

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

Case No. S-08-049

IN THE MATTER OF

CREATIVE CHICKEN CORPORATION,
AND
OWEN LAUGHLIN

Order No. S-08-049-08-FO01

ORDER AFFIRMING CEASE AND DESIST

A hearing was held before the Arkansas Securities Commissioner (“Commissioner”) in the above-styled matter on November 20, 2008. The hearing was conducted at the request of Respondent Owen Laughlin (“Laughlin”). Laughlin appeared at the hearing, pro se. Appearing on behalf of the Arkansas Securities Department staff (“Staff”) were Alexandra Stephens and Mike Spades, Jr. Upon consideration of the pleadings, testimony of the witnesses, exhibits, and arguments, the Commissioner hereby finds, concludes and orders:

FINDINGS OF FACT

1. On July 28, 2008, the Staff submitted its Request for Issuance of Cease and Desist Order (“Request”). In its Request, the Staff alleged that it had information and evidence indicating that Creative Chicken Corporation (“CCC”) and its president, Laughlin, had violated certain provisions of the Arkansas Securities Act, Ark. Code Ann. §§ 23-42-101 through 23-42-509 (“Act”), through its public offers to sell shares of stock in CCC. On July 28, 2008, the Commissioner entered a Cease and Desist Order (Order No. S-08-049-08-CD01) directing CCC and Laughlin to immediately cease and desist from selling or offering to sell unregistered and nonexempt securities in the form of shares of stock in CCC. The Cease and Desist Order further ordered CCC and Laughlin to cease and desist from advertising the sale of its unregistered and nonexempt securities. The Cease and Desist Order directed CCC and Laughlin to remove and make inaccessible the public and potential investors any forms of advertising currently in the

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marketplace. In a letter to the Commissioner dated August 26, 2008, Laughlin requested a hearing on the Cease and Desist Order. The Commissioner scheduled the requested hearing for October 16, 2008. In a letter to the Commissioner dated October 13, 2008, Laughlin requested a continuance of the hearing scheduled for October 16, 2008. Laughlin's request for a continuance was granted and this matter was rescheduled for November 20, 2008.

2. Through the introduction of exhibits and the testimony of witnesses at the hearing, the Staff has presented substantial evidence supporting the assertions of fact contained in Paragraphs 1(A) through 1(H) of the Cease and Desist Order entered July 28, 2008.

3. The assertions of fact contained in the Paragraphs 1(A) though 1(H) of the Cease and Desist Order are hereby adopted as findings of fact into this order, and are incorporated herein as if recited word for word.

4. Entry of the Cease and Desist Order in July was warranted. The cease and desist order should be affirmed and remain in full force and effect.

CONCLUSIONS OF LAW

5. This matter is properly before the Commissioner pursuant to Ark. Code Ann. § 23-42-209.

6. The shares of stock offered for sale by CCC and Laughlin are securities as defined by Ark. Code Ann. § 23-42-102(15)(A).

7. It is unlawful for any person to offer or sell any security in Arkansas unless the security is registered with the Arkansas Securities Department, the security or transaction is exempted from registration under the Act, or the security is a covered security as defined by the Act. Ark. Code Ann. § 23-42-501.

8. Whenever it appears to the Commissioner, upon sufficient grounds and evidence satisfactory to the Commissioner, that any person has engaged in or is about to engage in any act

or practice that is a violation of the Act, the Commissioner may summarily order the person to cease and desist from the act or practice. Ark. Code. Ann. § 23-42-209(a)(1)(A).

9. Upon entering a cease and desist order, the Commissioner shall then promptly notify the persons that the order has been entered, of the reasons for the order, and of his or her right to a hearing on the order. Ark. Code Ann. § 23-42-209(a)(1)(B). A hearing shall be held on the written request of the person aggrieved by the order if the request is received by the Commissioner within thirty (30) days of the date of the entry of the order, or if ordered by the Commissioner. Ark. Code Ann. § 23-42-209(a)(2)(A). If a hearing is requested or ordered, the Commissioner, after notice of an opportunity for hearing, may affirm, modify, or vacate the order. Ark. Code Ann. § 23-42-209(a)(2)(C).

ORDER

IT IS HEREBY ORDERED that the Cease and Desist order entered July 28, 2008, should be and hereby is affirmed, and shall remain in full force and effect.

IT IS SO ORDERED



A. HEATH ABSHURE
ARKANSAS SECURITIES COMMISSIONER



DATE

Order Prepared by:
Mike Spades, Jr.
Staff Attorney
Arkansas Securities Department