

BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASES NO. S-18-0063
ORDER NO. S-18-0063-18-OR01

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:
REALTYSHARES 364, LLC

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 RealtyShares 364, LLC (“RealtyShares 364”), in full and final settlement of all claims that could be brought against RealtyShares 364 by the Staff on the basis of the facts set forth herein. RealtyShares 364 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 agree to abide by its terms.

FINDINGS OF FACT

1. On or about March 14, 2018, agents or employees of RealtyShares 364 sold securities issued by RealtyShares 364 to one Arkansas resident. On May 14, 2018, RealtyShares 364 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 RealtyShares 364 securities offering.

2. RealtyShares has already signed two consent orders with the Staff concerning late notice filings for other securities offerings. Further, Rory McNea assured the Staff in April that RealtyShares had “put into effect a new process aimed at preventing late filings from occurring.”

3. RealtyShares 364 fully cooperated with the Staff during the Staff’s investigation of this matter.

APPLICABLE LAW

4. 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

5. The Notice of Sale of Securities on SEC Form D filed by RealtyShares 364 with the Department over eight weeks after the first sale of securities to one Arkansas resident, 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.

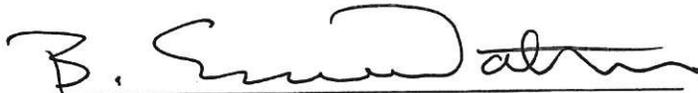
6. This Consent Order is not intended to indicate that RealtyShares 364 should be subject to any statutory disqualification set forth in (a) the federal securities laws or regulations promulgated thereunder, (b) the rules and regulations of any self-regulatory organizations, or (c) various states’ securities 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, RealtyShares 364 agrees to pay a fine in the amount of \$1,000.00 for the aforementioned late notice filing.

ORDER

IT IS THEREFORE ORDERED that RealtyShares 364 pay a fine in the amount of \$1,000.00 to the Department within 10 days of the entry of this order.

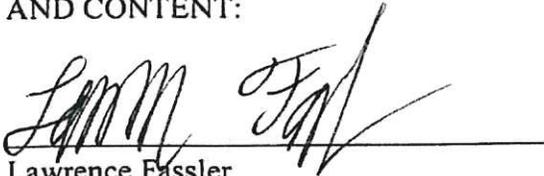


B. Edmond Waters
Arkansas Securities Commissioner

June 18, 2018

Date

APPROVED AS TO FORM
AND CONTENT:



Lawrence Fassler
Corporate Counsel of RealtyShares 364

June 18, 2018

Date



Scott Freydl
Staff Attorney

6/18/18

Date