

RECEIVED

19 JAN 14 PM 12:28

ARKANSAS SECURITIES DEPT.

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO. S-19-0001
ORDER NO. S-19-0001-19-OR01**

**IN THE MATTER OF:
HIGHTIMES HOLDING CORP.**

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 Hightimes Holding Corp. (“Hightimes”), in full and final settlement of all claims that could be brought against Hightimes by the Staff on the basis of the facts set forth herein. Hightimes 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. Between June 23, 2018 and November 30, 2018, agents or employees of Hightimes sold securities issued by Hightimes to 115 Arkansas residents. On November 26, 2018, Hightimes filed a Regulation A – Tier 2 notice filing of Sale of Securities on United States Securities and Exchange Commission (“SEC”) with the Arkansas Securities Department (“Department”) for the Hightimes securities offering.
2. Hightimes fully cooperated with the Staff during the Staff’s investigation of this matter.

APPLICABLE LAW

3. Ark. Code Ann. § 23-42-509(e) and Rule 509.01(c)(1) state that an issuer planning to offer and sell securities in this state exempt under Tier 2 of federal Regulation A shall submit to the commissioner a completed Regulation A – Tier 2 notice filing or copies of all documents filed with the SEC prior to the initial offer or sale.

CONCLUSIONS OF LAW

4. The Regulation A – Tier 2 notice filing was filed by Hightimes with the Department over four months after the first sale of securities to Arkansas residents, as detailed in paragraph one, was a violation of Ark. Code Ann. § 23-42-509(e) and Rule 509.01(c)(1) of the Rules.

5. This Consent Order is not intended to indicate that Hightimes 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, Hightimes agrees to pay a fine in the amount of \$1,000.00.

ORDER

IT IS THEREFORE ORDERED that Hightimes shall pay a fine in the amount of \$1,000.00 to the Department upon the entry of this Order.



B. Edmond Waters
Arkansas Securities Commissioner

Jan 14, 2019
Date

APPROVED AS TO FORM
AND CONTENT:

Adam Levin
CEO of Hightimes

January 10, 2019
Date


Robert M. Cossio
Staff Attorney

1-14-19
Date