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ARKANSAS SECURITIES DEPT.

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER**  
**CASE NO. S-18-0041**  
**ORDER NO. S-18-0041-18-OR01**

**IN THE MATTER OF:**  
**SOUNDFI SYSTEMS, 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 SoundFi Systems, LLC (“SoundFi”), in full and final settlement of all claims that could be brought against SoundFi by the Staff on the basis of the facts set forth herein. SoundFi 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 October 4, 2017, agents or employees of SoundFi sold securities issued by SoundFi to one Arkansas resident. On March 9, 2018, SoundFi 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 SoundFi securities offering.

2. SoundFi 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 SoundFi with the Department, as detailed in Paragraph one, which otherwise complied with Ark. Code Ann. § 23-42-509(c)(1) and Rule 509.01(b)(2), failed to comply with the fifteen (15) day time frame prescribed by Ark. Code Ann. § 23-42-509(c)(1) and Rule 509.01(b)(2) and therefore was a violation of the same.

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

#### ORDER

IT IS THEREFORE ORDERED that SoundFi 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

5-15-2018  
Date

APPROVED AS TO FORM  
AND CONTENT:

*Chris Anastas*

Chris Anastas  
Manager and Authorized Signatory  
of SoundFi Systems, LLC



Robert M. Cossio  
Staff Attorney

05/15/2018

Date

5-15-18

Date