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GOVERNOR

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COMMISSIONER



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## ARKANSAS SECURITIES DEPARTMENT

### FOR IMMEDIATE RELEASE

Date: June 3, 2009

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#### **ARKANSAS SECURITIES COMMISSIONER ISSUES A CEASE AND DESIST ORDER STOPPING THE FRAUDULENT SALE OF UNREGISTERED SECURITIES**

Arkansas Securities Commissioner A. Heath Abshure issued a Cease and Desist Order yesterday against the Greenleaf Companies, LLC, Eric C. Gagnepain and Misty Perkins. Greenleaf's investment scheme involved using the good credit of an investor to purchase a residential house. The control of this residential house would be immediately turned over by the investor to Greenleaf. Greenleaf would then manage the property and find a potential purchaser to lease the residential house until the purchaser/renter could purchase the residential house from the investor. The investor was promised a \$10,000.00 payment from Greenleaf for participating in the scheme. None of the securities sold by Greenleaf, Gagnepain or Perkins as part of this scheme in Arkansas were registered with the Arkansas Securities Department. In addition, sales literature prepared by Greenleaf fraudulently stated that Greenleaf and its process all but nullified the risk of loss for investors. Also, Greenleaf guaranteed principal, interest, taxes, and insurance payments to investors. Ultimately, Greenleaf failed to make these guaranteed payments to the investors. Staff Attorney Scott Freydl said, "Arkansas residents should be wary of any investment that offers a guaranteed return with very little or no risk. Arkansas residents are encouraged to contact the Arkansas Securities Department prior to making any investment in order to find out if the security and the person selling the security are properly registered or exempt from registration with the Department."

The public is advised that the Staff is continuing its investigation into this matter. Should anyone have any further information about Greenleaf, Gagnepain or Perkins, please contact Scott Freydl at 501-324-9266. A copy of the order is available on the Arkansas Securities Department's website, [www.securities.arkansas.gov](http://www.securities.arkansas.gov), Order No. S-09-004-09-CD01, In the Matter of Greenleaf Companies, LLC, Eric C. Gagnepain and Misty Perkins.