

**STATE OF ARKANSAS
SECURITIES DEPARTMENT**

IN THE MATTER OF

KELCRO, INC.

ORDER PROVIDING A
TRANSACTIONAL EXEMPTION
FROM REGISTRATION
NO. 08-80008262-OR003

FINDINGS OF FACT

1. On December 18, 2008, a letter was received by the Arkansas Securities Commissioner requesting that the proposed offering and sale of fifty percent (50%) of the outstanding shares of the capital stock (the "Stock") of Kelcro, Inc. (the "Company"), to Matthew Enderlin (hereinafter referred to as the "Transaction"), be determined to be an exempt transaction pursuant to Ark. Code Ann. §23-42-504(a)(12).

2. The Company is a corporation organized under the laws of the State of Arkansas. The Stock consists of fifty percent (50%) of the outstanding shares of the capital stock of the Company owned by Ron Keltner (the "Seller").

3. The buyer will be Matthew Enderlin (the "Buyer").

4. An exemption from registration has been requested pursuant to the Commissioner's discretionary authority under Ark. Code Ann. §23-42-504(a)(12). The Seller and the Buyer have fully and completely been involved in the negotiation of an agreement for the sale of the Stock, and they have been, or had the opportunity to be represented in these negotiations by counsel. The Buyer has had access to financial and other information concerning the parties as is necessary to make an informed investment decision. Based upon the foregoing, the Transaction is not the type which the Arkansas Securities Act (the "Act") is designed to

protect by requiring registration, particularly when the transaction involved is the sale of fifty (50%) of a business.

CONCLUSIONS OF LAW

1. Under §23-42-504(a)(12) of the Act, the Commissioner may by order exempt certain transactions from §§23-42-501 and 23-42-502 of the Act as not being necessary or appropriate in the public interest for the protection of investors.

2. It is not necessary or appropriate in the public interest for the protection of investors for the Seller or the Buyer to be required to register the Transaction under the Act for the purposes of the contemplated offering.

3. It is not necessary or appropriate in the public interest for the protection of investors for the Seller or the Buyer to be required to engage the services of a registered agent for the purpose of making sales of the securities.

OPINION

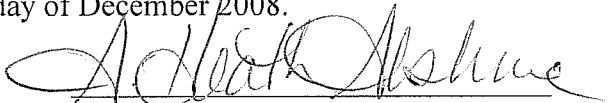
In recognition of the representations made by the Seller, it appears registration of this Transaction is unnecessary in this instance.

This order does not exempt the Seller from the antifraud provisions of the Act.

ORDER

IT IS THEREFORE ORDERED that securities offered or sold in Arkansas for the proposed Transaction, if offered and sold in compliance with the representations made in the letter of December 17, 2008, and the attached exhibits, and in accordance with the Findings of Fact stated herein, shall be exempted from §§23-42-501 and 23-42-502 of the Act.

WITNESS MY HAND AND SEAL this 23rd day of December 2008.


A. HEATH ABSHURE
SECURITIES COMMISSIONER