statutory disqualification set forth in (a) the federal securities laws or regulations promulgated thereunder, (b) the rules and regulations of any self-regulatory organizations, or (c) various states' securities laws, including any disqualifications from relying upon exemptions from registration or associated safe harbor provisions. The Staff and the Commissioner confirm that disqualification under 17 C.F.R. Section 230.506(d)(1)(iii)(B) should not arise as a consequence of this Consent Order.

### UNDERTAKING

In settlement of this matter Strawberry Fields agrees to pay a fine in the amount of \$1,000.00.

ORDER

IT IS THEREFORE ORDERED that Strawberry Fields pay a fine in the amount of \$1,000.00 to the Department within 10 days of the entry of this order.



B. Edmond Waters  
Arkansas Securities Commissioner

8-1-17

Date

APPROVED AS TO FORM  
AND CONTENT:



Pat Salame  
Manager of Strawberry Fields

7-26-17

Date



Scott Freydl  
Staff Attorney

8/1/17

Date