

**STATE OF ARKANSAS
SECURITIES DEPARTMENT**

**IN THE MATTER OF THE
DEFERRED COMPENSATION PLAN
Of HEALTH DATA SERVICES, LLC,
An Arkansas Limited Liability Company**

**ORDER PROVIDING A
TRANSACTIONAL
EXEMPTION FROM
REGISTRATION
NO. 00-002-S**

Findings of Fact

1. On February 2, 2000, a letter was received by the Arkansas Securities Commissioner requesting that the proposed awards of deferred compensation interests by Health Data Services, LLC (the "Company") to three (3) members of its Advisory Committee (the "Transaction") be determined to be an exempt transaction pursuant to Ark. Code Ann. § 23-42-504(a)(12).

2. The Company is a limited liability company organized under the laws of the State of Arkansas. The securities consist of deferred compensation interests awarded under the Company's Deferred Compensation Plan.

3. The participants in the Deferred Compensation Plan will be the following members of the Company's Advisory Committee: Lynn Zeno, Lee Wimberly and John DeLoach, M.D. (the "Participants"). None of the Participants are members or employees of the Company.

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 Participants have had access to financial and other information concerning the Company as is necessary for them to make an informed investment decision. Based upon the foregoing, the Transaction is not the type the Arkansas Securities Act (the "Act") is designed to regulate by requiring registration.

Opinion

Based upon the representations made by the Company, it appears that registration of the proposed awards of deferred compensation interests by the Company is unnecessary.

This Order does not exempt the Company from the anti-fraud provisions of the Act.

Conclusions of Law

1. Pursuant to Ark. Code Ann. § 23-42-504(a)(12), the Commissioner may by order exempt from § 23-42-501 and § 23-42-502 of the Act, transactions 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 Company to be required to register the Transaction under the Act for the purposes of the contemplated awards of deferred compensation interests.

3. It is not necessary or appropriate in the public interest for the protection of investors for the Company to be required to engage the services of a registered agent for the purposes of awarding the Company's deferred compensation interests.

Order

IT IS THEREFORE ORDERED that any deferred compensation interests of the Company offered or sold in Arkansas for the proposed Transaction, if offered and sold in compliance with the representations made in the letter of February 2, 2000 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 4th day of February, 2000.



MAC DODSON,
SECURITIES COMMISSIONER