

**STATE OF ARKANSAS  
SECURITIES DEPARTMENT**

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IN THE MATTER OF

RICE BELT TELEPHONE CO., INC.

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ORDER PROVIDING A  
TRANSACTIONAL EXEMPTION  
FROM REGISTRATION  
NO. 01-010-S

**FINDINGS OF FACT**

1. On February 20, 2001, a letter was received by the Arkansas Securities Commissioner requesting that the proposed offering and sale of one thousand eighty nine shares (1,089) of the capital stock (the "Stock") of Rice Belt Telephone Co., Inc. (the "Company"), to Rice Belt Holdings, Inc. (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 one thousand eighty nine (1,089) shares of the capital stock of the Company owned by Roy Wiles (the "Seller"). Further, there are no more than thirteen (13) shares that are outstanding to any person or entity other than Roy Wiles. As a result, the stock being sold constitutes at least ninety eight and 8/10 percent (98.8%) of the outstanding stock of the Company.

3. The buyer will be Rice Belt Holdings, Inc. (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 represented in these negotiations by counsel. The Seller

and the Buyer have 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 the Arkansas Securities Act (the "Act") was designed to protect by requiring registration.

#### **CONCLUSIONS OF LAW**

1. Under Section 23-42-504(a)(12) of the Act, the Commissioner may by order exempt certain transactions from Sections 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.

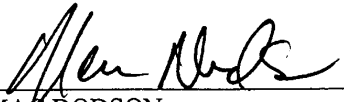
This order does not exempt the Seller or the Buyer from the antifraud provisions of the Act.

#### **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 February 20, 2001, and in accordance with the Findings of Fact stated herein, shall be exempted from Sections 23-42-501 and 23-42-502 of the Act.

WITNESS MY HAND AND SEAL this 21<sup>st</sup> day of February 2001.

  
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MAC DODSON  
SECURITIES COMMISSIONER